



AlphaDelta Growth of Dividend Income Class

2015 Semi-Annual Financial Statements
(Unaudited)
June 30, 2015

AlphaDelta Growth of Dividend Income Class

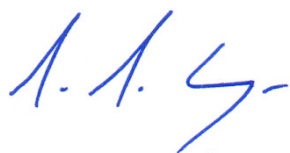
Statement of Financial Position

(Unaudited)

June 30, 2015

	\$
Assets	
Cash	91,053
Dividends receivable	2,208
Subscriptions receivable	32,542
Due from related parties (note 8)	12,485
Investments – at fair value (note 10)	981,044
Prepaid expenses	357
	<u>1,119,689</u>
Liabilities	
Accounts payable and accrued liabilities	38,454
Unrealized depreciation of forward contracts – at fair value	3,954
Distribution payable	1,301
Management fee payable (notes 7 and 8)	830
	<u>44,539</u>
Net assets attributable to holders of redeemable shares	<u>1,075,150</u>
Series net assets attributable to holders of redeemable shares	
Series A	311,235
Series F	763,915
	<u>1,075,150</u>
Shares outstanding (note 3)	
Series A	31,977
Series F	78,337
Net assets attributable to holders of redeemable shares	
per share (note 2)	
Series A	9.73
Series F	9.75

Approved on behalf of the Board of Directors of Qwest Funds Corp.



Maurice Leveque
Director



Chris Harrison
Director

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

AlphaDelta Growth of Dividend Income Class

Statement of Comprehensive Loss

(Unaudited)

For the period from commencement of operations on February 19, 2015 to June 30, 2015

	\$
Income	
Changes in fair value of investments	
Dividend income	9,838
Foreign withholding taxes	(1,164)
Net realized gain on sale of investments	1,023
Net realized gain on forward contracts	10,636
Net loss on foreign exchange	(8,725)
Change in unrealized depreciation of investments	(25,828)
Change in unrealized depreciation of forward contracts	(3,954)
	<hr/>
Total income – net	(18,174)
Expenses	
Audit	21,050
Custodial fees	11,517
Shareholder recordkeeping and fund accounting fees	11,157
Management fee (notes 7 and 8)	2,832
Filing fees	1,328
Tax review	1,200
Translation fee	1,200
Legal	1,000
Securityholder reports	840
Independent review committee fees	457
FundSERV	278
Bank charges	236
Transaction costs	153
Expenses reimbursement (note 8)	(49,668)
	<hr/>
Total expenses	3,580
Decrease in net assets attributable to holders of redeemable shares from operations	<hr/> (21,754)
Decrease in net assets attributable to holders of redeemable shares from operations – Series A shares	(7,558)
Decrease in net assets attributable to holders of redeemable shares from operation – Series F shares	(14,196)
Decrease in net assets attributable to holders of redeemable shares from operations per Series A shares (note 2)	(0.43)
Decrease in net assets attributable to holders of redeemable shares from operations per Series F shares (note 2)	(0.22)

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

AlphaDelta Growth of Dividend Income Class

Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares

(Unaudited)

For the period from commencement of operations on February 19, 2015 to June 30, 2015

	\$
Net assets attributable to holder of redeemable shares –	
Beginning of period	
Series A shares	-
Series F shares	-
	<hr/>
	-
	<hr/>
Distributions to investors	
From net investment income – Series A shares	(2,289)
From net investment income – Series F shares	(6,383)
	<hr/>
	(8,672)
	<hr/>
Decrease in net assets attributable to holders of redeemable	
shares from operations	
Series A shares	(7,558)
Series F shares	(14,196)
	<hr/>
	(21,754)
	<hr/>
Shareholder transactions (note 3)	
Shares issued on reinvestment of distributions – Series A	2,137
Shares issued on reinvestment of distributions – Series F	2,957
Proceeds from issuance of securities – Series A	318,945
Proceeds from issuance of securities – Series F	781,537
	<hr/>
	1,105,576
	<hr/>
Net increase in net assets attributable to holders of redeemable	
shares	1,075,150
	<hr/>
Net assets attributable to holders of redeemable shares – End of	
period	1,075,150
	<hr/>
Net assets attributable to holders of redeemable shares – End of	
period Series A shares	311,235
	<hr/>
Net assets attributable to holders of redeemable shares – End of	
period Series F shares	763,915

