

Scotia Private Pools[®] and Pinnacle Portfolios **Interim Report**

June 30, 2017

Money Market Fund

Scotia Private Short Term Income Pool

Bond Funds

Scotia Private Income Pool

Scotia Private High Yield Income Pool

Scotia Private American Core-Plus Bond Pool

Balanced Fund

Scotia Private Strategic Balanced Pool

Canadian Equity Funds

Scotia Private Canadian Value Pool

Scotia Private Canadian Mid Cap Pool

Scotia Private Canadian Growth Pool

Scotia Private Canadian Small Cap Pool

Foreign Equity Funds

Scotia Private U.S. Value Pool

Scotia Private U.S. Mid Cap Value Pool

Scotia Private U.S. Mid Cap Growth Pool

Scotia Private U.S. Large Cap Growth Pool

Scotia Private International Equity Pool

Scotia Private International Small to Mid Cap Value Pool

Scotia Private Emerging Markets Pool

Scotia Private Global Equity Pool

Scotia Private Global Real Estate Pool

Pinnacle Portfolios

Pinnacle Income Portfolio

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Pinnacle Growth Portfolio

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Scotia Private Short Term Income Pool (Unaudited)

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	5,165,005	5,834,908
Cash	151,532	126,264
Subscriptions receivable	—	3,996
Accrued investment income and other	331	251
	<u>5,316,868</u>	<u>5,965,419</u>
LIABILITIES		
Current liabilities		
Management fee payable	37	—
Redemptions payable	1,540	1,340
Accrued expenses	2,640	272
Distributions payable	12	21
	<u>4,229</u>	<u>1,633</u>
Net assets attributable to holders of redeemable units	<u>5,312,639</u>	<u>5,963,786</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	5,236,529	5,889,671
Series F	<u>76,110</u>	<u>74,115</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	10.00	10.00
Series F	<u>10.00</u>	<u>10.00</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Interest for distribution purposes	21,531	25,955
Net gain (loss) on investments	21,531	25,955
Securities lending (note 11)	2	15
Total income (loss), net	<u>21,533</u>	<u>25,970</u>
EXPENSES		
Management fees (note 5)	185	169
Independent Review Committee fees	576	566
Audit fees	5,139	70
Custodian fees	897	459
Filing fees	8,093	8,100
Legal fees	32	43
Unitholder administration costs	17,298	15,753
Unitholder reporting costs	2,129	1,098
Other fund costs	—	1
Harmonized Sales Tax/Goods and Services Tax	2,982	1,897
Total expenses	37,331	28,156
Expenses absorbed by the Manager	<u>(22,022)</u>	<u>(10,048)</u>
Net expenses	<u>15,309</u>	<u>18,108</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>6,224</u>	<u>7,862</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	6,172	7,810
Series F	<u>52</u>	<u>52</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†		
Pinnacle Series	0.01	0.01
Series F	<u>0.01</u>	<u>0.01</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	540,090	650,460
Series F	<u>7,416</u>	<u>6,940</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.

Scotia Private Short Term Income Pool (Unaudited – Continued)

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

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	5,889,671	6,083,021
Series F	74,115	147,006
	5,963,786	6,230,027
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	6,172	7,810
Series F	52	52
	6,224	7,862
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(6,172)	(7,810)
Series F	(52)	(52)
	(6,224)	(7,862)
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	1,415,295	2,466,867
Series F	6,000	6,000
Reinvested distributions		
Pinnacle Series	6,097	7,774
Series F	52	52
Payments on redemption		
Pinnacle Series	(2,074,534)	(3,395,427)
Series F	(4,057)	(88,144)
	(651,147)	(1,002,878)
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	(653,142)	(920,786)
Series F	1,995	(82,092)
	(651,147)	(1,002,878)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	5,236,529	5,162,235
Series F	76,110	64,914
	5,312,639	5,227,149

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	6,224	7,862
Adjustments for:		
Purchases of portfolio investments	(9,795,860)	(18,714,183)
Proceeds from sale of portfolio investments	10,465,763	19,633,713
Accrued investment income and other	(80)	50
Accrued expenses and other payables	2,405	2,747
Net cash provided by (used in) operating activities	678,452	930,189
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	1,425,291	2,472,867
Amounts paid on redemption of redeemable units	(2,078,390)	(3,483,570)
Distributions to unitholders of redeemable units	(85)	(30)
Net cash provided by (used in) financing activities	(653,184)	(1,010,733)
Net increase (decrease) in cash	25,268	(80,544)
Cash (bank overdraft), beginning of period	126,264	144,169
CASH (BANK OVERDRAFT), END OF PERIOD	151,532	63,625
Interest received ⁽¹⁾	21,451	24,987

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
MONEY MARKET INSTRUMENTS – 97.2%			
Short Term Bonds – 28.9%			
Bank of Montreal (Floating Rate) 1.33% Dec 21, 2017	150,000	150,326	150,270
Bank of Montreal 2.24% Dec 11, 2017	100,000	101,043	100,618
BMW Canada Inc. 2.39% Nov 27, 2017	100,000	101,045	100,793
Caisse Centrale Desjardins 3.50% Oct 05, 2017	100,000	102,357	101,464
Canadian Imperial Bank of Commerce (Floating Rate) 1.02% May 08, 2018	150,000	150,075	150,156
Honda Canada Finance Inc. 2.28% Dec 11, 2017	100,000	101,205	100,662
HSBC Bank of Canada 3.56% Oct 04, 2017	100,000	102,287	101,478
Hydro Quebec Interest Strip 0.00% Aug 15, 2017	225,000	223,461	224,810
Lower Mattagami Energy LP 2.23% Oct 23, 2017	100,000	100,587	100,812
National Bank of Canada 2.69% Aug 21, 2017	150,000	152,233	151,761
OMERS Realty Corporation 2.50% Jun 05, 2018	100,000	101,222	101,341
Royal Bank of Canada (Floating Rate) 1.04% Aug 04, 2017	150,000	150,000	150,109
		<u>1,535,841</u>	<u>1,534,274</u>
Bankers' Acceptances – 6.6%			
Canadian Imperial Bank of Commerce 0.00% May 03, 2018	100,000	99,038	99,161
Manulife Bank of Canada 0.00% Sep 26, 2017	100,000	98,971	99,755
Toronto-Dominion Bank, The 0.00% Jul 05, 2017	150,000	149,684	149,987
		<u>347,693</u>	<u>348,903</u>
Commercial Paper – 15.5%			
Daimler Canada Finance Inc. 0.00% Aug 11, 2017	125,000	124,664	124,878
Enbridge Gas Distribution Inc. 0.00% Jul 06, 2017	100,000	99,782	99,987
FortisBC Energy Inc. 0.00% Aug 02, 2017	100,000	99,804	99,932
Greater Toronto Airports Authority 0.00% Jul 17, 2017	100,000	99,931	99,967
Husky Energy Inc. 0.00% Jul 06, 2017	100,000	99,781	99,987
Inter Pipeline Ltd. 0.00% Jul 11, 2017	100,000	99,852	99,976
Ontario Teachers Financial Trust 0.00% Jul 20, 2017	200,000	199,716	199,924
		<u>823,530</u>	<u>824,651</u>
Promissory Notes – 30.8%			
Province of Alberta 0.00% Sep 05, 2017	600,000	599,214	599,326
Province of British Columbia 0.00% Aug 23, 2017	440,000	439,538	439,617
Province of British Columbia 0.00% Jul 19, 2017	400,000	399,344	399,880
Province of Prince Edward Island 0.00% Jul 17, 2017	200,000	199,680	199,947
		<u>1,637,776</u>	<u>1,638,770</u>
Treasury Bills – 15.4%			
Province of Manitoba 0.00% Aug 16, 2017	500,000	499,310	499,647
Province of Ontario 0.00% Mar 14, 2018	220,000	218,398	218,835
Province of Quebec 0.00% Aug 18, 2017	100,000	99,858	99,925
		<u>817,566</u>	<u>818,407</u>
TOTAL INVESTMENT PORTFOLIO	<u>5,162,406</u>		5,165,005
OTHER ASSETS, LESS LIABILITIES – 2.8%			147,634
NET ASSETS – 100.0%			<u>5,312,639</u>

Instruments with a 0.00% stated interest rate are purchased at a discount to face value. The discount represents the implied effective interest.

Scotia Private Short Term Income Pool (Unaudited – Continued)

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FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to preserve investment capital while providing interest income and maintaining liquidity by investing primarily in highly liquid, senior investment grade money market instruments (i.e. federal and provincial treasury bills and bond) and bankers acceptances with a minimum credit rating of R-1(low) or A-1(low).

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 of the Fund's portfolio, excluding cash and overdrafts, as applicable.

Interest rate exposure	June 30, 2017 (\$)	December 31, 2016 (\$)
Less than 1 year	5,165,005	5,834,908
1-3 years	–	–
3-5 years	–	–
5-10 years	–	–
> 10 years	–	–
	5,165,005	5,834,908

As at June 30, 2017, 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 \$1,573 or approximately 0.0% (December 31, 2016 – \$1,751 or approximately 0.0%).

Currency risk

The Fund did not have significant currency risk exposure as at June 30, 2017 or December 31, 2016.

Price risk

The Fund did not have significant price risk exposure to equities, underlying funds, derivatives or commodities, if applicable, as at June 30, 2017 and December 31, 2016.

Credit risk

The table below summarizes the credit ratings of bond and debentures and money market instruments held by the Fund.

Credit ratings	June 30, 2017		December 31, 2016	
	Percentage of total money market instruments (%)	Percentage of net assets (%)	Percentage of total money market instruments (%)	Percentage of net assets (%)
Short Term Rating				
A-1+	50.6	49.0	38.3	37.4
A-1	19.8	19.3	24.2	23.7
Bond Credit Rating				
AAA	–	–	6.9	6.8
AA	15.5	15.2	13.8	13.5
A	14.1	13.7	16.8	16.4
	100.0	97.2	100.0	97.8

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 (%)	
	June 30, 2017	December 31, 2016
Bankers' Acceptances	6.6	7.1
Bearers' Deposit Notes	–	1.7
Commercial Paper	15.5	8.8
Promissory Notes	30.8	21.3
Provincial Bonds	–	3.3
Short Term Bonds	28.9	33.4
Treasury Bills	15.4	22.2

Fair Value Classification (note 2)

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

June 30, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds and debentures	–	1,534,274	–	1,534,274
Money market instruments	–	3,630,731	–	3,630,731
	–	5,165,005	–	5,165,005

December 31, 2016	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds and debentures	–	2,193,529	–	2,193,529
Money market instruments	–	3,641,379	–	3,641,379
	–	5,834,908	–	5,834,908

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at June 30, 2017 and December 31, 2016, 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 June 30, 2017 or December 31, 2016.

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

As at June 30, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia Private Income Pool (Unaudited)

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	496,824,834	475,465,215
Cash	8,348,015	11,909,637
Receivable for securities sold	119,173,979	11,248,063
Subscriptions receivable	1,510,084	735,817
Accrued investment income and other	1,982,345	2,231,793
	<u>627,839,257</u>	<u>501,590,525</u>
LIABILITIES		
Current liabilities		
Management fee payable	1,105	39
Payable for securities purchased	106,387,126	10,679,103
Redemptions payable	838,186	529,990
Accrued expenses	33,054	1,007
Distributions payable	30,467	—
	<u>107,289,938</u>	<u>11,210,139</u>
Net assets attributable to holders of redeemable units	<u>520,549,319</u>	<u>490,380,386</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	495,407,629	464,089,721
Series F	1,745,646	1,889,170
Series I	<u>23,396,044</u>	<u>24,401,495</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	10.69	10.67
Series F	11.02	10.96
Series I	<u>10.79</u>	<u>10.70</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Interest for distribution purposes	5,501,537	6,030,824
Net realized gain (loss) on non-derivative financial assets	(924,215)	1,243,025
Change in unrealized gain (loss) on non-derivative financial assets	<u>2,394,942</u>	<u>11,574,213</u>
Net gain (loss) on investments	<u>6,972,264</u>	<u>18,848,062</u>
Securities lending (note 11)	24,806	21,148
Other income	<u>3,232</u>	<u>2,693</u>
Total income (loss), net	<u>7,000,302</u>	<u>18,871,903</u>
EXPENSES		
Management fees (note 5)	6,359	7,302
Fixed administration fees (note 6)	172,622	150,120
Independent Review Committee fees	576	563
Other fund costs	—	78
Harmonized Sales Tax/Goods and Services Tax	<u>17,980</u>	<u>16,136</u>
Total expenses	<u>197,537</u>	<u>174,199</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>6,802,765</u>	<u>18,697,704</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	6,312,300	17,452,589
Series F	22,066	76,822
Series I	<u>468,399</u>	<u>1,168,293</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT*		
Pinnacle Series	0.14	0.46
Series F	0.13	0.41
Series I	<u>0.21</u>	<u>0.45</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	45,052,964	38,299,617
Series F	165,796	187,762
Series I	<u>2,260,147</u>	<u>2,615,235</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.

Scotia Private Income Pool (Unaudited – Continued)

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

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	464,089,721	393,787,102
Series F	1,889,170	2,200,367
Series I	24,401,495	29,816,483
	<u>490,380,386</u>	<u>425,803,952</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	6,312,300	17,452,589
Series F	22,066	76,822
Series I	468,399	1,168,293
	<u>6,802,765</u>	<u>18,697,704</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(5,543,236)	(5,973,092)
Series F	(12,614)	(19,714)
Series I	(276,458)	(396,771)
	<u>(5,832,308)</u>	<u>(6,389,577)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	82,676,050	81,180,191
Series F	172,271	399,635
Series I	502,200	70,601
Reinvested distributions		
Pinnacle Series	5,481,552	5,915,006
Series F	7,283	13,687
Series I	276,458	396,771
Payments on redemption		
Pinnacle Series	(57,608,758)	(42,557,197)
Series F	(332,530)	(433,514)
Series I	(1,976,050)	(3,159,850)
	<u>29,198,476</u>	<u>41,825,330</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	31,317,908	56,017,497
Series F	(143,524)	36,916
Series I	(1,005,451)	(1,920,956)
	<u>30,168,933</u>	<u>54,133,457</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	495,407,629	449,804,599
Series F	1,745,646	2,237,283
Series I	23,396,044	27,895,527
	<u>520,549,319</u>	<u>479,937,409</u>

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	6,802,765	18,697,704
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	924,215	(1,243,025)
Change in unrealized (gain) loss on non-derivative financial assets	(2,394,942)	(11,574,213)
Purchases of portfolio investments	(468,920,437)	(475,958,810)
Proceeds from sale of portfolio investments	436,813,653	436,954,884
Accrued investment income and other	249,448	(129,140)
Accrued expenses and other payables	33,113	30,172
Net cash provided by (used in) operating activities	<u>(26,492,185)</u>	<u>(33,222,428)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	82,576,254	79,961,929
Amounts paid on redemption of redeemable units	(59,609,143)	(45,706,974)
Distributions to unitholders of redeemable units	(36,548)	(34,119)
Net cash provided by (used in) financing activities	<u>22,930,563</u>	<u>34,220,836</u>
Net increase (decrease) in cash	(3,561,622)	998,408
Cash (bank overdraft), beginning of period	11,909,637	2,948,928
CASH (BANK OVERDRAFT), END OF PERIOD	<u>8,348,015</u>	<u>3,947,336</u>
Interest received ⁽¹⁾	5,750,987	5,901,685

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)	Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES – 95.5%				BONDS AND DEBENTURES (cont'd)			
Corporate Bonds – 29.1%				Provincial Bonds – 34.3%			
Alimentation Couche-Tard Inc. (Callable) 3.60% Mar 02, 2025	2,000,000	2,056,000	2,068,943	Province of Alberta 2.55% Jun 01, 2027	19,600,000	19,905,760	19,618,904
Allied Properties Real Estate Investment Trust 3.75% May 13, 2020	1,500,000	1,550,700	1,547,461	Province of British Columbia 3.70% Dec 18, 2020	13,500,000	14,671,800	14,462,672
Allied Properties Real Estate Investment Trust 3.93% Nov 14, 2022	970,000	996,093	997,884	Province of Manitoba 2.45% Jun 02, 2025	11,000,000	11,224,176	11,082,682
American Express Canada Credit Corporation 2.31% Mar 29, 2018	2,000,000	2,025,720	2,014,628	Province of Ontario 2.60% Jun 02, 2027	26,400,000	27,192,000	26,727,583
Bank of Montreal 1.61% Oct 28, 2021	2,033,000	2,032,898	1,996,206	Province of Ontario 2.80% Jun 02, 2048	23,050,000	21,534,934	22,422,635
Bank of Montreal 1.88% Mar 31, 2021	4,733,000	4,756,492	4,719,928	Province of Ontario 3.50% Jun 02, 2024	9,500,000	10,428,910	10,296,275
Bank of Montreal 2.10% Oct 06, 2020	8,528,000	8,638,341	8,600,629	Province of Quebec 3.00% Sep 01, 2023	70,000,000	75,684,000	73,759,361
Bank of Montreal 2.84% Jun 04, 2020	159,000	167,212	163,799			180,641,580	178,370,112
Bank of Nova Scotia, The 1.90% Dec 02, 2021	3,500,000	3,504,165	3,471,142	TOTAL INVESTMENT PORTFOLIO		<u>502,288,572</u>	496,824,834
Bank of Nova Scotia, The 2.13% Jun 15, 2020	2,370,000	2,386,711	2,391,664	OTHER ASSETS, LESS LIABILITIES – 4.5%			23,724,485
Bell Canada 3.25% Jun 17, 2020	2,000,000	2,096,020	2,072,808	NET ASSETS – 100.0%			<u>520,549,319</u>
Canadian Imperial Bank of Commerce 1.64% Jul 12, 2021	3,456,000	3,454,593	3,408,777				
Canadian Imperial Bank of Commerce 1.85% Jul 14, 2020	4,871,000	4,888,901	4,879,733				
Canadian Imperial Bank of Commerce 1.90% Apr 26, 2021	4,599,000	4,596,609	4,590,617				
Caterpillar Financial Services Ltd. 1.75% Jun 03, 2019	4,000,000	4,041,520	4,009,375				
Daimler Canada Finance Inc. 1.91% Jul 08, 2021	2,500,000	2,511,975	2,474,379				
Dollarama Inc. 2.34% Jul 22, 2021	3,405,000	3,441,229	3,414,910				
Glacier Credit Card Trust 2.76% Nov 20, 2018	5,000,000	5,143,500	5,080,216				
Hollis Receivables Term Trust II 1.79% Feb 26, 2020	4,000,000	4,055,360	3,999,168				
Loblaw Companies Limited 3.75% Mar 12, 2019	3,000,000	3,145,020	3,098,957				
Manufacturers Life Insurance Company, The (Callable) 2.81% Feb 21, 2019	4,000,000	4,069,520	4,062,571				
Manulife Bank of Canada 1.41% Feb 27, 2018	5,000,000	5,007,200	5,001,888				
Metro Inc. (Callable) 3.20% Nov 01, 2021	1,500,000	1,570,170	1,553,241				
National Bank of Canada 1.74% Mar 03, 2020	9,300,000	9,340,176	9,287,014				
New Brunswick F-M Project Company Inc. 6.47% Nov 30, 2027	1	1	1				
PSP Capital Inc. 3.29% Apr 04, 2024	15,000,000	16,422,600	16,002,959				
Rogers Communications Inc. 4.70% Sep 29, 2020	2,000,000	2,225,480	2,165,481				
Royal Bank of Canada 1.58% Sep 13, 2021	3,243,000	3,240,277	3,179,490				
Royal Bank of Canada 1.92% Jul 17, 2020	2,486,000	2,494,496	2,493,726				
Royal Bank of Canada 1.97% Mar 02, 2022	3,485,000	3,446,721	3,461,240				
Royal Bank of Canada 2.03% Mar 15, 2021	9,793,000	9,806,969	9,813,179				
TELUS Corporation (Callable) 3.75% Oct 17, 2024	3,000,000	3,184,560	3,168,486				
Toronto-Dominion Bank, The 1.69% Apr 02, 2020	6,131,000	6,166,462	6,120,324				
Toronto-Dominion Bank, The 1.91% Jul 18, 2023	4,539,000	4,552,677	4,444,793				
Toronto-Dominion Bank, The 2.05% Mar 08, 2021	7,244,000	7,294,802	7,271,057				
Toronto-Dominion Bank, The 2.56% Jun 24, 2020	3,072,000	3,172,956	3,141,038				
Toyota Credit Canada Inc. 2.75% Jul 18, 2018	5,000,000	5,123,350	5,066,314				
		<u>152,607,476</u>	<u>151,234,026</u>				
Federal Bonds – 31.8%							
Canadian Government Bond 1.00% Jun 01, 2027	177,800,000	167,510,082	165,710,341				
Mortgage-Backed Securities – 0.3%							
Canadian Credit Card Trust II 1.83% Mar 24, 2020	1,510,000	1,529,434	1,510,355				

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to preserve investment capital while seeking to achieve increased income by investing primarily in a portfolio of Canadian government and corporate bonds, preferred shares of Canadian corporations and loans of supranational organizations.

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 of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	June 30, 2017 (\$)	December 31, 2016 (\$)
Less than 1 year	7,016,516	–
1-3 years	51,551,063	46,885,216
3-5 years	81,956,407	100,257,638
5-10 years	333,878,211	260,597,773
> 10 years	22,422,637	67,724,588
	496,824,834	475,465,215

As at June 30, 2017, 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 \$8,829,248 or approximately 1.7% (December 31, 2016 – \$9,191,491 or approximately 1.9%).

Currency risk

The Fund did not have significant currency risk exposure as at June 30, 2017 or December 31, 2016.

Price risk

The Fund did not have significant price risk exposure to equities, underlying funds, derivatives or commodities, if applicable, as at June 30, 2017 and December 31, 2016.

Credit risk

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

Credit ratings	June 30, 2017		December 31, 2016	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
AAA	42.3	40.5	22.4	21.7
AA	34.8	33.2	24.9	24.2
A	18.9	18.0	48.4	47.0
BBB	4.0	3.8	4.3	4.1
	100.0	95.5	100.0	97.0

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 (%)	
	June 30, 2017	December 31, 2016
Corporate Bonds	29.1	34.8
Federal Bonds	31.8	15.5
Mortgage-Backed Securities	0.3	1.1
Provincial Bonds	34.3	45.6

Fair Value Classification (note 2)

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

June 30, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds and debentures	–	496,824,834	–	496,824,834
	–	496,824,834	–	496,824,834

December 31, 2016	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds and debentures	–	475,465,215	–	475,465,215
	–	475,465,215	–	475,465,215

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at June 30, 2017 and December 31, 2016, 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 June 30, 2017 or December 31, 2016.

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

As at June 30, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	1,276,419,214	1,227,956,543
Unrealized gain on currency forward contracts	9,853,684	—
Cash	41,880	12,505
Subscriptions receivable	5,351,752	1,010,350
Accrued investment income and other	15,267,368	14,048,089
	<u>1,306,933,898</u>	<u>1,243,027,487</u>
LIABILITIES		
Current liabilities		
Management fee payable	143,658	—
Payable for securities purchased	11,945,323	—
Redemptions payable	2,174,528	1,083,084
Accrued expenses	53,538	6,122
Distributions payable	1,153,332	668
Unrealized loss on currency spot contracts	25,802	—
	<u>15,496,181</u>	<u>1,089,874</u>
Net assets attributable to holders of redeemable units	<u>1,291,437,717</u>	<u>1,241,937,613</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	231,342,632	222,187,763
Series F	16,747,937	16,993,904
Series I	551,271,646	525,927,796
Series K	8,034,497	1,327,050
Series M	<u>484,041,005</u>	<u>475,501,100</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	9.23	9.37
Series F	9.64	9.73
Series I	9.24	9.40
Series K	10.15	10.32
Series M	<u>9.30</u>	<u>9.42</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Dividends	1,398,157	2,507,138
Interest for distribution purposes	31,213,056	29,091,097
Net realized gain (loss) on non-derivative financial assets	34,034,263	1,283,507
Net realized gain (loss) on currency forward contracts	8,776,289	(2,862,780)
Change in unrealized gain (loss) on non-derivative financial assets	(70,110,540)	9,806,140
Change in unrealized gain (loss) on currency forward contracts	9,853,684	3,172,116
Change in unrealized gain (loss) on currency spots contracts	(25,802)	—
Net gain (loss) on investments	<u>15,139,107</u>	<u>42,997,218</u>
Securities lending (note 11)	81	—
Net realized and unrealized foreign currency translation gain (loss)	968,403	(5,464,319)
Other income	1,074	61
Total income (loss), net	<u>16,108,665</u>	<u>37,532,960</u>
EXPENSES		
Management fees (note 5)	784,715	736,897
Fixed administration fees (note 6)	283,875	243,972
Independent Review Committee fees	576	563
Interest expense and bank overdraft charges	924	452
Foreign withholding taxes/tax reclaims	142,699	425,072
Other fund costs	—	196
Harmonized Sales Tax/Goods and Services Tax	102,772	91,845
Transaction costs	19,853	5,831
Total expenses	<u>1,335,414</u>	<u>1,504,828</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>14,773,251</u>	<u>36,028,132</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	2,880,295	6,263,599
Series F	231,816	452,805
Series I	5,493,525	15,837,178
Series K	6,511	—
Series M	<u>6,161,104</u>	<u>13,474,550</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Pinnacle Series	0.12	0.30
Series F	0.13	0.25
Series I	0.10	0.29
Series K	0.01	—
Series M	<u>0.12</u>	<u>0.26</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	24,262,904	20,972,462
Series F	1,754,585	1,784,618
Series I	57,170,173	54,008,086
Series K	457,883	—
Series M	<u>51,184,192</u>	<u>51,120,838</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.

Scotia Private High Yield Income Pool (Unaudited – Continued)

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

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	222,187,763	174,547,341
Series F	16,993,904	16,398,227
Series I	525,927,796	466,871,812
Series K	1,327,050	—
Series M	475,501,100	454,307,887
	<u>1,241,937,613</u>	<u>1,112,125,267</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	2,880,295	6,263,599
Series F	231,816	452,805
Series I	5,493,525	15,837,178
Series K	6,511	—
Series M	6,161,104	13,474,550
	<u>14,773,251</u>	<u>36,028,132</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(6,211,214)	(5,629,679)
Series F	(388,976)	(419,640)
Series I	(15,011,474)	(14,615,069)
Series K	(177,663)	—
Series M	(12,460,903)	(12,851,373)
	<u>(34,250,230)</u>	<u>(33,515,761)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	26,468,387	32,632,459
Series F	677,697	886,904
Series I	25,261,920	21,206,258
Series K	6,923,115	—
Series M	62,363,150	52,188,195
Reinvested distributions		
Pinnacle Series	6,150,496	5,572,573
Series F	85,432	105,789
Series I	15,011,474	14,615,069
Series K	177,663	—
Series M	10,244,907	10,442,367
Payments on redemption		
Pinnacle Series	(20,133,095)	(12,398,802)
Series F	(851,936)	(393,612)
Series I	(5,411,595)	(3,469,150)
Series K	(222,179)	—
Series M	(57,768,353)	(59,413,648)
	<u>68,977,083</u>	<u>61,974,402</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	9,154,869	26,440,150
Series F	(245,967)	632,246
Series I	25,343,850	33,574,286
Series K	6,707,447	—
Series M	8,539,905	3,840,091
	<u>49,500,104</u>	<u>64,486,773</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	231,342,632	200,987,491
Series F	16,747,937	17,030,473
Series I	551,271,646	500,446,098
Series K	8,034,497	—
Series M	484,041,005	458,147,978
	<u>1,291,437,717</u>	<u>1,176,612,040</u>

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	14,773,251	36,028,132
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(34,034,263)	(1,283,507)
Unrealized foreign currency translation (gain) loss	118	970,154
Change in unrealized (gain) loss on non-derivative financial assets	70,110,540	(9,806,140)
Change in unrealized (gain) loss on currency forward contracts	(9,853,684)	(3,172,116)
Change in unrealized (gain) loss on currency spot contracts	25,802	—
Non-cash transactions	(446,828)	—
Purchases of portfolio investments	(1,062,972,308)	(1,029,314,650)
Proceeds from sale of portfolio investments	990,825,511	973,993,629
Accrued investment income and other	(1,219,279)	1,765,111
Accrued expenses and other payables	191,074	180,789
Net cash provided by (used in) operating activities	<u>(32,600,066)</u>	<u>(30,638,598)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	117,352,867	106,630,828
Amounts paid on redemption of redeemable units	(83,295,714)	(73,617,536)
Distributions to unitholders of redeemable units	(1,427,594)	(1,552,852)
Net cash provided by (used in) financing activities	<u>32,629,559</u>	<u>31,460,440</u>
Unrealized foreign currency translation gain (loss)	(118)	(970,154)
Net increase (decrease) in cash	29,493	821,842
Cash (bank overdraft), beginning of period	12,505	324,688
CASH (BANK OVERDRAFT), END OF PERIOD	<u>41,880</u>	<u>176,376</u>
Interest paid ⁽¹⁾	924	452
Interest received ⁽¹⁾	29,786,555	29,997,029
Dividends received, net of withholding taxes ⁽¹⁾	1,015,854	2,358,079

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)	Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES – 91.6%				BONDS AND DEBENTURES (cont'd)			
Corporate Bonds – 89.4%				Corporate Bonds (cont'd)			
ADT Corporation, The 4.13% Jun 15, 2023	USD 15,250,000	18,574,969	19,613,780	Clearwater Seafoods Inc. (Callable)			
AGT Food & Ingredients Inc. (Callable)				6.88% May 01, 2020	USD 1,500,000	2,025,139	2,043,342
5.88% Dec 21, 2018	6,500,000	6,539,375	6,608,333	Concordia Healthcare Corporation			
AK Steel Corporation (Callable) 7.63%				(Callable) 7.00% Apr 15, 2018	USD 1,250,000	1,573,119	244,681
Oct 01, 2021	USD 4,500,000	4,885,541	6,050,097	Concordia Healthcare Corporation			
AK Steel Corporation (Callable) 8.38%				(Callable) 9.50% Dec 15, 2018	USD 12,250,000	15,289,752	2,898,478
Apr 01, 2022	USD 2,000,000	1,783,330	2,715,717	Consolidated Energy Finance SA (Callable)			
Ally Financial Inc. 4.63% Mar 30, 2025	USD 5,000,000	6,696,185	6,643,892	6.75% Oct 15, 2019	USD 4,500,000	5,857,454	5,986,212
American International Group Inc.				CPPIB Capital Inc. 1.40% Jun 04, 2020	9,330,000	9,440,094	9,290,141
(Callable) 2.30% Jun 16, 2019	USD 12,000,000	16,434,104	15,639,548	Credit Suisse AG 6.00% Feb 15, 2018	USD 8,000,000	11,073,524	10,624,729
American International Group Inc. 3.38%				Crestwood Midstream Partners LP /			
Aug 15, 2020	USD 9,800,000	13,397,868	13,121,576	Crestwood Midstream Finance Corporation			
American International Group Inc. 4.88%				(Callable) 6.25% Apr 01, 2018	USD 10,000,000	14,060,269	13,256,927
Jun 01, 2022	USD 1,300,000	1,936,251	1,850,475	CSC Holdings LLC (Callable) 10.13%			
Amkor Technology Inc. (Callable) 6.38%				Jan 15, 2019	USD 2,000,000	3,102,550	3,024,932
Oct 01, 2022	USD 12,300,000	15,136,653	16,664,506	CSC Holdings LLC 5.25% Jun 01, 2024	USD 2,500,000	2,914,412	3,321,622
Armstrong Energy Inc. (Callable) 11.75%				Data & Audio-Visual Enterprises Holdings			
Dec 15, 2019	USD 10,925,000	10,772,606	5,699,680	Inc. (Callable) 15.00% Sep 25, 2018*	2,186,511	1,904,607	–
Avis Budget Car Rental LLC / Avis Budget				DISH DBS Corporation 4.25% Apr 01, 2018	USD 5,000,000	5,013,554	6,571,612
Finance Inc. (Callable) 5.13% Jun 01, 2022	USD 8,250,000	10,820,196	10,629,238	DISH DBS Corporation 5.88% Jul 15, 2022	USD 6,000,000	8,214,721	8,387,678
Avis Budget Car Rental LLC / Avis Budget				DISH DBS Corporation 5.88%			
Finance Inc. (Callable) 6.38% Apr 01, 2019	USD 8,750,000	11,738,774	11,401,058	Nov 15, 2024	USD 15,300,000	19,668,500	21,237,624
Axalta Coating Systems LLC (Callable)				DPL Inc. (Callable) 6.75% Sep 01, 2019	USD 3,000,000	4,150,158	4,077,232
4.88% Aug 15, 2019	USD 5,000,000	7,088,928	6,672,184	DPL Inc. (Callable) 7.25% Jul 15, 2021	USD 10,400,000	11,734,581	14,412,301
Bank of Montreal 2.24% Dec 11, 2017	10,000,000	10,060,400	10,047,657	Dynegy Inc. (Callable) 5.88% Jun 01, 2018	USD 5,000,000	6,209,514	6,115,440
Bank of Nova Scotia, The (Callable) 3.04%				Dynegy Inc. (Callable) 6.75% May 22, 2017	USD 13,500,000	18,488,712	18,153,440
Oct 18, 2019	11,000,000	10,837,600	11,265,783	Dynegy Inc. (Callable) 7.38% Nov 01, 2018	USD 6,000,000	7,745,232	7,735,722
Bank of Nova Scotia, The 2.40%				Exela Intermediate LLC / Exela Finance Inc.			
Oct 28, 2019	1,300,000	1,299,701	1,320,353	(Callable) 10.00% Jul 15, 2020	USD 9,000,000	11,721,650	11,595,532
Banro Corporation (Callable) 10.00%				Fairfax Financial Holdings Limited			
Mar 01, 2021	USD 6,750,000	8,437,843	7,438,643	6.40% May 25, 2021	1,500,000	1,502,020	1,681,075
Baytex Energy Corporation (Callable)				Fairfax Financial Holdings Limited 7.38%			
5.13% Jun 01, 2021	USD 1,000,000	1,098,378	1,140,916	Apr 15, 2018	USD 13,117,000	15,750,406	17,771,749
Bellatrix Exploration Ltd. (Callable)				Fairfax Financial Holdings Limited 7.75%			
8.50% May 15, 2020	USD 5,000,000	6,454,062	5,818,024	Jul 15, 2037	USD 2,000,000	1,943,339	3,111,343
Brookfield Residential Properties Inc.				First Data Corporation (Callable) 5.00%			
(Callable) 6.13% May 15, 2018	2,000,000	2,025,000	2,066,000	Jan 15, 2019	USD 2,450,000	3,330,180	3,287,239
Cablevision Systems Corporation 5.88%				First Data Corporation (Callable) 7.00%			
Sep 15, 2022	USD 2,500,000	3,070,856	3,391,341	Dec 01, 2018	USD 15,000,000	21,435,242	20,831,313
Cameco Corporation (Callable) 4.19%				First Quantum Minerals Ltd. (Callable)			
Mar 24, 2024	4,000,000	3,998,400	4,063,303	7.00% Feb 15, 2018	USD 4,015,000	3,695,481	5,349,932
CES Energy Solutions Corporation (Callable)				Fly Leasing Ltd. (Callable) 6.75%			
7.38% Apr 17, 2020	4,500,000	4,500,000	4,676,250	Dec 15, 2020	USD 7,300,000	8,251,049	9,913,978
Canadian Imperial Bank of Commerce				Ford Credit Canada Ltd. 2.92%			
2.22% Mar 07, 2018	10,000,000	9,673,000	10,062,939	Sep 16, 2020	3,000,000	3,085,800	3,045,926
Cascades Inc. 5.50% Jul 15, 2017	12,000,000	11,955,000	12,301,000	Ford Credit Canada Ltd. 2.94%			
CCO Holdings LLC / CCO Holdings Capital				Feb 19, 2019	3,000,000	3,052,500	3,046,034
Corporation (Callable) 5.25% Sep 30, 2017	USD 10,850,000	13,961,515	14,494,261	Freeport-McMoRan Inc. (Callable) 3.55%			
CCO Holdings LLC / CCO Holdings Capital				Dec 01, 2021	USD 2,400,000	2,986,674	2,923,354
Corporation (Callable) 5.50%				Frontier Communications Corporation			
May 01, 2021	USD 2,250,000	3,079,958	3,096,416	(Callable) 11.00% Jun 15, 2025	USD 9,500,000	12,750,323	11,425,101
CenturyLink Inc. 5.80% Mar 15, 2022	USD 11,850,000	13,754,105	16,018,110	Frontier Communications Corporation			
Cheniere Corpus Christi Holdings LLC				8.75% Apr 15, 2022	USD 2,100,000	2,285,506	2,474,663
5.13% Jun 30, 2027	USD 1,000,000	1,364,294	1,333,770	Gateway Casinos & Entertainment Ltd.			
CHS/ Community Health Systems Inc.				(Callable) 8.25% Mar 01, 2020	USD 350,000	457,660	473,059
(Callable) 6.25% Mar 31, 2020	USD 3,500,000	4,728,177	4,715,024	Gibson Energy Inc. (Callable) 5.25%			
CHS/Community Health Systems Inc.				Jul 15, 2020	14,300,000	14,302,500	14,276,167
(Callable) 5.13% Aug 01, 2021	USD 10,000,000	13,266,313	13,119,044	Goldman Sachs Group Inc., The 3.38%			
CIT Group Inc. 3.88% Feb 19, 2019	USD 4,100,000	5,587,419	5,449,453	Feb 01, 2018	6,000,000	5,992,080	6,068,944
CIT Group Inc. 5.38% May 15, 2020	USD 4,800,000	6,730,795	6,723,398	Golf Town Canada Inc. (Callable) 10.50%			
CIT Group Inc. 5.50% Feb 15, 2019	USD 4,252,000	5,888,538	5,802,116	Jul 24, 2018	14,435,000	14,179,375	2,631,501

BOND FUNDS

Scotia Private High Yield Income Pool (Unaudited – Continued)

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SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

BOND FUNDS

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)			
Corporate Bonds (cont'd)			
Harvest Operations Corporation 2.33% Apr 14, 2021	USD 4,950,000	6,201,627	6,258,977
HCA Inc. (Callable) 4.50% Aug 15, 2026	USD 10,000,000	13,359,364	13,385,539
HCA Inc. 6.50% Feb 15, 2020	USD 3,000,000	4,371,665	4,256,421
HCA Inc. 8.00% Oct 01, 2018	USD 3,950,000	5,775,976	5,518,047
Hertz Corp, The (Callable) 6.25% Oct 15, 2022	USD 13,706,000	17,341,472	15,694,259
HSBC Bank of Canada 2.94% Jan 14, 2020	5,000,000	4,895,100	5,134,604
HSBC Holdings PLC 2.65% Jan 05, 2022	USD 5,000,000	6,551,299	6,440,925
Icahn Enterprises LP / Icahn Enterprises Finance Corporation (Callable) 6.00% Feb 01, 2020	USD 6,750,000	8,915,790	9,017,474
IGM Financial Inc. (Callable) 3.44% Oct 26, 2026	2,250,000	2,248,493	2,294,750
Iron Mountain Canada Operations ULC (Callable) 5.38% Sep 15, 2019	1,000,000	1,000,000	1,049,800
Iron Mountain Canada Operations ULC (Callable) 6.13% Aug 15, 2021	11,000,000	11,155,000	11,430,833
JBS USA LLC / JBS USA Finance Inc. (Callable) 5.75% Jun 15, 2020	USD 17,500,000	21,332,220	21,447,602
Kellogg Company 3.25% Apr 01, 2026	USD 1,000,000	1,352,889	1,300,722
Kinder Morgan Inc. (Callable) 4.30% Mar 01, 2025	USD 3,300,000	4,070,287	4,444,824
Kinder Morgan Inc. 7.25% Jun 01, 2018	USD 900,000	919,889	1,221,775
Loblaw Companies Limited 3.75% Mar 12, 2019	5,000,000	5,243,650	5,164,928
Lundin Mining Corporation (Callable) 7.88% Nov 01, 2018	USD 4,500,000	5,678,151	6,403,243
MEG Energy Corporation (Callable) 6.38% Jul 30, 2017	USD 6,425,000	6,537,382	6,493,056
MEG Energy Corporation (Callable) 7.00% Sep 30, 2018	USD 3,000,000	3,757,645	3,020,031
Methanex Corporation 5.25% Mar 01, 2022	USD 8,500,000	10,469,543	11,614,202
MGM Resorts International 6.63% Dec 15, 2021	USD 1,500,000	1,727,041	2,192,037
Midcontinent Express Pipeline LLC 6.70% Sep 15, 2019	USD 7,500,000	10,263,049	10,410,989
Morgan Stanley 1.49% Jan 24, 2019	USD 9,000,000	11,926,303	11,705,858
Morgan Stanley 2.50% Jan 24, 2019	USD 13,000,000	17,523,065	16,946,215
Navistar International Corporation (Callable) 8.25% Nov 01, 2021	USD 2,000,000	2,162,940	2,627,037
Netflix Inc. 3.63% May 15, 2027	EUR 3,750,000	5,559,015	5,639,371
New Gold Inc. (Callable) 6.25% Nov 15, 2017	USD 3,900,000	4,397,376	5,233,304
Newalta Corporation (Callable) 5.88% Apr 01, 2021	6,650,000	6,658,000	5,748,094
Newalta Corporation (Callable) 7.75% Nov 14, 2019	2,500,000	2,500,000	2,435,416
NGPL PipeCo LLC 7.12% Dec 15, 2017	USD 18,689,000	24,323,318	24,751,640
NGPL PipeCo LLC 7.77% Dec 15, 2037	USD 5,000,000	7,558,023	7,673,568
Norbord Inc. 6.25% Apr 15, 2023	USD 3,500,000	4,379,053	4,855,376
Novelis Corporation (Callable) 5.88% Sep 30, 2021	USD 13,200,000	17,823,707	17,730,692
NRG Energy Inc. (Callable) 6.63% Sep 15, 2017	USD 12,500,000	17,056,512	16,616,617
Parkland Fuel Corporation (Callable) 5.50% May 28, 2021	3,800,000	3,762,000	3,925,875
Parkland Fuel Corporation (Callable) 5.63% May 09, 2020	1,500,000	1,500,000	1,515,313
Parkland Fuel Corporation (Callable) 5.75% Sep 16, 2019	5,000,000	5,050,000	5,145,833

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)			
Corporate Bonds (cont'd)			
Parkland Fuel Corporation (Callable) 6.00% Nov 21, 2022	500,000	500,625	520,833
Postmedia Network Inc. (Callable) 8.25% Jul 15, 2021	4,935,206	4,957,190	4,662,783
Precision Drilling Corporation (Callable) 5.25% May 15, 2019	USD 4,500,000	5,832,356	5,206,409
Precision Drilling Corporation (Callable) 7.75% Dec 15, 2019	USD 1,000,000	1,420,124	1,283,531
Quebecor Media Inc. 6.63% Jan 15, 2023	6,750,000	6,753,938	7,346,250
Reynolds Group Issuer LLC (Callable) 5.75% Oct 15, 2020	USD 18,400,000	22,703,598	24,507,967
RioCan Real Estate Investment Trust 3.72% Dec 13, 2021	4,290,000	4,277,988	4,484,921
Rite Aid Corporation (Callable) 6.13% Apr 01, 2018	USD 13,000,000	17,517,736	16,577,355
River Cree Enterprises LP (Callable) 11.00% Jan 20, 2018	6,250,000	6,190,918	6,547,932
Rockies Express Pipeline LLC 5.63% Apr 15, 2020	USD 10,000,000	13,056,521	13,787,841
Rockies Express Pipeline LLC 6.00% Jan 15, 2019	USD 10,115,000	13,583,792	13,715,660
Royal Bank of Canada (Callable) 2.99% Dec 06, 2019	5,000,000	4,821,650	5,121,021
Royal Bank of Canada 2.82% Jul 12, 2018	11,750,000	12,076,298	11,915,242
Sabine Pass Liquefaction LLC (Callable) 4.20% Sep 15, 2027	USD 1,000,000	1,326,909	1,308,080
Scientific Games International Inc. (Callable) 10.00% Dec 01, 2018	USD 3,975,000	5,217,048	5,670,834
Shaw Communications Inc. (Callable) 4.35% Oct 31, 2023	8,000,000	8,426,000	8,656,309
Sherritt International Corporation (Callable) 7.50% Sep 24, 2019	4,434,329	4,369,946	2,813,952
Sherritt International Corporation (Callable) 7.88% Oct 11, 2018	10,250,000	9,966,250	6,192,707
Sherritt International Corporation (Callable) 8.00% Nov 15, 2017	5,153,211	5,295,049	3,478,417
Sobeys Inc. 3.52% Aug 08, 2018	4,300,000	4,443,577	4,372,983
Source Energy Services Canada LP (Callable) 10.50% Dec 15, 2018	4,556,809	4,556,809	5,171,067
Southern Pacific Resource Corporation (Callable) 8.75% Jan 25, 2018*	6,000,000	5,540,250	—
Sprint Communications Inc. 9.00% Nov 15, 2018	USD 8,750,000	12,689,384	12,354,379
Sprint Corporation 7.25% Sep 15, 2021	USD 11,500,000	14,129,393	16,602,546
Superior Plus Corporation (Callable) 5.25% Feb 27, 2020	7,500,000	7,500,000	7,706,250
Superior Plus LP (Callable) 6.50% Dec 09, 2017	7,500,000	7,500,000	7,964,063
Taseko Mines Ltd. (Callable) 7.75% Apr 15, 2019	USD 10,500,000	9,583,374	13,671,060
Taseko Mines Ltd. (Callable) 8.75% Jun 15, 2019	USD 10,930,000	14,625,335	14,082,130
Tesoro Corporation (Callable) 4.75% Oct 15, 2023	USD 4,000,000	5,631,653	5,606,565
Time Inc. (Callable) 5.75% Apr 15, 2022	USD 11,500,000	14,829,507	15,260,599
T-Mobile US Inc. (Callable) 6.50% Jan 15, 2019	USD 4,000,000	5,367,130	5,585,121
T-Mobile US Inc. (Callable) 6.63% Apr 01, 2018	USD 13,250,000	18,551,639	18,209,967
Transcontinental Inc. 3.90% May 13, 2019	10,000,000	10,090,909	10,216,195
Trevali Mining Corporation (Callable) 12.50% May 30, 2018	2,320,000	2,254,122	2,302,600

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

Portfolio Adviser: Guardian Capital LP

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Face Value (\$)/ Number of Shares	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)			
Corporate Bonds (cont'd)			
Trilogy Energy Corporation (Callable) 7.25% Dec 13, 2019	7,000,000	7,085,000	7,102,085
Trinidad Drilling Ltd. (Callable) 6.63% Feb 15, 2020	USD 500,000	650,601	616,548
United Rentals North America Inc. (Callable) 5.50% May 15, 2022	USD 3,600,000	4,806,024	4,826,262
Viacom Inc. (Callable) 2.75% Nov 15, 2019	USD 6,105,000	8,128,709	8,012,303
Wells Fargo Canada Corporation 3.04% Jan 29, 2021	15,250,000	15,417,598	15,796,426
Wynn Las Vegas LLC (Callable) 4.25% Feb 28, 2023	USD 5,500,000	5,766,958	7,169,445
Zayo Group LLC / Zayo Capital Inc. (Callable) 5.75% Jan 15, 2022	USD 12,500,000	17,413,270	17,019,422
		1,172,965,833	1,155,134,215
Federal Bonds – 2.2%			
Canada Housing Trust No. 1 1.15% Dec 15, 2021	8,000,000	7,984,240	7,811,077
Government of Canada 1.25% Sep 01, 2018	10,000,000	10,171,400	10,025,180
Government of Canada 1.75% Mar 01, 2019	10,000,000	10,037,200	10,112,259
		28,192,840	27,948,516
TOTAL BONDS AND DEBENTURES		1,201,158,673	1,183,082,731
EQUITIES – 1.0%			
Energy – 0.9%			
Canadian International Oil Corporation, Warrants*	520,000	–	–
Connacher Oil and Gas Ltd.*	309,158	3,312,451	–
Prairie Proident Resources Inc.	408,004	5,967,216	204,002
Source Energy Services Ltd., Restricted	42,555	446,828	340,866
Tourmaline Oil Corporation	282,900	12,501,485	7,887,252
Trident Exploration Corporation, Restricted*	8,471,215	3,213,132	3,230,074
		25,441,112	11,662,194
Materials – 0.1%			
Banro Corporation	388,202	698,764	357,146
Hycroft Mining Corporation	90,163	13,443,760	233,792
Sherritt International Corporation, Warrants Jul 29, 2021	1,453,099	–	521,617
Trevali Mining Corporation, Warrants Dec 30, 2020	285,824	–	263,476
		14,142,524	1,376,031

Issuer	Number of Shares/ Number of Units	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
Telecommunication Services – 0.0%			
Data & Audio-Visual Enterprises Holdings Inc., Warrants*	20,700	–	–
Data & Audio-Visual Enterprises Holdings Inc., Warrants Sep 25, 2018*	48,300	–	–
		–	–
TOTAL EQUITIES		39,583,636	13,038,225
MONEY MARKET INSTRUMENTS – 6.2%			
Treasury Bills – 6.2%			
Government of Canada 0.00% Aug 10, 2017	26,990,000	26,964,012	26,974,964
Government of Canada 0.00% Aug 24, 2017	17,775,000	17,756,634	17,761,368
Government of Canada 0.00% Jul 13, 2017	650,000	649,447	649,900
Government of Canada 0.00% Sep 07, 2017	24,200,000	24,166,695	24,176,472
Government of Canada 0.00% Sep 21, 2017	10,750,000	10,733,855	10,735,554
TOTAL MONEY MARKET INSTRUMENTS		80,270,643	80,298,258
TOTAL INVESTMENT PORTFOLIO		1,321,012,952	1,276,419,214
Unrealized Gain (Loss) on Derivatives – 0.8%			9,853,684
OTHER ASSETS, LESS LIABILITIES – 0.4%			5,164,819
NET ASSETS – 100.0%			1,291,437,717

* These securities have no quoted values and are classified as Level 3 securities.