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

AlphaDelta Growth of Dividend Income Class

Statement of Cash Flows

(Unaudited)

For the period from commencement of operations on February 19, 2015 to June 30, 2015

	\$
Cash flows from operating activities	
Decrease in net assets attributable to holders of redeemable shares from operations	(21,754)
Adjustments to determine net cash used in operating activities	
Change in unrealized depreciation of investments	25,828
Unrealized depreciation of forward contracts	3,954
Net realized gain on sale of investments	(1,023)
Net realized gain on forward contracts	(10,636)
Net loss on foreign exchange	8,725
Accounts payable and accrued liabilities	38,454
Management fees payable	830
Due from related parties	(12,485)
Subscription receivable	(32,542)
Prepaid expenses	(357)
Dividend income	(9,838)
Purchase of investment securities	(1,034,446)
Proceeds from sale of investment securities	29,898
Proceeds from sale of forward contracts	10,636
Dividend received	7,630
Net cash from operating activities	<u>(997,126)</u>
Cash flows from financing activities	
Distribution paid in cash – Series A shares	(151)
Distribution paid in cash – Series F shares	(3,426)
Proceeds from issuance of securities – Series A	318,944
Proceeds from issuance of securities – Series F	781,537
Net cash from financing activities	<u>1,096,904</u>
Foreign exchange loss on cash	<u>(8,725)</u>
Increase in cash	91,053
Cash – Beginning of period	<u>-</u>
Cash – End of period	<u><u>91,053</u></u>

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

AlphaDelta Growth of Dividend Income Class

Schedule of Investment Portfolio

(Unaudited)

As at June 30, 2015

	Number of shares	Average cost \$	Fair Value \$	Net assets %
Canadian equities				
Communications				
TELUS Corp.	480	20,229	20,653	1.92
Shaw Communications Inc.	650	18,271	17,680	1.64
BCE Inc.	280	14,880	14,857	1.38
Corus Entertainment Inc.	750	13,747	12,503	1.16
		67,127	65,693	6.10
Consumer, Cyclical				
AutoCanada Inc.	200	6,996	8,260	0.77
Energy				
Gibson Energy Inc.	1,350	33,323	30,443	2.83
Enbridge Inc.	400	23,308	23,364	2.17
Inter Pipeline Ltd	600	18,724	17,220	1.60
		75,355	71,027	6.60
Financial				
CI Financial Corp.	900	31,371	30,240	2.81
The Toronto-Dominion Bank	270	14,433	14,321	1.33
		45,804	44,561	4.14
US equities				
Basic Materials				
BHP Billiton PLC	440	24,119	21,713	2.02
The Dow Chemical Co.	320	18,886	20,425	1.90
International Paper Co.	290	18,775	17,215	1.60
Reliance Steel & Aluminum Co.	220	16,140	16,597	1.54
		77,920	75,950	7.06
Communications				
Cisco Systems Inc.	650	22,087	22,265	2.07
Consumer, Cyclical				
Las Vegas Sands Corp.	380	25,256	24,919	2.32
Best Buy Co Inc.	600	26,957	24,407	2.27
General Motors Co.	550	24,629	22,867	2.13
Dunkin' Brands Group Inc.	210	12,877	14,407	1.34
DineEquity Inc.	100	12,833	12,360	1.15
		102,552	98,960	9.21
Consumer, Non-cyclical				
Johnson & Johnson	180	22,663	21,883	2.04
Baxter International Inc.	230	19,648	20,063	1.87
The Procter & Gamble Co.	200	20,710	19,519	1.82
Diageo PLC	130	18,219	18,817	1.75
The Coca-Cola Co.	350	17,627	17,127	1.59
PepsiCo Inc.	70	8,141	8,150	0.76
		107,008	105,559	9.83

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

AlphaDelta Growth of Dividend Income Class

Schedule of Investment Portfolio (continued)

(Unaudited)

As at June 30, 2015

	Number of shares	Average cost \$	Fair Value \$	Net assets %
Energy				
Royal Dutch Shell PLC	380	29,850	27,185	2.53
ONEOK Inc.	150	7,124	7,387	0.69
Kinder Morgan Inc.	150	7,518	7,183	0.67
		<u>44,492</u>	<u>41,755</u>	<u>3.89</u>
Financial				
T Rowe Price Group Inc.	280	28,159	27,149	2.53
Invesco Ltd	500	24,955	23,383	2.17
Principal Financial Group Inc.	330	21,084	21,113	1.96
MetLife Inc.	300	19,037	20,953	1.95
Omega Healthcare Investors Inc.	430	20,758	18,414	1.71
DuPont Fabros Technology Inc.	480	19,056	17,633	1.64
National Health Investors Inc.	220	18,124	17,097	1.59
Prudential Financial Inc.	120	11,936	13,101	1.22
JPMorgan Chase & Co.	80	6,128	6,762	0.63
		<u>169,237</u>	<u>165,605</u>	<u>15.40</u>
Industrial				
General Electric Co.	800	25,338	26,515	2.47
The Boeing Co.	150	27,013	25,956	2.41
Honeywell International Inc.	180	23,333	22,896	2.13
Eaton Corp PLC	270	22,840	22,730	2.11
United Parcel Service Inc.	170	21,065	20,551	1.91
Cummins Inc.	120	21,013	19,638	1.83
Emerson Electric Co.	260	18,561	17,977	1.67
Union Pacific Corp.	100	12,727	11,896	1.11
		<u>171,890</u>	<u>168,159</u>	<u>15.64</u>
Technology				
QUALCOMM Inc.	390	33,201	30,469	2.83
Microsoft Corp.	450	23,156	24,783	2.31
Seagate Technology PLC	350	23,253	20,738	1.93
KLA-Tencor Corp.	280	20,397	19,633	1.83
Xilinx Inc.	320	16,377	17,627	1.64
		<u>116,384</u>	<u>113,250</u>	<u>10.54</u>
Total portfolio of investments		<u>1,006,852</u>	981,044	91.25
Unrealized loss on foreign exchange forward contract			(3,954)	(0.37)
Cash			91,053	8.47
Other assets net of liabilities			<u>7,007</u>	<u>0.65</u>
Net assets attributable to holders of redeemable shares			<u>1,075,150</u>	<u>100.00</u>

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

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Notes to Financial Statements

(Unaudited)

June 30, 2015

1 General

Qwest Funds Corp. (the “Corporation”) is a mutual fund corporation incorporated under the laws of Canada on March 8, 2006. The address of the Corporation’s registered office is Suite 310, 650 West Georgia Street, Vancouver, British Columbia. The authorized capital of the Corporation consists of an unlimited number of Class A shares, Class B shares and special shares. Currently, there are three classes of special shares that are in issue – the AlphaDelta Canadian Prosperity Class (the “ADCP” Class”), AlphaDelta Growth of Dividend Income Class (the “Fund”) and Qwest Energy Canadian Resource Class (the “QECRC” Class); however, the Corporation may offer additional classes of special shares in the future. The Fund currently only offers Series A, Series F and Series I shares. The Corporation’s ultimate controlling party is Qwest Investment Management Corp. (“QIM”) which owns 51% of Class A voting shares and 100% of Class B voting shares of the Corporation. The Fund commenced operations on February 19, 2015.