Instruments with a 0.00% stated interest rate are purchased at a discount to face value. The discount represents the implied effective interest.

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 (\$)
HSBC Bank Canada	A-1+	Jul. 25, 2017	Canadian Dollar	270,994,315	US Dollar	203,900,000	0.752	0.772	6,755,347
Bank of Nova Scotia, The	A-1	Jul. 27, 2017	Canadian Dollar	3,464,650	US Dollar	2,605,000	0.752	0.772	88,898
Bank of Nova Scotia, The	A-1	Jul. 27, 2017	Canadian Dollar	57,510,263	US Dollar	43,500,000	0.756	0.772	1,139,746
Bank of Nova Scotia, The	A-1	Jul. 27, 2017	Canadian Dollar	48,702,750	US Dollar	37,500,000	0.77	0.772	107,477
Royal Bank of Canada	A-1+	Jul. 28, 2017	Canadian Dollar	88,895,651	US Dollar	67,240,000	0.756	0.772	1,762,216
									9,853,684

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns and to provide income as well as capital growth by investing primarily in high yield, lower rated Canadian corporate bonds, preferred shares and short term money market 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 of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	June 30, 2017 (\$)	December 31, 2016 (\$)
Less than 1 year	229,472,575	319,346,449
1-3 years	317,500,759	369,994,571
3-5 years	278,412,436	232,871,397
5-10 years	424,568,458	182,702,433
> 10 years	13,426,761	3,086,179
	1,263,380,989	1,108,001,029

As at June 30, 2017, 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 \$8,726,047 or approximately 0.7% (December 31, 2016 – \$7,829,240 or approximately 0.6%).

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 contracts, as applicable.

Currency	June 30, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	892,105,233	(459,713,943)	432,391,290	33.5
Euro	5,671,778	–	5,671,778	0.4
	897,777,011	(459,713,943)	438,063,068	33.9

Currency	December 31, 2016			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	781,119,967	–	781,119,967	62.9
	781,119,967	–	781,119,967	62.9

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 could possibly have decreased or increased, respectively, by \$43,806,307 or 3.4% of net assets (December 31, 2016 – \$78,111,997 or 6.3%). 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 June 30, 2017, approximately 1.0% (December 31, 2016 – 9.6%) 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 \$1,303,823 (December 31, 2016 – \$11,995,551). 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 bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

Credit ratings	June 30, 2017		December 31, 2016	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
Short Term Rating				
A-1+	6.4	6.2	4.2	3.8
A-1	–	–	2.1	1.9
Bond Credit Rating				
AAA	2.9	2.9	5.7	5.1
AA	1.9	1.9	1.8	1.6
A	4.9	4.7	5.9	5.2
BBB	14.8	14.6	15.2	13.5
BB	32.5	31.8	29.2	26.1
B	33.0	32.3	29.9	26.5
CCC	1.7	1.6	4.3	3.9
CC	0.5	0.4	–	–
D	–	–	0.3	0.3
NOT RATED	1.4	1.4	1.4	1.4
	100.0	97.8	100.0	89.3

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 (%)	
	June 30, 2017	December 31, 2016
Corporate Bonds	89.4	79.2
Energy	0.9	1.1
Federal Bonds	2.2	4.4
Index Based ETFs	–	8.4
Materials	0.1	0.1
Promissory Notes	–	0.9
Treasury Bills	6.2	4.8
Telecommunication Services	0.0	0.0

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.

June 30, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	8,789,266	233,792	3,230,074	12,253,132
Bonds and debentures	–	1,183,082,731	–	1,183,082,731
Money market instruments	–	80,298,258	–	80,298,258
Warrants, rights and options	–	785,093	–	785,093
Unrealized gain on currency forward contracts	–	9,853,684	–	9,853,684
	8,789,266	1,274,253,558	3,230,074	1,286,272,898
Unrealized loss on currency spot contracts	–	(25,802)	–	(25,802)
	8,789,266	1,274,227,756	3,230,074	1,286,247,096

December 31, 2016	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	115,233,912	12	3,213,132	118,447,056
Bonds and debentures	–	1,038,050,600	–	1,038,050,600
Money market instruments	–	69,950,429	–	69,950,429
Warrants, rights and options	–	1,508,458	–	1,508,458
	115,233,912	1,109,509,499	3,213,132	1,227,956,543

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

Reconciliation of Level 3 financial instruments

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

	June 30, 2017 (\$)	December 31, 2016 (\$)
Beginning of period	3,213,132	835,630
Purchases	–	–
Sales	–	(6,384)
Transfers into Level 3	–	3,331,414
Transfers out of Level 3	–	(447,385)
Net realized gains (losses)	–	823
Net changes in unrealized gain (loss)*	16,942	(500,966)
End of period	3,230,074	3,213,132

* Net change in unrealized gain (loss) for Level 3 financial instruments held as at June 30, 2017 and December 31, 2016 was \$16,942 and \$(113,739), respectively.

During the period ended June 30, 2017, investments of approximately nil (December 31, 2016 – \$447,385) were transferred from Level 3 to 1 as these investments are now valued based on quoted prices in active markets or were exchanged for new securities that are valued based on quoted prices in active markets.

During the period ended June 30, 2017, investments of approximately nil (December 31, 2016 – \$3,331,414) were transferred from Level 1 to 3 as the fair value of these securities are now determined using internal valuation models that required the use of assumptions, of which one of the main ones was not observable in the market.

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 June 30, 2017 (\$)	Reasonable possible shift (+/-) (\$)
Equities	Fundamental model analysis based on financial data	Discount rate	3,230,074	–
			3,230,074	

Security	Valuation technique	Significant unobservable input	Carrying value as at December 31, 2016 (\$)	Reasonable possible shift (+/-) (\$)
Equities	Financing transaction price	Financing price	3,213,132	n/a
			3,213,132	

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

	June 30, 2017			
Financial assets – by type	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	9,853,684	–	–	9,853,684
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	9,853,684	–	–	9,853,684

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

FUND SPECIFIC NOTES

For the periods indicated in Note 1

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 June 30, 2017.

Underlying Fund	December 31, 2016	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
SPDR Barclays High Yield Bond ETF	48,966,926	0.3
iShares iBoxx \$ High Yield Corporate Bond Fund ETF	55,810,204	0.2
	104,777,130	

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

The table below provides a comparison of the net asset value per unit and net assets per unit. A difference could arise when the last traded market price for a financial instrument is not within the bid-ask spread (note 2).

	June 30, 2017		December 31, 2016	
	Net asset value per unit (\$)	Net assets per unit (\$)	Net asset value per unit (\$)	Net assets per unit (\$)
Pinnacle Series	9.23	9.23	9.37	9.37
Series F	9.64	9.64	9.73	9.73
Series I	9.24	9.24	9.40	9.40
Series K	10.14	10.15	10.32	10.32
Series M	9.30	9.30	9.42	9.42

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	883,779,308	790,004,812
Unrealized gain on currency forward contracts	9,427,173	8,940,628
Cash	59,216,870	100,182,876
Receivable for securities sold	8,673,282	29,721,910
Subscriptions receivable	422,833	150,122
Accrued investment income and other	4,706,751	4,805,915
	<u>966,226,217</u>	<u>933,806,263</u>
LIABILITIES		
Current liabilities		
Management fee payable	139	—
Payable for securities purchased	104,364,578	126,514,335
Redemptions payable	317,049	97,214
Accrued expenses	38,289	1,174
Distributions payable	3,745	104
Unrealized loss on currency forward contracts	81,915	125,636
	<u>104,805,715</u>	<u>126,738,463</u>
Net assets attributable to holders of redeemable units	<u>861,420,502</u>	<u>807,067,800</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	105,328,599	96,235,733
Series F	217,251	217,232
Series I	<u>755,874,652</u>	<u>710,614,835</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	9.32	9.19
Series F	9.56	9.39
Series I	<u>9.59</u>	<u>9.47</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Dividends	—	104,610
Interest for distribution purposes	14,060,343	11,524,648
Net realized gain (loss) on non-derivative financial assets	5,732,877	14,879,892
Net realized gain (loss) on currency forward contracts	25,149,314	41,617,190
Change in unrealized gain (loss) on non-derivative financial assets	(22,038,405)	(33,562,905)
Change in unrealized gain (loss) on currency forward contracts	530,266	2,698,720
Net gain (loss) on investments	<u>23,434,395</u>	<u>37,262,155</u>
Securities lending (note 11)	50,633	42,125
Net realized and unrealized foreign currency translation gain (loss)	2,234,886	1,511,085
Other income	446	387
Total income (loss), net	<u>25,720,360</u>	<u>38,815,752</u>
EXPENSES		
Management fees (note 5)	784	562
Fixed administration fees (note 6)	199,705	174,416
Independent Review Committee fees	576	563
Interest expense and bank overdraft charges	317	1,790
Foreign withholding taxes/tax reclaims	(7,352)	22,718
Other fund costs	—	132
Harmonized Sales Tax/Goods and Services Tax	20,374	18,349
Total expenses	<u>214,404</u>	<u>218,530</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>25,505,956</u>	<u>38,597,222</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	3,103,492	4,136,630
Series F	6,668	7,133
Series I	<u>22,395,796</u>	<u>34,453,459</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†		
Pinnacle Series	0.29	0.47
Series F	0.30	0.45
Series I	<u>0.29</u>	<u>0.49</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	10,863,097	8,817,429
Series F	22,218	15,865
Series I	<u>76,851,587</u>	<u>70,561,189</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.

Scotia Private American Core-Plus Bond Pool (Unaudited – Continued)

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

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	96,235,733	65,167,343
Series F	217,232	133,753
Series I	710,614,835	666,123,804
	<u>807,067,800</u>	<u>731,424,900</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	3,103,492	4,136,630
Series F	6,668	7,133
Series I	22,395,796	34,453,459
	<u>25,505,956</u>	<u>38,597,222</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(1,736,026)	(1,325,637)
Series F	(2,800)	(1,940)
Series I	(13,208,351)	(11,106,685)
	<u>(14,947,177)</u>	<u>(12,434,262)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	17,339,255	28,850,345
Series F	27,903	29,728
Series I	27,585,111	10,693,500
Reinvested distributions		
Pinnacle Series	1,729,513	1,321,560
Series F	1,335	1,408
Series I	13,208,351	11,106,664
Payments on redemption		
Pinnacle Series	(11,343,368)	(7,710,602)
Series F	(33,087)	—
Series I	(4,721,090)	(11,191,489)
	<u>43,793,923</u>	<u>33,101,114</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	9,092,866	25,272,296
Series F	19	36,329
Series I	45,259,817	33,955,449
	<u>54,352,702</u>	<u>59,264,074</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	105,328,599	90,439,639
Series F	217,251	170,082
Series I	755,874,652	700,079,253
	<u>861,420,502</u>	<u>790,688,974</u>

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	25,505,956	38,597,222
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(5,732,877)	(14,879,892)
Unrealized foreign currency translation (gain) loss	1,668,008	2,834,661
Change in unrealized (gain) loss on non-derivative financial assets	22,038,405	33,562,905
Change in unrealized (gain) loss on currency forward contracts	(530,266)	(2,698,720)
Purchases of portfolio investments	(1,649,809,010)	(2,189,383,864)
Proceeds from sale of portfolio investments	1,538,627,856	2,077,311,393
Accrued investment income and other	99,164	215,649
Accrued expenses and other payables	37,254	33,308
Net cash provided by (used in) operating activities	<u>(68,095,510)</u>	<u>(54,407,338)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	44,679,559	39,964,637
Amounts paid on redemption of redeemable units	(15,877,710)	(18,359,509)
Distributions to unitholders of redeemable units	(4,337)	(2,584)
Net cash provided by (used in) financing activities	<u>28,797,512</u>	<u>21,602,544</u>
Unrealized foreign currency translation gain (loss)	(1,668,008)	(2,834,661)
Net increase (decrease) in cash	<u>(39,297,998)</u>	<u>(32,804,794)</u>
Cash (bank overdraft), beginning of period	<u>100,182,876</u>	<u>130,720,013</u>
CASH (BANK OVERDRAFT), END OF PERIOD	<u>59,216,870</u>	<u>95,080,558</u>
Interest paid ⁽¹⁾	317	1,790
Interest received ⁽¹⁾	14,166,859	11,704,722
Dividends received, net of withholding taxes ⁽¹⁾	—	81,892

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer		Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES – 97.5%				
Australian Dollar – 0.2%				
Morgan Stanley 4.75% Nov 16, 2018	AUD	1,590,000	1,621,407	1,629,246
Euro – 0.3%				
America Movil S.A.B. de C.V. 3.26% Jul 22, 2023	EUR	1,400,000	1,905,514	2,322,382
India Rupee – 0.6%				
International Finance Corporation 6.45% Oct 30, 2018	INR	129,000,000	2,494,613	2,617,659
International Finance Corporation 7.80% Jun 03, 2019	INR	120,000,000	2,175,277	2,512,973
			4,669,890	5,130,632
Mexican Peso – 0.6%				
Mexican Bonos 6.50% Jun 09, 2022	MXN	72,150,000	5,173,777	5,128,029
New Zealand dollar – 1.4%				
Federal Republic of Germany 3.75% Jun 14, 2018	NZD	2,500,000	2,311,335	2,399,048
Goldman Sachs Group Inc., The 5.20% Dec 17, 2019	NZD	3,310,000	2,967,085	3,264,671
International Bank for Reconstruction & Development 3.00% Oct 19, 2026				
JPMorgan Chase & Co. 4.25% Nov 02, 2018	AUD	4,100,000	4,232,254	4,032,403
	NZD	2,300,000	1,991,202	2,204,318
			11,501,876	11,900,440
United States Dollar – 94.4%				
21st Century Fox America Inc. 6.20% Dec 15, 2034	USD	130,000	213,248	209,769
Abbott Laboratories (Callable) 2.90% Oct 30, 2021	USD	1,760,000	2,372,501	2,307,195
Abbott Laboratories (Callable) 3.75% Aug 30, 2026	USD	1,700,000	2,278,604	2,252,487
AbbVie Inc. (Callable) 2.50% Apr 14, 2020	USD	1,530,000	2,008,089	2,004,695
Access Group Inc. (Floating Rate) 1.11% Aug 25, 2037	USD	1,028,064	1,060,508	1,234,470
Access Group Inc. (Floating Rate) 1.42% Jul 01, 2038	USD	1,493,145	1,707,230	1,931,206
Access Group Inc. 1.42% Jul 01, 2038	USD	2,290,468	2,725,595	2,954,717
Adjustable Rate Mortgage Trust Series 2005-10 2.71% Jan 25, 2036	USD	17,932	18,342	20,523
Albemarle Corporation (Callable) 5.45% Jun 01, 2044	USD	1,345,000	1,573,233	2,040,326
Ally Financial Inc. 1.36% Apr 22, 2019	USD	1,441,465	1,889,953	1,869,676
Alternative Loan Trust Series 2006-2CB 5.50% Mar 25, 2036	USD	12,577	16,590	12,252
Altria Group Inc. 10.20% Feb 06, 2039	USD	997,000	1,827,232	2,243,350
Altria Group Inc. 9.95% Nov 10, 2038	USD	195,000	389,323	434,148
American Airlines 2014-1 Class B Pass Through Trust 4.38% Oct 01, 2022	USD	689,515	783,200	911,552
Ameriquest Mortgage Securities Inc. Asset- Backed Pass-Through Certificate Series 2003-11 1.59% Dec 25, 2033	USD	1,095,111	1,404,303	1,398,283
Anadarko Petroleum Corporation 6.45% Sep 15, 2036	USD	2,309,000	3,481,418	3,511,667
Anthem Inc. 3.13% May 15, 2022	USD	860,000	1,132,603	1,135,586
Anthem Inc. 3.30% Jan 15, 2023	USD	695,000	962,832	919,149
Apache Corporation 6.90% Sep 15, 2018	USD	540,000	784,439	740,409
Apple Inc. (Callable) 2.85% Mar 11, 2024	USD	1,775,000	2,440,094	2,312,326
ArcelorMittal 7.75% Mar 01, 2041	USD	490,000	685,729	695,403
Asset Backed Securities Corporation Home Equity Loan Trust Series 2002-HE1 2.13% Mar 15, 2032	USD	2,126,119	2,785,605	2,764,439
Assurant Inc. 2.50% Mar 15, 2018	USD	1,550,000	2,129,789	2,017,737

Issuer		Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)				
United States Dollar (cont'd)				
AstraZeneca PLC (Callable) 2.38%				
May 12, 2022	USD	2,105,000	2,827,868	2,707,836
AstraZeneca PLC 2.38% Nov 16, 2020				
	USD	1,679,000	2,234,779	2,190,998
AT&T Inc. (Callable) 5.25% Sep 01, 2036				
	USD	2,290,000	3,011,546	3,142,170
AT&T Inc. 6.15% Sep 15, 2034				
	USD	1,000,000	1,622,374	1,479,982
AT&T Inc. 6.45% Jun 15, 2034				
	USD	1,205,000	1,952,540	1,841,183
Baidu Inc. 2.88% Jul 06, 2022				
	USD	1,645,000	2,131,102	2,122,458
Banc of America Commercial Mortgage Trust				
2008-1 6.51% Feb 10, 2051	USD	1,118,000	1,475,997	1,488,546
Bancolumbia S.A. 6.13% Jul 26, 2020				
	USD	700,000	825,991	974,134
Bank of America Alternative Loan Trust				
Series 2005-5 6.00% Jun 25, 2035	USD	68,879	63,073	88,640
Bank of America Commercial Mortgage Trust,				
Series 2008-1 6.23% Dec 10, 2051	USD	987,084	1,154,006	1,294,160
Bank of America Corporation (Callable) 3.12%				
Jan 20, 2022	USD	1,545,000	2,016,840	2,035,956
Bank of America Corporation (Callable) 3.82%				
Jan 20, 2027	USD	1,185,000	1,575,486	1,567,405
Bank of America Mortgage Trust Series 2004-K				
2.78% Dec 25, 2034	USD	117,947	145,212	151,429
Bank of America Mortgage Trust Series 2005-3				
5.50% Apr 25, 2035	USD	789,916	909,387	1,043,631
Bank of America Mortgage Trust Series 2005-G				
2.87% Aug 25, 2035	USD	116,351	98,900	144,508
Bank of America Mortgage Trust, Series 2003-J				
3.62% Nov 25, 2051	USD	56,365	55,101	73,833
Barclays PLC (Callable) 3.68% Jan 10, 2022				
	USD	1,155,000	1,552,086	1,534,964
Barclays PLC (Callable) 4.84% May 07, 2027				
	USD	1,795,000	2,463,293	2,382,164
Barrick North America Finance LLC 4.40%				
May 30, 2021	USD	1,690,000	2,385,916	2,368,916
Bear Stearns ARM Trust Series 2004-5 3.27%				
Jul 25, 2034	USD	342,749	344,884	449,814
Becton Dickinson and Company (Callable)				
2.89% May 06, 2022	USD	1,725,000	2,331,333	2,234,587
Becton Dickinson and Company (Callable)				
3.36% Apr 06, 2024	USD	1,555,000	2,101,579	2,017,946
Brazilian Government International Bond				
4.88% Jan 22, 2021	USD	760,000	1,081,625	1,034,998
California Republic Auto Receivables Trust				
2017-1 1.90% Mar 15, 2021	USD	1,970,000	2,587,508	2,556,572
Capital Auto Receivables Asset Trust 2016-1				
1.50% Nov 20, 2018	USD	562,308	749,366	729,535
CarMax Auto Owner Trust 2016-2 1.52%				
Feb 16, 2021	USD	2,350,000	2,998,663	3,044,090
Cengage Learning Inc. (First Lien Term Loan B)				
Jun 07, 2023	USD	2,928,741	3,778,430	3,597,752
CenturyLink Inc. (Callable) 3.93% Jun 31, 2025				
	USD	1,500,000	2,020,911	1,925,432
CF Industries Inc. 5.38% Mar 15, 2044				
	USD	3,320,000	3,673,828	3,923,558
CFRE Commercial Mortgage Trust 2017-C8				
3.57% Jun 15, 2050	USD	1,595,000	2,235,102	2,119,846
CHL Mortgage Pass-Through Trust Series 2004-				
HYB4 2.72% Sep 20, 2034	USD	33,030	32,038	38,307
Citigroup Capital III 7.63% Dec 01, 2036				
	USD	1,025,000	1,682,705	1,652,005
Citigroup Inc. 4.45% Sep 29, 2027				
	USD	1,845,000	2,469,218	2,485,132
Citigroup Mortgage Loan Trust Inc. (Floating Rate)				
2.26% Aug 25, 2034	USD	1,135,235	1,402,526	1,478,672
Clear Channel Worldwide Holdings Inc.				
(Callable) 6.50% Nov 15, 2017	USD	2,425,000	3,227,207	3,239,422
CNOOC Finance 2013 Ltd. 3.00%				
May 09, 2023	USD	920,000	849,880	1,176,948
COMM 2006-C8 Mortgage Trust 5.38%				
Dec 10, 2046	USD	1,609,938	2,156,848	2,096,190

Scotia Private American Core-Plus Bond Pool (Unaudited – Continued)

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SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)			
United States Dollar (cont'd)			
COMM 2012-CCRE2 Mortgage Trust (Floating Rate) 3.79% Aug 15, 2045	USD 300,000	427,158	406,939
Comm 2014-UBS2 Mortgage Trust 3.96% Mar 10, 2047	USD 1,190,000	1,730,694	1,632,121
COMM 2015-CCRE25 Mortgage Trust 3.76% Aug 10, 2048	USD 1,600,000	2,152,571	2,178,268
COMM 2015-CCRE26 Mortgage Trust 4.64% Oct 10, 2048	USD 1,800,000	2,288,490	2,358,301
Commercial Mortgage Loan Trust 2008-LS1 6.09% Dec 10, 2049	USD 542,793	727,607	709,527
Commonwealth Edison Company 5.80% Mar 15, 2018	USD 700,000	810,486	933,430
Commonwealth Edison Company 6.45% Jan 15, 2038	USD 100,000	122,518	176,270
Compass Bank 6.40% Oct 01, 2017	USD 2,360,000	3,248,078	3,090,602
Credit Suisse Commercial Mortgage Trust Series 2007-C5 5.70% Sep 15, 2040	USD 318,286	434,990	414,225
Credit Suisse First Boston Mortgage Securities Corporation 4.88% Jul 15, 2037	USD 331,009	422,928	430,759
CSAIL 2015-C3 Commercial Mortgage Trust 3.45% Aug 15, 2048	USD 2,000,020	2,748,651	2,658,582
CSMC Mortgage-Backed Trust Series 2007-5 6.00% Oct 25, 2024	USD 269,581	346,616	358,481
CVS Health Corporation (Callable) 2.88% Mar 01, 2026	USD 5,000	6,398	6,301
Darden Restaurants Inc. 6.80% Oct 15, 2037	USD 900,000	1,393,337	1,499,356
DCP Midstream Operating LP (Callable) 2.50% Nov 01, 2017	USD 270,000	315,478	350,152
Dell International LLC (First Lien Term Loan) Sep 07, 2023	USD 1,422,859	1,846,849	1,853,567
Devon Financing Co LLC 7.88% Sep 30, 2031	USD 2,596,000	4,350,321	4,386,352
Digicel International Finance Ltd. (First Lien Term Loan B) May 10, 2024	USD 915,000	1,251,382	1,195,748
Discovery Communications LLC 5.63% Aug 15, 2019	USD 1,093,000	1,557,999	1,517,327
Discovery Communications LLC 6.35% Jun 01, 2040	USD 1,380,000	1,925,424	1,987,251
Drive Auto Receivables Trust 2017-1 (Callable) 1.67% Mar 15, 2021	USD 1,525,000	2,030,026	1,978,548
Ecopetrol S.A. 4.13% Jan 16, 2025	USD 1,800,000	2,287,451	2,282,538
Ecopetrol S.A. 5.88% May 28, 2045	USD 830,000	980,366	978,834
Energy Transfer Partners LP (Callable) 6.05% Dec 01, 2040	USD 1,785,000	2,190,373	2,470,676
EnLink Midstream Partners LP (Callable) 4.15% Mar 01, 2025	USD 1,530,000	1,963,620	1,979,740
Enterprise Products Operating LLC (Callable) 7.03% Jan 15, 2018	USD 805,000	885,038	1,069,494
Exelon Corporation (Callable) 2.85% May 15, 2020	USD 1,475,000	1,828,656	1,939,304
Export-Import Bank of Korea 5.00% Apr 11, 2022	USD 400,000	403,409	570,092
Fannie Mae 2.00% Dec 25, 2042	USD 1,405,000	1,357,140	1,664,088
Fannie Mae 2.50% May 25, 2041	USD 152,874	156,122	198,737
Fannie Mae 3.50% Dec 01, 2099	USD 14,625,000	20,194,159	19,475,276
Fannie Mae 4.00% Dec 01, 2099	USD 21,695,000	30,729,052	29,571,194
Fannie Mae 4.00% Nov 25, 2029	USD 589,336	609,667	805,793
Fannie Mae 4.50% Aug 25, 2023	USD 18,554	17,288	25,251
Fannie Mae 4.50% Dec 01, 2099	USD 5,044,000	7,323,557	7,016,705
Fannie Mae 4.50% Jun 25, 2029	USD 195,369	225,459	272,960
Fannie Mae 4.50% Sep 25, 2024	USD 339,420	398,758	464,602
Fannie Mae 5.00% Oct 25, 2024	USD 48,555	51,100	66,302
Fannie Mae 5.50% Sep 25, 2017	USD 660	692	859

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)			
United States Dollar (cont'd)			
Fannie Mae 5.50% Sep 25, 2035	USD 73,895	88,455	100,474
Fannie Mae 7.50% Nov 25, 2026	USD 4,642	6,729	6,858
Fannie Mae Grantor Trust 2003-T4 5.02% Sep 26, 2033	USD 16,002	18,319	22,694
Fannie Mae Grantor Trust Series 2001-T4 7.50% Jul 25, 2041	USD 359,282	503,935	551,929
Fannie Mae Pool 2.55% Jul 01, 2026	USD 1,230,524	1,605,964	1,580,444
Fannie Mae Pool 2.68% Aug 01, 2022	USD 728,013	969,898	932,739
Fannie Mae Pool 3.00% Dec 01, 2046	USD 14,352,953	19,343,888	18,594,345
Fannie Mae Pool 3.00% Dec 01, 2099	USD 11,065,000	14,952,490	14,331,154
Fannie Mae Pool 3.00% Mar 01, 2047	USD 4,722,218	6,223,828	6,118,615
Fannie Mae Pool 3.10% Jan 01, 2026	USD 600,000	825,532	796,840
Fannie Mae Pool 3.50% Dec 01, 2046	USD 1,044,001	1,406,008	1,394,413
Fannie Mae Pool 3.50% Jul 01, 2046	USD 3,948,415	5,569,378	5,263,058
Fannie Mae Pool 3.50% May 01, 2045	USD 4,762,959	6,584,956	6,373,509
Fannie Mae Pool 3.50% May 01, 2045	USD 1,829,118	2,514,471	2,447,567
Fannie Mae Pool 3.50% Oct 01, 2045	USD 919,822	1,257,748	1,226,596
Fannie Mae Pool 3.66% Oct 01, 2046	USD 2,927,227	4,003,801	3,917,080
Fannie Mae Pool 3.50% Oct 01, 2046	USD 3,939,140	5,482,303	5,249,527
Fannie Mae Pool 3.50% Sep 01, 2045	USD 1,226,312	1,700,332	1,635,243
Fannie Mae Pool 3.62% Dec 01, 2020	USD 783,994	1,103,350	1,065,622
Fannie Mae Pool 3.66% Feb 01, 2027	USD 517,529	714,610	713,629
Fannie Mae Pool 4.00% Apr 01, 2046	USD 4,824,253	6,761,623	6,628,752
Fannie Mae Pool 4.00% May 01, 2047	USD 1,711,589	2,455,078	2,322,783
Fannie Mae Pool 4.00% Sep 01, 2043	USD 1,362,771	1,890,823	1,878,193
Fannie Mae Pool 4.50% Apr 01, 2035	USD 1,742,903	2,430,972	2,443,203
Fannie Mae Pool 4.50% Mar 01, 2046	USD 1,651,616	2,378,620	2,343,367
Fannie Mae Pool 5.00% Feb 01, 2031	USD 3,251,320	4,729,855	4,617,003
Fannie Mae Pool 5.00% Jan 01, 2036	USD 2,880	3,196	4,079
Fannie Mae Pool 5.00% Nov 01, 2033	USD 1,366	1,773	1,865
Fannie Mae Pool 5.00% Nov 01, 2034	USD 1,615	1,915	2,193
Fannie Mae Pool 5.00% Nov 01, 2034	USD 672	801	896
Fannie Mae Pool 5.25% Aug 01, 2029	USD 804,216	1,213,717	1,187,894
Fannie Mae Pool 5.26% Jun 01, 2023	USD 318,615	398,342	438,293
Fannie Mae Pool 5.50% Apr 01, 2036	USD 1,372,460	1,959,621	1,979,201
Fannie Mae Pool 5.50% Aug 01, 2037	USD 320,316	392,576	461,908
Fannie Mae Pool 5.50% Feb 01, 2038	USD 1,677,632	2,457,111	2,419,580
Fannie Mae Pool 5.50% Feb 01, 2038	USD 558,802	703,967	805,619
Fannie Mae Pool 5.50% Jan 01, 2040	USD 171,137	245,574	246,245
Fannie Mae Pool 5.50% Jul 01, 2040	USD 1,676,582	2,451,104	2,414,999
Fannie Mae Pool 6.00% Sep 01, 2039	USD 134,144	201,777	196,419
Fannie Mae Pool 7.50% Apr 01, 2032	USD 1,593	2,314	2,411
Fannie Mae Pool 7.50% Jun 01, 2031	USD 1,098	1,761	1,645
Fannie Mae Series A 3.00% Dec 01, 2099	USD 7,965,000	10,842,208	10,600,081
Fannie Mae Whole Loan (Callable) 6.50% Jun 25, 2023	USD 84,054	105,995	125,771
Fannie Mae Whole Loan 6.00% Feb 25, 2047	USD 522,888	671,209	782,372
Fannie Mae Whole Loan 6.50% May 25, 2044	USD 30,119	36,364	44,694
Fannie Mae Whole Loan 7.00% Jul 25, 2044	USD 614,979	738,594	914,070
Fannie Mae-Aces (Floating Rate) 1.39% Aug 25, 2028	USD 719,709	940,282	934,849
Federal Home Loan Mortgage Corporation 2.00% Dec 15, 2041	USD 282,118	286,533	355,551
Federal Home Loan Mortgage Corporation 2.50% May 15, 2041	USD 747,137	775,911	955,631
Federal Home Loan Mortgage Corporation 3.00% Jan 15, 2042	USD 370,958	392,392	482,431
Federal Home Loan Mortgage Corporation 4.00% Nov 15, 2036	USD 238,958	260,545	324,279
Federal Home Loan Mortgage Corporation 4.50% Dec 15, 2033	USD 381,000	404,720	561,553

BOND FUNDS

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

Portfolio Adviser: Logan Circle Partners, L.P.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)			
United States Dollar (cont'd)			
Federal Home Loan Mortgage Corporation 4.50% Nov 15, 2029	USD 220,000	229,963	319,673
FHLMC Multifamily Structured Pass Through Certificates (Floating Rate) 1.15% Sep 25, 2022	USD 1,565,356	2,083,997	2,041,644
FHLMC Multifamily Structured Pass Through Certificates 2.85% Mar 25, 2026	USD 2,685,000	3,468,626	3,488,871
FHLMC Multifamily Structured Pass Through Certificates 3.00% Dec 25, 2025	USD 1,420,000	1,969,162	1,880,081
FHLMC Structured Pass Through Securities 5.23% May 25, 2043	USD 361,745	411,823	516,421
FHLMC Structured Pass Through Securities 6.50% Sep 25, 2043	USD 12,603	18,145	18,945
Fifth Third Bankcorp (Callable) 2.88% Sep 01, 2021	USD 1,200,000	1,304,907	1,583,426
FirstEnergy Corporation (Callable) 3.90% Apr 15, 2027	USD 660,000	869,614	855,820
Ford Credit Floorplan Master Owner Trust A (Floating Rate) 1.30% Jul 15, 2020	USD 1,490,000	1,960,255	1,939,654
Ford Motor Credit Company LLC 2.55% Oct 05, 2018	USD 990,000	1,319,398	1,292,374
Freddie Mac 3.00% May 15, 2041	USD 226,009	238,409	295,545
Freddie Mac 4.00% Aug 15, 2024	USD 290,000	343,589	396,729
Freddie Mac 4.50% Apr 15, 2030	USD 1,222,897	1,446,142	1,682,248
Freddie Mac 5.00% Feb 15, 2040	USD 634,701	923,685	906,628
Freddie Mac 5.00% Jun 15, 2033	USD 55,327	60,149	79,603
Freddie Mac 5.00% May 15, 2026	USD 55,910	57,186	77,268
Freddie Mac 5.00% May 15, 2033	USD 160,029	168,632	225,135
Freddie Mac 7.00% May 15, 2024	USD 4,151	5,428	5,847
Freddie Mac Gold Pool 3.50% Jul 01, 2043	USD 1,029,806	1,537,442	1,378,159
Freddie Mac Gold Pool 3.50% May 01, 2046	USD 4,097,791	5,602,736	5,463,040
Freddie Mac Gold Pool 3.50% Nov 01, 2045	USD 1,186,045	1,797,774	1,590,337
Freddie Mac Gold Pool 4.00% Aug 01, 2044	USD 1,584,848	1,873,272	2,183,990
Freddie Mac Gold Pool 4.00% Feb 01, 2046	USD 2,951,604	4,177,142	4,056,262
Freddie Mac Gold Pool 4.00% Jan 01, 2045	USD 3,185,737	4,499,899	4,376,559
Freddie Mac Gold Pool 4.50% Mar 01, 2046	USD 480,986	701,258	673,335
Freddie Mac Gold Pool 5.00% Jun 01, 2018	USD 1,214	1,219	1,587
Freddie Mac Gold Pool 5.00% Sep 01, 2033	USD 4,474	6,095	6,309
Freddie Mac Gold Pool 5.50% Jun 01, 2041	USD 677,017	1,011,745	969,216
Freddie Mac Multifamily Structured Pass Through Certificates 2.20% Nov 25, 2023	USD 1,835,000	2,424,670	2,373,776
Freddie Mac Multifamily Structured Pass Through Certificates 2.86% Aug 25, 2022	USD 1,995,000	2,731,013	2,661,427
Freddie Mac Multifamily Structured Pass Through Certificates 3.41% Dec 25, 2026	USD 2,005,000	2,699,694	2,722,312
Freddie Mac Strips 3.00% Aug 15, 2042	USD 2,612,976	3,459,441	3,378,509
Freeport-McMoRan Inc. (Callable) 4.55% Aug 14, 2024	USD 1,190,000	1,492,599	1,458,653
Freeport-McMoRan Inc. (Callable) 5.45% Sep 15, 2042	USD 2,610,000	2,903,023	2,931,365
General Electric Company 5.25% Dec 06, 2017	USD 515,000	583,441	679,019
General Motors Corporation 4.88% Oct 02, 2023	USD 2,125,000	2,918,675	2,972,385
Georgia-Pacific LLC 8.88% May 15, 2031	USD 1,215,000	2,040,652	2,423,400
Gilead Sciences Inc. 2.55% Sep 01, 2020	USD 2,805,000	3,745,023	3,690,129
Ginnie Mae I Pool 7.00% Dec 15, 2034	USD 16,530	20,219	24,780
Ginnie Mae I Pool 7.50% Feb 15, 2032	USD 1,203	1,754	1,858
Ginnie Mae II Pool 2.00% Feb 20, 2040	USD 86,445	94,673	115,867
Ginnie Mae II Pool 2.00% Jan 20, 2040	USD 363,230	436,146	480,805
Ginnie Mae II Pool 3.00% Apr 20, 2040	USD 392,733	435,388	525,898
Ginnie Mae II Pool 3.50% Jun 20, 2040	USD 88,966	93,037	120,835
Ginnie Mae II Pool 4.51% Jan 20, 2067	USD 3,806,042	5,595,191	5,492,439
Ginnie Mae II Pool 4.55% Dec 20, 2066	USD 1,756,193	2,579,001	2,526,725

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)			
United States Dollar (cont'd)			
Ginnie Mae II Pool 4.56% Nov 20, 2062	USD 1,744,410	1,918,031	2,366,649
Ginnie Mae II Pool 4.63% Jun 20, 2062	USD 296,719	424,811	397,845
Ginnie Mae II Pool 4.65% Jan 20, 2063	USD 142,005	156,918	200,263
Ginnie Mae II Pool 4.66% Jan 20, 2063	USD 51,906	57,415	73,156
Ginnie Mae II Pool 4.68% Aug 20, 2064	USD 404,547	495,169	535,380
Ginnie Mae II Pool 4.73% Apr 20, 2063	USD 107,114	122,458	144,049
Ginnie Mae II Pool 4.81% Feb 20, 2061	USD 1,668,449	1,950,720	2,216,184
Ginnie Mae II Pool 4.85% May 20, 2062	USD 132,675	154,200	177,000
Ginnie Mae II Pool 5.07% Apr 20, 2062	USD 202,964	236,817	272,309
Ginnie Mae II Pool 5.39% Dec 20, 2059	USD 452,813	510,180	595,931
Ginnie Mae II Pool 5.50% Sep 20, 2043	USD 510,855	754,474	726,371
GM Financial Automobile Leasing Trust 2015-3 1.69% Mar 20, 2019	USD 1,245,000	1,626,764	1,616,660
GMACM Mortgage Loan Trust 2005-AR2 3.39% May 25, 2035	USD 180,818	178,418	230,080
Goldman Sachs Capital I 6.35% Feb 15, 2034	USD 2,300,000	3,428,417	3,705,180
Goldman Sachs Group Inc., The (Callable) 2.64% Oct 28, 2026	USD 2,410,000	3,219,573	3,223,056
Goldman Sachs Group Inc./The (Callable) 2.91% Jun 05, 2022	USD 1,535,000	2,073,176	1,987,920
Government National Mortgage Association 1.81% Nov 20, 2066	USD 2,773,777	3,703,920	3,539,994
Government National Mortgage Association 4.50% Jun 16, 2039	USD 44,848	48,356	60,745
Government National Mortgage Association 5.47% Nov 20, 2059	USD 310,484	347,844	408,067
Great Plains Energy Inc. (Callable) 5.29% Mar 15, 2022	USD 2,000,000	2,362,965	2,836,356
GS Mortgage Securities Trust 2013-GCJ12 3.78% Jun 10, 2046	USD 250,000	334,450	332,060
Harris Corporation 2.00% Apr 27, 2018	USD 1,100,000	1,534,396	1,428,085
HCA Inc. (Callable) 5.50% Dec 15, 2046	USD 2,500,000	3,413,181	3,369,073
Hess Corporation (Callable) 4.30% Jan 01, 2027	USD 890,000	1,164,560	1,124,434
Hewlett Packard Enterprise Company (Callable) 6.20% Apr 15, 2035	USD 1,266,000	1,775,069	1,784,827
Homestar Mortgage Acceptance Corporation 0.90% Oct 25, 2034	USD 113,602	107,887	147,177
HSBC Bank PLC (Callable) 1.63% Jun 30, 2049	USD 3,050,000	3,055,497	3,242,535
HSBC Bank PLC 7.65% May 01, 2025	USD 964,000	1,590,523	1,548,573
HSBC Bank USA N.A. 5.88% Nov 01, 2034	USD 960,000	1,389,920	1,538,942
HSBC Holdings PLC (Callable) 6.00% May 22, 2027	USD 1,660,000	2,265,759	2,228,736
Jo-Ann Stores LLC (First Lien Term Loan) Sep 29, 2023	USD 3,196,988	4,173,639	4,133,648
JP Morgan Chase Commercial Mortgage Securities Trust Series 2004-LN2 5.27% Jul 15, 2041	USD 690,000	758,811	893,893
JP Morgan Chase Commercial Mortgage Securities Trust Series 2005-CIBC12 4.99% Sep 12, 2037	USD 287,916	348,976	373,027
JP Morgan Chase Commercial Mortgage Securities Trust Series 2007-CIBC20 5.88% Feb 12, 2051	USD 423,977	525,693	555,203
JP Morgan Chase Commercial Mortgage Securities Trust Series 2007-LDP10 5.46% Jan 15, 2049	USD 902,407	1,164,928	1,167,978
JP Morgan Mortgage Trust Series 2005-A4 2.61% Jul 25, 2035	USD 325,655	364,938	420,377
JP Morgan Mortgage Trust Series 2005-A4 2.66% Jul 25, 2035	USD 7,847	7,882	10,220

Scotia Private American Core-Plus Bond Pool (Unaudited – Continued)

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SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

BOND FUNDS

Issuer		Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)				
United States Dollar (cont'd)				
JP Morgan Mortgage Trust Series 2005-A6 2.74% Sep 25, 2035	USD	58,435	64,701	72,265
JP Morgan Mortgage Trust Series 2006-A6 2.69% Oct 25, 2036	USD	92,094	80,212	113,080
JPMBB Commercial Mortgage Securities Trust Series 2014-C26 4.43% Jan 15, 2048	USD	1,554,000	2,027,320	1,976,645
JPMBB Commercial Mortgage Securities Trust 2017-C5 3.60% Mar 15, 2050	USD	2,451,000	3,367,188	3,314,495
Kimberly-Clark Corporation 7.50% Nov 01, 2018	USD	75,000	90,835	105,018
Kohl's Corporation (Callable) 5.55% Jan 17, 2045	USD	1,105,000	1,407,707	1,324,292
Kraft Heinz Foods Company (Callable) 3.95% Apr 15, 2025	USD	2,765,000	3,742,465	3,696,638
LB-UBS Commercial Mortgage Trust Series 2005-C7 5.35% Nov 15, 2040	USD	890,000	1,157,046	1,182,209
LyondellBasell Industries NV (Callable) 5.00% Jan 15, 2019	USD	880,000	1,244,770	1,191,744
MacDermid Inc. (First Lien Term Loan B6) Jun 07, 2023	USD	2,181,974	2,497,415	2,837,407
MASTR Adjustable Rate Mortgages Trust Series 2006-2 2.81% Feb 25, 2036	USD	367,527	402,339	466,464
McGraw-Hill Global Education Holdings LLC (First Lien Term Loan) May 04, 2022	USD	2,888,175	3,791,930	3,690,960
Mercury General Corporation (Callable) 4.40% Dec 15, 2026	USD	1,170,000	1,560,701	1,553,639
Merrill Lynch Mortgage Investors Trust MLMI Series 2005-A10 0.66% Feb 25, 2036	USD	568,830	583,411	697,571
Merrill Lynch Mortgage Investors Trust Series 1998-C1-CTL 6.75% Nov 15, 2026	USD	274,966	368,448	358,538
Merrill Lynch Mortgage Investors Trust Series 2005-2 2.52% Oct 25, 2035	USD	268,937	343,137	338,532
Merrill Lynch Mortgage Investors Trust Series MLMI 2005-A1 2.76% Dec 25, 2034	USD	50,585	44,367	65,272
Merrill Lynch Mortgage Trust 2005-CK11 5.35% Nov 12, 2037	USD	160,805	214,659	208,569
MetLife Inc. (Callable) 10.75% Aug 01, 2034	USD	2,125,000	3,609,263	4,521,249
Mexico Government International Bond 4.60% Jan 23, 2046	USD	1,150,000	1,375,526	1,467,629
ML-CFC Commercial Mortgage Trust 2007-9 5.86% Sep 12, 2049	USD	525,000	720,508	690,645
Morgan Stanley (Callable) 2.28% Oct 24, 2022	USD	1,730,000	2,271,325	2,275,886
Morgan Stanley 2.75% May 19, 2022	USD	1,250,000	1,694,567	1,621,912
Morgan Stanley 3.63% Jan 20, 2027	USD	1,350,000	1,746,732	1,756,771
Morgan Stanley Bank of America Merrill Lynch Trust 2014-C14 4.83% Feb 15, 2047	USD	135,000	188,514	183,006
Morgan Stanley Bank of America Merrill Lynch Trust Series 2015-C24 4.35% May 15, 2048	USD	150,000	185,972	184,808
Morgan Stanley Capital I Trust (Floating Rate) 2.55% Jan. 11, 2043	USD	455,036	583,454	591,100
Morgan Stanley Capital I Trust 6.33% Dec 12, 2049	USD	715,000	939,014	943,133
Mortgage IT Trust Series 2005-1 (Callable) 1.09% Feb 25, 2035	USD	539,456	680,983	681,113
Municipal Electric Authority of Georgia 6.64% Apr 01, 2057	USD	660,000	716,611	1,052,551
Municipal Electric Authority of Georgia 7.06% Apr 01, 2057	USD	1,500,000	1,698,121	2,222,696
Mylan Inc. 2.55% Mar 28, 2019	USD	1,395,000	1,819,464	1,820,512
Mylan NV 3.95% Jun 15, 2026	USD	1,275,000	1,647,608	1,668,331
Mylan NV 5.25% Jun 15, 2046	USD	1,275,000	1,684,764	1,817,178

Issuer		Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)				
United States Dollar (cont'd)				
Navistar Inc. (First Lien Term Loan B) Aug 07, 2020	USD	2,977,330	3,897,569	3,909,562
NCUA Guaranteed Notes Trust Series 2010-R3 2.40% Dec 08, 2020	USD	97,223	96,608	126,128
Newell Brands Inc. (Callable) 5.00% Nov 15, 2018	USD	1,640,000	2,362,244	2,281,820
NextEra Energy Capital Holdings Inc. (Callable) 3.55% Feb 01, 2027	USD	915,000	1,237,574	1,210,642
Nokia Oyj 3.38% Jun 12, 2022	USD	1,355,000	1,816,972	1,770,331
Nokia Oyj 6.63% May 15, 2039	USD	1,950,000	2,238,872	2,877,104
NovaStar Mortgage Funding Trust Series 2003-3 (Floating Rate) 0.84% Dec 25, 2033	USD	2,385,273	2,972,845	2,984,478
NVR Inc. (Callable) 3.95% Jun 15, 2022	USD	1,115,000	1,159,282	1,512,993
Oracle Corporation (Callable) 1.90% Aug 01, 2021	USD	1,380,000	1,789,395	1,774,385
PacifiCorp (Callable) 2.95% Nov 01, 2021	USD	1,520,000	1,657,915	2,016,383
Party City Holdings Inc. (First Lien Term Loan B) Aug 19, 2022	USD	2,693,123	3,502,259	3,500,351
Petco Animal Supplies Inc. (First Lien Term Loan B1) Jan 26, 2023	USD	2,870,927	3,747,228	3,372,263
Petrobras Global Finance BV 5.38% Jan 27, 2021	USD	3,000,000	3,973,249	3,957,047
Petrobras Global Finance BV 8.75% May 23, 2026	USD	2,530,000	3,358,926	3,758,263
Petroleos Mexicanos 5.63% Jan 23, 2046	USD	2,260,000	2,343,191	2,609,602
Petroleos Mexicanos 8.63% Feb 01, 2022	USD	1,000,000	1,344,780	1,513,270
PQ Corporation (First Lien Term Loan) Nov 04, 2022	USD	2,868,361	3,775,076	3,763,443
Public Service Co of Colorado (Callable) 2.25% Mar 15, 2022	USD	1,810,000	2,346,922	2,319,882
QUALCOMM Inc. (Callable) 2.60% Dec 30, 2022	USD	1,060,000	1,430,281	1,370,066
QUALCOMM Inc. 2.10% May 20, 2020	USD	1,635,000	2,209,566	2,128,694
Renaissance Home Equity Loan Trust Series 2006-1 5.61% May 25, 2036	USD	140,453	129,094	111,347
Residential Asset Mortgage Products, Inc. 7.00% Nov 25, 2031	USD	216	305	280
Reynolds American Inc. 6.88% May 01, 2020	USD	1,295,000	1,949,573	1,890,049
Reynolds American Inc. 8.13% May 01, 2040	USD	1,045,000	1,941,283	1,930,549
Royal Bank of Scotland Group PLC 3.88% Sep 12, 2023	USD	1,705,000	2,215,081	2,259,223
Sabine Pass Liquefaction LLC (Callable) 6.25% Dec 15, 2021	USD	2,245,000	3,325,931	3,290,237
Santander Drive Auto Receivables Trust 2015-4 1.58% Sep 16, 2019	USD	223,641	292,415	290,151
Santander Drive Auto Receivables Trust 2016-3 (Floating Rate) 1.34% Nov 15, 2019	USD	1,776,551	2,343,896	2,304,116
Scientific Games International Inc. (First Lien Term Loan B3) Oct 01, 2021	USD	2,343,832	3,093,593	3,072,331
Select Income Real Estate Investment Trust (Callable) 4.25% Feb 15, 2024	USD	925,000	1,246,846	1,194,042
Sequoia Mortgage Trust Series 2004-11 1.04% Dec 20, 2034	USD	196,749	220,256	248,810
Shire Acquisitions Investments Ireland DAC (Callable) 3.20% Jun 23, 2026	USD	1,210,000	1,592,481	1,531,298
Shire Acquisitions Investments Ireland DAC 1.90% Sep 23, 2019	USD	2,585,000	3,410,993	3,331,131
SLM Private Credit Student Loan Trust 2002-A 1.18% Dec 16, 2030	USD	1,584,435	2,010,235	2,016,166
SLM Private Credit Student Loan Trust 2006-A 1.14% Jun 15, 2039	USD	2,490,000	3,030,457	3,055,023

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

Portfolio Adviser: Logan Circle Partners, L.P.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)			
United States Dollar (cont'd)			
SMART Trust Series 2015-3US 1.66% Aug 14, 2019	USD 1,250,002	1,637,640	1,619,298
South Carolina Student Loan Corporation Series 2015-A 1.95% Jan 25, 2036	USD 2,597,922	3,363,003	3,325,160
Sprint Capital Corporation 8.75% Mar 15, 2032	USD 2,935,000	3,485,827	4,793,866
Structured Adjustable Rate Mortgage Loan Trust 2.92% Dec 25, 2034	USD 4,147	5,002	5,338
Structured Asset Securities Corporation 3.08% Nov 25, 2033	USD 138,353	134,324	174,429
Sungard Availability Services Capital Inc. (First Lien Term Loan) Mar 31, 2019	USD 1,161,112	1,243,621	1,499,106
Tennessee Gas Pipeline Co., LLC 8.38% Jun 15, 2032	USD 1,637,000	2,743,114	2,698,107
Teva Pharmaceutical Finance Netherlands III BV 2.80% Jul 21, 2023	USD 1,180,000	1,534,362	1,487,036
Teva Pharmaceutical Industries Ltd. 3.15% Oct 01, 2026	USD 1,680,000	2,050,245	2,066,637
Time Warner Inc. (Callable) 3.80% Nov 15, 2026	USD 1,335,000	1,786,006	1,746,235
Time Warner Inc. 4.75% Mar 29, 2021	USD 2,187,000	3,080,000	3,060,867
Total Capital SA 2.13% Aug 10, 2018	USD 1,740,000	1,858,788	2,264,486
Twenty-First Century Fox Inc. 6.40% Dec 15, 2035	USD 815,000	1,198,017	1,345,879
Tyco Electronics Group S.A. 6.55% Oct 01, 2017	USD 1,355,000	1,787,509	1,777,305
United States Small Business Administration 2.84% Apr 01, 2037	USD 1,525,000	2,045,936	1,978,095
United States Small Business Administration 2.88% May 01, 2037	USD 1,985,000	2,717,057	2,588,097
United States Treasury Notes 1.25% Jun 30, 2019	USD 400,000	518,802	514,657
United States Treasury Notes 1.25% May 31, 2019	USD 23,740,000	31,389,325	30,718,325
United States Treasury Notes 1.50% May 15, 2020	USD 13,420,000	18,176,590	17,388,357
United States Treasury Notes 1.75% Jun 30, 2022	USD 15,820,000	20,449,183	20,338,271
United States Treasury Notes 1.75% May 31, 2022	USD 8,635,000	11,433,441	11,137,472
United States Treasury Notes 2.00% May 31, 2024	USD 2,425,000	3,247,957	3,121,223
United States Treasury Notes 2.25% Aug 15, 2046	USD 15,785,000	17,796,101	18,108,924
United States Treasury Notes 2.25% Feb 15, 2027	USD 2,095,000	2,778,685	2,707,521
United States Treasury Notes 2.38% May 15, 2027	USD 34,905,000	47,508,472	45,599,694
United States Treasury Notes 2.88% Nov 15, 2046	USD 4,010,000	5,129,414	5,228,672
United States Treasury Notes 3.00% Feb 15, 2047	USD 20,085,000	27,515,200	26,988,495
Vale Overseas Ltd. 6.88% Nov 10, 2039	USD 1,196,000	1,506,671	1,654,655
Validus Holdings Ltd. 8.88% Jan 26, 2040	USD 1,005,000	1,489,146	1,891,748
Verizon Communications Inc. 4.13% Mar 16, 2027	USD 2,100,000	2,801,807	2,814,162
Verizon Communications Inc. 4.67% Mar 15, 2055	USD 4,665,000	5,693,974	5,707,399
Verizon Communications Inc. 5.15% Sep 15, 2023	USD 1,665,000	2,549,864	2,396,680
Vodafone Group PLC 6.25% Nov 30, 2032	USD 1,110,000	1,723,607	1,770,537
Vodafone Group PLC 7.88% Feb 15, 2030	USD 740,000	1,269,991	1,320,551

Issuer	Face Value (\$)/ Number of Shares	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)			
United States Dollar (cont'd)			
Wachovia Bank Commercial Mortgage Trust Series 2006-C26 6.01% Jun 15, 2045	USD 1,532,000	1,994,230	2,003,715
Wachovia Bank Commercial Mortgage Trust Series 2006-C28 5.67% Oct 15, 2048	USD 1,105,000	1,525,441	1,432,936
WaMu Mortgage Pass-Through Certificates Series 2003-AR10 Trust 2.54% Oct 25, 2033	USD 120,715	113,983	158,177
WaMu Mortgage Pass-Through Certificates Series 2003-AR7 Trust 2.43% Aug 25, 2033	USD 232,998	269,692	301,992
WaMu Mortgage Pass-Through Certificates Series 2006-AR1 Trust 2.77% Mar 25, 2034	USD 233,510	301,434	298,236
Wells Fargo & Company (Callable) 3.07% Jan 24, 2022	USD 2,265,000	2,970,045	2,969,746
Wells Fargo Commercial Mortgage Trust 2017-RB1 3.64% Mar 15, 2050	USD 1,360,000	1,866,221	1,836,153
Wells Fargo Mortgage Backed Securities Series 2004-P Trust 2.74% Sep 25, 2034	USD 58,535	53,998	76,998
Wells Fargo Mortgage Backed Securities Series 2005-AR16 Trust 2.90% Oct 25, 2035	USD 24,595	25,188	30,938
Wells Fargo Mortgage Backed Securities Series 2005-AR2 Trust 2.87% Mar 25, 2035	USD 44,579	39,386	57,040
Wells Fargo Mortgage Backed Securities Series 2006-AR10 Trust 2.92% Jul 25, 2036	USD 19,314	14,771	25,084
Wells Fargo Mortgage Backed Securities Series 2006-AR6 Trust 2.76% Mar 25, 2036	USD 41,819	42,983	54,523
Wells Fargo Mortgage Backed Securities Series 2007-8 Trust 6.00% Jul 25, 2037	USD 7,964	8,113	10,452
WFRBS Commercial Mortgage Trust Series 2013-C12 4.28% Mar 15, 2048	USD 100,000	125,376	132,381
Williams Partners LP (Callable) 3.60% Jan 15, 2022	USD 2,115,000	2,791,979	2,804,553
Williams Partners LP (Callable) 3.75% Mar 15, 2027	USD 2,040,000	2,725,134	2,623,756
Williams Partners LP (Callable) 5.80% May 15, 2043	USD 630,000	908,775	913,092
World Financial Network Credit Card Master Trust 1.72% Aug 15, 2023	USD 1,010,000	1,351,728	1,303,853
		811,128,279	813,470,900
TOTAL BONDS AND DEBENTURES		836,000,743	839,581,629
EQUITIES – 0.0%			
NRG Energy, Inc.	3	69	67
MONEY MARKET INSTRUMENTS – 5.1%			
United States Treasury Bills 0.00% Jul 13, 2017	USD 34,100,000	45,103,778	44,197,612
TOTAL INVESTMENT PORTFOLIO		881,104,590	883,779,308
Unrealized Gain (Loss) on Derivatives – 1.1%			9,345,258
OTHER ASSETS, LESS LIABILITIES – (3.7%)			(31,704,064)
NET ASSETS – 100.0%			861,420,502

Instruments with a 0.00% stated interest rate are purchased at a discount to face value. The discount represents the implied effective interest.

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 (\$)
Standard Chartered Bank	A-1	Jul. 03, 2017	New Zealand Dollar	9,900,000	US Dollar	7,246,800	0.732	0.732	5,776
Standard Chartered Bank	A-1	Jul. 31, 2017	Canadian Dollar	860,755,622	US Dollar	657,000,162	0.763	0.772	9,421,397
									9,427,173

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+	Jul. 31, 2017	US Dollar	4,468,961	Australian Dollar	5,877,505	1.315	1.301	(61,907)
Toronto-Dominion Bank, The	A-1+	Jul. 31, 2017	US Dollar	1,805,725	Euro	1,587,953	0.879	0.874	(14,597)
Standard Chartered Bank	A-1	Jul. 31, 2017	US Dollar	7,242,840	New Zealand Dollar	9,900,000	1.367	1.366	(5,411)
									(81,915)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns and to provide income as well as capital growth by investing primarily in a portfolio of U.S. government and corporate bonds and mortgage pass through securities. The Fund may also invest in the U.S. dollar denominated emerging markets, non-investment grade debt and non-U.S. investment grade sovereign and corporate debt.

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 of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	June 30, 2017 (\$)	December 31, 2016 (\$)
Less than 1 year	57,980,306	26,555,931
1-3 years	92,983,040	59,138,933
3-5 years	81,113,658	68,160,928
5-10 years	203,372,386	219,042,492
> 10 years	448,329,851	417,106,479
	883,779,241	790,004,763

As at June 30, 2017, 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 \$13,839,807 or approximately 1.6% (December 31, 2016 – \$12,946,366 or approximately 1.6%).

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 contracts, as applicable.

Currency	June 30, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
Mexican Peso	5,452,994	–	5,452,994	0.6
Indian Rupee	5,172,543	–	5,172,543	0.6
Euro	2,412,233	(2,355,711)	56,522	0.0
Australian Dollar	5,892,794	(5,855,895)	36,899	0.0
Norwegian Krone	9,333	–	9,333	0.0
Swedish Krona	1	–	1	0.0
British Pound	1	–	1	0.0
New Zealand Dollar	(16,351)	391	(15,960)	0.0
US Dollar	832,679,745	(843,123,010)	(10,443,265)	(1.2)
	851,603,293	(851,334,225)	269,068	–

Currency	December 31, 2016			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	762,794,175	(754,345,450)	8,448,725	1.0
Indian Rupee	5,059,663	–	5,059,663	0.6
Mexican Peso	4,899,815	–	4,899,815	0.6
Norwegian Krone	3,471,333	–	3,471,333	0.4
Swedish Krona	1	–	1	0.0
British Pound	1	–	1	0.0
Australian Dollar	5,533,577	(5,541,457)	(7,880)	0.0
Euro	2,450,965	(2,471,576)	(20,611)	0.0
New Zealand Dollar	9,135,733	(9,240,684)	(104,951)	0.0
	793,345,263	(771,599,167)	21,746,096	2.6

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 could possibly have decreased or increased, respectively, by \$26,905 or 0.1% of net assets (December 31, 2016 – \$2,174,610 or 0.3%). 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 June 30, 2017, approximately 0.0% (December 31, 2016 – 0.0%) 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 \$7 (December 31, 2016 – \$5). 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 bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

Credit ratings	June 30, 2017		December 31, 2016	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
Short Term Rating				
A-1+	5.0	5.1	29.8	29.1
Bond Credit Rating				
AAA	53.6	55.3	23.1	22.6
AA	1.9	2.0	2.4	2.3
A	7.8	8.0	9.9	9.7
BBB	20.9	21.3	23.6	23.0
BB	4.8	4.8	4.4	4.1
B	5.0	5.0	6.2	6.0
CCC	0.2	0.2	0.6	0.6
NOT RATED	0.8	0.9	0.0	0.0
	100.0	102.6	100.0	97.4

Scotia Private American Core-Plus Bond Pool (Unaudited – Continued)

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FUND SPECIFIC NOTES

For the periods indicated in Note 1

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 (%)	
	June 30, 2017	December 31, 2016
Australian Dollar	0.2	0.2
Euro	0.3	0.3
Indian Rupee	0.6	0.6
Mexican Peso	0.6	0.6
New Zealand dollar	1.4	1.6
Norwegian Krone	–	0.4
US Dollar	99.5	94.2

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
June 30, 2017	(\$)	(\$)	(\$)	(\$)
Equities	67	–	–	67
Bonds and debentures	–	839,581,629	–	839,581,629
Money market instruments	–	44,197,612	–	44,197,612
Unrealized gain on currency forward contracts	–	9,427,173	–	9,427,173
	67	893,206,414	–	893,206,481
Unrealized loss on currency forward contracts	–	(81,915)	–	(81,915)
	67	893,124,499	–	893,124,566

	Level 1	Level 2	Level 3	Total
December 31, 2016	(\$)	(\$)	(\$)	(\$)
Equities	49	–	–	49
Bonds and debentures	–	790,004,763	–	790,004,763
Unrealized gain on currency forward contracts	–	8,940,628	–	8,940,628
	49	798,945,391	–	798,945,440
Unrealized loss on currency forward contracts	–	(125,636)	–	(125,636)
	49	798,819,755	–	798,819,804

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, 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.

	June 30, 2017			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Financial assets – by type				
Currency forward contracts	9,427,173	(5,411)	–	9,421,762
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	9,427,173	(5,411)	–	9,421,762

	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Financial liabilities – by type				
Currency forward contracts	81,915	(5,411)	–	76,504
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	81,915	(5,411)	–	76,504

	December 31, 2016			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Financial assets – by type				
Currency forward contracts	8,940,628	–	–	8,940,628
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	8,940,628	–	–	8,940,628

	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Financial liabilities – by type				
Currency forward contracts	125,636	–	–	125,636
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	125,636	–	–	125,636

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at June 30, 2017 or December 31, 2016.

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

As at June 30, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	59,372,840	56,756,969
Unrealized gain on currency forward contracts	4,962	—
Cash	1,544,576	152,974
Receivable for securities sold	472,432	—
Subscriptions receivable	950,347	90,372
Accrued investment income and other	254,309	255,629
	<u>62,599,466</u>	<u>57,255,944</u>
LIABILITIES		
Current liabilities		
Management fee payable	903	—
Payable for securities purchased	2,188,548	—
Redemptions payable	104,719	35,109
Accrued expenses	16,499	538
Distributions payable	21,269	—
Unrealized loss on currency forward contracts	—	9,008
	<u>2,331,938</u>	<u>44,655</u>
Net assets attributable to holders of redeemable units	<u>60,267,528</u>	<u>57,211,289</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	59,290,868	56,419,693
Series F	976,660	791,596
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	18.10	18.41
Series F	18.40	18.62

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Dividends	477,261	463,477
Interest for distribution purposes	440,125	397,214
Net realized gain (loss) on non-derivative financial assets	323,755	(43,509)
Net realized gain (loss) on currency forward contracts	(4,395)	64,130
Change in unrealized gain (loss) on non-derivative financial assets	(1,285,934)	3,276,037
Change in unrealized gain (loss) on currency forward contracts	13,970	12,057
Net gain (loss) on investments	<u>(35,218)</u>	<u>4,169,406</u>
Securities lending (note 11)	8,400	4,534
Net realized and unrealized foreign currency translation gain (loss)	(1,023)	(26,547)
Other income	—	711
Total income (loss), net	<u>(27,841)</u>	<u>4,148,104</u>
EXPENSES		
Management fees (note 5)	5,043	2,874
Fixed administration fees (note 6)	86,317	76,782
Independent Review Committee fees	576	563
Interest expense and bank overdraft charges	97	178
Foreign withholding taxes/tax reclaims	6,399	4,822
Other fund costs	—	9
Harmonized Sales Tax/Goods and Services Tax	9,369	8,384
Transaction costs	7,077	10,688
Total expenses	<u>114,878</u>	<u>104,300</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(142,719)</u>	<u>4,043,804</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	(140,799)	3,997,620
Series F	(1,920)	46,184
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†		
Pinnacle Series	(0.05)	1.34
Series F	(0.04)	1.39
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	3,123,353	2,979,479
Series F	54,536	33,204

† 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 June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	56,419,693	48,117,892
Series F	791,596	538,613
	57,211,289	48,656,505
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	(140,799)	3,997,620
Series F	(1,920)	46,184
	(142,719)	4,043,804
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(844,901)	(818,706)
Series F	(10,716)	(7,066)
	(855,617)	(825,772)
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	10,292,486	8,059,621
Series F	339,086	116,114
Reinvested distributions		
Pinnacle Series	821,300	811,170
Series F	4,126	1,697
Payments on redemption		
Pinnacle Series	(7,256,911)	(6,441,771)
Series F	(145,512)	(38,055)
	4,054,575	2,508,776
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	2,871,175	5,607,934
Series F	185,064	118,874
	3,056,239	5,726,808
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	59,290,868	53,725,826
Series F	976,660	657,487
	60,267,528	54,383,313

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(142,719)	4,043,804
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(323,755)	43,509
Unrealized foreign currency translation (gain) loss	1,194	26,925
Change in unrealized (gain) loss on non-derivative financial assets	1,285,934	(3,276,037)
Change in unrealized (gain) loss on currency forward contracts	(13,970)	(12,057)
Purchases of portfolio investments	(11,422,562)	(22,326,233)
Proceeds from sale of portfolio investments	9,560,628	20,150,857
Accrued investment income and other	1,320	5,263
Accrued expenses and other payables	16,864	15,069
Net cash provided by (used in) operating activities	(1,037,066)	(1,328,900)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	9,771,597	8,109,135
Amounts paid on redemption of redeemable units	(7,332,813)	(6,476,115)
Distributions to unitholders of redeemable units	(8,922)	(7,131)
Net cash provided by (used in) financing activities	2,429,862	1,625,889
Unrealized foreign currency translation gain (loss)	(1,194)	(26,925)
Net increase (decrease) in cash	1,392,796	296,989
Cash (bank overdraft), beginning of period	152,974	241,702
CASH (BANK OVERDRAFT), END OF PERIOD	1,544,576	511,766
Interest paid ⁽¹⁾	97	178
Interest received ⁽¹⁾	448,258	388,934
Dividends received, net of withholding taxes ⁽¹⁾	464,048	472,193

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)	Issuer	Face Value (\$)/ Number of Shares	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES – 47.6%				BONDS AND DEBENTURES (cont'd)			
Corporate Bonds – 18.8%				Corporate Bonds (cont'd)			
407 International Inc. (Callable) 2.43% Feb 04, 2027	50,000	49,982	49,509	North West Redwater Partnership / NWR Financing Co., Ltd. (Callable) 4.25% Mar 01, 2029	50,000	49,861	54,545
407 International Inc. (Callable) 3.30% Sep 27, 2044	40,000	40,041	39,291	Nova Scotia Power Inc. 4.15% Mar 06, 2042	45,000	50,558	49,257
407 International Inc. (Callable) 3.83% Nov 11, 2045	25,000	24,960	26,789	Nova Scotia Power Inc. 5.61% Jun 15, 2040	30,000	40,174	39,470
407 International Inc. (Callable) 4.19% Jan 25, 2042	120,000	133,791	135,683	Reliance LP 4.08% Aug 02, 2021	90,000	91,152	93,119
Alectra Inc. (Callable) 2.49% Feb 17, 2027	105,000	105,000	103,460	Rogers Communications Inc. 4.00% Jun 06, 2022	350,000	383,320	376,457
AltaGas Ltd. (Callable) 3.57% Mar 12, 2023	105,000	105,426	108,907	Royal Bank of Canada 1.97% Mar 02, 2022	675,000	667,279	670,398
AltaGas Ltd. (Callable) 3.84% Oct 15, 2024	40,000	38,888	41,775	Royal Bank of Canada 2.82% Jul 12, 2018	380,000	398,840	385,344
AltaGas Ltd. (Callable) 4.12% Jan 07, 2026	50,000	49,972	52,740	Royal Bank of Canada 2.98% May 07, 2019	50,000	52,376	51,212
AltaGas Ltd. (Callable) 4.40% Dec 15, 2023	55,000	58,596	59,411	Shaw Communications Inc. (Callable) 4.35% Oct 31, 2023	30,000	33,240	32,461
AltaLink LP (Callable) 4.05% May 21, 2044	90,000	102,060	99,772	Shaw Communications Inc. 5.50% Dec 07, 2020	160,000	189,040	176,832
AltaLink LP (Callable) 4.09% Dec 30, 2044	115,000	118,360	128,682	SNC-Lavalin Group Inc. 6.19% Jul 03, 2019	120,000	141,481	128,969
Bank of Montreal (Floating Rate) 3.40% Apr 23, 2021	40,000	42,715	42,093	Sun Life Financial Inc. 4.57% Aug 23, 2021	90,000	104,869	98,810
Bank of Montreal 1.88% Mar 31, 2021	40,000	39,998	39,890	TELUS Corporation (Callable) 4.40% Jul 29, 2045	40,000	39,989	40,435
Bank of Montreal 2.12% Mar 16, 2022	200,000	196,478	200,138	TELUS Corporation (Callable) 4.75% Jul 17, 2044	160,000	175,565	170,502
Bank of Montreal 2.43% Mar 04, 2019	215,000	221,364	218,058	TELUS Corporation 5.05% Dec 04, 2019	130,000	149,942	139,672
Bank of Montreal 2.84% Jun 04, 2020	355,000	372,020	365,715	Teranet Holdings LP 4.81% Dec 16, 2020	140,000	161,000	149,605
Bank of Nova Scotia, The 2.29% Jun 28, 2024	95,000	94,994	94,152	Toronto-Dominion Bank, The 1.91% Jul 18, 2023	55,000	55,000	53,858
Bank of Nova Scotia, The 2.46% Mar 14, 2019	260,000	271,050	263,849	Toronto-Dominion Bank, The 1.99% Mar 23, 2022	80,000	80,000	79,662
Bank of Nova Scotia, The 2.87% Jun 04, 2021	515,000	538,040	531,630	Toronto-Dominion Bank, The 2.05% Mar 08, 2021	210,000	210,000	210,784
Bell Canada (Callable) 2.70% Dec 27, 2023	60,000	59,932	60,015	Toronto-Dominion Bank, The 2.45% Apr 02, 2019	222,000	230,519	225,362
Bell Canada (Callable) 2.90% May 12, 2026	55,000	54,853	54,468	Toronto-Dominion Bank, The 3.23% Jul 24, 2024	170,000	180,011	179,339
Bell Canada (Callable) 3.15% Aug 29, 2021	180,000	189,810	186,522	TransCanada PipeLines Ltd. (Callable) 4.35% Dec 06, 2045	150,000	150,629	163,657
Bell Canada (Callable) 3.55% Dec 02, 2025	40,000	39,850	41,690	TransCanada PipeLines Ltd. 4.55% Nov 15, 2041	140,000	159,250	155,579
Bell Canada 3.54% Jun 12, 2020	310,000	330,407	323,496	Wells Fargo Canada Corporation 2.94% Jul 25, 2019	210,000	223,146	215,109
Cameco Corporation (Callable) 4.19% Mar 24, 2024	70,000	75,600	71,108	Westcoast Energy Inc. 3.88% Oct 28, 2021	160,000	177,205	169,974
Cameco Corporation 3.75% Nov 14, 2022	35,000	37,023	35,232			11,528,925	11,344,302
Cameco Corporation 5.67% Sep 02, 2019	170,000	194,650	179,660	Federal Bonds – 15.6%			
Canadian Imperial Bank of Commerce 1.70% Oct 09, 2018	680,000	684,280	682,022	Canada Housing Trust No 1 2.35% Jun 15, 2027	780,000	804,980	788,960
Canadian Imperial Bank of Commerce 1.85% Jul 14, 2020	115,000	115,390	115,206	Canada Housing Trust No. 1 1.07% Sep 15, 2021	1,725,000	1,730,542	1,734,039
Canadian Imperial Bank of Commerce 1.90% Apr 26, 2021	195,000	195,646	194,645	Government of Canada 1.75% Sep 01, 2019	3,600,000	3,707,693	3,647,722
Canadian Imperial Bank of Commerce 2.04% Mar 21, 2022	65,000	64,979	64,806	Government of Canada 2.25% Jun 01, 2025	2,640,000	2,848,974	2,761,388
CU Inc. 4.54% Oct 24, 2041	110,000	130,865	130,303	Government of Canada 2.75% Dec 01, 2048	80,000	93,560	91,334
CU Inc. 5.43% Jan 23, 2019	180,000	208,980	190,599	Government of Canada 3.50% Dec 01, 2045	115,000	146,703	147,733
Enbridge Gas Distribution Inc. 4.04% Nov 23, 2020	190,000	209,302	203,479	United States Treasury Notes 3.00% Nov 15, 2044	USD 165,000	220,496	221,747
Enbridge Income Fund (Callable) 3.95% Aug 19, 2024	160,000	168,616	169,326			9,552,948	9,392,923
Enbridge Pipelines Inc. 4.49% Nov 12, 2019	210,000	237,468	223,414	Provincial Bonds – 13.2%			
ENMAX Corporation (Callable) 3.81% Sep 05, 2024	110,000	117,322	113,880	Province of Alberta 3.45% Dec 01, 2043	160,000	163,619	170,907
EPCOR Utilities Inc. 4.55% Feb 28, 2042	20,000	24,100	23,599	Province of British Columbia 4.30% Jun 18, 2042	295,000	377,244	367,792
FortisAlberta Inc. 4.54% Oct 18, 2041	40,000	48,480	47,188	Province of Manitoba 5.70% Mar 05, 2037	320,000	476,991	448,428
FortisBC Energy Inc. (Callable) 3.38% Oct 13, 2044	25,000	25,000	24,773	Province of New Brunswick 4.55% Mar 26, 2037	450,000	574,593	549,069
FortisBC Energy Inc. 5.80% May 13, 2038	20,000	27,840	27,124	Province of Ontario (Floating Rate) 1.32% Mar 16, 2021	80,000	80,000	80,958
Greater Toronto Airports Authority 6.47% Feb 02, 2034	145,000	205,265	211,137	Province of Ontario 2.85% Jun 02, 2023	2,400,000	2,603,716	2,504,706
Hydro One Inc. 3.20% Jan 13, 2022	40,000	44,140	42,008	Province of Ontario 3.15% Jun 02, 2022	415,000	444,539	439,181
Hydro One Inc. 4.39% Sep 26, 2041	190,000	216,399	220,132	Province of Ontario 3.45% Jun 02, 2045	1,180,000	1,267,307	1,289,570
Hydro One Inc. 6.03% Mar 03, 2039	50,000	73,299	69,426	Province of Ontario 4.70% Jun 02, 2037	50,000	61,685	63,700
Inter Pipeline Ltd. (Callable) 2.61% Jul 13, 2023	20,000	20,000	19,818	Province of Quebec 3.50% Dec 01, 2045	1,350,000	1,429,762	1,492,141
Inter Pipeline Ltd. (Callable) 2.73% Feb 18, 2024	40,000	40,000	39,683	Province of Quebec 4.50% Dec 01, 2018	250,000	284,225	261,466
Inter Pipeline Ltd. (Callable) 3.17% Dec 24, 2024	30,000	28,191	30,271	Province of Quebec 5.00% Dec 01, 2038	35,000	44,755	46,639
Inter Pipeline Ltd. (Callable) 3.48% Sep 16, 2026	150,000	151,820	152,256	Province of Saskatchewan 4.75% Jun 01, 2040	205,000	282,941	264,261
Loblaws Companies Limited 6.15% Jan 29, 2035	130,000	165,815	164,220			8,091,377	7,978,818
Manulife Financial Corporation 5.51% Jun 26, 2018	220,000	249,700	228,527	TOTAL BONDS AND DEBENTURES			
National Bank of Canada 1.81% Jul 26, 2021	185,000	185,039	183,350			29,173,250	28,716,043
North West Redwater Partnership / NWR Financing Co., Ltd. (Callable) 3.70% Aug 23, 2042	25,000	24,909	24,588	EQUITIES – 48.6%			
North West Redwater Partnership / NWR Financing Co., Ltd. (Callable) 4.05% Jan 24, 2044	50,000	55,850	52,040	Consumer Discretionary – 1.4%			
North West Redwater Partnership / NWR Financing Co., Ltd. (Callable) 4.15% Dec 01, 2032	30,000	29,924	32,335	Shaw Communications, Inc., Class B	30,755	824,267	870,059

Scotia Private Strategic Balanced Pool (Unaudited – Continued)

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SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares/ Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
Consumer Staples – 3.3%				Real Estate – 5.8%			
George Weston Limited	3,625	369,767	425,539	Brookfield Property Partners LP	29,050	850,106	891,254
Jean Coutu Group (PJC) Inc., The, Class A	28,180	535,855	560,782	Cominar Real Estate Investment Trust	21,735	302,187	276,252
Metro Inc., Class A	10,270	369,353	438,324	Dream Industrial Real Estate Investment Trust	54,795	400,649	476,717
North West Company Inc.	17,290	457,254	540,485	First Capital Realty, Inc.	21,410	424,778	423,062
		1,732,229	1,965,130	H&R Real Estate Investment Trust	26,300	538,672	579,126
				RioCan Real Estate Investment Trust	35,880	987,483	863,632
Energy – 5.8%						3,503,875	3,510,043
ARC Resources Ltd.	25,735	512,696	436,466	Telecommunication Services – 6.3%			
Cenovus Energy Inc.	60,460	1,170,772	577,998	BCE Inc.	19,750	1,134,377	1,153,400
Crescent Point Energy Corporation	57,665	916,918	572,037	Rogers Communications, Inc., Class B	15,210	687,332	931,613
Enbridge Income Fund Holdings Inc.	23,655	798,391	761,454	TELUS Corporation	20,045	841,674	897,415
Enerplus Corporation	27,650	240,303	290,878	Verizon Communications Inc.	13,895	857,971	804,541
Husky Energy Inc.	57,011	1,078,645	839,202			3,521,354	3,786,969
		4,717,725	3,478,035	Utilities – 3.4%			
Financials – 17.2%				Brookfield Renew Energy Partners LP	14,975	557,075	619,216
Bank of Montreal	9,150	542,142	871,263	Hydro One Limited	37,875	872,952	879,836
Bank of Nova Scotia, The	14,610	757,286	1,139,726	Superior Plus Corporation	50,755	605,293	579,622
Canadian Imperial Bank of Commerce	5,535	432,579	583,334			2,035,320	2,078,674
Intact Financial Corporation	9,050	775,523	886,538	TOTAL EQUITIES		27,535,132	29,357,433
Laurentian Bank of Canada	10,990	525,401	595,328				
Manulife Financial Corporation	37,140	808,051	902,873	MONEY MARKET INSTRUMENTS – 2.2%			
Power Financial Corporation	35,100	1,186,518	1,167,777	Treasury Bills – 2.2%			
Royal Bank of Canada	15,340	870,881	1,444,414	Government of Canada 0.00% Aug 10, 2017	400,000	399,460	399,780
Sun Life Financial Inc.	22,440	964,793	1,040,318	Government of Canada 0.00% Jul 13, 2017	500,000	499,370	499,912
Toronto-Dominion Bank, The	26,690	1,288,789	1,744,191	Government of Canada 0.00% Jul 27, 2017	100,000	99,858	99,962
		8,151,963	10,375,762	Government of Canada 0.00% Sep 07, 2017	300,000	299,586	299,710
Health Care – 3.5%				TOTAL MONEY MARKET INSTRUMENTS		1,298,274	1,299,364
GlaxoSmithKline PLC – ADR	11,715	661,247	654,926	Transaction Costs		(25,506)	
Johnson & Johnson	2,845	300,183	487,956	TOTAL INVESTMENT PORTFOLIO		57,981,150	59,372,840
Merck & Co., Inc.	5,440	407,917	452,023	Unrealized Gain (Loss) on Derivatives — 0.0%			4,962
Pfizer Inc.	12,385	518,514	539,358	OTHER ASSETS, LESS LIABILITIES — 1.6%			889,726
		1,887,861	2,134,263	NET ASSETS — 100.0%			60,267,528
Materials – 1.9%							
Agrium Inc.	4,920	581,740	578,248				
Potash Corporation of Saskatchewan Inc.	27,435	578,798	580,250				
		1,160,538	1,158,498				

Instruments with a 0.00% stated interest rate are purchased at a discount to face value. The discount represents the implied effective interest.

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 Nova Scotia, The	A-1	Jul. 27, 2017	Canadian Dollar	13,503	US Dollar	10,000	0.741	0.772	545
Bank of Nova Scotia, The	A-1	Aug. 24, 2017	Canadian Dollar	205,197	US Dollar	155,000	0.755	0.772	4,417
									4,962

BALANCED FUND

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns through a combination of capital growth and income by investing primarily in large capitalization stocks of Canadian corporations and Canadian government bonds. The weighting of the Fund's portfolio will be allocated between asset classes within specified ranges: 40%-80% equities, 20%-60% fixed income securities, and 0%-30% short-term money market securities and cash.

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 of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	June 30, 2017 (\$)	December 31, 2016 (\$)
Less than 1 year	1,527,888	290,018
1-3 years	7,501,669	6,845,844
3-5 years	6,083,587	5,272,672
5-10 years	7,618,415	8,517,797
> 10 years	7,283,848	7,141,958
	30,015,407	28,068,289

As at June 30, 2017, 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 \$505,377 or approximately 0.8% (December 31, 2016 – \$498,431 or approximately 0.9%).

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 contracts, as applicable.

Currency	June 30, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	3,216,838	(213,739)	3,003,099	5.0
	3,216,838	(213,739)	3,003,099	5.0

Currency	December 31, 2016			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	3,232,466	(389,262)	2,843,204	5.0
	3,232,466	(389,262)	2,843,204	5.0

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 could possibly have decreased or increased, respectively, by \$300,310 or 0.5% of net assets (December 31, 2016 – \$284,320 or 0.5%). 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 June 30, 2017, approximately 48.6% (December 31, 2016 – 50.2%) 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 \$2,935,743 (December 31, 2016 – \$2,868,868). 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 bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

Credit ratings	June 30, 2017		December 31, 2016	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
Short Term Rating				
A-1+	4.3	2.2	0.9	0.4
Bond Credit Rating				
AAA	33.2	16.6	32.4	16.1
AA	19.1	9.5	13.9	6.7
A	29.3	14.5	38.7	18.9
BBB	14.1	7.0	14.1	6.9
	100.0	49.8	100.0	49.0

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 (%)	
	June 30, 2017	December 31, 2016
Consumer Discretionary	1.4	1.9
Consumer Staples	3.3	3.1
Corporate Bonds	18.8	18.5
Energy	5.8	7.5
Federal Bonds	15.6	15.3
Financials	17.2	16.9
Health Care	3.5	3.5
Materials	1.9	1.9
Provincial Bonds	13.2	14.8
Real Estate	5.8	5.7
Telecommunication Services	6.3	6.7
Treasury Bills	2.2	0.4
Utilities	3.4	3.0

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 (\$)
June 30, 2017				
Equities	29,357,433	–	–	29,357,433
Bonds and debentures	–	28,716,043	–	28,716,043
Money market instruments	–	1,299,364	–	1,299,364
Unrealized gain on currency forward contracts	–	4,962	–	4,962
Liability for written options	–	–	–	–
	29,357,433	30,020,369	–	59,377,802
December 31, 2016				
Equities	28,688,680	–	–	28,688,680
Bonds and debentures	–	27,818,466	–	27,818,466
Money market instruments	–	249,823	–	249,823
	28,688,680	28,068,289	–	56,756,969
Unrealized loss on currency forward contracts	–	(9,008)	–	(9,008)
	28,688,680	28,059,281	–	56,747,961

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, 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.

	June 30, 2017			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/ received (\$)	Net Amount (\$)
Financial assets – by type				
Currency forward contracts	4,962	–	–	4,962
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	4,962	–	–	4,962
Financial liabilities – by type				
Currency forward contracts	–	–	–	–
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	–	–	–	–

The accompanying notes are an integral part of 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	–	–	–	–
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	–	–	–	–
	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/ received (\$)	Net Amount (\$)
Financial liabilities – by type				
Currency forward contracts	9,008	–	–	9,008
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	9,008	–	–	9,008

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at June 30, 2017 or December 31, 2016.