Switching shares of one series to shares of another series of a Fund, or switching shares of one Class for the other Class, is not considered a disposition for tax purposes.

The Corporation appointed Qwest Investment Fund Management Ltd. (the “Manager”), whose ultimate parent is QIM, as the manager of the Fund. The Manager is responsible for providing portfolio management services to the Funds, and the Manager is authorized to delegate its investment advisory duties to sub-advisors. The Manager has entered into an agreement with AlphaDelta Management Corp. (“ADM”), pursuant to which ADM will assist the Manager in identifying, screening and selecting sub-advisors.

The fundamental investment objective of the Fund is to provide long-term capital appreciation by investing primarily in dividend paying securities of companies around the world.

The financial statements were authorized for issue by the Board of Directors of the Corporation, on August 26, 2015.

2 Summary of significant accounting policies

Basis of preparation

These financial statements have been prepared in compliance with International Financial Reporting Standards (“IFRS”) as published by the International Accounting Standards Board (“IASB”).

The following is a summary of significant accounting policies used by the Fund:

Financial instruments

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments not measured at fair value through profit or loss (“FVTPL”). The Fund’s investments have been designated at FVTPL, except for derivatives which are FVTPL because they are held for trading. The Fund’s obligation for net assets attributable to holders of redeemable shares is presented as a liability at the redemption amount. All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount expected to be received or required to be paid, discounted, when appropriate, at the contract’s original effective interest rate. The calculation includes all fees and amounts paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Dividend income is recognized at the ex-dividend date. Realized gains and losses on disposal of investments and derivatives and unrealized gains and losses in the value of investments and derivatives are reflected in the statements of comprehensive loss and calculated on an average cost basis, where applicable. Upon disposal of an investment or derivative, previously recognized unrealized gains and losses are reversed so as to recognize the full realized gain or loss in the period of disposition. Interest is recorded on an accrual basis. All costs directly attributable to operating activities are expensed as incurred.

Regular way purchases and sales of financial assets are accounted for on a trade date basis.

AlphaDelta Growth of Dividend Income Class

Notes to Financial Statements

(Unaudited)

June 30, 2015

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

Allocation of income and expenses, and realized and unrealized capital gains and losses

Income and expenses incurred in connection with the Funds operations and realized and unrealized gains or losses that are not directly attributable to a particular series of shares are allocated between Series A, Series F and Series I using the weighted average NAV of Series A, F and I shares.

Fair value measurement

Fair value 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.

The Fund's policy is to recognize transfer within, into and out of the fair value hierarchy as the beginning of the period of the transfer.

Investments in publicly traded equity securities

The fair value of equity securities that are traded in an active market is measured using the last traded price at the period-end date where such price falls within the 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 which is most representative of fair value based on specific facts and circumstances. When current prices or quotations are not readily available, valuations are established based upon a valuation technique in order to estimate what that fair value would be in an arm's length transaction motivated by normal business considerations. These valuations may include use of the most recent publicly traded price or a price established by the Manager in accordance with its valuation policy.

The amounts at which publicly traded investments could be disposed of currently may differ from the carrying value based on the last traded price, as the value at which significant ownership positions are sold is often different than the quoted price due to a variety of factors such as premiums paid for large blocks or discounts due to illiquidity.

Forward contracts

The Fund may enter into forward contracts to manage its exposure to US dollar exchange fluctuations. Forward contracts are valued based on the difference between the US dollar close price and the forward contracts price. The Fund does not utilize forward contracts for trading or speculative purposes.

Cash

Cash consists of cash and deposits with original maturities of three months or less and is held with a Canadian chartered bank.

Taxation

The Corporation qualifies as a mutual fund corporation as defined in the Income Tax Act (Canada). A mutual fund corporation is subject to a special 33-1/3% tax on taxable dividends received from corporations resident in Canada and to tax at a normal corporate rate on other income and net taxable realized capital gains for the year. The special 33-1/3% tax is refundable at the rate of \$1 for every \$3 of ordinary dividends paid. All the tax on net taxable realized capital gains is refundable on a formula basis when shares are redeemed or capital gains dividends are paid. As a result of these refund mechanisms, the Fund is in effect not taxable with respect to dividends received from corporations resident in Canada and net taxable realized capital gains. The Fund is not taxable as all the Fund's net income for tax purposes and sufficient net capital gains realized in the period, will be distributed to shareholders such that no income tax is payable by the Fund with respect to taxable realized capital gains and dividends received from corporations

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Notes to Financial Statements

(Unaudited)

June 30, 2015

resident in Canada. Therefore the Fund does not recognize current or deferred income taxes with respect to these types of income.

The Fund currently incurs withholding taxes imposed by certain countries on investment income and 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 statement of comprehensive loss.

Foreign currency translation

The functional and presentation currency of the Fund is the Canadian dollar. The fair value of foreign investments and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rates prevailing at 12:00pm Eastern Standard Time (the “noon rate”) on each valuation day. Purchases and sales of foreign securities denominated in foreign currencies and the related income are translated into Canadian dollars at rates of exchange prevailing at the respective dates of such transactions.

Increase (decrease) in net assets attributable to holders of redeemable shares from operations per share

Increase (decrease) in net assets attributable to holders of redeemable shares from operations per share is determined by dividing the increase (decrease) in net assets attributable to holders of redeemable shares from operations by the weighted average number of shares outstanding during the reporting period (see note 13).

Critical accounting estimates and judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could differ from those reported and the differences could be material. The following paragraphs discuss the most significant accounting estimates and judgments that the Fund has made in preparing its financial statements.

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

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Fund 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* (IAS 39). The most significant judgments made include the determination that certain investments are held for trading and that the fair value option can be applied to those which are not.

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

The Fund holds financial instruments that are not quoted in active markets, including forward contracts. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Where no market data is available, the Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry.

Financial statements reporting entity

If the Corporation cannot pay the expenses attributable to one class using the proportionate share of the Corporation’s assets attributable to that class, the Corporation could be required to pay those expenses out of the Fund’s proportionate share of the Corporation’s assets. The most significant judgment made in preparing the financial statements is the determination by management that the risk of such cross class liability is remote and therefore each class may be considered a separate reporting entity.

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Notes to Financial Statements

(Unaudited)

June 30, 2015

Future accounting changes

IFRS 9 - Financial Instruments

The final version of IFRS 9, Financial Instruments, was issued by the IASB in July 2014 and will replace International Accounting Standards ("IAS") 39, Financial Instruments: Recognition and Measurement. IFRS 9 introduces a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. The new single, principle based approach for determining the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, which will require more timely recognition of expected credit losses. It also includes changes in respect of own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognized in profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018; however, it is available for early adoption. In addition, the own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The Fund is in the process of assessing the impact of IFRS 9 and has not yet determined when it will adopt the new standard.

3 Shareholder transactions

The Fund is divided into Series A, F and I and the number of shares of each series that may be issued is unlimited and they are offered in all provinces and territories in Canada. Series A shares are available to all investors and may be purchased, switched or redeemed through authorized dealers. Series F shares are available to investors who have fee-based accounts with their dealers for investment advice and other services. Series F shares may only be purchased, switched or redeemed through authorized dealers, and not directly through the Manager. Series I shares are available to institutional or other high net worth investors who negotiate and pay management fees directly to the Manager. Series I shares may only be purchased, switched or redeemed through authorized dealers, and not directly through the Manager.

Shares may be redeemed at their net asset value ("NAV") per share on any valuation day. If the shares are redeemed or switched within 90 days of purchase, the shareholder may be charged a short-term trading fee of 2% of the value of the shares redeemed.