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

As at June 30, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	193,567,422	195,571,311
Cash	140,553	49,354
Receivable for securities sold	4,526,829	276,806
Subscriptions receivable	431,171	268,403
Accrued investment income and other	657,549	624,291
	<u>199,323,524</u>	<u>196,790,165</u>
LIABILITIES		
Current liabilities		
Management fee payable	705	—
Payable for securities purchased	5,470,669	88,148
Redemptions payable	673,231	117,894
Accrued expenses	26,202	886
	<u>6,170,807</u>	<u>206,928</u>
Net assets attributable to holders of redeemable units	<u>193,152,717</u>	<u>196,583,237</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	185,398,154	188,236,198
Series F	782,799	854,641
Series I	<u>6,971,764</u>	<u>7,492,398</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	23.07	23.22
Series F	22.75	23.02
Series I	<u>23.67</u>	<u>23.73</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Dividends	2,805,999	2,702,628
Interest for distribution purposes	12,498	11,793
Net realized gain (loss) on non-derivative financial assets	7,434,451	(103,852)
Change in unrealized gain (loss) on non-derivative financial assets	(11,243,380)	14,004,611
Net gain (loss) on investments	(990,432)	16,615,180
Securities lending (note 11)	10,825	34,404
Other income	827	264
Total income (loss), net	<u>(978,780)</u>	<u>16,649,848</u>
EXPENSES		
Management fees (note 5)	4,041	3,287
Fixed administration fees (note 6)	141,225	117,760
Independent Review Committee fees	576	562
Interest expense and bank overdraft charges	1,209	1,963
Foreign withholding taxes/tax reclaims	2,533	2,087
Other fund costs	—	30
Harmonized Sales Tax/Goods and Services Tax	13,916	11,789
Transaction costs	93,438	82,414
Total expenses	<u>256,938</u>	<u>219,892</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(1,235,718)</u>	<u>16,429,956</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	(1,222,793)	15,570,836
Series F	(8,491)	62,831
Series I	<u>(4,434)</u>	<u>796,289</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†		
Pinnacle Series	(0.15)	1.97
Series F	(0.24)	1.84
Series I	<u>(0.01)</u>	<u>1.83</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	7,901,146	7,918,853
Series F	34,814	34,212
Series I	<u>302,750</u>	<u>434,829</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 June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	188,236,198	147,175,167
Series F	854,641	650,154
Series I	7,492,398	10,041,665
	<u>196,583,237</u>	<u>157,866,986</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	(1,222,793)	15,570,836
Series F	(8,491)	62,831
Series I	(4,434)	796,289
	<u>(1,235,718)</u>	<u>16,429,956</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	21,834,126	27,579,165
Series F	31,779	101,137
Series I	17,500	87,900
Payments on redemption		
Pinnacle Series	(23,449,377)	(28,536,355)
Series F	(95,130)	(120,483)
Series I	(533,700)	(2,727,150)
	<u>(2,194,802)</u>	<u>(3,615,786)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	(2,838,044)	14,613,646
Series F	(71,842)	43,485
Series I	(520,634)	(1,842,961)
	<u>(3,430,520)</u>	<u>12,814,170</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	185,398,154	161,788,813
Series F	782,799	693,639
Series I	6,971,764	8,198,704
	<u>193,152,717</u>	<u>170,681,156</u>

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(1,235,718)	16,429,956
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(7,434,451)	103,852
Change in unrealized (gain) loss on non-derivative financial assets	11,243,380	(14,004,611)
Purchases of portfolio investments	(61,458,755)	(75,582,815)
Proceeds from sale of portfolio investments	60,786,213	77,022,808
Accrued investment income and other	(33,258)	(12,083)
Accrued expenses and other payables	26,021	22,708
Net cash provided by (used in) operating activities	<u>1,893,432</u>	<u>3,979,815</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	21,720,637	27,457,724
Amounts paid on redemption of redeemable units	(23,522,870)	(31,256,415)
Net cash provided by (used in) financing activities	<u>(1,802,233)</u>	<u>(3,798,691)</u>
Net increase (decrease) in cash	91,199	181,124
Cash (bank overdraft), beginning of period	49,354	24,516
CASH (BANK OVERDRAFT), END OF PERIOD	<u>140,553</u>	<u>205,640</u>
Interest paid ⁽¹⁾	1,209	1,963
Interest received ⁽¹⁾	12,496	11,793
Dividends received, net of withholding taxes ⁽¹⁾	2,770,211	2,688,458

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Shares/ Number of Units	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 98.8%			
Consumer Discretionary – 6.4%			
Gildan Activewear Inc.	111,900	3,134,223	4,459,215
Magna International Inc.	132,800	6,101,640	7,977,296
		9,235,863	12,436,511
Energy – 17.1%			
Cameco Corporation	141,000	1,817,461	1,665,210
Canadian Natural Resources Ltd.	175,100	5,636,843	6,552,242
Cenovus Energy Inc.	423,400	8,858,761	4,047,702
Enbridge Inc.	36,800	1,946,867	1,901,088
Suncor Energy, Inc.	224,214	7,046,881	8,495,468
TransCanada Corporation	143,000	7,531,665	8,840,260
Trican Well Service Ltd.	96,560	379,481	350,513
Trinidad Drilling Ltd.	617,000	1,784,271	1,203,150
		35,002,230	33,055,633
Financials – 42.8%			
Bank of Montreal	55,000	5,252,327	5,237,100
Bank of Nova Scotia, The	112,100	5,887,736	8,744,921
Canadian Imperial Bank of Commerce	100,600	8,102,031	10,602,234
CI Financial Corporation	103,500	3,107,662	2,860,740
ECN Capital Corporation	422,700	1,394,832	1,690,800
Element Financial Corporation	280,500	3,507,978	2,496,450
Manulife Financial Corporation	407,880	8,416,598	9,915,563
National Bank of Canada	43,200	1,902,552	2,355,696
Power Corporation of Canada	152,800	4,653,299	4,519,824
Royal Bank of Canada	191,000	12,808,021	17,984,560
Toronto-Dominion Bank, The	249,200	11,282,952	16,285,220
		66,315,988	82,693,108
Index Based Exchange-Traded Funds – 0.5%			
iShares S&P/TSX 60 Index ETF	42,300	921,353	948,789
Industrials – 10.6%			
Canadian National Railway Company	89,700	5,069,204	9,438,234
Canadian Pacific Railway Limited	27,800	5,056,544	5,800,470
Westjet Airlines Ltd.	222,100	4,893,657	5,141,615
		15,019,405	20,380,319
Materials – 14.9%			
Agrium Inc.	57,400	6,043,578	6,746,222
Barrick Gold Corporation	161,000	4,454,598	3,321,430
Dominion Diamond Corporation	97,700	1,306,863	1,594,464
Domtar Corporation	16,000	738,952	797,440
Goldcorp, Inc.	346,600	6,734,726	5,795,152
Lundin Mining Corporation	279,000	1,379,878	2,056,230
Major Drilling Group International Inc.	276,500	1,996,910	2,347,485
Methanex Corporation	71,500	3,177,783	4,093,375
Sheritt International Corporation	1,125,100	2,678,412	866,327
Teck Resources Ltd., Class B	48,000	1,225,694	1,079,040
		29,737,394	28,697,165
Telecommunication Services – 5.2%			
BCE Inc.	22,300	1,013,871	1,302,320
Rogers Communications, Inc., Class B	76,200	3,276,900	4,667,250
TELUS Corporation	92,900	2,901,837	4,159,133
		7,192,608	10,128,703
Utilities – 1.3%			
TransAlta Corporation	311,100	2,121,153	2,579,019
TOTAL EQUITIES		165,545,994	190,919,247

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
MONEY MARKET INSTRUMENTS – 1.4%			
Treasury Bills – 1.4%			
Government of Canada 0.00% Aug 24, 2017	2,200,000	2,197,544	2,198,242
Government of Canada 0.00% Jul 13, 2017	450,000	449,786	449,933
		2,647,330	2,648,175
Transaction Costs		(196,130)	
TOTAL INVESTMENT PORTFOLIO		167,997,194	193,567,422
OTHER ASSETS, LESS LIABILITIES – (0.2%)			(414,705)
NET ASSETS – 100.0%			193,152,717

Instruments with a 0.00% stated interest rate are purchased at a discount to face value. The discount represents the implied effective interest.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns through capital growth by investing primarily in securities 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 of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	June 30, 2017 (\$)	December 31, 2016 (\$)
Less than 1 year	2,648,175	2,548,961
1-3 years	–	–
3-5 years	–	–
5-10 years	–	–
> 10 years	–	–
	2,648,175	2,548,961

As at June 30, 2017, 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 \$869 or approximately 0.0% (December 31, 2016 – \$590 or approximately 0.0%).

Currency risk

The Fund did not have significant currency risk exposure as at June 30, 2017 or December 31, 2016.

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 June 30, 2017, approximately 98.8% (December 31, 2016 – 98.2%) 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 \$19,091,925 (December 31, 2016 – \$19,302,235). 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 bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

Credit ratings	June 30, 2017		December 31, 2016	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
Short Term Rating				
A-1+	100.0	1.4	100.0	1.3
	100.0	1.4	100.0	1.3

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 (%)	
	June 30, 2017	December 31, 2016
Consumer Discretionary	6.4	6.0
Consumer Staples	–	1.5
Energy	17.1	17.1
Financials	42.8	41.6
Index Based ETFs	0.5	2.5
Industrials	10.6	8.7
Information Technology	–	0.2
Materials	14.9	14.6
Real Estate	–	0.3
Telecommunication Services	5.2	5.0
Treasury Bills	1.4	1.3
Utilities	1.3	0.9

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 (\$)
June 30, 2017				
Equities	190,919,247	–	–	190,919,247
Money market instruments	–	2,648,175	–	2,648,175
	190,919,247	2,648,175	–	193,567,422

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2016				
Equities	193,022,350	–	–	193,022,350
Money market instruments	–	2,548,961	–	2,548,961
	193,022,350	2,548,961	–	195,571,311

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Offsetting of financial assets and liabilities (note 2)

As at June 30, 2017 and December 31, 2016, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

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

Underlying Fund	June 30, 2017	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares S&P/TSX 60 Index ETF	948,789	0.0
	948,789	

Underlying Fund	December 31, 2016	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares S&P/TSX 60 Index ETF	4,881,184	0.0
	4,881,184	

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

As at June 30, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia Private Canadian Mid Cap Pool (Unaudited)

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STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	95,594,027	87,708,006
Cash	489,212	176,879
Subscriptions receivable	258,322	134,575
Accrued investment income and other	293,639	119,844
	<u>96,635,200</u>	<u>88,139,304</u>
LIABILITIES		
Current liabilities		
Management fee payable	268	—
Payable for securities purchased	—	6,322
Redemptions payable	203,860	46,513
Accrued expenses	19,071	591
	<u>223,199</u>	<u>53,426</u>
Net assets attributable to holders of redeemable units	<u>96,412,001</u>	<u>88,085,878</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	80,263,071	76,587,808
Series F	266,300	282,570
Series I	15,882,630	11,215,500
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	20.79	21.61
Series F	20.50	21.41
Series I	21.17	22.03

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Dividends	826,780	641,320
Interest for distribution purposes	86,661	71,246
Net realized gain (loss) on non-derivative financial assets	5,283,865	757,951
Change in unrealized gain (loss) on non-derivative financial assets	(9,319,375)	7,227,997
Net gain (loss) on investments	(3,122,069)	8,698,514
Securities lending (note 11)	20,347	17,502
Net realized and unrealized foreign currency translation gain (loss)	(32,786)	7,070
Other income	178	262
Total income (loss), net	<u>(3,134,330)</u>	<u>8,723,348</u>
EXPENSES		
Management fees (note 5)	1,550	935
Fixed administration fees (note 6)	99,199	81,072
Independent Review Committee fees	576	563
Interest expense and bank overdraft charges	—	408
Foreign withholding taxes/tax reclaims	2,466	1,094
Other fund costs	—	13
Harmonized Sales Tax/Goods and Services Tax	10,207	8,635
Transaction costs	388,724	106,586
Total expenses	<u>502,722</u>	<u>199,306</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(3,637,052)</u>	<u>8,524,042</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	(3,058,855)	7,516,479
Series F	(15,320)	19,558
Series I	(562,877)	988,005
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†		
Pinnacle Series	(0.83)	2.21
Series F	(1.03)	1.96
Series I	(0.89)	2.06
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	3,697,745	3,395,948
Series F	14,866	9,974
Series I	634,601	479,158

† 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 June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	76,587,808	58,914,639
Series F	282,570	186,165
Series I	11,215,500	9,638,812
	88,085,878	68,739,616
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	(3,058,855)	7,516,479
Series F	(15,320)	19,558
Series I	(562,877)	988,005
	(3,637,052)	8,524,042
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	12,314,553	15,807,764
Series F	86,260	80,465
Series I	5,452,957	1,005,875
Payments on redemption		
Pinnacle Series	(5,580,435)	(10,339,785)
Series F	(87,210)	(51,218)
Series I	(222,950)	(1,924,250)
	11,963,175	4,578,851
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	3,675,263	12,984,458
Series F	(16,270)	48,805
Series I	4,667,130	69,630
	8,326,123	13,102,893
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	80,263,071	71,899,097
Series F	266,300	234,970
Series I	15,882,630	9,708,442
	96,412,001	81,842,509

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(3,637,052)	8,524,042
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(5,283,865)	(757,951)
Unrealized foreign currency translation (gain) loss	–	(19,447)
Change in unrealized (gain) loss on non-derivative financial assets	9,319,375	(7,227,997)
Purchases of portfolio investments	(127,828,525)	(57,712,813)
Proceeds from sale of portfolio investments	115,900,671	52,681,245
Accrued investment income and other	(173,795)	34,047
Accrued expenses and other payables	18,748	16,193
Net cash provided by (used in) operating activities	(11,684,443)	(4,462,681)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	17,730,024	16,715,838
Amounts paid on redemption of redeemable units	(5,733,248)	(12,257,510)
Net cash provided by (used in) financing activities	11,996,776	4,458,328
Unrealized foreign currency translation gain (loss)	–	19,447
Net increase (decrease) in cash	312,333	(4,353)
Cash (bank overdraft), beginning of period	176,879	64,234
CASH (BANK OVERDRAFT), END OF PERIOD	489,212	79,328
Interest paid ⁽¹⁾	–	408
Interest received ⁽¹⁾	84,883	71,140
Dividends received, net of withholding taxes ⁽¹⁾	652,297	674,379

⁽¹⁾ Classified as operating items.

Scotia Private Canadian Mid Cap Pool (Unaudited – Continued)

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SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 96.8%				MONEY MARKET INSTRUMENTS – 2.4%			
Consumer Discretionary – 6.5%				Treasury Bills – 2.4%			
EnerCare Inc.	197,415	3,805,865	3,893,024	Government of Canada 0.00% Aug 10, 2017	2,255,000	2,253,025	2,253,768
Gildan Activewear Inc.	60,480	2,436,564	2,410,128	Government of Canada 0.00% Jul 13, 2017	100,000	99,873	99,982
		<u>6,242,429</u>	<u>6,303,152</u>			<u>2,352,898</u>	<u>2,353,750</u>
Consumer Staples – 5.5%				Transaction Costs			
Clearwater Seafoods Inc.	206,810	2,421,413	2,361,770			(129,636)	
Cott Corporation	155,575	2,383,461	2,913,920	TOTAL INVESTMENT PORTFOLIO			
		<u>4,804,874</u>	<u>5,275,690</u>			<u>92,776,949</u>	<u>95,594,027</u>
Energy – 27.2%				OTHER ASSETS, LESS LIABILITIES – 0.8%			
CES Energy Solutions Corporation	450,200	2,902,394	2,602,156				<u>817,974</u>
Freehold Royalties Ltd.	257,000	3,351,049	3,353,850	NET ASSETS – 100.0%			
Gibson Energy Inc.	160,070	2,903,638	2,682,773				<u>96,412,001</u>
Keyera Corporation	80,885	3,282,175	3,301,726				
Parkland Fuel Corporation	93,490	2,883,886	2,777,588				
Secure Energy Services Inc.	364,195	3,349,509	3,223,126				
STEP Energy Services Ltd.	41,900	413,606	370,815				
Tidewater Midstream and Infrastructure Ltd.	1,779,500	2,411,678	2,331,145				
Vermilion Energy, Inc.	78,855	3,376,342	3,244,095				
Whitecap Resources Inc.	251,160	2,421,024	2,325,742				
		<u>27,295,301</u>	<u>26,213,016</u>				
Financials – 13.0%							
Brookfield Asset Management Inc., Class A	56,315	2,893,662	2,865,870				
Industrial Alliance Insurance and Financial Services Inc.	66,525	3,295,037	3,742,697				
Intact Financial Corporation	35,495	3,169,784	3,477,090				
Toronto-Dominion Bank, The	37,110	2,409,077	2,425,138				
		<u>11,767,560</u>	<u>12,510,795</u>				
Industrials – 18.3%							
Badger Daylighting Ltd.	101,430	2,431,287	2,700,067				
Boyd Group Income Fund	23,975	2,052,523	2,305,196				
Cargojet Inc.	52,690	2,384,624	2,503,302				
Morneau Shepell, Inc.	158,115	3,375,434	3,295,117				
New Flyer Industries Inc.	59,706	2,692,134	3,238,453				
Savaria Corporation, Restricted	6,400	88,578	102,432				
Stantec Inc.	106,510	3,382,552	3,477,552				
		<u>16,407,132</u>	<u>17,622,119</u>				
Information Technology – 3.3%							
Open Text Corporation	76,600	2,701,012	3,135,238				
Materials – 8.8%							
CCL Industries Inc., Class B	29,950	1,276,784	1,965,020				
Chemtrade Logistics Income Fund	163,060	2,858,442	2,966,061				
Intertape Polymer Group Inc.	143,775	3,415,319	3,549,803				
		<u>7,550,545</u>	<u>8,480,884</u>				
Real Estate – 6.4%							
Canadian Apartment Properties Real Estate Investment Trust	85,775	2,907,945	2,879,467				
Pure Industrial Real Estate Trust	485,100	3,338,908	3,337,488				
		<u>6,246,853</u>	<u>6,216,955</u>				
Telecommunication Services – 2.4%							
BCE Inc.	39,300	2,389,220	2,295,120				
Utilities – 5.4%							
Algonquin Power & Utilities Corporation	204,600	2,932,409	2,792,790				
Boralex Inc.	109,040	2,216,352	2,394,518				
		<u>5,148,761</u>	<u>5,187,308</u>				
TOTAL EQUITIES							
		<u>90,553,687</u>	<u>93,240,277</u>				

CANADIAN EQUITY FUNDS

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns through capital growth by investing primarily in stocks of small and medium capitalization 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 of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	June 30, 2017 (\$)	December 31, 2016 (\$)
Less than 1 year	2,353,750	1,348,847
1-3 years	–	–
3-5 years	–	–
5-10 years	–	–
> 10 years	–	–
	2,353,750	1,348,847

As at June 30, 2017, 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 \$630 or approximately 0.0% (December 31, 2016 – \$613 or approximately 0.0%).

Currency risk

The Fund's exposure to currency risk is summarized in the table below. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable. The Fund did not have significant currency risk exposure as at June 30, 2017.

Currency	December 31, 2016			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	2,720,721	–	2,720,721	3.1
	2,720,721	–	2,720,721	3.1

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 could possibly have decreased or increased, respectively, by nil (December 31, 2016 – \$272,072 or 0.3%). 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 June 30, 2017, approximately 96.8% (December 31, 2016 – 98.1%) 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 \$9,324,028 (December 31, 2016 – \$8,635,916). 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 bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

Credit ratings	June 30, 2017		December 31, 2016	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
A-1+	100.0	2.4	100.0	1.5
	100.0	2.4	100.0	1.5

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 (%)	
	June 30, 2017	December 31, 2016
Consumer Discretionary	6.5	5.9
Consumer Staples	5.5	5.6
Energy	27.2	26.8
Financials	13.0	13.4
Health Care	–	0.3
Industrials	18.3	16.4
Information Technology	3.3	7.7
Materials	8.8	14.8
Real Estate	6.4	5.4
Telecommunication Services	2.4	–
Treasury Bills	2.4	1.5
Utilities	5.4	1.8

Fair Value Classification (note 2)

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

June 30, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	93,137,845	102,432	–	93,240,277
Money market instruments	–	2,353,750	–	2,353,750
	93,137,845	2,456,182	–	95,594,027

December 31, 2016	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	84,503,666	1,489,531	–	85,993,197
Money market instruments	–	1,348,847	–	1,348,847
Warrants, rights and options	–	365,962	–	365,962
	84,503,666	3,204,340	–	87,708,006

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at June 30, 2017 and December 31, 2016, 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 June 30, 2017 or December 31, 2016.

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

As at June 30, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	216,189,663	209,497,110
Cash	11,315	36,865
Subscriptions receivable	483,274	344,254
Accrued investment income and other	385,507	261,206
	<u>217,069,759</u>	<u>210,139,435</u>
LIABILITIES		
Current liabilities		
Management fee payable	709	—
Payable for securities purchased	—	546,156
Redemptions payable	649,632	64,977
Accrued expenses	29,255	936
	<u>679,596</u>	<u>612,069</u>
Net assets attributable to holders of redeemable units	<u>216,390,163</u>	<u>209,527,366</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	206,347,050	198,725,944
Series F	784,001	793,118
Series I	9,259,112	10,008,304
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	16.47	16.62
Series F	16.50	16.75
Series I	16.72	16.86

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Dividends	2,404,730	1,958,797
Interest for distribution purposes	2,029	3,294
Net realized gain (loss) on non-derivative financial assets	8,832,921	1,227,782
Change in unrealized gain (loss) on non-derivative financial assets	(13,077,196)	4,737,437
Net gain (loss) on investments	(1,837,516)	7,927,310
Securities lending (note 11)	2,300	9,658
Net realized and unrealized foreign currency translation gain (loss)	(15)	(390)
Other income	1,070	688
Total income (loss), net	<u>(1,834,161)</u>	<u>7,937,266</u>
EXPENSES		
Management fees (note 5)	3,982	3,260
Fixed administration fees (note 6)	154,353	124,774
Independent Review Committee fees	576	563
Interest expense and bank overdraft charges	—	307
Other fund costs	—	32
Harmonized Sales Tax/Goods and Services Tax	15,715	13,099
Transaction costs	56,196	90,962
Total expenses	<u>230,822</u>	<u>232,997</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(2,064,983)</u>	<u>7,704,269</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	(1,978,410)	7,183,515
Series F	(11,681)	12,223
Series I	(74,892)	508,531
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Pinnacle Series	(0.16)	0.64
Series F	(0.24)	0.27
Series I	(0.13)	0.67
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	12,208,518	11,219,882
Series F	47,712	44,690
Series I	576,783	759,983

[†] 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 June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	198,725,944	147,021,366
Series F	793,118	736,020
Series I	10,008,304	10,736,190
	209,527,366	158,493,576
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	(1,978,410)	7,183,515
Series F	(11,681)	12,223
Series I	(74,892)	508,531
	(2,064,983)	7,704,269
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	25,015,330	41,787,985
Series F	48,841	103,964
Series I	106,600	1,820,900
Payments on redemption		
Pinnacle Series	(15,415,814)	(20,828,678)
Series F	(46,277)	(166,486)
Series I	(780,900)	(2,157,900)
	8,927,780	20,559,785
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	7,621,106	28,142,822
Series F	(9,117)	(50,299)
Series I	(749,192)	171,531
	6,862,797	28,264,054
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	206,347,050	175,164,188
Series F	784,001	685,721
Series I	9,259,112	10,907,721
	216,390,163	186,757,630

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(2,064,983)	7,704,269
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(8,832,921)	(1,227,782)
Unrealized foreign currency translation (gain) loss	—	37
Change in unrealized (gain) loss on non-derivative financial assets	13,077,196	(4,737,437)
Non-cash transactions	(21,864)	(93,186)
Purchases of portfolio investments	(407,066,286)	(393,326,165)
Proceeds from sale of portfolio investments	395,605,166	371,584,732
Accrued investment income and other	(124,301)	(105,211)
Accrued expenses and other payables	29,028	24,588
Net cash provided by (used in) operating activities	(9,398,965)	(20,176,155)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	25,031,751	43,262,139
Amounts paid on redemption of redeemable units	(15,658,336)	(23,048,409)
Net cash provided by (used in) financing activities	9,373,415	20,213,730
Unrealized foreign currency translation gain (loss)	—	(37)
Net increase (decrease) in cash	(25,550)	37,575
Cash (bank overdraft), beginning of period	36,865	20,426
CASH (BANK OVERDRAFT), END OF PERIOD	11,315	57,964
Interest paid ⁽¹⁾	—	307
Interest received ⁽¹⁾	1,984	3,396
Dividends received, net of withholding taxes ⁽¹⁾	2,258,610	1,853,485

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 96.9%			
Consumer Discretionary – 8.5%			
Aritzia Inc., Subordinated Voting	109,210	1,789,451	1,640,334
Dollarama Inc.	33,250	1,568,231	4,120,008
Gildan Activewear Inc.	90,510	2,744,702	3,606,824
Magna International Inc.	37,920	1,599,597	2,277,854
Restaurant Brands International Inc.	66,320	3,190,667	5,381,205
Spin Master Corporation	37,240	1,450,587	1,441,188
		<u>12,343,235</u>	<u>18,467,413</u>
Consumer Staples – 5.7%			
Alimentation Couche-Tard Inc., Class B	96,260	3,234,920	5,983,522
Loblaw Companies Limited	30,770	1,787,016	2,219,748
Saputo Inc.	102,660	3,401,632	4,234,725
		<u>8,423,568</u>	<u>12,437,995</u>
Energy – 20.1%			
Canadian Natural Resources Ltd.	267,540	9,549,157	10,011,347
Cenovus Energy Inc.	317,870	5,324,160	3,038,837
Crescent Point Energy Corporation	148,680	2,788,520	1,474,906
Enbridge Inc.	197,050	11,219,976	10,179,603
Peyto Exploration & Development Corporation	79,350	2,620,196	1,866,312
Seven Generations Energy Ltd.	144,950	2,727,650	3,219,340
Suncor Energy, Inc.	282,170	10,689,326	10,691,421
Whitecap Resources Inc.	336,410	3,585,591	3,115,157
		<u>48,504,576</u>	<u>43,596,923</u>
Financials – 34.8%			
Bank of Nova Scotia, The	188,870	11,651,824	14,733,749
Brookfield Asset Management Inc., Class A	155,860	5,604,724	7,931,715
Canadian Imperial Bank of Commerce	60,840	6,465,427	6,411,928
Chartwell Seniors Housing Real Estate Investment Trust	111,840	1,717,106	1,732,402
Intact Financial Corporation	34,410	2,383,587	3,370,804
Royal Bank of Canada	196,020	14,634,599	18,457,243
Sun Life Financial Inc.	123,040	5,054,215	5,704,134
Toronto-Dominion Bank, The	259,030	12,850,353	16,927,610
		<u>60,361,835</u>	<u>75,269,585</u>
Industrials – 10.3%			
Canadian National Railway Company	111,100	6,678,407	11,689,942
Canadian Pacific Railway Limited	37,960	7,518,288	7,920,354
WestJet Airlines Ltd.	118,230	2,619,995	2,737,025
		<u>16,816,690</u>	<u>22,347,321</u>
Information Technology – 7.6%			
CGI Group Inc., Class A	66,870	2,515,529	4,430,806
Constellation Software Inc.	4,700	1,296,282	3,188,527
Descartes Systems Group Inc., The	75,650	1,402,108	2,386,758
Open Text Corporation	48,270	2,195,739	1,975,691
Shopify Inc., Class A	39,070	1,430,510	4,399,282
		<u>8,840,168</u>	<u>16,381,064</u>
Materials – 9.9%			
Agnico-Eagle Mines Limited	25,230	1,334,335	1,475,450
Barrick Gold Corporation	129,460	2,663,716	2,670,760
CCL Industries Inc., Class B	77,730	2,916,629	5,099,865
First Quantum Minerals Ltd.	130,830	2,174,132	1,435,205
Franco-Nevada Corporation	23,220	1,313,651	2,172,695
Goldcorp, Inc.	92,020	1,950,209	1,538,574
Lundin Mining Corporation	217,530	1,744,143	1,603,196
Potash Corporation of Saskatchewan Inc.	86,710	2,138,847	1,833,917
Tahoe Resources Inc.	149,180	2,406,074	1,667,832
Teck Resources Ltd., Class B	85,130	2,685,958	1,913,722
		<u>21,327,694</u>	<u>21,411,216</u>
TOTAL EQUITIES		<u>176,617,766</u>	<u>209,911,517</u>

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
MONEY MARKET INSTRUMENTS – 2.9%			
Commercial Paper – 1.5%			
Merit Trust 0.65% Jul 04, 2017	3,280,000	3,279,766	3,279,824
Treasury Bills – 1.4%			
Government of Canada 0.00% Aug 10, 2017	3,000,000	2,995,890	2,998,322
TOTAL MONEY MARKET INSTRUMENTS		<u>6,275,656</u>	<u>6,278,146</u>
Transaction Costs		<u>(113,904)</u>	
TOTAL INVESTMENT PORTFOLIO		<u><u>182,779,518</u></u>	<u>216,189,663</u>
OTHER ASSETS, LESS LIABILITIES – 0.2%			<u>200,500</u>
NET ASSETS – 100.0%			<u><u>216,390,163</u></u>

Instruments with a 0.00% stated interest rate are purchased at a discount to face value. The discount represents the implied effective interest.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns through capital growth by investing primarily in stocks of large and medium capitalization 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 of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	June 30, 2017 (\$)	December 31, 2016 (\$)
Less than 1 year	6,278,146	4,169,851
1-3 years	–	–
3-5 years	–	–
5-10 years	–	–
> 10 years	–	–
	6,278,146	4,169,851

As at June 30, 2017, 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 \$825 or approximately 0.0% (December 31, 2016 – nil).

Currency risk

The Fund did not have significant currency risk exposure as at June 30, 2017 or December 31, 2016.

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 June 30, 2017, approximately 96.9% (December 31, 2016 – 98.0%) 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 \$20,991,152 (December 31, 2016 – \$20,532,726). 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 bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

Credit ratings	June 30, 2017		December 31, 2016	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
Short Term Rating				
A-1+	100.0	2.9	100.0	2.0
	100.0	2.9	100.0	2.0

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 (%)	
	June 30, 2017	December 31, 2016
Commercial Paper	1.5	2.0
Consumer Discretionary	8.5	9.9
Consumer Staples	5.7	7.1
Energy	20.1	23.4
Financials	34.8	33.0
Industrials	10.3	9.3
Information Technology	7.6	8.2
Materials	9.9	7.1
Treasury Bills	1.4	–

Fair Value Classification (note 2)

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

June 30, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	209,911,517	–	–	209,911,517
Money market instruments	–	6,278,146	–	6,278,146
	209,911,517	6,278,146	–	216,189,663

December 31, 2016	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	205,327,259	–	–	205,327,259
Money market instruments	–	4,169,851	–	4,169,851
	205,327,259	4,169,851	–	209,497,110

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at June 30, 2017 and December 31, 2016, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at June 30, 2017 or December 31, 2016.

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

As at June 30, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia Private Canadian Small Cap Pool (Unaudited)

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STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	746,650,005	658,631,895
Cash	20,356,305	15,391,727
Receivable for securities sold	458,894	951,526
Subscriptions receivable	268,623	155,018
Accrued investment income and other	1,168,021	1,292,859
	<u>768,901,848</u>	<u>676,423,025</u>
LIABILITIES		
Current liabilities		
Management fee payable	31,142	–
Payable for securities purchased	2,545,286	69,478
Redemptions payable	809,010	66,997
Accrued expenses	46,616	1,303
Distributions payable	–	440
	<u>3,432,054</u>	<u>138,218</u>
Net assets attributable to holders of redeemable units	<u>765,469,794</u>	<u>676,284,807</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	109,591,187	104,339,865
Series F	3,473,012	2,950,683
Series I	590,483,339	568,993,209
Series M	61,922,256	1,050
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	38.24	36.70
Series F	38.79	37.46
Series I	39.54	37.97
Series M	10.64	10.24

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Dividends	5,993,458	7,676,008
Interest for distribution purposes	33,935	66,586
Net realized gain (loss) on non-derivative financial assets	11,051,585	8,305,871
Change in unrealized gain (loss) on non-derivative financial assets	12,969,923	(10,530,489)
Net gain (loss) on investments	30,048,901	5,517,976
Securities lending (note 11)	101,080	37,651
Net realized and unrealized foreign currency translation gain (loss)	(49)	–
Other income	489	128
Total income (loss), net	<u>30,150,421</u>	<u>5,555,755</u>
EXPENSES		
Management fees (note 5)	117,786	5,813
Fixed administration fees (note 6)	234,587	168,975
Independent Review Committee fees	576	563
Other fund costs	–	105
Harmonized Sales Tax/Goods and Services Tax	35,674	17,628
Transaction costs	230,327	378,845
Total expenses	<u>618,950</u>	<u>571,929</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>29,531,471</u>	<u>4,983,826</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	4,389,573	688,111
Series F	107,203	(27,489)
Series I	23,456,026	4,323,204
Series M	1,578,669	–
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†		
Pinnacle Series	1.54	0.26
Series F	1.33	(0.77)
Series I	1.58	0.29
Series M	0.40	–
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	2,842,802	2,667,483
Series F	80,716	35,637
Series I	14,838,075	15,089,676
Series M	3,956,533	–

† 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 June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	104,339,865	79,048,916
Series F	2,950,683	1,164,350
Series I	568,993,209	482,116,591
Series M	1,050	–
	676,284,807	562,329,857
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	4,389,573	688,111
Series F	107,203	(27,489)
Series I	23,456,026	4,323,204
Series M	1,578,669	–
	29,531,471	4,983,826
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	11,174,809	20,327,477
Series F	772,971	1,022,805
Series I	11,787,254	52,168,440
Series M	64,845,560	–
Payments on redemption		
Pinnacle Series	(10,313,060)	(10,134,928)
Series F	(357,845)	(255,764)
Series I	(13,753,150)	(26,357,050)
Series M	(4,503,023)	–
	59,653,516	36,770,980
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	5,251,322	10,880,660
Series F	522,329	739,552
Series I	21,490,130	30,134,594
Series M	61,921,206	–
	89,184,987	41,754,806
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	109,591,187	89,929,576
Series F	3,473,012	1,903,902
Series I	590,483,339	512,251,185
Series M	61,922,256	–
	765,469,794	604,084,663

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	29,531,471	4,983,826
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(11,051,585)	(8,305,871)
Change in unrealized (gain) loss on non-derivative financial assets	(12,969,923)	10,530,489
Non-cash transactions	–	(2,222,677)
Purchases of portfolio investments	(109,757,930)	(112,293,388)
Proceeds from sale of portfolio investments	48,729,769	72,833,160
Accrued investment income and other	124,838	173,018
Accrued expenses and other payables	76,455	33,588
Net cash provided by (used in) operating activities	(55,316,905)	(34,267,855)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	88,466,988	73,277,246
Amounts paid on redemption of redeemable units	(28,185,065)	(36,636,152)
Distributions to unitholders of redeemable units	(440)	–
Net cash provided by (used in) financing activities	60,281,483	36,641,094
Net increase (decrease) in cash	4,964,578	2,373,239
Cash (bank overdraft), beginning of period	15,391,727	21,421,296
CASH (BANK OVERDRAFT), END OF PERIOD	20,356,305	23,794,535
Interest received ⁽¹⁾	32,993	67,760
Dividends received, net of withholding taxes ⁽¹⁾	6,119,237	7,847,853

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 97.7%			
Consumer Discretionary – 6.1%			
AutoCanada Inc.	410,486	9,269,927	7,832,073
Cara Operations Ltd.	612,689	17,611,608	14,434,953
Leon's Furniture Ltd.	949,693	14,549,242	16,667,112
Martinrea International Inc.	710,970	7,805,115	7,529,172
Pollard Banknote Ltd.	25,031	250,118	256,568
		<u>49,486,010</u>	<u>46,719,878</u>
Consumer Staples – 4.9%			
Alimentation Couche-Tard Inc., Class B	288,220	9,391,408	17,915,755
High Liner Foods Inc.	599,425	10,057,221	10,483,943
Lassonde Industries Inc.	36,091	8,777,658	8,859,619
		<u>28,226,287</u>	<u>37,259,317</u>
Energy – 20.0%			
CES Energy Solutions Corporation	2,513,212	10,948,244	14,526,365
Enerflex Ltd.	1,556,802	21,397,966	29,299,014
Kelt Exploration Ltd.	2,578,210	17,348,738	16,191,159
Mullen Group Limited	1,391,934	28,255,149	22,270,944
NuVista Energy Ltd.	2,718,041	16,375,492	17,803,169
Peyto Exploration & Development Corporation	286,850	8,596,731	6,746,712
Secure Energy Services Inc.	1,917,707	15,932,650	16,971,707
Trican Well Service Ltd.	4,371,318	16,941,495	15,867,884
ZCL Composites Inc.	1,039,499	6,996,127	13,534,277
		<u>142,792,592</u>	<u>153,211,231</u>
Financials – 11.4%			
Canadian Western Bank	1,239,999	31,560,328	33,951,172
Equitable Group Inc.	290,610	12,154,857	17,285,483
Equity Financial Holdings, Inc.	326,478	3,168,462	2,445,320
FirstService Corporation	400,730	8,399,868	33,344,743
		<u>55,283,515</u>	<u>87,026,718</u>
Health Care – 2.5%			
Jamieson Wellness Inc.	49,840	784,980	784,980
Knight Therapeutics Inc.	892,316	5,845,121	9,181,932
New Look Eyewear Inc.	244,239	6,131,544	7,510,349
New Look Vision Group Inc., Subscription Receipts	53,740	1,662,716	1,662,716
		<u>14,424,361</u>	<u>19,139,977</u>
Industrials – 25.2%			
ATS Automation Tooling Systems Inc.	1,795,644	21,627,302	23,864,109
Cervus Equipment Corporation	613,013	10,881,366	6,786,054
Exactearth Ltd.	111,485	438,337	139,356
Exco Technologies Ltd.	1,346,050	13,857,493	14,375,814
GDI Integrated Facility Services Inc.	695,434	10,524,538	10,786,181
Horizon North Logistics Inc.	5,496,181	19,771,613	7,309,921
IBI Group Inc.	717,079	4,307,717	4,725,551
Logistec Corporation, Class B	61,551	2,247,482	2,141,975
MacDonald, Dettwiler and Associates Ltd.	336,727	25,807,903	22,722,338
Richelieu Hardware Ltd.	882,818	12,229,934	26,528,681
Russel Metals Inc.	327,780	7,077,340	8,509,169
Stantec Inc.	432,066	9,044,015	14,106,955
Toromont Industries Ltd.	631,564	17,496,366	30,150,865
WSP Global Inc.	378,952	11,957,835	20,391,407
		<u>167,269,241</u>	<u>192,538,376</u>
Information Technology – 6.5%			
Absolute Software Corporation	1,688,446	12,311,234	12,967,265
Enghouse Systems Limited	559,405	18,882,327	29,396,733
Tucows Inc., Class A	106,555	7,159,071	7,403,441
		<u>38,352,632</u>	<u>49,767,439</u>
Materials – 17.0%			
Canam Group Inc., Class A	905,639	10,176,588	11,139,360
CCL Industries Inc., Class B	606,223	13,035,126	39,774,291

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
Materials (cont'd)			
Major Drilling Group International Inc.	2,196,584	15,120,342	18,648,998
Stella-Jones Inc.	681,332	15,696,356	30,155,754
Winpak Ltd.	519,532	12,049,962	30,247,153
		<u>66,078,374</u>	<u>129,965,556</u>
Real Estate – 4.1%			
Colliers International Group Inc.	423,213	12,912,990	31,021,513
Transaction Costs		<u>(1,167,364)</u>	
TOTAL INVESTMENT PORTFOLIO		<u>573,658,638</u>	<u>746,650,005</u>
OTHER ASSETS, LESS LIABILITIES – 2.3%			<u>18,819,789</u>
NET ASSETS – 100.0%			<u>765,469,794</u>

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns through capital growth by investing primarily in stocks of small and medium capitalization Canadian corporations.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at June 30, 2017 and December 31, 2016. 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 did not have significant currency risk exposure as at June 30, 2017 or December 31, 2016.

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 June 30, 2017, approximately 97.7% (December 31, 2016 – 97.4%) 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 \$74,665,001 (December 31, 2016 – \$65,863,190). 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 June 30, 2017 or December 31, 2016.

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 (%)	
	June 30, 2017	December 31, 2016
Consumer Discretionary	6.1	6.3
Consumer Staples	4.9	4.3
Energy	20.0	23.1
Financials	11.4	10.9
Health Care	2.5	2.3
Industrials	25.2	24.6
Information Technology	6.5	7.4
Materials	17.0	15.5
Real Estate	4.1	3.0

Fair Value Classification (note 2)

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

June 30, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	744,987,289	1,662,716	–	746,650,005
	744,987,289	1,662,716	–	746,650,005

December 31, 2016	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	658,631,895	–	–	658,631,895
	658,631,895	–	–	658,631,895

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at June 30, 2017 and December 31, 2016, 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 June 30, 2017 or December 31, 2016.

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

As at June 30, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia Private U.S. Value Pool (Unaudited)

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STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	105,069,360	99,900,419
Cash	5,030,009	3,618,833
Subscriptions receivable	268,644	160,448
Accrued investment income and other	202,716	205,697
	<u>110,570,729</u>	<u>103,885,397</u>
LIABILITIES		
Current liabilities		
Management fee payable	383	—
Payable for securities purchased	691,920	—
Redemptions payable	132,246	35,193
Accrued expenses	21,166	641
	<u>845,715</u>	<u>35,834</u>
Net assets attributable to holders of redeemable units	<u>109,725,014</u>	<u>103,849,563</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	104,997,839	98,668,107
Series F	421,321	406,066
Series I	4,305,854	4,775,390
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	14.90	14.45
Series F	14.86	14.49
Series I	15.38	14.91

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Dividends	1,274,728	1,099,918
Interest for distribution purposes	21,985	8,911
Net realized gain (loss) on non-derivative financial assets	740,549	(4,383,409)
Change in unrealized gain (loss) on non-derivative financial assets	1,551,187	(4,295,902)
Net gain (loss) on investments	3,588,449	(7,570,482)
Securities lending (note 11)	2,421	10,470
Net realized and unrealized foreign currency translation gain (loss)	(150,281)	(96,099)
Other income	479	128
Total income (loss), net	<u>3,441,068</u>	<u>(7,655,983)</u>
EXPENSES		
Management fees (note 5)	2,090	2,061
Fixed administration fees (note 6)	109,025	89,725
Independent Review Committee fees	576	563
Interest expense and bank overdraft charges	—	1
Foreign withholding taxes/tax reclaims	172,667	144,643
Other fund costs	—	16
Harmonized Sales Tax/Goods and Services Tax	10,751	9,456
Transaction costs	10,376	43,806
Total expenses	<u>305,485</u>	<u>290,271</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>3,135,583</u>	<u>(7,946,254)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	2,972,538	(7,430,313)
Series F	10,181	(41,516)
Series I	152,864	(474,425)
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†		
Pinnacle Series	0.43	(1.22)
Series F	0.36	(1.40)
Series I	0.52	(1.36)
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	6,917,991	6,069,857
Series F	28,064	29,553
Series I	294,981	348,138

† 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 June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	98,668,107	93,362,207
Series F	406,066	486,451
Series I	4,775,390	6,166,229
	103,849,563	100,014,887
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	2,972,538	(7,430,313)
Series F	10,181	(41,516)
Series I	152,864	(474,425)
	3,135,583	(7,946,254)
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	12,874,514	16,154,377
Series F	30,797	39,843
Series I	31,600	221,410
Payments on redemption		
Pinnacle Series	(9,517,320)	(14,394,979)
Series F	(25,723)	(83,476)
Series I	(654,000)	(1,067,480)
	2,739,868	869,695
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	6,329,732	(5,670,915)
Series F	15,255	(85,149)
Series I	(469,536)	(1,320,495)
	5,875,451	(7,076,559)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	104,997,839	87,691,292
Series F	421,321	401,302
Series I	4,305,854	4,845,734
	109,725,014	92,938,328

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	3,135,583	(7,946,254)
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(740,549)	4,383,409
Unrealized foreign currency translation (gain) loss	124,683	70,379
Change in unrealized (gain) loss on non-derivative financial assets	(1,551,187)	4,295,902
Purchases of portfolio investments	(10,596,278)	(26,836,461)
Proceeds from sale of portfolio investments	8,410,994	24,968,460
Accrued investment income and other	2,981	(32,260)
Accrued expenses and other payables	20,908	16,891
Net cash provided by (used in) operating activities	(1,192,865)	(1,079,934)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	12,828,715	16,204,361
Amounts paid on redemption of redeemable units	(10,099,991)	(15,513,375)
Net cash provided by (used in) financing activities	2,728,724	690,986
Unrealized foreign currency translation gain (loss)	(124,683)	(70,379)
Net increase (decrease) in cash	1,535,859	(388,948)
Cash (bank overdraft), beginning of period	3,618,833	4,811,685
CASH (BANK OVERDRAFT), END OF PERIOD	5,030,009	4,352,358
Interest paid ⁽¹⁾	—	1
Interest received ⁽¹⁾	19,397	7,753
Dividends received, net of withholding taxes ⁽¹⁾	1,107,631	924,173

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 95.7%			
Consumer Discretionary – 12.1%			
Dollar General Corporation	49,265	5,702,181	4,604,522
Lowe's Companies, Inc.	40,533	4,021,818	4,074,268
Omnicom Group Inc.	42,855	4,525,529	4,606,033
		<u>14,249,528</u>	<u>13,284,823</u>
Consumer Staples – 19.6%			
CVS Health Corporation	47,015	5,598,350	4,904,418
J.M. Smucker Company, The	21,556	4,042,509	3,306,999
Kroger Company, The	72,853	3,280,000	2,202,658
Philip Morris International Inc.	30,034	3,214,434	4,573,379
Procter & Gamble Company, The	21,713	2,428,338	2,453,343
Reynolds American Inc.	47,976	3,271,121	4,045,532
		<u>21,834,752</u>	<u>21,486,329</u>
Energy – 8.2%			
Chevron Corporation	21,849	3,043,710	2,955,370
Occidental Petroleum Corporation	42,987	4,066,406	3,336,702
Royal Dutch Shell PLC, Class A – ADR	38,926	2,768,055	2,684,360
		<u>9,878,171</u>	<u>8,976,432</u>
Financials – 13.2%			
Aflac, Inc.	44,615	4,267,262	4,493,256
Marsh & McLennan Companies, Inc.	44,997	3,972,909	4,548,063
State Street Corporation	47,204	3,567,475	5,491,456
		<u>11,807,646</u>	<u>14,532,775</u>
Health Care – 24.3%			
Abbott Laboratories	76,070	4,083,050	4,794,133
AmerisourceBergen Corporation	26,606	2,798,041	3,260,771
Amgen Inc.	20,892	4,222,857	4,665,088
Becton, Dickinson and Company	15,356	3,434,284	3,884,442
Johnson & Johnson	13,392	2,138,042	2,296,907
Merck & Co., Inc.	31,480	2,503,749	2,615,749
UnitedHealth Group Incorporated	21,427	3,964,870	5,150,970
		<u>23,144,893</u>	<u>26,668,060</u>
Industrials – 11.0%			
3M Company	14,071	3,219,209	3,798,008
Illinois Tool Works Inc.	26,606	3,654,006	4,941,346
W.W. Grainger, Inc.	14,285	4,174,212	3,343,495
		<u>11,047,427</u>	<u>12,082,849</u>
Information Technology – 7.3%			
Automatic Data Processing, Inc.	34,462	4,194,917	4,577,895
Microchip Technology Incorporated	34,580	2,302,737	3,460,197
		<u>6,497,654</u>	<u>8,038,092</u>
Transaction Costs		(31,544)	
TOTAL INVESTMENT PORTFOLIO		<u>98,428,527</u>	105,069,360
OTHER ASSETS, LESS LIABILITIES – 4.3%			<u>4,655,654</u>
NET ASSETS – 100.0%			<u>109,725,014</u>

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns through capital growth by investing primarily in stocks of large capitalization U.S. corporations.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at June 30, 2017 and December 31, 2016. 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 contracts, as applicable.

June 30, 2017				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	109,301,243	–	109,301,243	99.6
	109,301,243	–	109,301,243	99.6

December 31, 2016				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	103,286,414	–	103,286,414	99.5
	103,286,414	–	103,286,414	99.5

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 could possibly have decreased or increased, respectively, by \$10,930,124 or 10.0% of net assets (December 31, 2016 – \$10,328,641 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 June 30, 2017, approximately 95.7% (December 31, 2016 – 96.2%) 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 \$10,506,936 (December 31, 2016 – \$9,990,042). 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 June 30, 2017 or December 31, 2016.

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 (%)	
	June 30, 2017	December 31, 2016
Consumer Discretionary	12.1	12.8
Consumer Staples	19.6	19.2
Energy	8.2	7.8
Financials	13.2	12.9
Health Care	24.3	23.6
Industrials	11.0	11.5
Information Technology	7.3	8.4

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 (\$)
June 30, 2017				
Equities	105,069,360	–	–	105,069,360
	105,069,360	–	–	105,069,360

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2016				
Equities	99,900,419	–	–	99,900,419
	99,900,419	–	–	99,900,419

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at June 30, 2017 and December 31, 2016, 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 June 30, 2017 or December 31, 2016.

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

As at June 30, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia Private U.S. Mid Cap Value Pool (Unaudited)

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STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	82,951,895	120,241,722
Cash	3,433,886	7,251,740
Subscriptions receivable	305,774	377,558
Accrued investment income and other	52,148	105,733
	<u>86,743,703</u>	<u>127,976,753</u>
LIABILITIES		
Current liabilities		
Management fee payable	1,394	—
Redemptions payable	211,513	82,462
Accrued expenses	35,904	2,050
Distributions payable	—	3
	<u>248,811</u>	<u>84,515</u>
Net assets attributable to holders of redeemable units	<u>86,494,892</u>	<u>127,892,238</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	77,388,798	70,044,228
Series F	407,647	382,305
Series I	6,691,831	5,190,728
Series M	<u>2,006,616</u>	<u>52,274,977</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	17.10	16.66
Series F	16.69	16.48
Series I	17.77	17.29
Series M	<u>17.09</u>	<u>16.58</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Dividends	629,825	649,707
Interest for distribution purposes	19,005	15,071
Net realized gain (loss) on non-derivative financial assets	5,933,816	(1,058,337)
Change in unrealized gain (loss) on non-derivative financial assets	(3,188,329)	(1,590,125)
Net gain (loss) on investments	<u>3,394,317</u>	<u>(1,983,684)</u>
Securities lending (note 11)	1,577	1,085
Net realized and unrealized foreign currency translation gain (loss)	(344,500)	(993,903)
Other income	1,168	162
Total income (loss), net	<u>3,052,562</u>	<u>(2,976,340)</u>
EXPENSES		
Management fees (note 5)	84,831	148,248
Fixed administration fees (note 6)	195,692	135,076
Independent Review Committee fees	576	562
Foreign withholding taxes/tax reclaims	93,046	84,699
Other fund costs	—	19
Harmonized Sales Tax/Goods and Services Tax	27,748	29,449
Transaction costs	52,897	62,136
Total expenses	<u>454,790</u>	<u>460,189</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>2,597,772</u>	<u>(3,436,529)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	1,836,252	(680,163)
Series F	4,543	(13,935)
Series I	153,410	(64,434)
Series M	<u>603,567</u>	<u>(2,677,997)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†		
Pinnacle Series	0.42	(0.22)
Series F	0.19	(0.74)
Series I	0.44	(0.22)
Series M	<u>0.32</u>	<u>(0.73)</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	4,339,647	3,097,463
Series F	23,658	18,705
Series I	344,748	295,667
Series M	<u>1,857,280</u>	<u>3,649,317</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 June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	70,044,228	13,663,796
Series F	382,305	287,289
Series I	5,190,728	1,516,440
Series M	52,274,977	57,606,342
	<u>127,892,238</u>	<u>73,073,867</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	1,836,252	(680,163)
Series F	4,543	(13,935)
Series I	153,410	(64,434)
Series M	603,567	(2,677,997)
	<u>2,597,772</u>	<u>(3,436,529)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	13,370,968	44,266,237
Series F	43,755	67,240
Series I	1,651,603	3,715,950
Series M	2,084,378	3,441,795
Payments on redemption		
Pinnacle Series	(7,862,650)	(2,359,924)
Series F	(22,956)	(51,252)
Series I	(303,910)	(253,750)
Series M	(52,956,306)	(6,441,865)
	<u>(43,995,118)</u>	<u>42,384,431</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	7,344,570	41,226,150
Series F	25,342	2,053
Series I	1,501,103	3,397,766
Series M	(50,268,361)	(5,678,067)
	<u>(41,397,346)</u>	<u>38,947,902</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	77,388,798	54,889,946
Series F	407,647	289,342
Series I	6,691,831	4,914,206
Series M	2,006,616	51,928,275
	<u>86,494,892</u>	<u>112,021,769</u>

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	2,597,772	(3,436,529)
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(5,933,816)	1,058,337
Unrealized foreign currency translation (gain) loss	65,181	1,280,953
Change in unrealized (gain) loss on non-derivative financial assets	3,188,329	1,590,125
Purchases of portfolio investments	(6,686,677)	(50,105,992)
Proceeds from sale of portfolio investments	46,721,991	10,382,313
Accrued investment income and other	53,585	(11,810)
Accrued expenses and other payables	35,248	55,299
Net cash provided by (used in) operating activities	<u>40,041,613</u>	<u>(39,187,304)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	17,222,488	51,331,379
Amounts paid on redemption of redeemable units	(61,016,771)	(8,443,154)
Distributions to unitholders of redeemable units	(3)	—
Net cash provided by (used in) financing activities	<u>(43,794,286)</u>	<u>42,888,225</u>
Unrealized foreign currency translation gain (loss)	(65,181)	(1,280,953)
Net increase (decrease) in cash	<u>(3,752,673)</u>	<u>3,700,921</u>
Cash (bank overdraft), beginning of period	7,251,740	3,995,702
CASH (BANK OVERDRAFT), END OF PERIOD	<u>3,433,886</u>	<u>6,415,670</u>
Interest received ⁽¹⁾	18,851	14,005
Dividends received, net of withholding taxes ⁽¹⁾	590,518	554,265

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 95.9%			
Consumer Discretionary – 15.2%			
Carter's Inc.	19,918	2,289,784	2,297,009
Hanesbrands Inc.	43,264	1,730,973	1,299,081
Mohawk Industries, Inc.	12,477	2,772,784	3,909,668
PVH Corporation	18,927	2,324,453	2,809,689
Ross Stores, Inc.	37,777	2,296,092	2,827,483
		11,414,086	13,142,930
Energy – 2.9%			
Pioneer Natural Resources Company	12,209	2,335,029	2,525,978
Financials – 17.4%			
BankUnited	62,467	2,856,430	2,730,112
CIT Group, Inc.	26,804	1,298,726	1,692,387
East West Bancorp, Inc.	24,228	1,760,012	1,840,085
First Republic Bank	28,528	2,249,377	3,702,341
FNF Group	39,829	1,917,589	2,314,937
SEI Investments Company	40,042	2,215,121	2,791,950
		12,297,255	15,071,812
Health Care – 13.6%			
Agilent Technologies, Inc.	39,008	2,040,409	2,999,526
Becton, Dickinson and Company	14,162	2,782,168	3,582,409
Envision Healthcare Corporation	32,543	3,029,983	2,644,164
Laboratory Corporation of America Holdings	12,767	2,164,446	2,551,381
		10,017,006	11,777,480
Industrials – 22.4%			
Carlisle Companies Inc.	12,535	1,511,251	1,550,400
Convanta Holding Corporation	74,958	1,630,395	1,282,812
EMCOR Group, Inc.	21,511	1,416,312	1,823,377
Hexcel Corporation	52,809	2,901,381	3,614,354
IDEX Corporation	19,921	1,866,424	2,918,764
Jacobs Engineering Group, Inc.	43,959	2,494,106	3,099,830
Roper Technologies Inc.	5,350	1,098,896	1,605,950
Snap-on Incorporated	12,617	2,760,557	2,584,546
Wabtec Corporation	7,183	721,108	852,115
		16,400,430	19,332,148
Information Technology – 9.8%			
Euronet Worldwide, Inc.	27,599	2,370,533	3,126,272
Genpact Limited	55,137	1,776,054	1,989,424
Keysight Technologies Inc.	66,607	2,499,799	3,361,827
		6,646,386	8,477,523
Materials – 5.5%			
Albemarle Corporation	19,915	1,686,867	2,725,012
Reliance Steel & Aluminum Company	21,347	1,655,697	2,015,111
		3,342,564	4,740,123
Real Estate – 9.1%			
CB Richard Ellis Group, Inc.	76,297	3,112,910	3,600,641
Host Hotels & Resorts Inc.	75,886	1,639,899	1,797,510
Mid-America Apartment Communities Inc.	18,194	2,260,569	2,485,750
		7,013,378	7,883,901
Transaction Costs		(62,086)	
TOTAL INVESTMENT PORTFOLIO		69,404,048	82,951,895
OTHER ASSETS, LESS LIABILITIES – 4.1%			3,542,997
NET ASSETS – 100.0%			86,494,892

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns through capital growth by investing primarily in stocks of small and medium capitalization companies located in the U.S.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at June 30, 2017 and December 31, 2016. 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 contracts, as applicable.

June 30, 2017				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	85,472,074	–	85,472,074	98.8
	85,472,074	–	85,472,074	98.8

December 31, 2016				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	127,277,175	–	127,277,175	99.5
	127,277,175	–	127,277,175	99.5

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 could possibly have decreased or increased, respectively, by \$8,547,207 or 9.9% of net assets (December 31, 2016 – \$12,727,718 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 June 30, 2017, approximately 95.9% (December 31, 2016 – 94.0%) 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 \$8,295,190 (December 31, 2016 – \$12,024,172). 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 June 30, 2017 or December 31, 2016.

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 (%)	
	June 30, 2017	December 31, 2016
Consumer Discretionary	15.2	15.2
Consumer Staples	–	3.7
Energy	2.9	2.8
Financials	17.4	15.3
Health Care	13.6	13.1
Industrials	22.4	23.4
Information Technology	9.8	7.2
Materials	5.5	5.0
Real Estate	9.1	8.3

Fair Value Classification (note 2)

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

June 30, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	82,951,895	–	–	82,951,895
	82,951,895	–	–	82,951,895

December 31, 2016	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	120,241,722	–	–	120,241,722
	120,241,722	–	–	120,241,722

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at June 30, 2017 and December 31, 2016, 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 June 30, 2017 or December 31, 2016.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

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

The table below provides a comparison of the net asset value per unit and net assets per unit. A difference could arise when the last traded market price for a financial instrument is not within the bid-ask spread (note 2).

	June 30, 2017		December 31, 2016	
	Net asset value per unit (\$)	Net assets per unit (\$)	Net asset value per unit (\$)	Net assets per unit (\$)
Pinnacle Series	17.10	17.10	16.65	16.66
Series F	16.69	16.69	16.48	16.48
Series I	17.77	17.77	17.29	17.29
Series M	17.09	17.09	16.57	16.58

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	58,197,351	57,752,991
Cash	578,872	640,735
Receivable for securities sold	—	200,165
Subscriptions receivable	52,016	117,974
Accrued investment income and other	15,809	19,471
	<u>58,844,048</u>	<u>58,731,336</u>
LIABILITIES		
Current liabilities		
Management fee payable	25,836	—
Payable for securities purchased	—	363,231
Redemptions payable	311,862	60,190
Accrued expenses	6,926	1,032
Distributions payable	—	5
	<u>344,624</u>	<u>424,458</u>
Net assets attributable to holders of redeemable units	<u>58,499,424</u>	<u>58,306,878</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	8,485,443	8,581,524
Series F	198,449	191,962
Series M	<u>49,815,532</u>	<u>49,533,392</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	33.06	31.00
Series F	31.60	29.70
Series M	<u>32.86</u>	<u>30.81</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Dividends	201,860	222,958
Interest for distribution purposes	5,465	3,538
Net realized gain (loss) on non-derivative financial assets	1,347,952	(543,982)
Change in unrealized gain (loss) on non-derivative financial assets	<u>2,480,714</u>	<u>(4,667,000)</u>
Net gain (loss) on investments	4,035,991	(4,984,486)
Securities lending (note 11)	797	3,390
Net realized and unrealized foreign currency translation gain (loss)	<u>(11,612)</u>	<u>11,991</u>
Total income (loss), net	<u>4,025,176</u>	<u>(4,969,105)</u>
EXPENSES		
Management fees (note 5)	138,085	147,177
Fixed administration fees (note 6)	34,241	39,119
Independent Review Committee fees	576	563
Interest expense and bank overdraft charges	4	759
Foreign withholding taxes/tax reclaims	28,224	33,124
Other fund costs	—	11
Harmonized Sales Tax/Goods and Services Tax	17,905	19,627
Transaction costs	<u>17,155</u>	<u>21,767</u>
Total expenses	<u>236,190</u>	<u>262,147</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>3,788,986</u>	<u>(5,231,252)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	564,377	(1,264,736)
Series F	11,614	(17,691)
Series M	<u>3,212,995</u>	<u>(3,948,825)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†		
Pinnacle Series	2.11	(3.62)
Series F	1.88	(2.08)
Series M	<u>2.07</u>	<u>(2.15)</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	267,635	349,478
Series F	6,194	8,519
Series M	<u>1,552,147</u>	<u>1,836,119</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 June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	8,581,524	21,355,729
Series F	191,962	262,085
Series M	49,533,392	58,823,235
	<u>58,306,878</u>	<u>80,441,049</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	564,377	(1,264,736)
Series F	11,614	(17,691)
Series M	3,212,995	(3,948,825)
	<u>3,788,986</u>	<u>(5,231,252)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	277,842	1,100,464
Series F	19,765	24,648
Series M	3,641,255	3,450,318
Payments on redemption		
Pinnacle Series	(938,300)	(12,329,534)
Series F	(24,892)	(58,822)
Series M	(6,572,110)	(6,473,938)
	<u>(3,596,440)</u>	<u>(14,286,864)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	(96,081)	(12,493,806)
Series F	6,487	(51,865)
Series M	282,140	(6,972,445)
	<u>192,546</u>	<u>(19,518,116)</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	8,485,443	8,861,923
Series F	198,449	210,220
Series M	49,815,532	51,850,790
	<u>58,499,424</u>	<u>60,922,933</u>

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	3,788,986	(5,231,252)
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(1,347,952)	543,982
Unrealized foreign currency translation (gain) loss	12,412	115,297
Change in unrealized (gain) loss on non-derivative financial assets	(2,480,714)	4,667,000
Purchases of portfolio investments	(19,442,630)	(19,778,964)
Proceeds from sale of portfolio investments	22,663,870	33,806,857
Accrued investment income and other	3,662	(6,437)
Accrued expenses and other payables	31,730	32,582
Net cash provided by (used in) operating activities	<u>3,229,364</u>	<u>14,149,065</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	4,004,820	4,615,872
Amounts paid on redemption of redeemable units	(7,283,630)	(18,220,574)
Distributions to unitholders of redeemable units	(5)	—
Net cash provided by (used in) financing activities	<u>(3,278,815)</u>	<u>(13,604,702)</u>
Unrealized foreign currency translation gain (loss)	(12,412)	(115,297)
Net increase (decrease) in cash	(49,451)	544,363
Cash (bank overdraft), beginning of period	640,735	1,711,374
CASH (BANK OVERDRAFT), END OF PERIOD	<u>578,872</u>	<u>2,140,440</u>
Interest paid ⁽¹⁾	4	759
Interest received ⁽¹⁾	5,190	3,823
Dividends received, net of withholding taxes ⁽¹⁾	177,574	183,111

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 99.3%			
Consumer Discretionary – 21.1%			
CarMax, Inc.	11,400	971,357	932,030
Domino's Pizza Inc.	2,100	580,196	575,920
Hanesbrands Inc.	45,900	1,692,336	1,378,232
L Brands Inc.	8,850	619,225	618,333
Live Nation Entertainment Inc.	12,430	590,911	561,623
Newell Brands Inc.	23,270	1,346,547	1,617,686
O'Reilly Automotive, Inc.	4,458	1,393,854	1,264,268
Ross Stores, Inc.	21,800	1,422,375	1,631,658
Six Flags Entertainment Corporation	20,130	1,286,337	1,555,729
Tractor Supply Company	14,200	1,454,003	998,019
Vail Resorts Inc.	4,610	1,046,191	1,212,283
		<u>12,403,332</u>	<u>12,345,781</u>
Energy – 1.2%			
Concho Resources Inc.	4,490	694,837	707,458
Financials – 8.0%			
Affiliated Managers Group, Inc.	2,960	667,767	636,509
East West Bancorp, Inc.	13,180	919,135	1,001,004
NASDAQ OMX Group, Inc., The	7,140	649,845	661,781
Progressive Corporation, The	27,280	1,452,124	1,559,393
Signature Bank	4,537	752,768	844,272
		<u>4,441,639</u>	<u>4,702,959</u>
Health Care – 15.3%			
ABIOMED Inc.	3,220	456,980	598,237
Align Technology Inc.	4,920	376,299	957,579
BioMarin Pharmaceutical Inc.	9,186	1,131,098	1,081,631
Centene Corporation	14,530	1,220,589	1,504,786
Cooper Companies Inc., The	2,770	898,299	859,827
HealthSouth Corporation	13,300	716,734	834,580
Mettler-Toledo International Inc.	900	363,256	686,736
Veeva Systems Inc., Class A	10,880	585,598	864,831
Zoetis Inc.	19,500	1,223,122	1,577,070
		<u>6,971,975</u>	<u>8,965,277</u>
Industrials – 20.4%			
BWX Technologies Inc.	22,289	1,327,396	1,408,758
Copart Inc.	47,250	1,657,649	1,947,437
Equifax Inc.	9,030	1,359,227	1,608,825
Fortive Corporation	10,600	852,310	870,610
Old Dominion Freight Line Inc.	10,560	972,858	1,303,930
The Middleby Corporation	6,940	1,043,488	1,093,308
Verisk Analytics, Inc.	18,300	1,804,189	2,001,752
Wabtec Corporation	9,170	982,400	1,087,831
Xylem, Inc.	8,580	618,054	616,600
		<u>10,617,571</u>	<u>11,939,051</u>
Information Technology – 23.0%			
Arista Networks Inc.	3,570	479,351	693,301
Booz Allen Hamilton Holding Corporation, Class A	27,656	1,102,801	1,166,750
Check Point Software Technologies Ltd.	11,120	1,208,785	1,572,610
CoStar Group Inc.	6,204	1,385,888	2,120,256
CSRA, Inc.	36,490	1,446,686	1,502,065
Guidewire Software Inc.	14,370	890,292	1,280,111
j2 Global Inc.	4,920	597,130	542,769
Maximus Inc.	12,439	949,039	1,010,041
Red Hat, Inc.	16,640	1,557,638	2,065,680
Vantiv, Inc.	18,607	1,021,711	1,528,007
		<u>10,639,321</u>	<u>13,481,590</u>

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
Materials – 7.1%			
Axalta Coating Systems Ltd.	19,890	733,375	826,225
Ball Corporation	35,420	1,758,039	1,938,362
Vulcan Materials Company	8,620	1,225,254	1,415,749
		<u>3,716,668</u>	<u>4,180,336</u>
Telecommunication Services – 3.2%			
SBA Communications Corporation, Class A	10,720	1,517,252	1,874,899
Transaction Costs		(20,391)	
TOTAL INVESTMENT PORTFOLIO		<u>50,982,204</u>	<u>58,197,351</u>
OTHER ASSETS, LESS LIABILITIES – 0.7%			<u>302,073</u>
NET ASSETS – 100.0%			<u>58,499,424</u>

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns through capital growth by investing primarily in stocks of small and medium capitalization companies traded on U.S. stock exchanges.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at June 30, 2017 and December 31, 2016. 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 contracts, as applicable.

June 30, 2017				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	58,682,920	–	58,682,920	100.3
	58,682,920	–	58,682,920	100.3

December 31, 2016				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	58,325,879	–	58,325,879	100.0
	58,325,879	–	58,325,879	100.0

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 could possibly have decreased or increased, respectively, by \$5,868,292 or 10.0% of net assets (December 31, 2016 – \$5,832,588 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 June 30, 2017, approximately 99.3% (December 31, 2016 – 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 \$5,819,735 (December 31, 2016 – \$5,775,299). 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 June 30, 2017 or December 31, 2016.

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 (%)	
	June 30, 2017	December 31, 2016
Consumer Discretionary	21.1	20.1
Consumer Staples	–	4.9
Energy	1.2	0.9
Financials	8.0	8.6
Health Care	15.3	17.1
Industrials	20.4	14.7
Information Technology	23.0	25.2
Materials	7.1	5.8
Telecommunication Services	3.2	1.8

Fair Value Classification (note 2)

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

June 30, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	58,197,351	–	–	58,197,351
	58,197,351	–	–	58,197,351

December 31, 2016	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	57,752,991	–	–	57,752,991
	57,752,991	–	–	57,752,991

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at June 30, 2017 and December 31, 2016, 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 June 30, 2017 or December 31, 2016.

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

As at June 30, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	126,285,495	112,629,734
Cash	6,662,081	4,344,816
Subscriptions receivable	281,476	194,620
Accrued investment income and other	59,825	62,571
	<u>133,288,877</u>	<u>117,231,741</u>
LIABILITIES		
Current liabilities		
Management fee payable	1,796	—
Redemptions payable	176,530	54,281
Accrued expenses	32,500	966
	<u>210,826</u>	<u>55,247</u>
Net assets attributable to holders of redeemable units	<u>133,078,051</u>	<u>117,176,494</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	125,996,190	109,331,325
Series F	1,673,050	1,901,836
Series I	<u>5,408,811</u>	<u>5,943,333</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	21.58	19.21
Series F	21.11	18.89
Series I	<u>21.72</u>	<u>19.32</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Dividends	547,962	548,653
Interest for distribution purposes	20,393	7,517
Net realized gain (loss) on non-derivative financial assets	1,404,552	641,680
Change in unrealized gain (loss) on non-derivative financial assets	13,108,813	(9,537,309)
Net gain (loss) on investments	15,081,720	(8,339,459)
Securities lending (note 11)	238	5,215
Net realized and unrealized foreign currency translation gain (loss)	(249,219)	(116,380)
Other income	500	—
Total income (loss), net	<u>14,833,239</u>	<u>(8,450,624)</u>
EXPENSES		
Management fees (note 5)	9,192	5,219
Fixed administration fees (note 6)	164,147	124,459
Independent Review Committee fees	576	563
Foreign withholding taxes/tax reclaims	115,927	109,561
Other fund costs	—	17
Harmonized Sales Tax/Goods and Services Tax	17,065	13,473
Transaction costs	2,928	8,486
Total expenses	<u>309,835</u>	<u>261,778</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>14,523,404</u>	<u>(8,712,402)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	13,630,519	(8,054,291)
Series F	203,957	(101,159)
Series I	<u>688,928</u>	<u>(556,952)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†		
Pinnacle Series	2.36	(1.62)
Series F	2.24	(1.72)
Series I	<u>2.50</u>	<u>(1.66)</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	5,784,794	4,970,865
Series F	90,892	58,889
Series I	<u>275,690</u>	<u>335,157</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 June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	109,331,325	81,160,313
Series F	1,901,836	889,561
Series I	5,943,333	5,812,533
	117,176,494	87,862,407
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	13,630,519	(8,054,291)
Series F	203,957	(101,159)
Series I	688,928	(556,952)
	14,523,404	(8,712,402)
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	15,359,451	31,647,285
Series F	443,318	1,559,928
Series I	27,000	1,149,240
Payments on redemption		
Pinnacle Series	(12,325,105)	(10,004,306)
Series F	(876,061)	(237,915)
Series I	(1,250,450)	(273,000)
	1,378,153	23,841,232
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	16,664,865	13,588,688
Series F	(228,786)	1,220,854
Series I	(534,522)	319,288
	15,901,557	15,128,830
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	125,996,190	94,749,001
Series F	1,673,050	2,110,415
Series I	5,408,811	6,131,821
	133,078,051	102,991,237

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	14,523,404	(8,712,402)
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(1,404,552)	(641,680)
Unrealized foreign currency translation (gain) loss	171,896	428,177
Change in unrealized (gain) loss on non-derivative financial assets	(13,108,813)	9,537,309
Purchases of portfolio investments	(5,282,693)	(28,162,263)
Proceeds from sale of portfolio investments	6,140,296	4,167,085
Accrued investment income and other	2,746	(7,515)
Accrued expenses and other payables	33,330	25,010
Net cash provided by (used in) operating activities	1,075,614	(23,366,279)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	15,742,913	34,015,284
Amounts paid on redemption of redeemable units	(14,329,366)	(10,371,434)
Net cash provided by (used in) financing activities	1,413,547	23,643,850
Unrealized foreign currency translation gain (loss)	(171,896)	(428,177)
Net increase (decrease) in cash	2,489,161	277,571
Cash (bank overdraft), beginning of period	4,344,816	3,014,805
CASH (BANK OVERDRAFT), END OF PERIOD	6,662,081	2,864,199
Interest received ⁽¹⁾	17,304	6,684
Dividends received, net of withholding taxes ⁽¹⁾	437,870	432,410

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 94.9%			
Consumer Discretionary – 22.1%			
Dollar General Corporation	38,692	4,100,822	3,616,323
NIKE, Inc., Class B	100,372	5,320,943	7,677,779
O'Reilly Automotive, Inc.	16,384	4,004,113	4,646,428
Priceline Group Inc., The	2,720	3,889,650	6,596,329
Starbucks Corporation	91,247	4,612,975	6,898,150
		<u>21,928,503</u>	<u>29,435,009</u>
Consumer Staples – 4.2%			
Nestle S.A. – ADR	49,747	4,587,581	5,624,118
Health Care – 15.8%			
Align Technology Inc.	27,637	2,962,724	5,378,987
Celgene Corporation	42,114	5,997,824	7,090,982
Regeneron Pharmaceuticals, Inc.	13,336	6,052,535	8,491,843
		<u>15,013,083</u>	<u>20,961,812</u>
Information Technology – 52.8%			
Accenture PLC, Class A	38,692	4,042,469	6,204,284
Adobe Systems Incorporated	50,139	6,253,977	9,194,306
Alphabet Inc., Class A	3,815	3,625,477	4,598,319
Alphabet Inc., Class C	7,370	3,219,450	8,683,072
Automatic Data Processing, Inc.	55,012	5,712,220	7,307,736
Facebook Inc.	47,466	5,971,514	9,291,228
Gartner Inc., Class A	32,551	2,897,900	5,212,397
MasterCard, Inc., Class A	17,372	1,292,456	2,735,384
Oracle Corporation	102,916	4,329,538	6,690,187
Visa Inc.	85,106	6,050,049	10,347,643
		<u>43,395,050</u>	<u>70,264,556</u>
Transaction Costs		(16,680)	
TOTAL INVESTMENT PORTFOLIO		<u>84,907,537</u>	<u>126,285,495</u>
OTHER ASSETS, LESS LIABILITIES – 5.1%			<u>6,792,556</u>
NET ASSETS – 100.0%			<u>133,078,051</u>

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns through capital growth by investing primarily in large capitalization stocks of U.S. corporations.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at June 30, 2017 and December 31, 2016. 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 contracts, as applicable.

June 30, 2017				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	132,854,137	–	132,854,137	99.8
	132,854,137	–	132,854,137	99.8

December 31, 2016				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	116,823,420	–	116,823,420	99.7
	116,823,420	–	116,823,420	99.7

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 could possibly have decreased or increased, respectively, by \$13,285,414 or 10.0% of net assets (December 31, 2016 – \$11,682,342 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 June 30, 2017, approximately 94.9% (December 31, 2016 – 96.1%) 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 \$12,628,550 (December 31, 2016 – \$11,262,973). 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 June 30, 2017 or December 31, 2016.

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 (%)	
	June 30, 2017	December 31, 2016
Consumer Discretionary	22.1	28.3
Consumer Staples	4.2	4.0
Health Care	15.8	13.9
Information Technology	52.8	49.9

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 (\$)
June 30, 2017				
Equities	126,285,495	–	–	126,285,495
	126,285,495	–	–	126,285,495

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2016				
Equities	112,629,734	–	–	112,629,734
	112,629,734	–	–	112,629,734

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at June 30, 2017 and December 31, 2016, 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 June 30, 2017 or December 31, 2016.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

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

The table below provides a comparison of the net asset value per unit and net assets per unit. A difference could arise when the last traded market price for a financial instrument is not within the bid-ask spread (note 2).

	June 30, 2017		December 31, 2016	
	Net asset value per unit (\$)	Net assets per unit (\$)	Net asset value per unit (\$)	Net assets per unit (\$)
Pinnacle Series	21.58	21.58	19.20	19.21
Series F	21.11	21.11	18.88	18.89
Series I	21.72	21.72	19.31	19.32

Scotia Private International Equity Pool (Unaudited)

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STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	1,187,669,072	1,112,343,479
Cash	6,632,236	3,811,201
Subscriptions receivable	816,339	313,347
Accrued investment income and other	3,038,507	947,705
	<u>1,198,156,154</u>	<u>1,117,415,732</u>
LIABILITIES		
Current liabilities		
Management fee payable	1,086	—
Payable for securities purchased	1,275,707	—
Redemptions payable	267,259	110,072
Accrued expenses	78,044	2,335
	<u>1,622,096</u>	<u>112,407</u>
Net assets attributable to holders of redeemable units	<u>1,196,534,058</u>	<u>1,117,303,325</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	178,002,538	157,844,724
Series F	1,216,601	1,195,624
Series I	1,017,314,919	958,262,977
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	13.12	11.86
Series F	13.23	12.04
Series I	13.51	12.21

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Dividends	25,513,432	22,415,062
Interest for distribution purposes	131,706	93,625
Net realized gain (loss) on non-derivative financial assets	32,126,330	(13,878,497)
Change in unrealized gain (loss) on non-derivative financial assets	67,344,619	(105,555,717)
Change in unrealized gain (loss) on currency spots contracts	—	(6,539)
Net gain (loss) on investments	<u>125,116,087</u>	<u>(96,932,066)</u>
Securities lending (note 11)	110,343	114,169
Net realized and unrealized foreign currency translation gain (loss)	(118,183)	(318,483)
Other income	1,020	—
Total income (loss), net	<u>125,109,267</u>	<u>(97,136,380)</u>
EXPENSES		
Management fees (note 5)	6,052	6,416
Fixed administration fees (note 6)	404,327	313,151
Independent Review Committee fees	576	563
Interest expense and bank overdraft charges	7,204	245
Foreign withholding taxes/tax reclaims	3,921,376	3,838,757
Other fund costs	—	167
Harmonized Sales Tax/Goods and Services Tax	41,204	32,334
Transaction costs	304,387	300,282
Total expenses	<u>4,685,126</u>	<u>4,491,915</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>120,424,141</u>	<u>(101,628,295)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	16,666,196	(12,226,929)
Series F	119,222	(144,511)
Series I	103,638,723	(89,256,855)
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†		
Pinnacle Series	1.24	(1.14)
Series F	1.26	(1.29)
Series I	1.34	(1.26)
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	13,396,393	10,771,807
Series F	94,907	111,728
Series I	<u>77,422,291</u>	<u>70,967,319</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 June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	157,844,724	95,632,049
Series F	1,195,624	1,309,159
Series I	958,262,977	864,620,305
	<u>1,117,303,325</u>	<u>961,561,513</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	16,666,196	(12,226,929)
Series F	119,222	(144,511)
Series I	103,638,723	(89,256,855)
	<u>120,424,141</u>	<u>(101,628,295)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	20,475,637	58,982,566
Series F	112,465	265,765
Series I	23,188,900	95,030,864
Payments on redemption		
Pinnacle Series	(16,984,019)	(7,438,902)
Series F	(210,710)	(77,577)
Series I	(67,775,681)	(21,123,450)
	<u>(41,193,408)</u>	<u>125,639,266</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	20,157,814	39,316,735
Series F	20,977	43,677
Series I	59,051,942	(15,349,441)
	<u>79,230,733</u>	<u>24,010,971</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	178,002,538	134,948,784
Series F	1,216,601	1,352,836
Series I	1,017,314,919	849,270,864
	<u>1,196,534,058</u>	<u>985,572,484</u>

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	120,424,141	(101,628,295)
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(32,126,330)	13,878,497
Unrealized foreign currency translation (gain) loss	81,351	134,314
Change in unrealized (gain) loss on non-derivative financial assets	(67,344,619)	105,555,717
Change in unrealized (gain) loss on currency spot contracts	—	6,539
Non-cash transactions	(717,076)	—
Purchases of portfolio investments	(337,602,944)	(417,179,932)
Proceeds from sale of portfolio investments	363,741,083	274,798,170
Accrued investment income and other	(2,090,802)	(1,660,500)
Accrued expenses and other payables	76,795	61,383
Net cash provided by (used in) operating activities	<u>44,441,599</u>	<u>(126,034,107)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	43,274,010	152,388,058
Amounts paid on redemption of redeemable units	(84,813,223)	(28,585,002)
Net cash provided by (used in) financing activities	(41,539,213)	123,803,056
Unrealized foreign currency translation gain (loss)	(81,351)	(134,314)
Net increase (decrease) in cash	2,902,386	(2,231,051)
Cash (bank overdraft), beginning of period	3,811,201	6,547,106
CASH (BANK OVERDRAFT), END OF PERIOD	<u>6,632,236</u>	<u>4,181,741</u>
Interest paid ⁽¹⁾	7,204	245
Interest received ⁽¹⁾	131,035	94,879
Dividends received, net of withholding taxes ⁽¹⁾	18,784,848	16,914,553

⁽¹⁾ Classified as operating items.

Scotia Private International Equity Pool (Unaudited – Continued)

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SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 99.3%			
Australia – 5.9%			
Aristocrat Leisure Ltd.	567,734	10,080,856	12,753,338
Commonwealth Bank of Australia	43,083	3,629,445	3,555,331
Dexus Property Group	290,789	2,854,987	2,744,802
Fortescue Metals Group Ltd.	943,287	6,210,346	4,898,340
Harvey Norman Holdings Limited	1,002,850	4,165,968	3,815,101
Lend Lease Group	550,269	8,215,988	9,130,197
Macquarie Group Ltd.	180,565	12,885,984	15,924,858
Ramsay Health Care Limited	60,078	4,125,052	4,410,227
Rio Tinto Limited	167,095	10,550,233	10,521,374
Westpac Banking Corporation	107,834	3,573,593	3,263,040
		<u>66,292,452</u>	<u>71,016,608</u>
Austria – 0.8%			
ANDRITZ AG	66,230	4,608,289	5,174,911
OMV AG	67,119	3,168,028	4,520,436
		<u>7,776,317</u>	<u>9,695,347</u>
Belgium – 1.6%			
KBC Groep SA NV	135,495	11,556,906	13,325,231
UCB SA	65,970	6,057,643	5,881,282
		<u>17,614,549</u>	<u>19,206,513</u>
Brazil – 0.2%			
Cia de Saneamento Basico do Estado de Sao Paulo	195,000	2,179,612	2,416,510
Denmark – 3.3%			
Danske Bank A/S	376,526	14,989,614	18,835,215
Pandora A/S	71,123	7,143,108	8,641,204
Novo Nordisk A/S, Class B	87,541	4,913,673	4,866,177
Vestas Wind Systems A/S	55,865	5,511,205	6,707,642
		<u>32,557,600</u>	<u>39,050,238</u>
Finland – 1.7%			
Neste Oyj	199,792	7,143,973	10,210,519
UPM-Kymmene Oyj	279,849	6,366,620	10,339,958
		<u>13,510,593</u>	<u>20,550,477</u>
France – 9.8%			
Atos SE	55,178	5,229,850	10,030,099
AXA SA	323,199	9,813,289	11,539,384
BNP Paribas	59,990	4,688,488	5,652,618
Klepierre	267,600	15,979,408	14,211,492
L'Oreal SA	41,091	9,700,796	11,095,020
LVMH Moet Hennessy Louis Vuitton SA	16,024	3,819,654	5,207,768
Renault SA	35,406	4,071,344	4,160,988
Safran SA	142,854	11,080,301	16,975,806
Sanofi	157,929	19,278,085	19,664,629
Thales SA	65,008	5,978,955	9,073,679
TOTAL SA	39,696	2,680,237	2,548,037
Valeo SA	74,069	4,566,174	6,509,166
		<u>96,886,581</u>	<u>116,668,686</u>
Germany – 8.0%			
Allianz SE	54,457	11,649,983	13,903,292
Bayer AG	39,389	5,366,305	6,602,397
Bayerische Motoren Werke AG	82,384	12,013,957	9,934,127
Continental AG	34,601	9,809,805	9,673,907
Covestro AG	124,571	10,546,761	11,653,698
Daimler AG	38,299	4,402,799	3,599,417
Deutsche Telekom AG	158,921	3,695,546	3,700,126
HeidelbergCement AG	48,997	5,089,332	6,142,323
Hochtief AG	37,322	6,195,907	8,865,387
RWE AG	166,620	4,079,051	4,304,396
SAP SE	65,861	7,084,653	8,918,055
Siemens AG	48,093	8,627,641	8,566,858
		<u>88,561,740</u>	<u>95,863,983</u>

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
Hong Kong – 2.3%			
Galaxy Entertainment Group Ltd.	624,000	4,515,290	4,912,460
HKT Trust and HKT Ltd.	2,677,000	4,802,513	4,552,589
Hongkong Electric Holdings Limited	405,500	5,210,523	4,640,080
Nine Dragons Paper Holdings Ltd.	1,950,000	2,938,196	3,369,636
WH Group Ltd.	7,359,000	7,826,891	9,630,907
		<u>25,293,413</u>	<u>27,105,672</u>
Hungary – 0.2%			
MOL Hungarian Oil & Gas PLC	23,787	1,953,890	2,427,566
Ireland – 0.4%			
Kerry Group PLC	43,333	4,145,272	4,830,032
Italy – 1.9%			
Ferrari NV	107,325	6,283,151	11,981,338
Prismian SpA	157,325	4,435,389	6,016,147
Telecom Italia SpA	4,421,000	6,057,200	5,308,262
		<u>16,775,740</u>	<u>23,305,747</u>
Japan – 24.6%			
Amada Holdings Co Ltd.	196,900	2,728,200	2,955,563
Asahi Breweries, Ltd.	152,800	6,038,187	7,458,264
Asahi Glass Co., Ltd.	95,000	5,239,710	5,197,688
Astellas Pharma Inc.	151,400	3,090,792	2,403,304
Bandai Namco Holdings Inc.	157,800	6,061,050	6,980,873
Central Japan Railway Company	63,000	13,614,410	13,326,033
Daito Trust Construction Co., Ltd.	12,800	1,825,264	2,582,519
Fuji Electric Holdings Co., Ltd.	1,800,000	9,747,089	12,334,268
Fuji Heavy Industries Ltd.	75,500	3,341,551	3,308,428
FUJIFILM Holdings Corporation	153,100	6,999,410	7,144,905
Fujitsu Ltd.	500,000	4,825,646	4,785,639
Hitachi Chemical Co., Ltd.	223,200	5,034,296	8,650,255
Hitachi Metals Ltd.	170,600	3,315,270	3,086,694
Hoya Corporation	187,300	11,381,279	12,646,670
JTEKT Corporation	168,600	3,586,880	3,208,923
JX Holdings Inc	1,790,000	11,480,786	10,153,570
Kajima Corporation	463,000	4,205,447	5,068,655
Kao Corporation	186,700	10,586,445	14,386,377
KDDI Corporation	347,600	10,077,307	11,938,484
Kirin Holdings Co., Ltd.	198,100	4,265,856	5,236,698
MEIJI Holdings Co., Ltd.	38,300	5,120,245	4,027,217
Mitsubishi Corporation	434,500	12,989,623	11,833,376
Mitsubishi Electric Corporation	505,900	7,544,458	9,459,974
Mitsubishi Tanabe Pharma Corporation	374,900	8,640,839	11,257,402
Mixi Inc.	63,300	5,184,627	4,551,532
MS & AD Insurance Group Holdings, Inc.	127,300	5,432,565	5,564,655
Nippon Telegraph and Telephone Corporation	56,100	2,931,093	3,440,431
NTT DoCoMo, Inc.	254,800	8,266,966	7,797,571
Obayashi Corporation	456,300	6,642,274	6,963,150
ORIX Corporation	403,300	6,155,471	8,127,272
Shimizu Corporation	323,000	3,883,806	4,445,531
Shionogi & Co., Ltd.	224,900	10,824,155	16,263,680
Sumitomo Chemical Co., Ltd.	1,764,000	12,155,834	13,191,519
Suruga Bank Ltd.	198,800	4,680,000	6,262,822
Teijin Ltd.	164,700	3,791,715	4,112,281
Toho Co Ltd.	91,600	3,537,539	3,660,182
Tohoku Electric Power Company Inc.	187,700	3,191,920	3,371,155
Tokyo Electron Ltd.	34,700	4,154,736	6,094,526
Toyota Motor Corporation	152,670	10,519,201	10,382,287
Yamaha Corporation	242,800	8,906,761	10,895,886
		<u>261,998,703</u>	<u>294,556,259</u>
Mexico – 0.2%			
Gruma, S.A.B. de C.V.	172,373	2,692,659	2,915,213

FOREIGN EQUITY FUNDS

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
Netherlands – 1.6%			
ABN AMRO Group NV	193,065	5,174,353	6,683,664
Koninklijke Ahold Delhaize NV	272,096	6,831,350	6,756,616
Randstand Holding NV	79,346	6,138,799	6,011,173
		<u>18,144,502</u>	<u>19,451,453</u>
Norway – 0.8%			
Marine Harvest ASA	207,493	4,476,622	4,604,603
Orkla ASA	341,557	4,067,878	4,503,888
		<u>8,544,500</u>	<u>9,108,491</u>
Singapore – 1.2%			
DBS Group Holdings Limited	722,900	12,302,276	14,123,900
South Africa – 0.7%			
FirstRand Limited	982,502	5,428,542	4,588,648
Nedbank Group Ltd.	203,816	5,419,587	4,215,341
		<u>10,848,129</u>	<u>8,803,989</u>
South Korea – 2.0%			
KB Financial Group Inc.	158,015	7,903,606	10,316,388
Samsung Electronics Co., Ltd.	3,157	6,369,123	8,492,857
SK Telecom Co., Ltd.	15,170	4,403,794	4,566,193
		<u>18,676,523</u>	<u>23,375,438</u>
Spain – 2.8%			
Aena S.A.	50,601	8,496,666	12,809,046
Amadeus IT Holding S.A., Class A	53,522	2,899,113	4,148,002
Red Electrica Corporation S.A.	276,104	7,416,820	7,490,648
Repsol S.A.	429,548	8,707,502	8,537,273
		<u>27,520,101</u>	<u>32,984,969</u>
Sweden – 2.3%			
Atlas Copco AB, Class A	173,856	5,900,471	8,677,752
Hexagon AB	124,665	5,745,614	7,685,066
Skandinaviska Enskilda Banken AB	700,954	10,503,317	11,026,618
		<u>22,149,402</u>	<u>27,389,436</u>
Switzerland – 7.0%			
Idorsia Ltd.	52,784	717,076	1,291,347
Lonza Group AG	42,959	11,391,896	12,041,382
Nestle SA	131,512	12,758,562	14,848,032
Novartis AG	24,669	2,514,347	2,670,055
Partners Group Holding AG	13,059	7,271,379	10,493,587
Roche Holdings AG	14,515	4,784,929	4,803,577
Swiss Life Holding AG	33,810	9,738,556	14,804,560
Swiss Re Ltd.	140,616	16,649,641	16,696,263
Swisscom AG	10,321	6,362,492	6,459,864
		<u>72,188,878</u>	<u>84,108,667</u>
United Kingdom – 15.4%			
3i Group PLC	1,379,479	13,168,770	21,045,105
Auto Trader Group PLC	955,724	6,110,881	6,131,684
Barclays PLC	2,741,304	10,341,218	9,399,827
Carnival PLC	71,294	4,351,323	6,116,854
Diageo PLC	144,721	5,452,335	5,543,417
GlaxoSmithKline PLC	781,366	21,503,928	21,566,445
Glencore PLC	881,065	3,946,507	4,285,035
HSBC Holdings PLC	536,397	6,065,579	6,451,376
Intertek Group PLC	114,166	7,171,304	8,136,338
Johnson Matthey PLC	137,125	7,739,390	6,646,211
Lloyds Banking Group PLC	10,204,918	12,277,345	11,413,133
Mondi PLC	81,536	1,939,980	2,772,601
Persimmon PLC	263,643	8,756,860	9,980,267
Petrofac Limited	806,371	12,713,320	6,032,154
Reckitt Benkiser Group PLC	91,925	9,137,362	12,085,396
RELX PLC	348,182	7,675,133	9,763,005

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
United Kingdom (cont'd)			
Unilever PLC	299,459	16,870,527	21,017,979
WPP Group PLC	562,194	16,616,998	15,326,890
		<u>171,838,760</u>	<u>183,713,717</u>
United States – 4.6%			
ICON PLC	30,900	3,707,584	3,917,635
International Game Technology PLC	86,982	2,769,706	2,063,724
iShares MSCI EAFE ETF	282,788	24,893,999	23,904,497
Itau Unibanco Holding S.A. – ADR	348,749	4,248,518	4,996,274
NetEase, Inc.	27,919	5,778,041	10,881,862
Taro Pharmaceutical Industries Ltd.	27,474	5,584,606	3,991,568
Ternium S.A. – ADR	144,009	4,164,590	5,244,601
		<u>51,147,044</u>	<u>55,000,161</u>
Transaction Costs		<u>(483,323)</u>	
TOTAL INVESTMENT PORTFOLIO		<u>1,051,115,913</u>	<u>1,187,669,072</u>
OTHER ASSETS, LESS LIABILITIES – 0.7%			<u>8,864,986</u>
NET ASSETS – 100.0%			<u>1,196,534,058</u>

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve long term returns through capital growth by investing primarily in large capitalization stocks of companies in Europe, Australia and the Far East.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at June 30, 2017 and December 31, 2016. 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 contracts, as applicable.