The number of Series A and F shares issued and redeemed at NAV is summarized as follows:

	Period from commencement of operations on February 19, 2015 to June 30, 2015
Series A	
Share issued and outstanding – Beginning of period	-
Shares issued on reinvestment of distributions	215
Shares issued during the period	31,762
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Shares issued and outstanding – End of period	31,977
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AlphaDelta Growth of Dividend Income Class

Notes to Financial Statements

(Unaudited)

June 30, 2015

	Period from commencement of operations on February 19, 2015 to June 30, 2015
Series F	
Share issued and outstanding – Beginning of period	-
Shares issued on reinvestment of distributions	297
Shares issued during the period	78,040
	<hr/>
Shares issued and outstanding – End of period	78,337
	<hr/>

As at June 30, 2015, there were no Series I shares issued and outstanding.

Classification of shares

IAS 32 requires that units or shares of an entity would include a contractual obligation for the issuer to repurchase them for cash or another financial asset be classified as a liability. The Class A shares of the Corporation are not redeemable and holders are entitled to receive the remaining property of the Corporation upon liquidation, dissolution, winding-up or other distribution of assets. As a result, the Class A shares are subordinate to all other classes of shares of the Corporation, including the Fund, and thus the condition in paragraph IAS 32.16A(b) is not met. The redeemable shares of the Fund are therefore classified as financial liabilities. The Class A shares of the Corporation are not presented in the financial statements of the Fund.

4 Distributions

The Fund intends to make monthly distributions from Canadian and foreign dividend payments received and certain derivative income received by the Fund in a particular month. In addition, the Fund may pay annually to shareholders capital gains dividends. Monthly distributions will generally be paid on the last day of each month and capital gains dividends will generally be paid in February. Dividends and distributions may be paid at other times as determined by the Manager. Shareholders may elect to receive distributions from the Fund in cash, or to have them automatically reinvested in additional shares of the Fund.

5 Income taxes

As of the last taxation year-end, the Corporation has unrecognized non-capital losses of approximately \$2,199,000 available for utilization against taxable income in future years. \$1,086,000 of the losses expires in 2032 and \$723,000 of the losses expires in 2033. The Corporation has unrecognized capital losses available at June 30, 2015 of approximately \$5,910,000.

6 Expenses

The Fund is responsible for all charges and expenses incurred in connection with its operations, including regulatory, printing, legal and audit expenses.

Brokerage commission paid by the Fund with respect to security transactions for the period ended June 30, 2015 are \$153. For the period ended June 30, 2015, there were no soft dollar amounts paid.

7 Management fee

The management fee is calculated at 1.3% per annum of the daily NAV of Series A shares and 0.8% per annum of the daily NAV of Series F shares, paid monthly. The fees are payable to the Manager (notes 1 and 8).

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8 Related party balances and transactions

Balances and transactions are as follows:

	Period from commencement of operations on February 19, 2015 to June 30, 2015 \$
Qwest Funds Corp., Qwest Energy Canadian Resource Class Reimbursement for QECRC expenses paid by the Fund	272
Qwest Investment Fund Management Ltd. Management fee	2,832
Management fee payable	830
AlphaDelta Management Corp. (note 1) Reimbursement for the Fund's expenses paid by ADM	49,668
Accounts receivable	12,485

All amounts payable are due on demand and non-interest bearing.

The terms of transactions with the Manager are disclosed in note 7.

9 Shareholder recordkeeping and fund accounting fees

The Fund has engaged the services of SGGG Fund Services Inc. ("SGGG") to provide shareholder recordkeeping and fund accounting services. Shareholder recordkeeping and fund accounting fees incurred by the Fund for the period ended June 30, 2015 are \$11,157.

10 Fair Value measurement

The following table illustrates the classification of the Fund's financial instruments within the fair value hierarchy as at June 30, 2015. The three levels of fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

	Financial instruments at fair value at June 30, 2015			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Equities	981,044	-	-	981,044
Forward contracts	-	(3,954)	-	(3,954)
	981,044	(3,954)	-	977,090

All fair value measurements above are recurring. The carrying values of other financial instruments approximate their fair values due to their short-term nature.