June 30, 2017				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
Euro	343,044,928	—	343,044,928	28.7
Japanese Yen	295,536,635	—	295,536,635	24.7
British Pound	185,431,588	—	185,431,588	15.5
Swiss Franc	84,108,667	—	84,108,667	7.0
Australian Dollar	71,652,364	—	71,652,364	6.0
US Dollar	55,002,002	—	55,002,002	4.6
Danish Krone	39,050,238	—	39,050,238	3.3
Swedish Krona	27,389,436	—	27,389,436	2.3
Hong Kong Dollar	27,105,671	—	27,105,671	2.3
South Korean Won	23,375,438	—	23,375,438	2.0
Singapore Dollar	14,123,900	—	14,123,900	1.2
Norwegian Krone	9,108,490	—	9,108,490	0.8
South African Rand	8,803,989	—	8,803,989	0.7
Mexican Peso	2,915,213	—	2,915,213	0.2
Hungary Forint	2,427,566	—	2,427,566	0.2
Brazilian Real	2,416,510	—	2,416,510	0.2
Taiwan Dollar	522,717	—	522,717	0.0
	1,192,015,352	—	1,192,015,352	99.7

December 31, 2016				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
Euro	313,023,383	—	313,023,383	28.0
Japanese Yen	258,814,020	—	258,814,020	23.2
British Pound	180,839,015	—	180,839,015	16.2
Swiss Franc	89,538,047	—	89,538,047	8.0
Australian Dollar	62,606,917	—	62,606,917	5.6
US Dollar	48,440,951	—	48,440,951	4.3
Danish Krone	38,252,733	—	38,252,733	3.4
Swedish Krona	28,716,041	—	28,716,041	2.6
Hong Kong Dollar	23,346,841	—	23,346,841	2.1
South African Rand	13,367,351	—	13,367,351	1.2
Singapore Dollar	12,045,240	—	12,045,240	1.1
Israel Shekel	9,519,785	—	9,519,785	0.9
Mexican Peso	8,558,624	—	8,558,624	0.8
South Korean Won	6,386,802	—	6,386,802	0.6
Thai Baht	5,128,249	—	5,128,249	0.5
Taiwan Dollar	4,896,401	—	4,896,401	0.4
Norwegian Krone	4,320,976	—	4,320,976	0.4
Brazilian Real	2,367,048	—	2,367,048	0.2
Hungary Forint	2,334,257	—	2,334,257	0.2
	1,112,502,681	—	1,112,502,681	99.7

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 could possibly have decreased or increased, respectively, by \$119,201,535 or 10.0% of net assets (December 31, 2016 – \$111,250,268 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 June 30, 2017, approximately 99.3% (December 31, 2016 – 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 \$118,766,907 (December 31, 2016 – \$111,234,348). 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 June 30, 2017 or December 31, 2016.

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 (%)	
	June 30, 2017	December 31, 2016
Australia	5.9	5.6
Austria	0.8	2.0
Belgium	1.6	0.4
Brazil	0.2	0.2
Denmark	3.3	3.4
Finland	1.7	2.3
France	9.8	9.6
Germany	8.0	7.6
Hong Kong	2.3	2.1
Hungary	0.2	—
Ireland	0.4	0.4
Israel	—	0.9
Italy	1.9	1.3
Japan	24.6	22.8
Mexico	0.2	0.8
Netherlands	1.6	2.0
Norway	0.8	0.4
Portugal	—	0.4
Singapore	1.2	1.4
South Africa	0.7	1.2
South Korea	2.0	0.6
Spain	2.8	1.9
Sweden	2.3	2.6
Switzerland	7.0	8.0
Taiwan	—	0.4
Thailand	—	0.5
United Kingdom	15.4	16.3
United States	4.6	4.3

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.

June 30, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	60,331,884	1,127,337,188	–	1,187,669,072
	60,331,884	1,127,337,188	–	1,187,669,072

December 31, 2016	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	56,999,575	1,055,343,904	–	1,112,343,479
	56,999,575	1,055,343,904	–	1,112,343,479

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at June 30, 2017 and December 31, 2016, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

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

Underlying Fund	June 30, 2017	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares MSCI EAFE ETF	23,904,497	0.0
	23,904,497	

Underlying Fund	December 31, 2016	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares MSCI EAFE ETF	22,113,728	0.0
	22,113,728	

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

As at June 30, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia Private International Small to Mid Cap Value Pool (Unaudited)

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STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	67,314,548	58,561,359
Unrealized gain on currency spot contracts	38	—
Cash	728,960	466,477
Receivable for securities sold	44,179	7,272
Subscriptions receivable	143,726	104,454
Accrued investment income and other	88,739	52,270
	<u>68,320,190</u>	<u>59,191,832</u>
LIABILITIES		
Current liabilities		
Management fee payable	677	—
Payable for securities purchased	149,318	—
Redemptions payable	258,326	21,118
Accrued expenses	31,096	878
Distributions payable	—	73
	<u>439,417</u>	<u>22,069</u>
Net assets attributable to holders of redeemable units	<u>67,880,773</u>	<u>59,169,763</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	65,556,716	56,746,676
Series F	720,204	658,376
Series I	1,603,853	1,764,711
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	31.43	27.42
Series F	31.50	27.61
Series I	31.91	27.81

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Dividends	1,043,677	873,770
Interest for distribution purposes	2,773	1,096
Net realized gain (loss) on non-derivative financial assets	2,011,489	1,082,931
Change in unrealized gain (loss) on non-derivative financial assets	5,995,142	(6,500,734)
Change in unrealized gain (loss) on currency spots contracts	38	111
Net gain (loss) on investments	<u>9,053,119</u>	<u>(4,542,826)</u>
Securities lending (note 11)	684	2,403
Net realized and unrealized foreign currency translation gain (loss)	(1,160)	(20,561)
Other income	257	—
Total income (loss), net	<u>9,052,900</u>	<u>(4,560,984)</u>
EXPENSES		
Management fees (note 5)	3,413	3,228
Fixed administration fees (note 6)	156,337	119,045
Independent Review Committee fees	576	563
Interest expense and bank overdraft charges	123	2
Foreign withholding taxes/tax reclaims	161,221	136,059
Other fund costs	—	9
Harmonized Sales Tax/Goods and Services Tax	14,939	11,988
Transaction costs	32,639	44,075
Total expenses	<u>369,248</u>	<u>314,969</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>8,683,652</u>	<u>(4,875,953)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	8,353,685	(4,608,848)
Series F	88,886	(68,658)
Series I	241,081	(198,447)
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†		
Pinnacle Series	4.00	(2.57)
Series F	3.89	(2.81)
Series I	4.24	(2.75)
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	2,090,681	1,790,513
Series F	22,877	24,434
Series I	56,801	72,042

† 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 June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	56,746,676	46,951,423
Series F	658,376	667,641
Series I	1,764,711	2,242,981
	59,169,763	49,862,045
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	8,353,685	(4,608,848)
Series F	88,886	(68,658)
Series I	241,081	(198,447)
	8,683,652	(4,875,953)
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	6,974,903	12,465,981
Series F	35,914	117,893
Series I	5,350	20,400
Payments on redemption		
Pinnacle Series	(6,518,548)	(5,357,850)
Series F	(62,972)	(50,197)
Series I	(407,289)	(232,400)
	27,358	6,963,827
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	8,810,040	2,499,283
Series F	61,828	(962)
Series I	(160,858)	(410,447)
	8,711,010	2,087,874
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	65,556,716	49,450,706
Series F	720,204	666,679
Series I	1,603,853	1,832,534
	67,880,773	51,949,919

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	8,683,652	(4,875,953)
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(2,011,489)	(1,082,931)
Unrealized foreign currency translation (gain) loss	5,161	53,732
Change in unrealized (gain) loss on non-derivative financial assets	(5,995,142)	6,500,734
Change in unrealized (gain) loss on currency spot contracts	(38)	(111)
Purchases of portfolio investments	(17,119,648)	(28,289,084)
Proceeds from sale of portfolio investments	16,485,500	21,459,535
Accrued investment income and other	(36,469)	(44,855)
Accrued expenses and other payables	30,895	23,349
Net cash provided by (used in) operating activities	42,422	(6,255,584)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	6,976,895	12,475,890
Amounts paid on redemption of redeemable units	(6,751,600)	(5,588,363)
Distributions to unitholders of redeemable units	(73)	–
Net cash provided by (used in) financing activities	225,222	6,887,527
Unrealized foreign currency translation gain (loss)	(5,161)	(53,732)
Net increase (decrease) in cash	267,644	631,943
Cash (bank overdraft), beginning of period	466,477	75,779
CASH (BANK OVERDRAFT), END OF PERIOD	728,960	653,990
Interest paid ⁽¹⁾	123	2
Interest received ⁽¹⁾	2,779	1,139
Dividends received, net of withholding taxes ⁽¹⁾	845,613	694,495

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 99.3%			
Australia – 5.3%			
ALS Ltd.	30,640	237,669	227,188
Amaysim Australia Ltd.	113,419	235,860	176,316
Aristocrat Leisure Ltd.	11,474	80,078	257,747
Aveo Group	59,611	181,115	165,011
Beach Energy Limited	561,939	312,091	321,440
BlueScope Steel Limited	28,447	165,843	373,949
BT Investment Management Ltd.	30,347	351,675	343,615
Charter Hall Group	80,671	382,174	441,853
CSR Ltd.	93,093	341,666	392,421
JB Hi-Fi Ltd.	10,455	292,771	243,630
Mineral Resources Ltd.	19,576	104,381	211,128
OZ Minerals Ltd.	32,166	157,310	237,533
Seven Group Holdings Ltd.	18,803	194,992	204,589
		3,037,625	3,596,420
Belgium – 0.5%			
Warehouses De Pauw SCA	2,650	286,412	360,820
Canada – 6.9%			
Air Canada	15,734	163,378	273,457
Algonquin Power & Utilities Corporation	21,696	233,003	296,150
BRP Inc.	6,765	210,386	257,002
Canadian Apartment Properties Real Estate Investment Trust	6,190	115,808	207,798
Celestica Inc.	15,618	234,473	275,189
Cogeco Communication Inc.	2,735	173,069	216,639
Enerflex Ltd.	10,623	178,484	199,925
Gran Tierra Energy, Inc.	52,833	217,258	152,159
HudBay Minerals, Inc.	22,997	241,629	172,478
IAMGOLD Corporation	37,725	224,065	252,380
Interfor Corporation	13,665	209,497	253,896
Laurentian Bank of Canada	4,443	221,116	240,677
OceanGold Corporation	51,578	132,121	201,670
Painted Pony Energy Ltd.	27,829	215,842	131,631
Parex Resources Inc.	28,105	298,792	414,549
Premium Brands Holdings Corporation	3,957	253,132	368,159
Tamarack Valley Energy Ltd.	96,023	282,402	214,131
Tricon Capital Group Inc.	24,955	238,636	289,977
WSP Global Inc.	4,609	230,195	248,010
		4,073,286	4,665,877
Denmark – 1.7%			
GN Store Nord A/S	8,646	252,137	327,401
Jyske Bank A/S	2,806	174,780	210,767
NKT Holding A/S	2,130	172,226	221,951
Royal Unibrew A/S	5,896	364,588	366,532
		963,731	1,126,651
Finland – 1.3%			
Cramo Oyj Class B	12,758	339,085	494,722
Valmet Oyj	14,348	237,357	361,279
		576,442	856,001
France – 9.8%			
Alten SA	3,584	252,757	385,538
Amundi SA	5,351	332,711	501,757
Arkema SA	3,224	328,584	446,011
Atos SE	4,143	402,704	753,103
Edenred	5,876	169,424	198,704
Eiffage SA	3,541	332,977	417,226
Elior Group	7,214	209,145	272,791
Euronext NV	7,792	344,284	524,648
Faurecia	4,048	278,884	266,371
Ipsen SA	4,640	371,765	823,196
Nexity SA	5,457	270,472	410,968

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
France (cont'd)			
SCOR SE	4,666	227,081	239,794
SEB SA	1,079	178,794	251,148
Tarkett SA	3,402	193,405	204,944
Teleperformance	4,350	263,974	724,978
Television Francaise 1	12,802	196,679	232,565
		4,353,640	6,653,742
Germany – 7.3%			
Aareal Bank AG	4,265	198,021	219,025
Alstria Office Real Estate Investment Trust AG	18,485	342,380	323,914
Bechtle AG	1,637	225,265	273,104
Carl Zeiss Meditec AG	5,114	305,337	344,431
Dialog Semiconductor PLC	3,796	204,499	210,829
Duerr AG	4,440	284,108	683,774
Freenet AG	5,719	116,295	236,683
Gerresheimer AG	1,924	199,222	200,561
LANXESS AG	2,742	205,482	269,028
MTU Aero Engines AG	1,547	243,489	283,584
SAF-Holland SA	17,291	244,386	383,814
Stabilus SA	5,340	252,095	537,194
TAG Immobilien AG	20,805	360,532	423,858
VTG AG	4,590	118,719	232,001
Wirecard AG	3,835	251,342	316,436
		3,551,172	4,938,236
Hong Kong – 2.4%			
Fortune Real Estate Investment Trust	152,000	212,535	244,615
Man Wah Holdings Limited	530,000	299,106	617,199
Nexteer Automotive Group Ltd.	126,000	215,701	256,142
Tongda Group Holdings Ltd.	1,260,000	274,650	487,735
		1,001,992	1,605,691
Italy – 3.7%			
A2A SpA	175,176	246,795	377,930
Amplifon SpA	31,706	255,785	542,584
Azimut Holding SpA	8,604	191,427	224,200
Brembo SpA	42,635	229,516	810,771
Buzzi Unicem SpA	6,663	176,259	216,072
Infrastrutture Wireless Italiane SpA	42,433	287,103	313,025
		1,386,885	2,484,582
Japan – 21.1%			
Adastria Holdings Co., Ltd.	8,300	329,742	299,995
Arcs Co., Ltd.	7,500	253,885	210,627
Asahi Intecc Co., Ltd.	4,100	218,593	241,349
CKD Corporation	17,100	204,529	338,414
Daifuku Co., Ltd.	7,800	176,570	302,702
DAIHEN Corporation	32,000	178,618	326,920
Daikyonishikawa Corporation	14,000	249,920	242,936
Dainippon Screen Manufacturing Co., Ltd.	2,000	128,943	172,404
DCM Holdings Co., Ltd.	16,000	151,777	182,136
Denka Co., Ltd.	29,000	169,452	194,409
Doutor Nichires Holdings Co., Ltd.	14,900	294,998	410,419
Dowa Holdings Co., Ltd.	19,000	202,207	186,387
Fujikura Ltd.	18,000	212,464	195,929
Horiba Ltd.	3,200	220,307	252,798
IT Holdings Corporation	7,900	260,006	284,931
Japan Hotel REIT Investment Corporation	298	309,098	273,075
Kanamoto Co., Ltd.	7,300	266,664	315,187
Macromill Inc.	8,800	215,313	240,301
Maeda Corporation	26,000	262,070	371,801
Mandom Corporation	4,400	258,245	309,757
Matsumotokiyoshi Holdings Co., Ltd.	4,900	297,033	361,724
Morinaga & Co., Ltd.	6,300	271,171	463,297

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
Japan (cont'd)			
Musashi Seimitsu Industry Co., Ltd.	5,300	201,038	199,378
Nippon Accommodations Fund Inc.	59	287,627	319,781
Nippon Shinyaku Co., Ltd.	2,900	191,184	240,996
Nissha Printing Co., Ltd.	5,100	183,003	183,803
North Pacific Bank Ltd.	68,700	267,344	312,360
NS Solutions Corporation	9,900	199,711	305,702
Open House Co., Ltd.	8,300	300,223	332,049
Outsourcing Inc.	5,000	226,510	316,558
PALTAC CORPORATION	8,500	344,696	371,640
Penta-Ocean Construction Co Ltd.	33,400	242,296	246,345
Round One Corporation	18,700	180,931	229,597
Ryobi Limited	37,000	190,151	195,459
Saizeriya Co., Ltd.	5,700	220,516	215,227
Sanwa Shutter Corporation	37,000	251,236	506,332
Seino Transportation Co., Ltd.	20,300	231,639	350,237
Shiga Bank, Ltd., The	53,000	359,368	355,104
Ship Healthcare Holdings Inc.	6,300	222,758	254,396
Starts Corporation Inc.	8,300	241,145	256,337
Sumitomo Bakelite Co Ltd.	36,000	257,705	329,568
Sumitomo Forestry Co., Ltd.	17,100	184,619	349,096
Sun Frontier Fudousan Co., Ltd.	24,500	317,049	319,778
Takasago Thermal Engineering Co., Ltd.	9,800	211,467	206,854
Toda Corporation	25,000	182,597	202,347
Tokyo Seimitsu Co., Ltd.	7,100	153,941	296,842
Tokyo Steel Manufacturing Co., Ltd.	31,000	294,005	339,825
Tsubakimoto Chain Co.	25,000	200,611	280,090
UT Group Co., Ltd.	10,300	210,229	214,952
Zenkoku Hosho Co., Ltd.	8,100	411,843	429,319
		<u>11,897,047</u>	<u>14,337,470</u>
Netherlands – 3.3%			
AMG Advanced Metallurgical Group NV	5,563	207,651	212,214
ASM International NV	2,868	239,699	216,265
ASR Nederland NV	6,736	212,004	295,461
BE Semiconductor Industries NV	5,064	207,938	352,540
Philips Lighting NV	7,435	254,326	355,707
PostNL NV	30,660	159,389	185,520
Refresco Gerber NV	12,425	264,817	328,575
TKH Group NV	3,787	152,605	272,665
		<u>1,698,429</u>	<u>2,218,947</u>
New Zealand – 0.5%			
Summerset Group Holdings Ltd.	77,407	296,379	349,211
Singapore – 0.3%			
Mapletree Industrial Trust	131,978	172,560	231,256
South Korea – 4.3%			
DongKook Pharmaceutical Co., Ltd.	2,804	214,243	200,828
DuzonBizon Co., Ltd.	7,472	208,631	260,441
GS Home Shopping Inc.	870	207,252	228,139
Hugel Inc.	531	259,744	336,691
KIWOOM Securities Co., Ltd.	5,205	342,777	550,949
Nexen Tire Corporation	10,953	178,154	165,802
Poongsan Corporation	5,431	188,835	264,657
SFA Engineering Corporation	5,956	194,611	302,716
SKC Co., Ltd.	9,003	357,586	342,304
SL Corporation	9,958	217,581	243,758
		<u>2,369,414</u>	<u>2,896,285</u>
Spain – 2.9%			
Bankinter S.A.	36,548	302,443	438,146
Distribuidora Internacional de Alimentacion S.A.	24,796	189,757	200,604
Ebro Foods S.A.	8,884	281,740	262,943
Enagas S.A.	9,255	352,751	336,830

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
Spain (cont'd)			
Gamesa Corporacion Tecnologica S.A.	11,909	324,945	330,515
Merlin Properties Socimi S.A.	14,144	201,646	231,642
Tecnicas Reunidas S.A.	3,668	190,676	184,225
		<u>1,843,958</u>	<u>1,984,905</u>
Sweden – 2.4%			
Com Hem Holding AB	19,386	259,292	349,496
Dometic Group AB	17,887	184,840	201,895
Intrum Justitia AB	5,058	212,687	223,544
Scandic Hotels Group AB	15,449	195,168	260,291
Swedish Orphan Biovitrum AB	10,251	225,535	205,061
Wihlborgs Fastigheter AB	14,981	334,908	410,238
		<u>1,412,430</u>	<u>1,650,525</u>
Switzerland – 7.9%			
Adecco SA	2,056	194,439	202,871
Clariant, AG	8,020	175,716	229,703
Emmi AG	405	231,668	395,367
Flughafen Zuerich AG	1,074	174,880	341,811
Georg Fischer AG	476	412,912	598,913
Helvetia Holding AG	265	121,396	196,891
Julius Baer Group Ltd.	3,264	185,838	222,952
Logitech International SA	14,299	227,079	680,541
Lonza Group AG	2,729	379,209	764,937
Partners Group Holding AG	602	299,314	483,738
Sika AG	27	225,518	225,276
Straumann Holding AG	536	147,169	396,589
Swiss Life Holding AG	1,396	188,032	611,274
		<u>2,963,170</u>	<u>5,350,863</u>
Thailand – 0.4%			
TES Co., Ltd.	8,917	203,727	285,182
United Kingdom – 15.4%			
Hays PLC	72,019	184,025	201,926
Aldermore Group PLC	77,697	284,272	285,006
Auto Trader Group PLC	38,181	268,995	244,960
Beazley PLC	37,717	165,589	310,914
Bellway PLC	5,750	286,498	288,882
Cairn Energy PLC	58,026	228,804	168,812
Cineworld Group PLC	19,002	144,004	225,239
Clinigen Group PLC	25,767	321,384	374,741
Costain Group PLC	29,497	180,661	229,828
DS Smith PLC	26,572	119,574	212,554
Electrocomponents PLC	34,465	180,519	336,102
Entertainment One Ltd.	63,963	321,897	237,963
Grafton Group PLC	16,901	200,968	201,449
Greggs PLC	13,907	184,134	253,479
Hansteen Holdings PLC	108,335	211,790	227,817
Hill & Smith Holdings PLC	11,409	223,875	265,764
Ibstock PLC	50,056	214,264	207,541
Inchcape PLC	15,537	205,841	197,994
Intermediate Capital Group PLC	17,145	229,537	241,165
JD Sports Fashion PLC	45,908	204,095	271,233
Jupiter Fund Management PLC	39,956	302,215	340,728
Keller Group PLC	16,678	242,174	247,466
Ladbroke's Coral Group PLC	70,515	177,427	136,361
Moneysupermarket.com	34,238	237,153	204,336
National Express Group PLC	52,247	296,288	323,199
Northgate PLC	29,163	283,521	218,107
Pendragon PLC	331,512	247,865	173,649
Pennon Group PLC	15,369	245,531	213,976
Playtech PLC	12,522	173,174	200,910
Redrow PLC	25,832	219,531	238,582
Rentokil Initial PLC	79,044	270,602	365,121

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
United Kingdom (cont'd)			
RPC Group PLC	15,056	224,176	191,351
Safestore Holdings PLC	48,381	323,096	344,210
Synthomer PLC	53,295	384,225	439,126
Tate & Lyle PLC	26,528	336,154	296,608
TP ICAP PLC	27,509	214,851	217,082
Ultra Electronics Holdings PLC	5,913	205,732	204,582
Unite Group PLC	19,148	132,344	209,838
United Drug PLC	35,739	244,580	522,737
Wizz Air Holdings PLC	9,563	355,747	391,238
		<u>9,477,112</u>	<u>10,462,576</u>
United States – 1.9%			
Criteo SA – ADR	3,113	177,247	197,965
Vanguard FTSE Developed Markets ETF	19,812	1,087,956	1,061,343
		<u>1,265,203</u>	<u>1,259,308</u>
Transaction Costs		(51,470)	
TOTAL INVESTMENT PORTFOLIO		<u>52,779,144</u>	<u>67,314,548</u>
OTHER ASSETS, LESS LIABILITIES – 0.7%			<u>566,225</u>
NET ASSETS – 100.0%			<u>67,880,773</u>

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns through capital growth by investing in stocks of small and medium capitalization corporations in Europe, Australia and the Far East.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at June 30, 2017 and December 31, 2016. 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.

June 30, 2017				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
Euro	19,524,256	–	19,524,256	28.8
Japanese Yen	14,396,532	–	14,396,532	21.2
British Pound	10,499,055	–	10,499,055	15.5
Swiss Franc	5,350,863	–	5,350,863	7.9
Australian Dollar	3,625,312	–	3,625,312	5.3
South Korean Won	3,181,467	–	3,181,467	4.7
Swedish Krona	1,656,477	–	1,656,477	2.4
Hong Kong Dollar	1,609,587	–	1,609,587	2.4
US Dollar	1,259,336	–	1,259,336	1.9
Danish Krone	1,126,651	–	1,126,651	1.7
New Zealand Dollar	349,211	–	349,211	0.5
Singapore Dollar	234,501	–	234,501	0.3
	62,813,248	–	62,813,248	92.6

December 31, 2016				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
Euro	16,448,344	–	16,448,344	27.8
Japanese Yen	12,856,252	–	12,856,252	21.7
British Pound	8,847,655	–	8,847,655	15.0
Swiss Franc	4,284,213	–	4,284,213	7.2
Australian Dollar	3,840,740	–	3,840,740	6.5
South Korean Won	2,800,705	–	2,800,705	4.7
Hong Kong Dollar	1,714,114	–	1,714,114	2.9
Swedish Krona	1,430,449	–	1,430,449	2.4
US Dollar	845,620	–	845,620	1.4
Danish Krone	735,947	–	735,947	1.2
New Zealand Dollar	339,039	–	339,039	0.6
Norwegian Krone	217,910	–	217,910	0.4
Singapore Dollar	201,375	–	201,375	0.3
	54,562,363	–	54,562,363	92.1

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 could possibly have decreased or increased, respectively, by \$6,281,325 or 9.3% of net assets (December 31, 2016 – \$5,456,237 or 9.2%). 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 June 30, 2017, approximately 99.3% (December 31, 2016 – 99.0%) 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 \$6,731,455 (December 31, 2016 – \$5,856,136). 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 June 30, 2017 or December 31, 2016.

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 (%)	
	June 30, 2017	December 31, 2016
Australia	5.3	6.2
Austria	–	0.5
Belgium	0.5	0.8
Canada	6.9	6.9
Denmark	1.7	1.2
Finland	1.3	1.8
France	9.8	9.5
Germany	7.3	7.3
Hong Kong	2.4	2.9
Italy	3.7	3.3
Japan	21.1	21.6
Netherlands	3.3	2.8
New Zealand	0.5	0.6
Norway	–	0.4
Singapore	0.3	0.3
South Korea	4.3	4.3
Spain	2.9	1.9
Sweden	2.4	2.4
Switzerland	7.9	7.2
Thailand	0.4	0.4
United Kingdom	15.4	14.9
United States	1.9	1.8

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 (\$)
June 30, 2017				
Equities	5,925,185	61,389,363	–	67,314,548
Unrealized gain on currency spot contracts	–	38	–	38
	5,925,185	61,389,401	–	67,314,586

FUND SPECIFIC NOTES

For the periods indicated in Note 1

December 31, 2016	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	4,946,721	53,614,638	–	58,561,359
	4,946,721	53,614,638	–	58,561,359

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at June 30, 2017 and December 31, 2016, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

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

Underlying Fund	June 30, 2017	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Vanguard FTSE Developed Markets ETF	1,061,343	0.0
	1,061,343	

Underlying Fund	December 31, 2016	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Vanguard FTSE Developed Markets ETF	642,952	0.0
	642,952	

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

As at June 30, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	280,932,071	239,746,771
Cash	4,166,397	10,862,919
Subscriptions receivable	322,720	128,200
Accrued investment income and other	1,447,383	321,543
	<u>286,868,571</u>	<u>251,059,433</u>
LIABILITIES		
Current liabilities		
Management fee payable	9,985	–
Payable for securities purchased	–	3,809,108
Redemptions payable	270,961	64,278
Accrued expenses	29,524	1,074
Distributions payable	–	132
Unrealized loss on currency spot contracts	–	6,805
	<u>310,470</u>	<u>3,881,397</u>
Net assets attributable to holders of redeemable units	<u>286,558,101</u>	<u>247,178,036</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	69,704,499	58,757,538
Series I	201,587,485	175,801,605
Series M	<u>15,266,117</u>	<u>12,618,893</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	10.82	9.28
Series I	10.95	9.40
Series M	<u>10.76</u>	<u>9.29</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Dividends	6,340,261	4,780,416
Interest for distribution purposes	58,550	29,489
Net realized gain (loss) on non-derivative financial assets	5,987,637	(9,792,007)
Change in unrealized gain (loss) on non-derivative financial assets	29,839,035	2,717,291
Change in unrealized gain (loss) on currency spots contracts	6,805	(2,390)
Net gain (loss) on investments	<u>42,232,288</u>	<u>(2,267,201)</u>
Securities lending (note 11)	4,434	16,001
Net realized and unrealized foreign currency translation gain (loss)	(101,226)	(235,879)
Other income	294	–
Total income (loss), net	<u>42,135,790</u>	<u>(2,487,079)</u>
EXPENSES		
Management fees (note 5)	49,701	51,509
Fixed administration fees (note 6)	150,728	113,069
Independent Review Committee fees	576	563
Interest expense and bank overdraft charges	1,409	749
Foreign withholding taxes/tax reclaims	584,254	575,602
Other fund costs	–	37
Harmonized Sales Tax/Goods and Services Tax	19,541	16,176
Transaction costs	184,628	226,874
Total expenses	<u>990,837</u>	<u>984,579</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>41,144,953</u>	<u>(3,471,658)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	9,919,925	(522,594)
Series I	29,171,231	(2,549,210)
Series M	<u>2,053,797</u>	<u>(399,854)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†		
Pinnacle Series	1.53	(0.09)
Series I	1.57	(0.15)
Series M	<u>1.49</u>	<u>(0.24)</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	6,463,484	5,504,497
Series I	18,634,947	16,800,918
Series M	<u>1,379,659</u>	<u>1,699,578</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 June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	58,757,538	42,594,674
Series I	175,801,605	151,801,985
Series M	12,618,893	15,686,821
	247,178,036	210,083,480
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	9,919,925	(522,594)
Series I	29,171,231	(2,549,210)
Series M	2,053,797	(399,854)
	41,144,953	(3,471,658)
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	8,016,081	13,120,782
Series I	3,801,449	28,968,967
Series M	3,398,792	1,075,993
Payments on redemption		
Pinnacle Series	(6,989,045)	(2,938,369)
Series I	(7,186,800)	(8,348,850)
Series M	(2,805,365)	(2,386,465)
	(1,764,888)	29,492,058
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	10,946,961	9,659,819
Series I	25,785,880	18,070,907
Series M	2,647,224	(1,710,326)
	39,380,065	26,020,400
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	69,704,499	52,254,493
Series I	201,587,485	169,872,892
Series M	15,266,117	13,976,495
	286,558,101	236,103,880

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	41,144,953	(3,471,658)
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(5,987,637)	9,792,007
Unrealized foreign currency translation (gain) loss	62,598	93,791
Change in unrealized (gain) loss on non-derivative financial assets	(29,839,035)	(2,717,291)
Change in unrealized (gain) loss on currency spot contracts	(6,805)	2,390
Non-cash transactions	(1,355,849)	(1,089,961)
Purchases of portfolio investments	(89,998,036)	(103,619,542)
Proceeds from sale of portfolio investments	82,186,149	76,478,355
Accrued investment income and other	(1,125,840)	(1,426,926)
Accrued expenses and other payables	38,435	30,724
Net cash provided by (used in) operating activities	(4,881,067)	(25,928,111)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	15,021,802	43,056,746
Amounts paid on redemption of redeemable units	(16,774,527)	(13,156,588)
Distributions to unitholders of redeemable units	(132)	–
Net cash provided by (used in) financing activities	(1,752,857)	29,900,158
Unrealized foreign currency translation gain (loss)	(62,598)	(93,791)
Net increase (decrease) in cash	(6,633,924)	3,972,047
Cash (bank overdraft), beginning of period	10,862,919	4,976,834
CASH (BANK OVERDRAFT), END OF PERIOD	4,166,397	8,855,090
Interest paid ⁽¹⁾	1,409	749
Interest received ⁽¹⁾	59,957	29,032
Dividends received, net of withholding taxes ⁽¹⁾	3,272,911	2,781,955

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 98.1%			
Brazil – 3.7%			
Banco Bradesco S.A.	153,230	1,425,466	1,655,373
BB Seguridade Participacoes S.A.	172,400	1,727,869	1,933,326
Hypermarcas S.A.	162,000	1,612,810	1,762,799
Itau Unibanco Holding S.A., Preference	267,709	3,221,988	3,850,910
MRV Engenharia e Participacoes S.A.	255,400	1,609,947	1,351,577
		9,598,080	10,553,985
Hong Kong – 23.1%			
Agricultural Bank of China Ltd.	4,255,000	2,605,353	2,608,423
Bank of China Ltd., Class H	6,152,000	3,693,528	3,914,680
China Construction Bank Corporation, Class H	5,379,494	4,981,987	5,407,052
China Mobile Limited	278,000	4,128,493	3,817,823
China Railway Group Ltd.	1,499,000	1,673,833	1,531,580
China Resources Power Holding Co., Ltd.	452,000	1,370,215	1,150,082
China Vanke Co., Ltd.	547,800	1,583,945	2,010,660
Chongqing Rural Commercial Bank Co., Ltd.	1,390,000	1,315,615	1,216,850
CITIC Ltd.	1,029,000	2,147,766	2,006,570
CSPC Pharmaceutical Group Ltd.	898,000	1,319,378	1,700,694
Dongfeng Motor Group Company Ltd.	966,000	1,341,672	1,460,777
ENN Energy Holdings Ltd.	257,000	1,863,216	2,015,407
Geely Automobile Holdings Limited	1,430,000	858,472	4,001,206
Guangzhou Automobile Group Co., Ltd.	1,206,000	1,504,168	2,752,259
Guangzhou R&F Properties Co., Ltd.	803,200	1,375,281	1,619,439
Industrial and Commercial Bank of China Ltd., Class H	4,450,392	3,401,430	3,896,470
Longfor Properties Co., Ltd.	720,000	1,460,530	2,007,163
Nine Dragons Paper Holdings Ltd.	1,246,000	1,831,381	2,153,111
Shanghai Pharmaceuticals Holding Co., Ltd.	475,100	1,696,110	1,834,566
Sihuan Pharmaceutical Holdings Group Ltd.	2,652,000	1,574,547	1,440,761
Sinopec Shanghai Petrochemical Co., Ltd.	1,870,000	1,256,551	1,298,128
Sinopharm Group Co., Class H	245,600	1,369,609	1,443,774
Tencent Holdings Limited	257,000	5,794,852	11,891,317
TravelSky Technology Ltd.	387,000	1,571,119	1,479,152
Want Want China Holdings Ltd.	1,739,000	1,678,443	1,522,084
		53,397,494	66,200,028
Hungary – 1.4%			
OTP Bank PLC	53,304	1,557,937	2,312,451
Richter Gedeon Nyrt	46,037	1,192,379	1,559,807
		2,750,316	3,872,258
India – 8.5%			
Arvind Ltd.	170,188	1,358,320	1,227,726
Bajaj Auto Ltd.	29,007	1,715,715	1,624,928
Ceat Ltd.	52,889	1,217,696	1,906,777
Eicher Motors Ltd.	2,729	1,672,632	1,477,801
Hero MotoCorp Ltd.	19,656	1,579,184	1,458,544
Hindustan Petroleum Corporation Ltd.	222,475	1,924,791	2,278,884
Hindustan Unilever Ltd.	87,766	1,996,916	1,900,465
Indiabulls Housing Finance Ltd.	107,453	2,124,360	2,321,130
Maruti Suzuki India Ltd.	23,087	2,828,698	3,345,515
Oil & Natural Gas Corp., Ltd.	454,878	1,757,310	1,434,329
Power Finance Corp., Ltd.	515,205	1,739,657	1,266,705
Tata Steel Ltd.	186,674	1,523,672	2,042,860
Vedanta Ltd.	436,906	1,958,066	2,181,140
		23,397,017	24,466,804
Indonesia – 2.6%			
PT Bank Central Asia Tbk	1,298,200	1,900,666	2,293,652
PT Bank Rakyat Indonesia (Persero) Tbk	1,456,000	1,642,337	2,156,050
PT Telekomunikasi Indonesia Persero Tbk PT, Series B	6,982,700	3,101,560	3,062,754
		6,644,563	7,512,456

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
Malaysia – 2.9%			
AirAsia Berhad	1,601,500	1,340,441	1,572,696
CIMB Group Holdings Berhad	1,060,800	1,724,039	2,109,122
Sime Darby Berhad	588,100	1,545,588	1,688,107
Tenaga Nasional Berhad	666,800	3,029,983	2,848,852
		7,640,051	8,218,777
Mexico – 1.8%			
Arca Continental S.A.B. de C.V.	147,464	1,389,105	1,437,170
Grupo Aeroportuario del Pacifico S.A.B. de C.V.	117,289	925,297	1,712,996
Wal-Mart de Mexico S.A.B. de C.V.	638,433	1,969,280	1,921,969
		4,283,682	5,072,135
Poland – 1.1%			
PGE Polska Grupa Energetyczna SA	282,598	1,177,917	1,195,206
Polski Koncern Naftowy Orlen SA	53,053	970,208	2,073,207
		2,148,125	3,268,413
Russia – 0.3%			
Mining and Metallurgical Company Norilsk Nickel – ADR	49,807	977,905	892,934
South Africa – 5.9%			
AVI Ltd.	137,843	1,261,200	1,296,621
Capitec Bank Holdings Ltd.	20,844	1,420,207	1,713,820
Foschini Group Ltd., The	101,666	1,729,455	1,382,920
Imperial Holdings Ltd.	84,730	1,363,295	1,349,962
Mondi Ltd.	50,061	1,344,798	1,681,726
Sanlam Ltd.	256,499	1,817,358	1,645,351
Sappi Ltd.	176,093	1,731,928	1,518,917
Shoprite Holdings Ltd.	85,096	1,553,035	1,679,489
SPAR Group Ltd., The	80,153	1,493,413	1,223,213
Steinhoff International Holdings NV	293,956	2,038,622	1,950,410
Tiger Brands Ltd.	41,779	1,242,768	1,522,339
		16,996,079	16,964,768
South Korea – 15.5%			
Coway Co., Ltd.	18,707	2,316,763	2,204,874
Dongbu Insurance Co., Ltd.	18,429	1,234,910	1,420,662
Doosan Infracore Co., Ltd.	154,142	1,447,139	1,476,104
Hyosung Corporation	11,712	1,610,384	2,223,208
Hyundai Marine & Fire Insurance Co., Ltd.	31,656	1,374,672	1,412,676
Hyundai Robotics Co., Ltd.	1,937	961,466	848,404
KB Financial Group Inc.	37,723	2,039,065	2,462,836
KT&G Corporation	13,121	1,911,204	1,738,569
LG Display Co., Ltd.	56,255	1,708,000	2,365,645
LG Electronics Inc.	30,916	2,334,018	2,809,923
LG Uplus Corporation	99,823	1,255,223	1,768,292
Samsung Electronics Co., Ltd.	5,131	7,081,935	13,803,247
Shinhan Financial Group Co., Ltd.	42,008	1,981,966	2,351,431
SK Innovation Co., Ltd.	9,704	1,364,549	1,743,081
SK Telecom Co., Ltd.	6,867	2,094,196	2,066,977
Woori Bank	125,971	1,318,011	2,637,224
Yuhan Corporation	3,383	1,220,452	943,123
		33,253,953	44,276,276
Taiwan – 16.3%			
Asustek Computer Inc.	135,000	1,636,382	1,657,329
Catcher Technology Co., Ltd.	227,000	3,018,971	3,509,967
Compal Electronics, Inc.	1,645,000	1,599,919	1,436,226
Far EasTone Telecommunications Co., Ltd.	495,000	1,483,129	1,636,896
Formosa Chemicals & Fibre Corporation	458,000	1,586,686	1,866,516
Formosa Petrochemical Corporation	333,000	1,501,948	1,492,257
Formosa Plastics Corporation	491,000	1,508,677	1,942,395
Hon Hai Precision Industry Co., Ltd.	1,274,095	3,404,567	6,322,002
Nan Ya Plastics Corporation	576,000	1,806,587	1,852,348
Nanya Technology Corporation	795,000	1,907,563	1,858,046

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
Taiwan (cont'd)			
Pegatron Corporation	391,000	1,385,726	1,590,432
Phison Electronics Corporation	96,000	1,495,491	1,538,457
Pou Chen Corporation	823,000	1,317,035	1,476,534
Powertech Technology Inc.	394,000	1,127,019	1,579,824
Quanta Computer Inc.	581,000	1,384,823	1,779,762
St. Shine Optical Company Ltd.	33,000	1,076,544	895,791
Taiwan Semiconductor Manufacturing Company Ltd.	1,388,818	6,998,151	12,301,360
Wistron Corporation	1,536,557	1,302,519	2,033,120
		35,541,737	46,769,262
Thailand – 2.3%			
Beauty Community PCL	3,580,900	1,310,141	1,477,252
Krung Thai Bank PCL	2,361,800	1,791,094	1,696,517
PTT PCL	136,300	1,775,631	1,927,461
Thai Oil PCL – NVDR	502,000	1,397,965	1,515,692
		6,274,831	6,616,922
Turkey – 4.9%			
Akbank TAS	653,342	1,919,963	2,359,564
Arcelik AS	150,608	1,159,330	1,446,484
BIM Birlesik Magazalar AS	64,260	1,600,064	1,544,144
Emlak Konut Gayrimenkul Yatirim Ortakligi AS	1,263,241	1,658,740	1,368,675
Eregli Demir ve Celik Fabrikalari TAS (Erdemir)	851,672	1,746,760	2,212,716
Koc Holding AS	267,543	1,466,660	1,596,235
Tupras Turkiye Petrol Rafinerileri AS	47,036	1,356,666	1,754,354
Turkiye Garanti Bankasi AS	461,165	1,552,317	1,663,841
		12,460,500	13,946,013
United Kingdom – 1.1%			
Severstal PAO	73,431	1,367,672	1,251,876
Tatneft OAO	36,643	1,469,133	1,796,610
		2,836,805	3,048,486
United States – 6.7%			
Alibaba Group Holding Ltd.	31,549	3,395,301	5,763,252
Gazprom – ADR	448,742	3,222,277	2,318,441
Infosys Ltd. – Sponsored ADR	82,733	1,931,567	1,611,090
iShares MSCI Emerging Markets ETF	132,628	6,333,318	7,117,077
Lukoil Oil Company – ADR	38,616	2,598,256	2,442,694
		17,480,719	19,252,554
Transaction Costs		(265,488)	
TOTAL INVESTMENT PORTFOLIO		<u>235,416,369</u>	280,932,071
OTHER ASSETS, LESS LIABILITIES – 1.9%			5,626,030
NET ASSETS – 100.0%			<u>286,558,101</u>

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's objective is to achieve long term returns through capital growth by investing primarily in equity and equity-related securities of companies located in emerging markets and emerging industries of any market.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at June 30, 2017 and December 31, 2016. 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 contracts, as applicable.