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Notes to Financial Statements

(Unaudited)

June 30, 2015

The Manager is responsible for performing the fair value measurements included in the financial statements of the Fund, including Level 3 measurements. The Manager has engaged SGGG to value the net assets of the Fund on a daily basis. SGGG obtains pricing from a third party pricing vendor. The Fund's overall market positions are monitored on a daily basis by the Manager and are reviewed on a quarterly basis by the Board of Directors. The Manager ensures the accuracy of the calculation of NAV prepared by SGGG by reviewing the NAV calculation on a weekly basis. The Fund's equity positions are classified as Level 1 when the security is actively traded and reliable price is observable. Certain of the Fund's equities do not trade frequently and therefore observable prices may not be available. In such cases, fair value is determined using observable market data (e.g., transactions for similar securities of the same issuer) and the fair value is classified as Level 2, unless the determination of fair value requires significant unobservable data, in which case the measurement is classified as Level 3. There were no financial instruments that were transferred into or out of Level 1 or 2 during the period from commencement of operations on February 19, 2015 to June 30, 2015.

The Fund enters into foreign exchange forward contracts to reduce its foreign currency exposure. The forward contracts are measured at fair value based on the difference between the US dollar close price and the forward contract price.

Settlement date	Currency to be delivered		Foreign exchange forward contracts				CAD Depreciation	
	Fair value as at		Fair value as at		Contract price			
	Face value	June 30, 2015	Face value	June 30, 2015				
July 23, 2015	670,000	USD	835,994	832,040	CAD	832,040	1.24185	(3,954)

The following are the Fund's investments which are classified as held for trading and FVTPL:

	June 30, 2015
	\$
Held for trading	(3,954)
Fair value through profit or loss	981,044

The following table presents the net gains (loss) on the fair value of investments by category for the period from commencement of operations on February 19, 2015 to June 30, 2015.

Category	\$
Financial assets at FVTPL	
Held for trading	6,682
Fair value through profit or loss	(15,120)
Net gains on the fair value of investments	(8,438)

11 Financial instruments risk management

The Fund's activities expose it to a variety of financial instrument risks: market risk (including price risk, interest rate risk and currency risk), credit risk, concentration risk and liquidity risk.

The Fund's investment objective is to provide shareholders of the Fund with income and longer-term capital appreciation by investing primarily in dividend paying equity securities of companies around the world. The Fund

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invests primarily in larger capitalization, global, dividend paying equity securities (including securities of unit trusts, real estate investment trusts and depository receipts) and their derivatives.

The Fund may take small positions in other securities, such as convertible securities, high-yield debt securities and derivative instruments, and invest in foreign resource companies listed on major stock exchanges. The Fund will use derivatives for hedging purposes only. The Fund may hold a portion of its assets in cash or short-term money market securities while seeking investment opportunities or for defensive purposes to reflect adverse market, economic, political or other conditions.

Market risk

a) Price risk

The Fund's investments are exposed to market price risk due to changing market conditions for equities as well as any changes to the tax environment in which the investee entities operate. All investments in equity securities have inherent risk of a loss of capital. The maximum risk resulting from financial instrument investments is determined by the fair value of the financial instruments. The Manager seeks to manage market risks by setting thresholds on individual investments to mitigate the risk of over exposure to any one investment. The Fund's overall market positions are monitored on a daily basis by the Manager and are reviewed on a quarterly basis by the board of directors.

At June 30, 2015, the Fund's market risk is impacted directly by changes in equity prices. The immediate impact on equity of a 5% increase or decrease in the fair value of investments assuming all other variables remain constant would be approximately \$49,000.

b) Interest rate risk

The Fund's interest bearing financial assets and liabilities expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rate on its financial position and cash flows. The substantial majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates.

c) Currency risk

Currency risk is the risk that the value of investments denominated in currencies other than the functional currency of the Fund will fluctuate due to changes in foreign exchange rates. The value of investments denominated in a currency other than Canadian dollars is affected by changes in the value of the Canadian dollar in relation to the value of the currency in which the investment is denominated.