June 30, 2017				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
Hong Kong Dollar	67,225,803	–	67,225,803	23.5
Taiwan Dollar	48,823,123	–	48,823,123	17.0
South Korean Won	44,276,278	–	44,276,278	15.5
Indian Rupee	24,488,893	–	24,488,893	8.5
US Dollar	23,341,060	–	23,341,060	8.1
South African Rand	16,995,604	–	16,995,604	5.9
Turkish Lira	13,964,132	–	13,964,132	4.9
Brazilian Real	10,626,532	–	10,626,532	3.7
Malaysian Ringgit	8,276,842	–	8,276,842	2.9
Indonesian Rupiah	7,512,456	–	7,512,456	2.6
Thai Baht	6,616,921	–	6,616,921	2.3
Mexican Peso	5,140,109	–	5,140,109	1.8
Hungary Forint	3,895,690	–	3,895,690	1.4
Polish Zloty	3,268,417	–	3,268,417	1.1
	284,451,860	–	284,451,860	99.2

December 31, 2016				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
Hong Kong Dollar	59,788,675	–	59,788,675	24.2
South Korean Won	39,165,606	–	39,165,606	15.8
Taiwan Dollar	37,642,462	–	37,642,462	15.2
US Dollar	28,378,112	3,815,913	32,194,025	13.0
Brazilian Real	17,560,835	–	17,560,835	7.1
South African Rand	16,537,899	–	16,537,899	6.7
Thai Baht	9,447,501	–	9,447,501	3.8
Malaysian Ringgit	7,111,718	–	7,111,718	2.9
Indian Rupee	6,261,273	–	6,261,273	2.5
Turkish Lira	5,763,244	–	5,763,244	2.3
Indonesian Rupiah	4,821,334	–	4,821,334	2.0
Mexican Peso	3,692,394	–	3,692,394	1.5
Hungary Forint	3,259,885	–	3,259,885	1.3
Polish Zloty	2,192,340	–	2,192,340	0.9
	241,623,278	3,815,913	245,439,191	99.2

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 could possibly have decreased or increased, respectively, by \$28,445,186 or 9.9% of net assets (December 31, 2016 – \$24,543,919 or 10.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

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

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 June 30, 2017, approximately 98.1% (December 31, 2016 – 97.0%) 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 \$28,093,207 (December 31, 2016 – \$23,974,677). 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 June 30, 2017 or December 31, 2016.

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 (%)	
	June 30, 2017	December 31, 2016
Brazil	3.7	7.1
Hong Kong	23.1	24.3
Hungary	1.4	1.3
India	8.5	2.5
Indonesia	2.6	2.0
Malaysia	2.9	2.8
Mexico	1.8	1.5
Poland	1.1	0.9
Russia	0.3	0.4
South Africa	5.9	6.7
South Korea	15.5	15.8
Taiwan	16.3	14.6
Thailand	2.3	3.8
Turkey	4.9	2.3
United Kingdom	1.1	1.1
United States	6.7	9.9

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 (\$)
June 30, 2017				
Equities	34,878,674	246,053,397	–	280,932,071
	34,878,674	246,053,397	–	280,932,071

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2016				
Equities	28,262,473	211,484,298	–	239,746,771
	28,262,473	211,484,298	–	239,746,771
Unrealized loss on currency spot contracts	–	(6,805)	–	(6,805)
	28,262,473	211,477,493	–	239,739,966

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at June 30, 2017 and December 31, 2016, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

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

Underlying Fund	June 30, 2017	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares MSCI Emerging Markets ETF	7,117,077	0.0
	7,117,077	

Underlying Fund	December 31, 2016	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares MSCI Emerging Markets ETF	10,978,310	0.0
	10,978,310	

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

As at June 30, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	393,590,555	375,941,621
Unrealized gain on currency spot contracts	5	—
Cash	9,284,435	5,184,048
Receivable for securities sold	32,407	—
Subscriptions receivable	137,003	75,010
Accrued investment income and other	274,073	195,573
	<u>403,318,478</u>	<u>381,396,252</u>
LIABILITIES		
Current liabilities		
Management fee payable	9,415	270
Payable for securities purchased	—	2,070,730
Redemptions payable	400,647	623,037
Accrued expenses	24,063	716
Unrealized loss on currency spot contracts	—	4,753
	<u>434,125</u>	<u>2,699,506</u>
Net assets attributable to holders of redeemable units	<u>402,884,353</u>	<u>378,696,746</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	30,880,000	29,903,016
Series F	10,171,102	9,424,124
Series I	<u>361,833,251</u>	<u>339,369,606</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	27.74	24.38
Series F	27.36	24.17
Series I	<u>28.18</u>	<u>24.75</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Dividends	3,155,700	3,066,417
Interest for distribution purposes	8,277	19,576
Net realized gain (loss) on non-derivative financial assets	20,695,147	11,584,753
Change in unrealized gain (loss) on non-derivative financial assets	28,647,221	(31,171,215)
Change in unrealized gain (loss) on currency spots contracts	4,758	(6,105)
Net gain (loss) on investments	<u>52,511,103</u>	<u>(16,506,574)</u>
Securities lending (note 11)	13,999	10,244
Net realized and unrealized foreign currency translation gain (loss)	(83,873)	(96,883)
Other income	—	328
Total income (loss), net	<u>52,441,229</u>	<u>(16,592,885)</u>
EXPENSES		
Management fees (note 5)	50,147	14,797
Fixed administration fees (note 6)	124,265	117,240
Independent Review Committee fees	576	563
Interest expense and bank overdraft charges	742	5,201
Foreign withholding taxes/tax reclaims	437,185	404,639
Other fund costs	—	60
Harmonized Sales Tax/Goods and Services Tax	15,085	13,160
Transaction costs	43,399	62,163
Total expenses	<u>671,399</u>	<u>617,823</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>51,769,830</u>	<u>(17,210,708)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	3,958,563	(3,259,812)
Series F	1,221,672	31,441
Series I	<u>46,589,595</u>	<u>(13,982,337)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†		
Pinnacle Series	3.40	(2.11)
Series F	3.19	0.24
Series I	<u>3.50</u>	<u>(1.03)</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	1,162,886	1,542,756
Series F	382,877	133,407
Series I	<u>13,327,397</u>	<u>13,516,113</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 June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	29,903,016	67,455,122
Series F	9,424,124	1,248,646
Series I	339,369,606	320,985,509
	<u>378,696,746</u>	<u>389,689,277</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	3,958,563	(3,259,812)
Series F	1,221,672	31,441
Series I	46,589,595	(13,982,337)
	<u>51,769,830</u>	<u>(17,210,708)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	989,146	2,793,611
Series F	1,487,947	4,866,590
Series I	1,097,750	27,115,000
Payments on redemption		
Pinnacle Series	(3,970,725)	(36,654,747)
Series F	(1,962,641)	(401,783)
Series I	(25,223,700)	(15,883,567)
	<u>(27,582,223)</u>	<u>(18,164,896)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	976,984	(37,120,948)
Series F	746,978	4,496,248
Series I	22,463,645	(2,750,904)
	<u>24,187,607</u>	<u>(35,375,604)</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	30,880,000	30,334,174
Series F	10,171,102	5,744,894
Series I	361,833,251	318,234,605
	<u>402,884,353</u>	<u>354,313,673</u>

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	51,769,830	(17,210,708)
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(20,695,147)	(11,584,753)
Unrealized foreign currency translation (gain) loss	2,733	18,682
Change in unrealized (gain) loss on non-derivative financial assets	(28,647,221)	31,171,215
Change in unrealized (gain) loss on currency spot contracts	(4,758)	6,105
Purchases of portfolio investments	(26,620,954)	(54,744,699)
Proceeds from sale of portfolio investments	56,211,251	69,288,813
Accrued investment income and other	(78,500)	(120,062)
Accrued expenses and other payables	32,492	25,231
Net cash provided by (used in) operating activities	<u>31,969,726</u>	<u>16,849,824</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	3,512,850	34,780,952
Amounts paid on redemption of redeemable units	(31,379,456)	(52,910,618)
Net cash provided by (used in) financing activities	(27,866,606)	(18,129,666)
Unrealized foreign currency translation gain (loss)	(2,733)	(18,682)
Net increase (decrease) in cash	4,103,120	(1,279,842)
Cash (bank overdraft), beginning of period	5,184,048	14,801,642
CASH (BANK OVERDRAFT), END OF PERIOD	<u>9,284,435</u>	<u>13,503,118</u>
Interest paid ⁽¹⁾	742	5,201
Interest received ⁽¹⁾	8,094	21,661
Dividends received, net of withholding taxes ⁽¹⁾	2,640,196	2,539,630

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 97.8%			
Denmark – 2.4%			
Chr Hansen Holding A/S	54,200	3,981,078	5,107,469
Novozymes A/S, Class B	78,700	3,813,469	4,466,309
		<u>7,794,547</u>	<u>9,573,778</u>
Finland – 1.1%			
Kone Oyj	66,400	3,919,764	4,386,822
France – 3.6%			
Air Liquide SA	27,200	3,061,141	4,379,156
Essilor International SA	36,850	4,629,867	6,104,054
L'Oreal SA	15,600	2,275,261	4,212,171
		<u>9,966,269</u>	<u>14,695,381</u>
Germany – 3.7%			
Bayerische Motoren Werke AG	37,100	4,839,786	4,473,637
Linde AG	23,200	4,859,659	5,709,058
Symrise AG	51,600	4,205,592	4,736,487
		<u>13,905,037</u>	<u>14,919,182</u>
Hong Kong – 4.4%			
AIA Group Ltd.	1,154,700	6,424,789	10,943,199
Tencent Holdings Limited	147,400	3,798,204	6,820,156
		<u>10,222,993</u>	<u>17,763,355</u>
Italy – 1.4%			
Luxottica Group SpA	72,600	5,027,420	5,457,429
Japan – 10.7%			
FANUC Corporation	15,200	2,392,977	3,805,290
Keyence Corporation	11,586	1,949,490	6,611,587
Kubota Corporation	368,400	7,268,611	8,048,500
M3, Inc.	302,349	5,792,030	10,823,047
Makita Corporation	80,500	2,639,475	3,864,567
Monotaro Co., Ltd.	110,000	1,890,276	4,603,918
PIGEON CORPORATION	47,518	1,401,282	2,235,533
Sysmex Corporation	40,476	3,542,103	3,138,202
		<u>26,876,244</u>	<u>43,130,644</u>
Spain – 2.2%			
Banco Bilbao Vizcaya Argentaria S.A.	800,950	7,214,895	8,672,508
Sweden – 1.3%			
Atlas Copco AB, Class A	103,400	3,541,241	5,161,051
Switzerland – 2.7%			
Lonza Group AG	23,000	1,999,673	6,446,886
Sonova Holdings AG	20,900	2,476,714	4,397,826
		<u>4,476,387</u>	<u>10,844,712</u>
United Kingdom – 4.4%			
Abcam PLC	214,064	2,296,206	3,519,032
Reckitt Benkiser Group PLC	36,070	4,077,610	4,742,129
Shire PLC	65,300	5,731,539	4,661,687
WPP Group PLC	177,900	2,853,592	4,850,023
		<u>14,958,947</u>	<u>17,772,871</u>
United States – 59.9%			
Grifols S.A.– ADR	241,800	5,079,191	6,624,099
3M Company	16,300	1,898,276	4,399,654
Abbott Laboratories	62,900	2,280,184	3,964,125
Alphabet Inc., Class A	13,820	10,721,330	16,657,605
Amazon.com, Inc.	3,546	1,491,543	4,450,257
AmerisourceBergen Corporation	44,200	4,992,667	5,417,052
Check Point Software Technologies Ltd.	33,800	3,888,147	4,780,055
Cognex Corporation	50,800	2,418,519	5,591,682
Colgate-Palmolive Company	65,750	3,630,700	6,319,181
Ctrip.com International Ltd.– ADR	60,300	3,272,609	4,210,704
eBay Inc.	100,400	4,502,388	4,545,472

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
United States (cont'd)			
Exxon Mobil Corporation	41,700	3,839,577	4,364,576
F5 Networks, Inc.	45,600	5,773,888	7,511,812
Facebook Inc.	34,000	3,486,589	6,655,327
First Republic Bank	56,700	2,615,823	7,358,481
ICICI Bank Limited – ADR	555,390	5,648,337	6,458,944
IPG Photonics Corporation	39,900	3,005,130	7,506,048
Lazard Ltd.	71,849	2,905,716	4,315,728
MasterCard, Inc., Class A	33,600	2,703,358	5,290,635
Microsoft Corporation	38,600	1,446,723	3,449,583
Monsanto Company	26,000	2,635,473	3,989,784
Nestle S.A. – ADR	68,900	4,614,011	7,789,449
NIKE, Inc., Class B	162,300	5,819,069	12,414,853
PayPal Holdings Inc.	161,600	5,457,759	11,244,599
Priceline Group Inc., The	5,850	9,321,256	14,186,957
Regeneron Pharmaceuticals, Inc.	14,400	6,925,483	9,169,356
Roper Technologies Inc.	39,800	5,927,701	11,947,069
Schlumberger Limited	119,300	10,609,823	10,183,599
Signature Bank	19,900	3,652,518	3,703,112
SVB Financial Group	40,300	4,133,917	9,184,812
Tenaris S.A. – ADR	120,300	3,731,599	4,856,857
Verisk Analytics, Inc.	79,000	6,308,364	8,641,441
WABCO Holdings Inc.	25,640	3,788,298	4,238,706
Walgreens Boots Alliance Inc.	40,800	4,647,140	4,142,366
Waters Corporation	23,700	2,839,968	5,648,842
		<u>156,013,074</u>	<u>241,212,822</u>
Transaction Costs		(142,541)	–
TOTAL INVESTMENT PORTFOLIO		<u><u>263,774,277</u></u>	<u>393,590,555</u>
OTHER ASSETS, LESS LIABILITIES – 2.2%			<u>9,293,798</u>
NET ASSETS – 100.0%			<u><u>402,884,353</u></u>

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve long term returns through capital growth by investing primarily in stocks of large capitalization companies in North America, Europe, Australia and the Far East.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at June 30, 2017 and December 31, 2016. 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 contracts, as applicable.

June 30, 2017				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	241,361,422	–	241,361,422	59.9
Euro	48,131,322	–	48,131,322	11.9
Japanese Yen	43,208,630	–	43,208,630	10.7
British Pound	17,884,108	–	17,884,108	4.4
Hong Kong Dollar	17,763,356	–	17,763,356	4.4
Swiss Franc	10,844,712	–	10,844,712	2.7
Danish Krone	9,573,777	–	9,573,777	2.4
Swedish Krona	5,161,051	–	5,161,051	1.3
	393,928,378	–	393,928,378	97.7

December 31, 2016				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	241,415,097	2,026,890	243,441,987	64.3
Japanese Yen	42,564,123	–	42,564,123	11.2
Euro	39,133,041	–	39,133,041	10.3
British Pound	16,642,507	–	16,642,507	4.4
Hong Kong Dollar	14,436,251	–	14,436,251	3.8
Swiss Franc	9,330,896	–	9,330,896	2.5
Danish Krone	7,940,542	48,593	7,989,135	2.1
Swedish Krona	4,479,164	–	4,479,164	1.2
	375,941,621	2,075,483	378,017,104	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 could possibly have decreased or increased, respectively, by \$39,392,838 or 9.8% of net assets (December 31, 2016 – \$37,801,711 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 June 30, 2017, approximately 97.8% (December 31, 2016 – 99.3%) 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 \$39,359,056 (December 31, 2016 – \$37,594,162). 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 June 30, 2017 or December 31, 2016.

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 (%)	
	June 30, 2017	December 31, 2016
Denmark	2.4	2.1
Finland	1.1	1.1
France	3.6	4.9
Germany	3.7	0.8
Hong Kong	4.4	3.8
Italy	1.4	1.5
Japan	10.7	11.2
Spain	2.2	2.1
Sweden	1.3	1.2
Switzerland	2.7	2.5
United Kingdom	4.4	4.4
United States	59.9	63.7

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 (\$)
June 30, 2017				
Equities	241,212,822	152,377,733	–	393,590,555
Unrealized gain on currency spot contracts	–	5	–	5
	241,212,822	152,377,738	–	393,590,560

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2016				
Equities	241,415,097	134,526,524	–	375,941,621
	241,415,097	134,526,524	–	375,941,621
Unrealized loss on currency spot contracts	–	(4,753)	–	(4,753)
	241,415,097	134,521,771	–	375,936,868

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Offsetting of financial assets and liabilities (note 2)

As at June 30, 2017 and December 31, 2016, 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 June 30, 2017 or December 31, 2016.

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

The table below provides a comparison of the net asset value per unit and net assets per unit. A difference could arise when the last traded market price for a financial instrument is not within the bid-ask spread (note 2).

	June 30, 2017		December 31, 2016	
	Net asset value per unit (\$)	Net assets per unit (\$)	Net asset value per unit (\$)	Net assets per unit (\$)
Pinnacle Series	27.74	27.74	24.37	24.38
Series F	27.36	27.36	24.17	24.17
Series I	28.18	28.18	24.75	24.75

Scotia Private Global Real Estate Pool (Unaudited)

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STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	326,828,332	302,231,338
Cash	16,589,270	14,850,739
Receivable for securities sold	1,454,217	793,688
Subscriptions receivable	661,374	340,421
Accrued investment income and other	807,244	1,203,533
	<u>346,340,437</u>	<u>319,419,719</u>
LIABILITIES		
Current liabilities		
Management fee payable	739	—
Payable for securities purchased	7,025,286	384,348
Redemptions payable	523,860	73,390
Accrued expenses	21,733	681
Unrealized loss on currency spot contracts	3,362	—
	<u>7,574,980</u>	<u>458,419</u>
Net assets attributable to holders of redeemable units	<u>338,765,457</u>	<u>318,961,300</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	156,828,192	151,089,747
Series F	791,048	940,882
Series I	<u>181,146,217</u>	<u>166,930,671</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	18.06	17.72
Series F	17.60	17.39
Series I	<u>18.69</u>	<u>18.38</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Dividends	4,493,240	5,400,001
Interest for distribution purposes	144,996	103,010
Net realized gain (loss) on non-derivative financial assets	5,848,594	24,745,899
Change in unrealized gain (loss) on non-derivative financial assets	(2,194,421)	(24,551,930)
Change in unrealized gain (loss) on currency spots contracts	(3,362)	795
Net gain (loss) on investments	<u>8,289,047</u>	<u>5,697,775</u>
Securities lending (note 11)	1,457	717
Net realized and unrealized foreign currency translation gain (loss)	(933,551)	(445,493)
Other income	1,007	60
Total income (loss), net	<u>7,357,960</u>	<u>5,253,059</u>
EXPENSES		
Management fees (note 5)	4,226	9,217
Fixed administration fees (note 6)	111,777	99,490
Independent Review Committee fees	576	563
Interest expense and bank overdraft charges	—	1,407
Foreign withholding taxes/tax reclaims	574,348	689,229
Other fund costs	—	49
Harmonized Sales Tax/Goods and Services Tax	11,387	10,975
Transaction costs	632,651	477,880
Total expenses	<u>1,334,965</u>	<u>1,288,810</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>6,022,995</u>	<u>3,964,249</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	2,900,985	1,583,280
Series F	8,209	11,932
Series I	<u>3,113,801</u>	<u>2,369,037</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†		
Pinnacle Series	0.34	0.21
Series F	0.17	0.12
Series I	<u>0.33</u>	<u>0.31</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	8,634,634	7,452,914
Series F	48,296	102,233
Series I	<u>9,489,268</u>	<u>7,641,199</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 June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	151,089,747	190,167,234
Series F	940,882	1,828,143
Series I	166,930,671	152,836,745
	<u>318,961,300</u>	<u>344,832,122</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	2,900,985	1,583,280
Series F	8,209	11,932
Series I	3,113,801	2,369,037
	<u>6,022,995</u>	<u>3,964,249</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	18,744,289	19,940,129
Series F	25,603	328,238
Series I	12,396,645	11,967,750
Payments on redemption		
Pinnacle Series	(15,906,829)	(66,355,821)
Series F	(183,646)	(164,295)
Series I	(1,294,900)	(9,739,700)
	<u>13,781,162</u>	<u>(44,023,699)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	5,738,445	(44,832,412)
Series F	(149,834)	175,875
Series I	14,215,546	4,597,087
	<u>19,804,157</u>	<u>(40,059,450)</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	156,828,192	145,334,822
Series F	791,048	2,004,018
Series I	181,146,217	157,433,832
	<u>338,765,457</u>	<u>304,772,672</u>

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	6,022,995	3,964,249
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(5,848,594)	(24,745,899)
Unrealized foreign currency translation (gain) loss	405,250	227,617
Change in unrealized (gain) loss on non-derivative financial assets	2,194,421	24,551,930
Change in unrealized (gain) loss on currency spot contracts	3,362	(795)
Purchases of portfolio investments	(357,560,253)	(245,740,587)
Proceeds from sale of portfolio investments	342,597,840	281,160,805
Accrued investment income and other	396,289	43,874
Accrued expenses and other payables	21,791	19,772
Net cash provided by (used in) operating activities	<u>(11,766,899)</u>	<u>39,480,966</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	30,845,585	31,945,345
Amounts paid on redemption of redeemable units	(16,934,905)	(76,114,155)
Net cash provided by (used in) financing activities	13,910,680	(44,168,810)
Unrealized foreign currency translation gain (loss)	(405,250)	(227,617)
Net increase (decrease) in cash	2,143,781	(4,687,844)
Cash (bank overdraft), beginning of period	14,850,739	18,142,720
CASH (BANK OVERDRAFT), END OF PERIOD	<u>16,589,270</u>	<u>13,227,259</u>
Interest paid ⁽¹⁾	—	1,407
Interest received ⁽¹⁾	137,624	96,043
Dividends received, net of withholding taxes ⁽¹⁾	4,322,552	4,787,364

⁽¹⁾ Classified as operating items.

Scotia Private Global Real Estate Pool (Unaudited – Continued)

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SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 96.3%			
Australia – 4.6%			
Charter Hall Group	211,835	1,040,598	1,160,269
Dexus Property Group	392,071	3,723,546	3,700,818
Goodman Group	905,394	6,412,884	7,093,918
Scentre Group	931,308	4,063,349	3,754,902
		<u>15,240,377</u>	<u>15,709,907</u>
Canada – 0.8%			
Canadian Real Estate Investment Trust	60,300	2,958,866	2,765,961
France – 0.6%			
Gecina SA	10,541	1,954,853	2,142,609
Germany – 2.9%			
Alstria Office Real Estate Investment Trust AG	96,974	1,710,670	1,699,281
Deutsche Wohnen AG-Br	166,741	7,345,218	8,268,826
		<u>9,055,888</u>	<u>9,968,107</u>
Hong Kong – 7.7%			
Cheung Kong Property Holdings Ltd	1,087,500	9,719,284	11,045,143
Hongkong Land Holdings Limited	408,329	3,616,363	3,896,527
Link Real Estate Investment Trust, The	584,700	5,023,648	5,768,202
Sun Hung Kai Properties Limited	286,341	5,273,574	5,454,717
		<u>23,632,869</u>	<u>26,164,589</u>
Japan – 6.6%			
Japan Rental Housing Investments Inc.	2,700	2,621,204	2,582,628
Mitsui Fudosan Co., Ltd.	296,500	9,463,183	9,189,904
Orix JREIT Inc.	875	1,811,742	1,673,225
Sumitomo Realty & Development Co., Ltd.	202,000	7,659,378	8,094,564
United Urban Investment Corporation	461	965,729	852,853
		<u>22,521,236</u>	<u>22,393,174</u>
Netherlands – 1.6%			
Unibail-Rodamco SE	16,564	5,315,264	5,410,981
Singapore – 4.0%			
CapitaLand Ltd.	1,019,600	3,420,413	3,361,700
City Developments Ltd.	525,700	4,678,127	5,313,695
Mapletree Commercial Trust	3,263,413	4,594,926	4,902,967
		<u>12,693,466</u>	<u>13,578,362</u>
Spain – 1.2%			
Merlin Properties Socimi S.A.	252,911	3,818,945	4,142,020
United Kingdom – 8.7%			
Capital & Counties Properties PLC	968,833	4,991,507	4,787,291
Grainger PLC	1,814,618	7,584,073	8,056,528
Green REIT PLC	2,385,461	4,996,261	5,049,029
Shaftesbury PLC	307,852	5,006,506	5,053,771
Unite Group PLC	604,820	6,301,493	6,628,065
		<u>28,879,840</u>	<u>29,574,684</u>
United States – 57.6%			
Apartment Investment & Management Company	21,392	1,181,926	1,191,757
AvalonBay Communities Inc.	31,705	7,201,528	7,899,223
Boston Properties Inc.	14,993	2,563,813	2,391,307
Brixmor Property Group Inc.	188,267	5,209,679	4,364,282
Brookdale Senior Living Inc.	688,871	12,565,391	13,137,764
Camden Property Trust	22,953	2,683,343	2,544,646
Columbia Property Trust Inc.	114,292	3,382,551	3,316,248
CoreSite Realty Corporation	22,358	2,698,954	3,001,029
Crown Castle International Corporation	56,624	7,066,331	7,354,491
CubeSmart	43,072	1,469,682	1,342,457
DCT Industrial Trust Inc.	90,886	5,435,809	6,297,011
Developers Diversified Realty Corporation	111,670	1,333,202	1,313,152
Empire State Realty Trust, Inc.	64,555	1,654,409	1,738,351

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
United States (cont'd)			
Equinix Inc.	8,095	4,024,920	4,504,091
Equity Commonwealth	112,837	4,356,927	4,622,848
Equity LifeStyle Properties Inc.	27,845	2,779,540	3,116,953
Equity Residential Real Estate Investment Trust	84,588	7,283,566	7,219,442
Essex Property Trust, Inc.	10,022	3,095,601	3,342,832
Forest City Realty Trust Inc.	156,735	4,673,649	4,911,495
GGP Inc.	404,179	12,952,398	12,345,819
HCP, Inc. Real Estate Investment Trust	244,827	9,838,253	10,144,651
Host Hotels & Resorts Inc.	91,177	2,111,876	2,159,707
Invitation Homes Inc.	110,564	2,962,651	3,100,568
Kilroy Realty Corporation	13,329	1,305,822	1,298,666
Kimco Realty Corporation	238,698	5,787,705	5,678,791
MGM Growth Properties LLC	175,212	5,569,349	6,630,847
National Health Investors Inc.	26,727	2,676,401	2,744,394
ProLogis	69,361	4,719,354	5,273,274
Public Storage Real Estate Investment Trust	10,233	3,029,481	2,766,576
Realty Income Corporation	67,316	5,026,927	4,815,829
Regency Centers Corporation	89,017	7,595,809	7,229,292
Simon Property Group Inc.	48,780	11,281,856	10,230,196
SL Green Realty Corporation	9,104	1,311,458	1,248,789
Sunstone Hotel Investors, Inc.	136,099	2,515,608	2,844,402
UDR Inc.	116,582	5,595,430	5,890,239
Urban Edge Properties	77,542	2,626,936	2,385,645
VEREIT Inc.	425,201	4,942,374	4,487,348
Vornado Realty Trust Real Estate Investment Trust	52,572	6,811,230	6,400,164
Weingarten Realty Investors	130,504	5,818,162	5,092,856
Welltower Inc.	88,626	8,077,184	8,600,506
		<u>193,217,085</u>	<u>194,977,938</u>
Transaction Costs		(292,807)	
TOTAL INVESTMENT PORTFOLIO		<u>318,995,882</u>	<u>326,828,332</u>
OTHER ASSETS, LESS LIABILITIES – 3.7%			<u>11,937,125</u>
NET ASSETS – 100.0%			<u>338,765,457</u>

FOREIGN EQUITY FUNDS

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's objective is to achieve superior long term returns through income and capital growth, by investing primarily in U.S., Canadian and non-North American real estate stocks and real estate investment trusts (REITs).

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 of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	June 30, 2017 (\$)	December 31, 2016 (\$)
Less than 1 year	–	–
1-3 years	–	–
3-5 years	–	860,149
5-10 years	–	–
> 10 years	–	–
	–	860,149

As at June 30, 2017, 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 nil (December 31, 2016 – \$7,834 or approximately 0.0%).

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 contracts, as applicable.

June 30, 2017				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	209,033,484	–	209,033,484	61.7
Euro	26,741,643	–	26,741,643	7.9
British Pound	24,607,024	–	24,607,024	7.3
Japanese Yen	22,459,428	–	22,459,428	6.6
Hong Kong Dollar	22,359,987	–	22,359,987	6.6
Australian Dollar	15,882,680	–	15,882,680	4.7
Singapore Dollar	13,578,372	–	13,578,372	4.0
	334,662,619	–	334,662,619	98.8

December 31, 2016				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	202,430,836	–	202,430,836	63.5
Euro	37,108,360	–	37,108,360	11.6
Australian Dollar	22,836,910	–	22,836,910	7.2
Japanese Yen	18,877,491	–	18,877,491	5.9
British Pound	16,242,257	–	16,242,257	5.1
Hong Kong Dollar	9,730,184	–	9,730,184	3.1
Singapore Dollar	5,287,851	–	5,287,851	1.7
	312,513,889	–	312,513,889	98.1

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 could possibly have decreased or increased, respectively, by \$33,466,262 or 9.9% of net assets (December 31, 2016 – \$31,251,389 or 9.8%). 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 June 30, 2017, approximately 96.3% (December 31, 2016 – 94.5%) 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 \$32,682,833 (December 31, 2016 – \$30,137,119). 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 bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

Credit ratings	June 30, 2017		December 31, 2016	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
BBB	–	–	100.0	0.3
	–	–	100.0	0.3

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 (%)	
	June 30, 2017	December 31, 2016
Australia	4.6	7.1
Canada	0.8	1.2
France	0.6	2.0
Germany	2.9	4.9
Hong Kong	7.7	4.6
Japan	6.6	5.9
Netherlands	1.6	2.8
Singapore	4.0	1.7
Spain	1.2	1.2
United Kingdom	8.7	5.9
United States	57.6	57.5

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.

June 30, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	197,743,899	129,084,433	–	326,828,332
	197,743,899	129,084,433	–	326,828,332
Unrealized loss on currency spot contracts	–	(3,362)	–	(3,362)
	197,743,899	129,081,071	–	326,824,970

December 31, 2016	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	186,522,232	114,848,957	–	301,371,189
Bonds and debentures	–	860,149	–	860,149
	186,522,232	115,709,106	–	302,231,338

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at June 30, 2017 and December 31, 2016, 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 June 30, 2017 or December 31, 2016.

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

As at June 30, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	8,414,846	9,396,902
Cash	31,347	1,339
Receivable for securities sold	176,700	33,000
Accrued investment income and other	8	12
	<u>8,622,901</u>	<u>9,431,253</u>
LIABILITIES		
Current liabilities		
Management fee payable	14,721	—
Redemptions payable	175,740	1,000
Accrued expenses	1,769	567
	<u>192,230</u>	<u>1,567</u>
Net assets attributable to holders of redeemable units	<u>8,430,671</u>	<u>9,429,686</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series A	<u>8,430,671</u>	<u>9,429,686</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series A	<u>12.25</u>	<u>12.05</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Dividends	1,343	2,664
Interest for distribution purposes	91,468	136,467
Net realized gain (loss) on non-derivative financial assets	109,914	530,689
Change in unrealized gain (loss) on non-derivative financial assets	51,097	(366,954)
Net gain (loss) on investments	<u>253,822</u>	<u>302,866</u>
Other income	179	—
Total income (loss), net	<u>254,001</u>	<u>302,866</u>
EXPENSES		
Management fees (note 5)	82,462	108,477
Fixed administration fees (note 6)	6,686	8,795
Independent Review Committee fees	576	563
Interest expense and bank overdraft charges	84	—
Other fund costs	—	2
Harmonized Sales Tax/Goods and Services Tax	8,817	11,738
Total expenses	<u>98,625</u>	<u>129,575</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>155,376</u>	<u>173,291</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series A	<u>155,376</u>	<u>173,291</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series A	<u>0.21</u>	<u>0.18</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series A	<u>733,633</u>	<u>970,834</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 June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series A	<u>9,429,686</u>	<u>11,804,572</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series A	<u>155,376</u>	<u>308,001</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Series A	—	(43,134)
From net realized gains on investments		
Series A	—	(310,209)
	<u>—</u>	<u>(353,343)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series A	118,133	1,029,725
Reinvested distributions		
Series A	—	332,404
Payments on redemption		
Series A	<u>(1,272,524)</u>	<u>(3,691,673)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series A	<u>(999,015)</u>	<u>(2,374,886)</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series A	<u>8,430,671</u>	<u>9,429,686</u>

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	155,376	173,291
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(109,914)	(530,689)
Change in unrealized (gain) loss on non-derivative financial assets	(51,097)	366,954
Non-cash transactions	(92,733)	(138,871)
Purchases of portfolio investments	(9,999)	(1,798,900)
Proceeds from sale of portfolio investments	1,102,099	1,747,169
Accrued investment income and other	4	1
Accrued expenses and other payables	15,923	21,676
Net cash provided by (used in) operating activities	<u>1,009,659</u>	<u>(159,369)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	118,133	831,367
Amounts paid on redemption of redeemable units	<u>(1,097,784)</u>	<u>(777,736)</u>
Net cash provided by (used in) financing activities	<u>(979,651)</u>	<u>53,631</u>
Net increase (decrease) in cash	30,008	(105,738)
Cash (bank overdraft), beginning of period	1,339	126,526
CASH (BANK OVERDRAFT), END OF PERIOD	<u>31,347</u>	<u>20,788</u>
Interest paid ⁽¹⁾	84	—
Interest received ⁽¹⁾	80	262

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Units	Average Cost (\$)	Carrying Value (\$)
CANADIAN EQUITY FUNDS – 11.0%			
Scotia Private Canadian Growth Pool Series I	22,625	281,366	378,249
Scotia Private Canadian Small Cap Pool Series I	6,415	203,911	253,729
Scotia Private Canadian Value Pool Series I	12,555	228,630	296,216
		<u>713,907</u>	<u>928,194</u>
FIXED INCOME FUNDS – 69.8%			
Scotia Private American Core-Plus Bond Pool Series I	131,548	1,119,825	1,261,760
Scotia Private High Yield Income Pool Series I	90,867	811,095	840,971
Scotia Private Income Pool Series I	352,369	3,877,700	3,780,568
		<u>5,808,620</u>	<u>5,883,299</u>
FOREIGN EQUITY FUNDS – 19.0%			
Scotia Private Emerging Markets Pool Series I	15,583	144,120	170,719
Scotia Private Global Real Estate Pool Series I	17,947	220,843	335,816
Scotia Private International Equity Pool Series I	21,802	266,239	294,631
Scotia Private International Small to Mid Cap Value Pool Series I	5,328	85,606	170,176
Scotia Private U.S. Large Cap Growth Pool Series I	11,625	220,891	252,486
Scotia Private U.S. Mid Cap Value Pool Series I	10,755	167,749	191,282
Scotia Private U.S. Value Pool Series I	12,234	130,202	188,243
		<u>1,235,650</u>	<u>1,603,353</u>
TOTAL INVESTMENT PORTFOLIO		<u>7,758,177</u>	<u>8,414,846</u>
OTHER ASSETS, LESS LIABILITIES – 0.2%			<u>15,825</u>
NET ASSETS – 100.0%			<u>8,430,671</u>

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's objective is to generate current income and long-term capital growth, with a bias towards income. It invests primarily in a mix of equity and income mutual funds managed by us.

The Fund invests primarily in funds managed by the Manager and/or by the third party investment managers (the "Underlying Funds"). To ensure the Fund's composition meets the investment objectives of the Fund, the portfolio advisor monitors the Underlying Funds on an ongoing basis and rebalances the Fund's assets among the Underlying Funds.

Risk associated with financial instruments (note 4)**Interest rate risk**

The Fund could be exposed to indirect interest rate risk to the extent that the Underlying Funds held financial instruments that were subject to interest rate risk.

Currency risk

The Fund could be exposed to indirect currency risk to the extent that the Underlying Funds held financial instruments that were denominated in a currency other than its functional currency.

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 June 30, 2017, approximately 99.8% (December 31, 2016 – 99.7%) 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 \$841,485 (December 31, 2016 – \$939,690). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund could be exposed to indirect credit risk to the extent that the Underlying Funds invested in bonds and debentures, money market instruments or preferred shares.

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 (%)	
	June 30, 2017	December 31, 2016
Canadian Equity Funds	11.0	11.1
Fixed Income Funds	69.8	69.7
Foreign Equity Funds	19.0	18.9

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 (\$)
June 30, 2017				
Underlying funds	8,414,846	–	–	8,414,846
	8,414,846	–	–	8,414,846

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2016				
Underlying funds	9,396,902	–	–	9,396,902
	9,396,902	–	–	9,396,902

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at June 30, 2017 and December 31, 2016, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

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

	June 30, 2017	
Underlying Fund	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Scotia Private Income Pool Series I	3,780,568	0.7
Scotia Private International Small to Mid-Cap Value Pool Series I	170,176	0.3
Scotia Private Canadian Growth Pool Series I	378,249	0.2
Scotia Private Canadian Value Pool Series I	296,216	0.2
Scotia Private U.S. Large Cap Growth Pool Series I	252,486	0.2
Scotia Private U.S. Mid Cap Value Pool Series I	191,282	0.2
Scotia Private U.S. Value Pool Series I	188,243	0.2
Scotia Private American Core-Plus Bond Pool Series I	1,261,760	0.1
Scotia Private High Yield Income Pool Series I	840,971	0.1
Scotia Private Emerging Markets Pool Series I	170,719	0.1
Scotia Private Global Real Estate Pool Series I	335,816	0.1
Scotia Private Canadian Small Cap Pool Series I	253,729	0.0
Scotia Private International Equity Pool Series I	294,631	0.0
	8,414,846	

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Underlying Fund	December 31, 2016	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Scotia Private Income Pool Series I	4,211,897	0.9
Scotia Private International Small to Mid Cap Value Pool Series I	191,187	0.3
Scotia Private Canadian Growth Pool Series I	431,735	0.2
Scotia Private U.S. Mid Cap Value Pool Series I	207,599	0.2
Scotia Private American Core-Plus Bond Pool Series I	1,412,065	0.2
Scotia Private U.S. Large Cap Growth Pool Series I	275,674	0.2
Scotia Private Canadian Value Pool Series I	331,040	0.2
Scotia Private U.S. Value Pool Series I	209,475	0.2
Scotia Private High Yield Income Pool Series I	945,490	0.1
Scotia Private Emerging Markets Pool Series I	190,438	0.1
Scotia Private Global Real Estate Pool Series I	378,205	0.1
Scotia Private Canadian Small Cap Pool Series I	285,006	0.0
Scotia Private International Equity Pool Series I	327,091	0.0
	9,396,902	

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

As at June 30, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	61,064,677	64,712,077
Cash	310,199	186,565
Receivable for securities sold	412,000	—
Subscriptions receivable	8,632	641,351
Accrued investment income and other	73	66
	<u>61,795,581</u>	<u>65,540,059</u>
LIABILITIES		
Current liabilities		
Management fee payable	118,705	—
Redemptions payable	517,645	91,256
Accrued expenses	5,098	4,211
	<u>641,448</u>	<u>95,467</u>
Net assets attributable to holders of redeemable units	<u>61,154,133</u>	<u>65,444,592</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series A	61,154,133	65,444,592
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series A	<u>14.49</u>	<u>14.26</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Dividends	9,807	14,686
Interest for distribution purposes	383,544	500,542
Net realized gain (loss) on non-derivative financial assets	1,189,805	2,866,578
Change in unrealized gain (loss) on non-derivative financial assets	261,564	(2,210,533)
Net gain (loss) on investments	<u>1,844,720</u>	<u>1,171,273</u>
Other income	241	617
Total income (loss), net	<u>1,844,961</u>	<u>1,171,890</u>
EXPENSES		
Management fees (note 5)	671,737	754,103
Fixed administration fees (note 6)	25,590	28,728
Independent Review Committee fees	576	563
Interest expense and bank overdraft charges	117	43
Other fund costs	—	12
Harmonized Sales Tax/Goods and Services Tax	64,433	70,599
Total expenses	<u>762,453</u>	<u>854,048</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>1,082,508</u>	<u>317,842</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series A	<u>1,082,508</u>	<u>317,842</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series A	<u>0.24</u>	<u>0.06</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series A	<u>4,437,455</u>	<u>5,366,024</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 June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series A	65,444,592	76,291,021
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series A	<u>1,082,508</u>	<u>317,842</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series A	3,034,850	4,064,565
Payments on redemption		
Series A	<u>(8,407,817)</u>	<u>(11,107,281)</u>
	<u>(5,372,967)</u>	<u>(7,042,716)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series A	<u>(4,290,459)</u>	<u>(6,724,874)</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series A	<u>61,154,133</u>	<u>69,566,147</u>

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	1,082,508	317,842
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(1,189,805)	(2,866,578)
Change in unrealized (gain) loss on non-derivative financial assets	(261,564)	2,210,533
Non-cash transactions	(392,837)	(514,726)
Purchases of portfolio investments	(796,000)	(8,537,200)
Proceeds from sale of portfolio investments	5,875,606	15,966,562
Accrued investment income and other	(7)	15
Accrued expenses and other payables	119,592	136,907
Net cash provided by (used in) operating activities	<u>4,437,493</u>	<u>6,713,355</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	3,667,569	4,068,212
Amounts paid on redemption of redeemable units	<u>(7,981,428)</u>	<u>(10,744,552)</u>
Net cash provided by (used in) financing activities	<u>(4,313,859)</u>	<u>(6,676,340)</u>
Net increase (decrease) in cash	123,634	37,015
Cash (bank overdraft), beginning of period	186,565	216,173
CASH (BANK OVERDRAFT), END OF PERIOD	<u>310,199</u>	<u>253,188</u>
Interest paid ⁽¹⁾	117	43
Interest received ⁽¹⁾	509	518

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Units	Average Cost (\$)	Carrying Value (\$)
CANADIAN EQUITY FUNDS – 30.0%			
Scotia Private Canadian Growth Pool Series I	438,240	5,702,057	7,326,495
Scotia Private Canadian Mid Cap Pool Series I	130,462	1,952,568	2,766,625
Scotia Private Canadian Small Cap Pool Series I	69,944	1,841,291	2,766,482
Scotia Private Canadian Value Pool Series I	232,423	4,355,612	5,483,684
		<u>13,851,528</u>	<u>18,343,286</u>
FIXED INCOME FUNDS – 40.2%			
Scotia Private High Yield Income Pool Series I	666,339	6,211,597	6,166,965
Scotia Private Income Pool Series I	1,715,864	18,860,760	18,409,509
		<u>25,072,357</u>	<u>24,576,474</u>
FOREIGN EQUITY FUNDS – 29.7%			
Scotia Private Emerging Markets Pool Series I	111,423	1,084,379	1,220,706
Scotia Private Global Real Estate Pool Series I	192,237	2,756,280	3,597,096
Scotia Private International Equity Pool Series I	359,033	4,174,652	4,851,930
Scotia Private International Small to Mid Cap Value Pool Series I	37,806	624,547	1,207,626
Scotia Private U.S. Large Cap Growth Pool Series I	138,493	1,268,244	3,008,064
Scotia Private U.S. Mid Cap Value Pool Series I	120,834	1,885,867	2,149,158
Scotia Private U.S. Value Pool Series I	137,153	1,618,174	2,110,337
		<u>13,412,143</u>	<u>18,144,917</u>
TOTAL INVESTMENT PORTFOLIO		<u>52,336,028</u>	61,064,677
OTHER ASSETS, LESS LIABILITIES – 0.1%			89,456
NET ASSETS – 100.0%			<u>61,154,133</u>

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's objective is to achieve a balance of long-term capital growth and current income. It invests primarily in a mix of equity and income mutual funds managed by us.

The Fund invests primarily in funds managed by the Manager and/or by the third party investment managers (the "Underlying Funds"). To ensure the Fund's composition meets the investment objectives of the Fund, the portfolio advisor monitors the Underlying Funds on an ongoing basis and rebalances the Fund's assets among the Underlying Funds.

Risk associated with financial instruments (note 4)**Interest rate risk**

The Fund could be exposed to indirect interest rate risk to the extent that the Underlying Funds held financial instruments that were subject to interest rate risk.

Currency risk

The Fund could be exposed to indirect currency risk to the extent that the Underlying Funds held financial instruments that were denominated in a currency other than its functional currency.

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 June 30, 2017, approximately 99.9% (December 31, 2016 – 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 \$6,106,468 (December 31, 2016 – \$6,471,208). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund could be exposed to indirect credit risk to the extent that the Underlying Funds invested in bonds and debentures, money market instruments or preferred shares.

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 (%)	
	June 30, 2017	December 31, 2016
Canadian Equity Funds	30.0	29.7
Fixed Income Funds	40.2	39.0
Foreign Equity Funds	29.7	30.2

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 (\$)
June 30, 2017				
Underlying funds	61,064,677	–	–	61,064,677
	61,064,677	–	–	61,064,677

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2016				
Underlying funds	64,712,077	–	–	64,712,077
	64,712,077	–	–	64,712,077

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at June 30, 2017 and December 31, 2016, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

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

Underlying Fund	June 30, 2017	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Scotia Private Income Pool Series I	18,409,509	3.5
Scotia Private Canadian Growth Pool Series I	7,326,495	3.4
Scotia Private Canadian Mid Cap Pool Series I	2,766,625	2.9
Scotia Private Canadian Value Pool Series I	5,483,684	2.8
Scotia Private U.S. Mid Cap Value Pool Series I	2,149,158	2.5
Scotia Private U.S. Large Cap Growth Pool Series I	3,008,064	2.3
Scotia Private U.S. Value Pool Series I	2,110,337	1.9
Scotia Private International Small to Mid Cap Value Pool Series I	1,207,626	1.8
Scotia Private Global Real Estate Pool Series I	3,597,096	1.1
Scotia Private High Yield Income Pool Series I	6,166,965	0.5
Scotia Private Canadian Small Cap Pool Series I	2,766,482	0.4
Scotia Private Emerging Markets Pool Series I	1,220,706	0.4
Scotia Private International Equity Pool Series I	4,851,930	0.4
	61,064,677	

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Underlying Fund	December 31, 2016	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Scotia Private Income Pool Series I	18,932,811	3.9
Scotia Private Canadian Growth Pool Series I	7,762,726	3.7
Scotia Private Canadian Mid Cap Pool Series I	2,940,229	3.3
Scotia Private Canadian Value Pool Series I	5,808,705	3.0
Scotia Private U.S. Large Cap Growth Pool Series I	3,274,204	2.8
Scotia Private International Small to Mid Cap Value Pool Series I	1,326,117	2.2
Scotia Private U.S. Value Pool Series I	2,296,273	2.2
Scotia Private U.S. Mid Cap Value Pool Series I	2,278,554	1.8
Scotia Private Global Real Estate Pool Series I	3,949,785	1.2
Scotia Private Emerging Markets Pool Series I	1,258,441	0.5
Scotia Private International Equity Pool Series I	5,360,398	0.5
Scotia Private High Yield Income Pool Series I	6,591,422	0.5
Scotia Private Canadian Small Cap Pool Series I	2,932,412	0.4
	64,712,077	

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

As at June 30, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	7,769,820	9,109,431
Cash	—	36,088
Receivable for securities sold	135,700	—
Subscriptions receivable	400	6,373
Accrued investment income and other	14	14
	<u>7,905,934</u>	<u>9,151,906</u>
LIABILITIES		
Current liabilities		
Bank overdraft	99,860	—
Management fee payable	17,480	—
Redemptions payable	1,750	1,000
Accrued expenses	1,668	699
	<u>120,758</u>	<u>1,699</u>
Net assets attributable to holders of redeemable units	<u>7,785,176</u>	<u>9,150,207</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series A	<u>7,785,176</u>	<u>9,150,207</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series A	<u>15.33</u>	<u>15.17</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30 (note 1),

(in dollars except average units)	2017	2016
INCOME		
Net gain (loss) on investments		
Dividends	747	1,303
Interest for distribution purposes	25,399	38,242
Net realized gain (loss) on non-derivative financial assets	313,480	413,382
Change in unrealized gain (loss) on non-derivative financial assets	(124,343)	(242,487)
Net gain (loss) on investments	<u>215,283</u>	<u>210,440</u>
Other income	—	205
Total income (loss), net	<u>215,283</u>	<u>210,645</u>
EXPENSES		
Management fees (note 5)	100,473	126,226
Fixed administration fees (note 6)	6,279	7,889
Independent Review Committee fees	576	563
Interest expense and bank overdraft charges	87	68
Other fund costs	—	2
Harmonized Sales Tax/Goods and Services Tax	10,889	12,837
Total expenses	<u>118,304</u>	<u>147,585</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>96,979</u>	<u>63,060</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series A	<u>96,979</u>	<u>63,060</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series A	<u>0.18</u>	<u>0.08</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series A	<u>546,305</u>	<u>763,051</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 June 30 (note 1),

(in dollars)	2017	2016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series A	<u>9,150,207</u>	<u>11,393,181</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series A	<u>96,979</u>	<u>63,060</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series A	387,580	326,974
Payments on redemption		
Series A	(1,849,590)	(1,599,525)
	<u>(1,462,010)</u>	<u>(1,272,551)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series A	<u>(1,365,031)</u>	<u>(1,209,491)</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series A	<u>7,785,176</u>	<u>10,183,690</u>

STATEMENTS OF CASH FLOWS

For the periods ended June 30 (note 1),

(in dollars)	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	96,979	63,060
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(313,480)	(413,382)
Change in unrealized (gain) loss on non-derivative financial assets	124,343	242,487
Non-cash transactions	(26,052)	(39,417)
Purchases of portfolio investments	(67,500)	(1,326,899)
Proceeds from sale of portfolio investments	1,486,600	2,663,537
Accrued investment income and other	—	66
Accrued expenses and other payables	18,449	23,401
Net cash provided by (used in) operating activities	<u>1,319,339</u>	<u>1,212,853</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	393,553	326,856
Amounts paid on redemption of redeemable units	(1,848,840)	(1,597,605)
Net cash provided by (used in) financing activities	<u>(1,455,287)</u>	<u>(1,270,749)</u>
Net increase (decrease) in cash	<u>(135,948)</u>	<u>(57,896)</u>
Cash (bank overdraft), beginning of period	36,088	87,649
CASH (BANK OVERDRAFT), END OF PERIOD	<u>(99,860)</u>	<u>29,753</u>
Interest paid ⁽¹⁾	87	68
Interest received ⁽¹⁾	94	194

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2017

Issuer	Number of Units	Average Cost (\$)	Carrying Value (\$)
CANADIAN EQUITY FUNDS – 50.2%			
Scotia Private Canadian Growth Pool Series I	92,972	1,243,192	1,554,307
Scotia Private Canadian Mid Cap Pool Series I	27,825	455,476	590,062
Scotia Private Canadian Small Cap Pool Series I	14,986	415,396	592,753
Scotia Private Canadian Value Pool Series I	49,572	955,205	1,169,579
		<u>3,069,269</u>	<u>3,906,701</u>
FIXED INCOME FUNDS – 19.9%			
Scotia Private High Yield Income Pool Series I	50,384	463,554	466,305
Scotia Private Income Pool Series I	101,017	1,114,486	1,083,814
		<u>1,578,040</u>	<u>1,550,119</u>
FOREIGN EQUITY FUNDS – 29.7%			
Scotia Private Emerging Markets Pool Series I	14,093	133,943	154,392
Scotia Private Global Real Estate Pool Series I	24,544	363,840	459,257
Scotia Private International Equity Pool Series I	45,473	502,360	614,517
Scotia Private International Small to Mid Cap Value Pool Series I	4,857	86,728	155,154
Scotia Private U.S. Large Cap Growth Pool Series I	17,746	168,338	385,447
Scotia Private U.S. Mid Cap Value Pool Series I	15,304	239,084	272,205
Scotia Private U.S. Value Pool Series I	17,679	219,379	272,028
		<u>1,713,672</u>	<u>2,313,000</u>
TOTAL INVESTMENT PORTFOLIO		<u>6,360,981</u>	<u>7,769,820</u>
OTHER ASSETS, LESS LIABILITIES – 0.2%			<u>15,356</u>
NET ASSETS – 100.0%			<u>7,785,176</u>

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 and provide some current income. It invests primarily in a mix of equity and income mutual funds managed by us.

The Fund invests primarily in funds managed by the Manager and/or by the third party investment managers (the "Underlying Funds"). To ensure the Fund's composition meets the investment objectives of the Fund, the portfolio advisor monitors the Underlying Funds on an ongoing basis and rebalances the Fund's assets among the Underlying Funds.

Risk associated with financial instruments (note 4)**Interest rate risk**

The Fund could be exposed to indirect interest rate risk to the extent that the Underlying Funds held financial instruments that were subject to interest rate risk.

Currency risk

The Fund could be exposed to indirect currency risk to the extent that the Underlying Funds held financial instruments that were denominated in a currency other than its functional currency.

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 June 30, 2017, approximately 99.8% (December 31, 2016 – 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 \$776,982 (December 31, 2016 – \$910,943). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund could be exposed to indirect credit risk to the extent that the Underlying Funds invested in bonds and debentures, money market instruments or preferred shares.

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 (%)	
	June 30, 2017	December 31, 2016
Canadian Equity Funds	50.2	49.6
Fixed Income Funds	19.9	19.8
Foreign Equity Funds	29.7	30.2

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

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 (\$)
June 30, 2017				
Underlying funds	7,769,820	–	–	7,769,820
	7,769,820	–	–	7,769,820

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2016				
Underlying funds	9,109,431	–	–	9,109,431
	9,109,431	–	–	9,109,431

Transfers between levels

During the periods ended June 30, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at June 30, 2017 and December 31, 2016, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

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

Underlying Fund	June 30, 2017	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Scotia Private Canadian Growth Pool Series I	1,554,307	0.7
Scotia Private Canadian Mid Cap Pool Series I	590,062	0.6
Scotia Private Canadian Value Pool Series I	1,169,579	0.6
Scotia Private U.S. Large Cap Growth Pool Series I	385,447	0.3
Scotia Private U.S. Mid Cap Value Pool Series I	272,205	0.3
Scotia Private Income Pool Series I	1,083,814	0.2
Scotia Private International Small to Mid Cap Value Pool Series I	155,154	0.2
Scotia Private U.S. Value Pool Series I	272,028	0.2
Scotia Private Canadian Small Cap Pool Series I	592,753	0.1
Scotia Private Emerging Markets Pool Series I	154,392	0.1
Scotia Private Global Real Estate Pool Series I	459,257	0.1
Scotia Private International Equity Pool Series I	614,517	0.1
Scotia Private High Yield Income Pool Series I	466,305	0.0
	7,769,820	

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Underlying Fund	December 31, 2016	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Scotia Private Canadian Growth Pool Series I	1,814,023	0.9
Scotia Private Canadian Mid Cap Pool Series I	679,146	0.8
Scotia Private Canadian Value Pool Series I	1,352,625	0.7
Scotia Private U.S. Large Cap Growth Pool Series I	453,254	0.4
Scotia Private Income Pool Series I	1,255,241	0.3
Scotia Private U.S. Mid Cap Value Pool Series I	321,770	0.3
Scotia Private International Small to Mid Cap Value Pool Series I	184,851	0.3
Scotia Private U.S. Value Pool Series I	322,885	0.3
Scotia Private Global Real Estate Pool Series I	559,339	0.2
Scotia Private Emerging Markets Pool Series I	180,180	0.1
Scotia Private Canadian Small Cap Pool Series I	685,897	0.1
Scotia Private International Equity Pool Series I	744,543	0.1
Scotia Private High Yield Income Pool Series I	555,677	0.0
	9,109,431	

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

As at June 30, 2017 or December 31, 2016, 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 (UNAUDITED)

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 and trustee (where applicable) of the funds. In this document, "we", "us", "our", the "Manager", the "Trustee", and "1832 Asset Management" refer to 1832 Asset Management L.P. The registered office of the Funds is 1 Adelaide Street East, 28th Floor, Toronto, ON, M5C 2V9.

The Funds presented in these financial statements are open-ended mutual fund trusts. Throughout this document, we refer to these mutual fund trusts individually as a "Fund" and collectively, as the "Funds".

The Funds are established under the laws of the Province of Ontario pursuant to an Amended and Restated Master Declaration of Trust dated November 24, 2011, as amended from time to time.

The Statements of Financial Position are as at June 30, 2017 and December 31, 2016, and the Statements of Comprehensive Income, Changes in Net Assets Attributable to Holders of Redeemable Units and Cash Flows are for the six-month periods ended June 30, 2017 and 2016. The Schedule of Investment Portfolio for each of the Funds is as at June 30, 2017. Throughout this document, reference to the periods refers to the reporting periods described above.

These financial statements were approved and authorized for issue on August 22, 2017 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 Trustee 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:

Scotia Private Pools	Commencement Date
Scotia Private American Core-Plus Bond Pool	January 28, 2002
Scotia Private Canadian Growth Pool	September 3, 1997
Scotia Private Canadian Mid Cap Pool	January 28, 2002
Scotia Private Canadian Small Cap Pool	September 3, 1997
Scotia Private Canadian Value Pool	September 3, 1997
Scotia Private Emerging Markets Pool	September 8, 2010
Scotia Private Global Equity Pool	September 3, 1997
Scotia Private Global Real Estate Pool	January 28, 2002
Scotia Private High Yield Income Pool	September 3, 1997
Scotia Private Income Pool	September 3, 1997
Scotia Private International Equity Pool	September 3, 1997
Scotia Private International Small to Mid Cap Value Pool	January 28, 2002
Scotia Private Short Term Income Pool	September 3, 1997
Scotia Private Strategic Balanced Pool	September 3, 1997
Scotia Private U.S. Large Cap Growth Pool	January 18, 2001
Scotia Private U.S. Mid Cap Growth Pool	September 3, 1997
Scotia Private U.S. Mid Cap Value Pool	January 28, 2002
Scotia Private U.S. Value Pool	September 3, 1997
Pinnacle Portfolios	
Pinnacle Balanced Portfolio	April 22, 2005
Pinnacle Growth Portfolio	April 22, 2005
Pinnacle Income Portfolio	April 22, 2005

Each Fund may offer an unlimited number of units of some or all of its respective series. Each series of a Fund is intended for different investors.

A description of each series is provided below:

Series A:	Series A units are only available through Scotia McLeod or otherwise as permitted by the Manager.
Pinnacle Series:	Pinnacle Series units are only available to investors who participate in the Pinnacle Program.
Series F:	Series F units are available for purchase into a fee-based account with authorized brokers or dealers.
Series I:	Series I units may only be purchased by eligible institutional investors and other qualified investors as determined by the Manager.
Series K:	Series K units are only available to investors who participate in the ScotiaMcLeod Investment Portfolio ("SIP"). Series K units are only available in the SIP multi-manager mandates or SIP optimized portfolios and are not available as single funds.
Series M:	Series M units are available to investors who have signed a discretionary investment management agreement with the Manager or Scotiatrust.

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 interim financial statements of the Funds have been prepared in compliance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements including, International Accounting Standard ("IAS") 34, *Interim Financial Statements*.

The preparation of these financial statements in accordance with IFRS requires the use of judgment in applying their 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 short positions are included in this category.

Financial assets and financial liabilities designated at fair value through profit or loss at inception are financial instruments that are not classified as held for trading but are managed and their performance evaluated on a fair value basis in accordance with the respective Fund's investment strategy.

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

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Funds include in this category receivable for securities sold, subscription receivable, and other accrued investment income and other receivables.

All other financial liabilities, other than those classified as at FVTPL are measured at amortized cost.

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 other techniques commonly used by market participants 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 Working Group which includes the Chief Financial Officer, members of the finance team, as well as members of the investment council and compliance teams. The working group 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 independent pricing sources.
- (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.
- (ix) Centrally cleared swaps and over the counter swaps derive their value from underlying asset prices, indices, reference rates and other inputs or a combination of these factors. They are valued using a broker-dealer bid quotation or on market-based prices provided by an independent pricing source, which may use inputs that are observed from actively quoted markets such as the overnight index swap rate, London Interbank Offered Rate forward rate, interest rates, yield curves and credit spreads.

(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 sold.

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, futures, and swaps 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, futures, and swaps 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 reporting currency for all Funds is the Canadian dollar. The functional currency is the currency of the primary economic environment in which the Funds operate, or where mixed indicators exist in the primary environment, the currency in which they primarily raise capital. Any 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) The fair values 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 at the rates of exchange applicable on the respective dates of such transactions; and
- (iii) Purchase or sale of investments and investment income at the rate 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-ended 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 investments at fair value. The fair value of such securities, as disclosed in the Schedule of Investment Portfolio, as 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 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

In accordance with IAS 32, the Funds' redeemable units' entitlements include a contractual obligation to distribute any net income and net realized capital gains at least annually in cash (at the request of the unitholder) and therefore meet the contractual obligation requirement.

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 Manager has been evaluating the standard and has currently determined that the impact to the Funds will include additional disclosures related to changes to the classification of certain financial instruments to align with the classifications under IFRS 9. Adoption of the standard will not impact net assets attributable to holders of redeemable units. The Manager will continue to monitor for changes to this accounting standard.

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 investments 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 financial instruments 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 that are not quoted in an active market. The use of valuation techniques for financial instruments 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.

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 Fund's functional currency. Funds may enter into foreign exchange forward contracts, currency futures contracts and/or foreign currency option contracts for hedging purposes to reduce their foreign currency risk exposure.

(i) 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, underlying funds, derivatives 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 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 Working Group responsible for regulatory evaluation and improvement of trade management policies and procedures, when applicable, is also responsible for counterparty selection and oversight. The working group review counterparties regularly to ensure they still meet preapproved credit standards established by the working group. The counterparty policies and procedures established by the working group 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 ratings 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 the 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 concentration risk is provided in the respective Fund's "Fund Specific Notes".

5. Management Fees

The Funds pay the Manager a management fees for each series of securities, other than Series I, Series K and Pinnacle Series. Management fees for Series I, Series K and Pinnacle Series securities are paid directly by investors. The management fees cover the costs of managing the Funds, arranging for investment analysis, recommendations and investment decision making for the Funds, arranging for, distribution of the Funds, marketing and promotion of the Funds and providing or arranging for other services for the Funds.

The management fee for all Series except Series I, Series K & Pinnacle Series is an annualized rate based on the net asset value of each series of the Funds. The management fee for Series I & Pinnacle Series are negotiated and paid directly by these unitholders and not by the Funds. The Funds' management fees are accrued daily and payable monthly on the first business day of the following calendar month.

The Manager may reduce the effective management fee payable by clients who invest large amounts in a particular Fund by waiving a portion of the management fee that it would otherwise be entitled to receive from the Fund or a securityholder and directing the Fund to make a management fee distribution, in the case of clients of the Funds. All management fee distributions and management fee rebates are automatically reinvested in additional units of the relevant series of the Funds.

There is no duplication of management fees, sales charges or redemption fees between the Funds and the Underlying Funds held directly by them, if any. The Manager is entitled to a maximum annual management fee, exclusive of sales taxes, as follows:

	% of Net Asset Value		
	Series A	Series F	Series M
Scotia Private Pools			
Scotia Private Short Term Income Pool	—	0.50	—
Scotia Private Income Pool	—	0.70	—
Scotia Private High Yield Income Pool	—	0.75	0.30
Scotia Private American Core-Plus Bond Pool	—	0.75	—
Scotia Private Strategic Balanced Pool	—	1.00	—
Scotia Private Canadian Value Pool	—	1.00	—
Scotia Private Canadian Growth Pool	—	1.00	—
Scotia Private Canadian Small Cap Pool	—	1.00	0.70
Scotia Private Canadian Mid Cap Pool	—	1.00	—
Scotia Private U.S. Value Pool	—	1.00	—
Scotia Private U.S. Large Cap Growth Pool	—	1.00	—
Scotia Private U.S. Mid Cap Growth Pool	—	0.80	0.55
Scotia Private U.S. Mid Cap Value Pool	—	0.80	0.55
Scotia Private International Equity Pool	—	1.00	—
Scotia Private International Small to Mid Cap Value Pool	—	1.00	—
Scotia Private Global Equity Pool	—	1.00	—
Scotia Private Global Real Estate Pool	—	1.00	—
Scotia Private Emerging Markets Pool	—	—	0.70
Pinnacle Portfolios			
Pinnacle Income Portfolio	1.85	—	—
Pinnacle Balanced Portfolio	2.10	—	—
Pinnacle Growth Portfolio	2.40	—	—

6. Fixed Administration Fees and Operating Expenses

The Manager pays certain operating expenses of the Funds ("FAF Funds"), other than Scotia Private Short Term Income Pool. 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 FAF Funds pays a Fixed Administration fee to the Manager (the "Fixed Administration fee"). Up to December 31, 2017, 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 FAF 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, the ongoing audit costs associated with compliance with IFRS, the cost of any new government or regulatory requirements, including compliance with the Volcker Rule under *Dodd Frank Wall Street Reform and Consumer Protection Act* and other applicable U.S. regulations, any new fees introduced 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). Refer to the simplified prospectus of the Funds for more details on Other Fund Costs. Other Fund Costs will be allocated among the FAF Funds and each Series of the FAF Funds is allocated its own expenses and its proportionate share of these expenses that are common to all Series.

The Fixed Administration Fee does not apply to Scotia Private Short Term Income Pool. Each series of this Fund pays its own share of all expense ("Operating Expenses") common to the Funds along with series specific expenses relevant to each Series. Operating expenses may include legal fees and other costs incurred in order to comply with legal and regulatory requirements and policies, audit fees, taxes, brokerage commissions, unitholder communication costs and other administrative costs. Examples of other administrative costs include departmental expenses incurred and paid by the Manager which support the daily operation of the Funds. These expenses also include the costs in connection with the operation of the IRC (such as the costs of holding meetings, insurance premiums for the IRC, and fees and expenses of any advisor engaged by the IRC), the fees paid to each IRC member, and the reasonable expenses associated with the performance of his or her duties as an IRC member.

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

The Fixed Administration Fee, Other Fund Costs and Operating Expense 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 A	Series F	Series I	Series K	Series M	Pinnacle Series
Scotia Private Pools						
Scotia Private Income Pool	—	0.08	0.03	—	—	0.07
Scotia Private High Yield Income Pool	—	0.05	0.03	0.11	0.03	0.11
Scotia Private American Core-Plus Bond Pool	—	0.10	0.03	—	—	0.18
Scotia Private Strategic Balanced Pool	—	0.10	—	—	—	0.30
Scotia Private Canadian Value Pool	—	0.10	0.05	—	—	0.15
Scotia Private Canadian Growth Pool	—	0.10	0.04	—	—	0.15
Scotia Private Canadian Small Cap Pool	—	0.10	0.03	—	0.15	0.22
Scotia Private Canadian Mid Cap Pool	—	0.10	0.08	—	—	0.24
Scotia Private U.S. Value Pool	—	0.10	0.03	—	—	0.21
Scotia Private U.S. Large Cap Growth Pool	—	0.10	0.07	—	—	0.27
Scotia Private U.S. Mid Cap Growth Pool	—	0.10	0.04	—	0.05	0.50
Scotia Private U.S. Mid Cap Value Pool	—	0.10	0.10	—	0.08	0.49
Scotia Private International Equity Pool	—	0.10	0.04	—	—	0.24
Scotia Private International Small to Mid Cap Value Pool	—	0.10	0.10	—	—	0.50
Scotia Private Global Equity Pool	—	0.10	0.04	—	—	0.31
Scotia Private Global Real Estate Pool	—	0.10	0.03	—	—	0.11
Scotia Private Emerging Markets Pool	—	—	0.07	—	0.09	0.23
Pinnacle Portfolios						
Pinnacle Income Portfolio	0.15	—	—	—	—	—
Pinnacle Balanced Portfolio	0.08	—	—	—	—	—
Pinnacle Growth Portfolio	0.15	—	—	—	—	—

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

Declaration of Trust, 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. Unitholders are entitled to distributions when declared. Distributions on units of a Fund are reinvested in additional units of the Fund or at the option of the unitholder, paid in

cash. 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 each Series of the Funds are issued and redeemed at their Net Asset Value per unit of each Series 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 per Series by the total number of outstanding units of each Series.

For the periods ended June 30, 2017 and 2016, the following number of units were issued, reinvested and redeemed:

	June 2017					June 2016				
	Opening Units	Units Issued	Units Reinvested	Units Redeemed	Ending Units	Opening Units	Units Issued	Units Reinvested	Units Redeemed	Ending Units
Scotia Private Pools										
Scotia Private American Core-Plus Bond Pool										
Pinnacle Series Units	10,470,587	1,867,872	186,596	1,223,227	11,301,828	7,116,663	3,113,659	140,943	829,012	9,542,253
Series F Units	23,143	2,949	141	3,509	22,724	14,295	3,121	147	—	17,563
Series I Units	75,037,925	2,885,936	1,383,190	490,198	78,816,853	70,608,961	1,114,461	1,150,020	1,176,198	71,697,244
Scotia Private Canadian Growth Pool										
Pinnacle Series Units	11,957,258	1,494,681	—	921,414	12,530,525	10,026,269	2,950,603	—	1,431,292	11,545,580
Series F Units	47,354	2,908	—	2,761	47,501	49,767	7,026	—	11,749	45,044
Series I Units	593,528	6,239	—	45,930	553,837	721,391	132,835	—	146,268	707,958
Scotia Private Canadian Mid Cap Pool										
Pinnacle Series Units	3,544,202	577,520	—	261,664	3,860,058	3,143,132	863,110	—	554,476	3,451,766
Series F Units	13,199	4,002	—	4,212	12,989	10,009	4,104	—	2,692	11,421
Series I Units	509,169	251,244	—	10,130	750,283	504,757	54,458	—	102,120	457,095
Scotia Private Canadian Small Cap Pool										
Pinnacle Series Units	2,843,017	298,046	—	275,088	2,865,975	2,362,718	649,724	—	316,646	2,695,796
Series F Units	78,759	20,196	—	9,419	89,536	33,973	29,961	—	7,951	55,983
Series I Units	14,987,158	303,782	—	357,843	14,933,097	13,932,082	1,651,967	—	753,274	14,830,775
Series M Units	103	6,247,007	—	428,039	5,819,071	—	—	—	—	—
Scotia Private Canadian Value Pool										
Pinnacle Series Units	8,106,216	921,907	—	991,801	8,036,322	7,868,606	1,456,581	—	1,487,391	7,837,796
Series F Units	37,121	1,341	—	4,051	34,411	34,980	5,170	—	6,161	33,989
Series I Units	315,711	729	—	21,891	294,549	525,069	4,985	—	141,803	388,251
Scotia Private Emerging Markets Pool										
Pinnacle Series Units	6,334,650	787,969	—	677,514	6,445,105	4,652,145	1,507,374	—	336,042	5,823,477
Series I Units	18,698,215	366,951	—	660,141	18,405,025	16,362,952	3,257,616	—	953,012	18,667,556
Series M Units	1,358,596	328,495	—	267,651	1,419,440	1,713,823	123,637	—	274,638	1,562,822
Scotia Private Global Equity Pool										
Pinnacle Series Units	1,226,709	37,727	—	151,201	1,113,235	2,804,660	123,458	—	1,605,355	1,322,763
Series F Units	389,943	55,368	—	73,584	371,727	52,066	218,058	—	17,812	252,312
Series I Units	13,710,612	40,730	—	909,774	12,841,568	13,137,194	1,190,699	—	687,707	13,640,186
Scotia Private Global Real Estate Pool										
Pinnacle Series Units	8,526,226	1,045,500	—	885,837	8,685,889	9,841,242	1,066,720	—	3,473,677	7,434,285
Series F Units	54,096	1,492	—	10,643	44,945	97,260	17,817	—	9,109	105,968
Series I Units	9,083,228	675,298	—	68,165	9,690,361	7,627,152	626,529	—	491,132	7,762,549
Scotia Private High Yield Income Pool										
Pinnacle Series Units	23,716,044	2,815,021	662,967	2,140,753	25,053,279	19,592,175	3,707,034	635,878	1,400,817	22,534,270
Series F Units	1,745,903	69,225	8,860	87,120	1,736,868	1,771,696	96,710	11,621	42,732	1,837,295
Series I Units	55,944,736	2,675,529	1,612,661	571,266	59,661,660	52,227,011	2,420,729	1,662,736	390,140	55,920,336
Series K Units	128,577	667,130	17,407	21,416	791,698	—	—	—	—	—
Series M Units	50,459,644	6,593,350	1,097,725	6,098,768	52,051,951	50,693,862	5,885,319	1,185,140	6,707,207	51,057,114
Scotia Private Income Pool										
Pinnacle Series Units	43,507,985	7,693,209	512,542	5,362,950	46,350,786	36,546,672	7,465,128	540,288	3,911,816	40,640,272
Series F Units	172,404	15,663	663	30,269	158,461	198,810	35,538	1,216	38,872	196,692
Series I Units	2,279,453	46,888	25,758	182,848	2,169,251	2,757,463	6,436	36,133	288,521	2,511,511
Scotia Private International Equity Pool										
Pinnacle Series Units	13,306,846	1,618,427	—	1,354,678	13,570,595	7,693,860	5,069,243	1	648,333	12,114,771
Series F Units	99,283	8,706	—	15,997	91,992	103,945	23,188	—	6,720	120,413
Series I Units	78,500,698	1,823,509	—	5,039,758	75,284,449	67,612,353	8,142,306	—	1,729,333	74,025,326

	June 2017					June 2016				
	Opening Units	Units Issued	Units Reinvested	Units Redeemed	Ending Units	Opening Units	Units Issued	Units Reinvested	Units Redeemed	Ending Units
Scotia Private Pools										
Scotia Private International										
Small to Mid Cap Value Pool										
Pinnacle Series Units	2,069,418	236,121	—	219,712	2,085,827	1,642,128	467,908	—	199,128	1,910,908
Series F Units	23,849	1,252	—	2,234	22,867	23,211	4,379	—	1,896	25,694
Series I Units	63,453	174	—	13,358	50,269	77,390	781	—	8,464	69,707
Scotia Private Short Term										
Income Pool										
Pinnacle Series Units	588,967	141,529	610	207,453	523,653	608,302	246,687	777	339,543	516,223
Series F Units	7,411	601	5	406	7,611	14,701	600	5	8,814	6,492
Scotia Private Strategic										
Balanced Pool										
Pinnacle Series Units	3,065,214	557,563	44,996	392,587	3,275,186	2,874,516	474,115	46,279	375,056	3,019,854
Series F Units	42,512	18,165	223	7,812	53,088	31,789	6,637	96	2,226	36,296
Scotia Private U.S. Large Cap										
Growth Pool										
Pinnacle Series Units	5,691,434	747,492	—	599,128	5,839,798	4,144,093	1,701,411	—	543,270	5,302,234
Series F Units	100,701	20,650	—	42,096	79,255	45,964	87,498	—	13,409	120,053
Series I Units	307,650	1,404	—	59,974	249,080	295,235	60,632	—	14,898	340,969
Scotia Private U.S. Mid Cap										
Growth Pool										
Pinnacle Series Units	276,840	8,650	—	28,815	256,675	674,432	37,130	—	411,960	299,602
Series F Units	6,463	649	—	831	6,281	8,621	885	—	2,087	7,419
Series I Units	—	—	—	—	—	—	—	—	—	—
Series M Units	1,607,625	112,000	—	203,740	1,515,885	1,867,691	118,523	—	222,851	1,763,363
Scotia Private U.S. Mid Cap										
Value Pool										
Pinnacle Series Units	4,204,946	786,317	—	465,610	4,525,653	873,002	2,958,467	—	158,779	3,672,690
Series F Units	23,196	2,636	—	1,402	24,430	18,535	4,487	—	3,423	19,599
Series I Units	300,217	93,449	—	16,989	376,677	93,457	239,333	—	16,233	316,557
Series M Units	3,153,521	123,271	—	3,159,391	117,401	3,703,142	233,940	—	437,807	3,499,275
Scotia Private U.S. Value Pool										
Pinnacle Series Units	6,827,413	862,291	—	640,656	7,049,048	6,139,031	1,151,210	—	1,007,072	6,283,169
Series F Units	28,024	2,100	—	1,774	28,350	31,902	2,888	—	5,976	28,814
Series I Units	320,186	2,128	—	42,424	279,890	392,926	15,323	—	72,109	336,140
Pinnacle Portfolios										
Pinnacle Balanced Portfolio										
Series A Units	4,589,552	209,928	—	578,873	4,220,607	5,579,731	303,677	—	825,732	5,057,676
Pinnacle Growth Portfolio										
Series A Units	603,132	25,287	—	120,612	507,807	808,054	23,808	—	115,954	715,908
Pinnacle Income Portfolio										
Series A Units	782,788	9,704	—	104,409	688,083	966,356	68,344	—	66,043	968,657

(i) Included in units redeemed are redemptions related to payments of the Pinnacle Program Fee, where applicable.

8. Income Taxes

Each of the Funds qualifies or expects to qualify as a mutual fund trust under the *Income Tax Act* (Canada). The Funds are subject to tax on their net investment income, including the taxable portion of net realized capital gains that are not paid or payable to their unitholders. Each Fund distributes sufficient amounts of its net investment income, including net realized capital gains, less the amount retained to enable each Fund to utilize any available tax losses or, if applicable, tax credits attributable to redemptions during the period by its unitholders such that no income tax will be paid or payable by the Funds. Such net investment income, including net realized capital gains are taxable in the hands of the unitholders.

Accordingly, the Funds do not record Canadian income taxes in their financial statements.

In certain circumstances, the Funds may distribute a return of capital. A return of capital is generally not taxable to unitholders but will reduce the adjusted cost base of the units held.

Losses Carried Forward

Capital losses can be carried forward indefinitely to reduce future net realized capital gains. Non-capital losses for income tax purposes may be carried forward up to twenty years and applied against all sources of income. Since the Funds do not record income taxes, the tax benefit of capital and non-capital losses have not been reflected in the Statements of Financial Position as a deferred income tax asset.

As of 2016 tax year end, Trust Funds have capital and/or non-capital losses available to carry forward as indicated in the table below:

	Year of expiry	Non- Capital Loss \$	Capital Loss \$
Scotia Private Pools			
Scotia Private American Core-Plus Bond Pool	—	—	17,519,496
Scotia Private Canadian Growth Pool	—	—	36,700,014
Scotia Private Canadian Mid Cap Pool	—	—	—
Scotia Private Canadian Small Cap Pool	—	—	—
Scotia Private Canadian Value Pool	—	—	9,866,418
Scotia Private Emerging Markets Pool	—	—	23,460,816
Scotia Private Global Equity Pool	—	—	—
Scotia Private Global Real Estate Pool	—	—	—
Scotia Private High Yield Income Pool	—	—	33,560,668
Scotia Private Income Pool	—	—	—
Scotia Private International Equity Pool	—	—	33,330,905
Scotia Private International Small to Mid Cap Value Pool	—	—	20,492,112
Scotia Private Short Term Income Pool	—	—	—
Scotia Private Strategic Balanced Pool	—	—	5,159,828
Scotia Private U.S. Large Cap Growth Pool	—	—	4,892,476
Scotia Private U.S. Mid Cap Growth Pool	—	—	31,552,440
Scotia Private U.S. Mid Cap Value Pool	—	—	266,710
Scotia Private U.S. Value Pool	—	—	—
Pinnacle Portfolios			
Pinnacle Balanced Portfolio	—	—	—
Pinnacle Growth Portfolio	2030	204,326	1,304,819
	2032	2,849	—
	2036	—	—
Pinnacle Income Portfolio	—	—	—

Withholding Taxes

The Funds currently incur withholding taxes imposed by certain countries on investment income and in some cases, capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income.

Uncertain Income Taxes

The Funds invest in securities issued by entities which are domiciled in countries other than Canada. These foreign countries may impose taxes on capital gains realized by non-residents. In addition, the Funds may be required to determine these capital gains taxes on a self-assessment basis; therefore, such taxes may not be deducted by the Funds broker on a “withholding” basis.

As at June 30, 2017 and December 31, 2016, the Funds have measured uncertain tax liabilities and related interest and penalties with respect to foreign capital gains taxes as nil. While this represents the Manager’s best estimate, the estimated value could differ significantly from the amount ultimately payable.

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 advisor 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 June 30, 2017 and 2016 are set out below.

Fund	2017	2016
Scotia Private Canadian Growth Pool	\$ 1,783	\$ 1,343
Scotia Private Canadian Mid Cap Pool	5,842	6,285
Scotia Private Canadian Small Cap Pool	25,614	32,138
Scotia Private Emerging Markets Pool	47,621	29,995
Scotia Private Global Equity Pool	2,971	5,979
Scotia Private Global Real Estate Pool	—	228,381
Scotia Private International Small to Mid Cap Value Pool	—	8,975
Scotia Private Strategic Balanced Pool	680	790
Scotia Private U.S. Mid Cap Growth Pool	999	—
Scotia Private U.S. Value Pool	—	6,248

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 earns fees for acting as trustee and manager of the Funds, and Fixed Administration Fee in return for paying certain operating expenses of the Funds as detailed in note 5 and note 6 respectively. In addition, Scotiabank as the custodian of the Funds earns a fee for providing custody and related services. The management fees, fixed administration fees, and custodian fees (for Funds that are not subject to Fixed Administration Fee) are disclosed separately in the Statements of Comprehensive Income and Statements of Financial Position. The custodian fee charged to Funds that are subject to Fixed Administration Fee is paid by the Manager, in exchange for the Fixed Administration Fee received from these Funds.
- Decisions about the purchase and sale of each Fund’s 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 Fund. Brokerage fees paid to related parties for the periods ended June 30, 2017 and 2016 are as follows:

Fund	June 30, 2017	June 30, 2016
Scotia Private Canadian Growth Pool	\$ 7,034	\$ 7,061
Scotia Private Canadian Mid Cap Pool	28,718	6,679
Scotia Private Canadian Small Cap Pool	21,478	29,648
Scotia Private Canadian Value Pool	15,540	22,919
Scotia Private International Small to Mid Cap Value Pool	—	637
Scotia Private Strategic Balanced Pool	594	2,457

- Certain registered dealers through which units of the Fund are distributed are related parties to the Fund and the Manager. The Manager pays to these related parties a trailer commission out of its management fees, representing distribution and servicing

fees, based on the amount of assets held in the investors' accounts. These fees are paid on the basis and at the same rates that the Manager pays to non-affiliated dealers.

- (d) 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.
- (e) 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.
- (f) 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.
- (g) Units held by the Manager in the Funds as at June 30, 2017 and December 31, 2016, are disclosed below:

Fund	June 30, 2017	December 31, 2016
Scotia Private Canadian Small Cap Pool	—	103 Series M Units
Scotia Private High Yield Income Pool	—	103 Series K Units

- (h) 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 June 30, 2017 and December 31, 2016 are presented below along with the income earned for the six-month periods ended June 30, 2017 and 2016:

Trust Funds	As at June 30, 2017		For the period ended June 30, 2017		
	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 (\$)
Scotia Private American Core-Plus Bond Pool	102,111,240	107,343,525	50,633	21,700	72,333
Scotia Private Canadian Growth Pool	6,306,806	6,621,165	2,300	986	3,286
Scotia Private Canadian Mid Cap Pool	—	—	20,347	8,728	29,075
Scotia Private Canadian Small Cap Pool	138,782,214	146,032,247	101,080	43,341	144,421
Scotia Private Canadian Value Pool	14,407,004	15,148,951	10,825	4,644	15,469
Scotia Private Emerging Markets Pool	12,875,241	13,528,134	4,434	1,901	6,335
Scotia Private Global Equity Pool	36,911	38,782	13,999	6,001	20,000
Scotia Private Global Real Estate Pool	10,330,152	10,853,591	1,457	625	2,082
Scotia Private High Yield Income Pool	100	105	81	34	115
Scotia Private Income Pool	119,276,253	126,699,755	24,806	10,632	35,438
Scotia Private International Equity Pool	4,438,592	4,678,915	110,343	47,291	157,634
Scotia Private International Small to Mid Cap Value Pool	648,990	682,620	684	295	979
Scotia Private Short Term Income Pool	99,885	104,775	2	1	3
Scotia Private Strategic Balanced Pool	9,482,013	9,968,273	8,400	3,604	12,004
Scotia Private U.S. Large Cap Growth Pool	—	—	238	102	340
Scotia Private U.S. Mid Cap Growth Pool	967,144	1,016,501	797	343	1,140
Scotia Private U.S. Mid Cap Value Pool	5,263,500	5,531,824	1,577	678	2,255
Scotia Private U.S. Value Pool	2,535,861	2,664,398	2,421	1,038	3,459

Trust Funds	As at December 31, 2016		For the period ended June 30, 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 (\$)
Scotia Private American Core-Plus Bond Pool	29,746,204	31,371,739	42,125	18,054	60,179
Scotia Private Canadian Growth Pool	4,148,123	4,376,465	9,658	4,141	13,799
Scotia Private Canadian Mid Cap Pool	6,785,311	7,175,259	17,502	7,511	25,013
Scotia Private Canadian Small Cap Pool	104,306,568	110,051,927	37,651	16,164	53,815
Scotia Private Canadian Value Pool	17,942,887	18,974,697	34,404	14,749	49,153
Scotia Private Emerging Markets Pool	11,909,303	12,577,744	16,001	6,859	22,860
Scotia Private Global Equity Pool	4,743,642	5,038,108	10,244	4,392	14,636
Scotia Private Global Real Estate Pool	141,891	150,983	717	307	1,024
Scotia Private High Yield Income Pool	146	154	—	—	—
Scotia Private Income Pool	80,683,297	84,829,058	21,148	9,070	30,218
Scotia Private International Equity Pool	11,746,829	12,401,262	114,169	48,929	163,098
Scotia Private International Small to Mid Cap Value Pool	782,829	827,161	2,403	1,032	3,435
Scotia Private Short Term Income Pool	—	—	15	7	22
Scotia Private Strategic Balanced Pool	7,682,106	8,088,926	4,534	1,946	6,480
Scotia Private U.S. Large Cap Growth Pool	—	—	5,215	2,236	7,451
Scotia Private U.S. Mid Cap Growth Pool	1,060,388	1,127,417	3,390	1,453	4,843
Scotia Private U.S. Mid Cap Value Pool	2,435,141	2,588,527	1,085	466	1,551
Scotia Private U.S. Value Pool	4,112,876	4,342,562	10,470	4,488	14,958

12. Subsequent Events

Sale of HollisWealth

On August 4, 2017, Industrial Alliance Insurance and Financial Services Inc. completed its acquisition of HollisWealth including HollisWealth Advisory Services Inc. (collectively, “HollisWealth”), a related party of the Manager. As such, HollisWealth ceased to be a related party.

Change in Custodian

On or about September 29, 2017, State Street Trust Company Canada will replace The Bank of Nova Scotia in its capacity as the Custodian of Funds.

13. Currency Legend

The following is a list of abbreviations that may be used in the Financial Statements:

AUD	Australian Dollar	KRW	South Korean Won
BMD	Bermuda Dollar	MXN	Mexican Peso
BRL	Brazilian Real	MYR	Malaysian Ringgit
CAD	Canadian Dollar	NOK	Norwegian Krone
CHF	Swiss Franc	NZD	New Zealand Dollar
DKK	Danish Krone	PHP	Philippine Peso
EUR	Euro	PKR	Pakistani Rupee
GBP	Pound Sterling	SEK	Swedish Krona
HKD	Hong Kong Dollar	SGD	Singapore Dollar
IDR	Indonesian Rupiah	THB	Thailand Baht
ILS	Israeli Shekel	TWD	New Taiwan Dollar
INR	Indian Rupee	USD	US Dollar
JPY	Japanese Yen	ZAR	South African Rand

Management 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 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset Management L.P., in its capacity as trustee (the “Trustee”) of the Funds. The Board of Directors of 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset Management L.P., is 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 Board of Directors of 1832 Asset Management G.P. Inc. has delegated responsibility for oversight of the financial reporting process to the Finance Committee of the Board of Directors of 1832 Asset Management G.P. Inc. (the “Finance Committee”). The Finance Committee is responsible for reviewing the financial statements and the management report of fund performance and recommending them to the Board of Directors of 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 Trustee of the Funds. The auditor of the Funds has not reviewed these financial statements. Applicable securities laws require that if an external auditor has not reviewed the Funds’ financial statements, this must be disclosed in an accompanying notice.



Glen Gowland
President
1832 Asset Management L.P.

August 22, 2017



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

For more information about Scotia Private Pools® and Pinnacle Portfolios:

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