When the value of the Canadian dollar falls in relation to foreign currencies, the value in Canadian dollars of investments denominated in other currencies increases.

The Fund's currency risk is impacted directly by changes in foreign exchange rates. The immediate impact on the assets of a 10% increase or decrease in the foreign exchange rate which the Fund had exposure to, and the notional amounts of foreign exchange forward contracts, assuming all other variables remain constant is detailed in the table below. Currencies to which the Fund had exposure as at June 30, 2015 are as follows. The Fund enters into foreign exchange forward contracts to reduce its foreign currency exposure.

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Currency	As at June 30, 2015					
	Exposure			Impact on net assets attributable to holders of redeemable shares		
	Monetary \$	Non- Monetary \$	Total \$	Monetary \$	Non- Monetary \$	Total \$
United States Dollar	*(805,132)	791,503	(13,629)	(8,051)	7,915	(136)
% of net assets attributable to holders of redeemable shares	(74.89)	73.62	(1.27)	(0.75)	0.74	(0.01)

*Net of notional value of the forward contract at the June 30, 2015 spot rate less Canadian value of the United States dollar cash balance at June 30, 2015.

At June 30, 2015, the Fund had outstanding currency contracts to sell United States currency \$670,000 prior to July 23, 2015 at a rate of Canadian \$1.24185 per United States dollar.

Credit risk

The Fund has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due.

Credit risk associated with cash is minimized by ensuring that these balances are held by high-quality financial institutions.

When the Fund trades in listed or unlisted securities that are settled upon delivery using approved brokers, the risk of default is considered minimal since delivery of securities is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The Fund only transacts with reputable brokers with a high credit rating.

The Manager monitors the Fund's credit position regularly, and the board of directors reviews it on a periodic basis. The Fund has not identified any past due assets or receivables as at June 30, 2015.

The Fund is also exposed to counterparty credit risk on forward contracts. The counterparty credit risk for forwards contracts is managed by using counterparties with minimum credit rating from S&P of A. The credit rating of the counterparty to the Fund's forward contracts was A-1 as at June 30, 2015.

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Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type.

	At June 30, 2015
	% of net assets
Sector/subgroup	
Cash	8.47
Basic Materials	7.06
Communications	8.17
Consumer, Cyclical	9.98
Consumer, Non-cyclical	9.83
Energy	10.49
Financial	19.54
Industrial	15.64
Technology	10.54
Other assets net of liabilities	0.28
	<hr/>
	100.00
	<hr/>

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with its financial liabilities. The Fund is exposed to daily cash redemptions of redeemable shares and liabilities when they become due. Liquidity risk is managed by holding cash balances and investing the majority of the Fund's assets in investments that are traded in an active market and can be readily disposed of when liabilities come due.

All liabilities are due within 30 days of the statement of financial position date, except for net assets attributable to holders of redeemable shares which are due on demand.

12 Corporation capital management

Shares of the Fund issued and outstanding represent the capital of the Fund. The Manager manages the capital of the Fund in accordance with the investment objectives of the Fund. There are no externally imposed restrictions on the Fund's capital other than certain minimum subscription requirements.

13 Decrease in net assets attributable to redeemable shares per share

Decrease in net assets attributable to redeemable shares per share for the period from commencement of operations on February 19, 2015 to June 30, 2015 are calculated as follows:

	June 30, 2015
	\$
Series A	
Decrease in net assets attributable to holders of redeemable shares	(7,558)
Weighted average units outstanding during the period	17,712
Decrease in net assets attributable to holders of redeemable shares per share	(0.43)
Series F	
Decrease in net assets attributable to holders of redeemable shares	(14,196)
Weighted average units outstanding during the period	64,488
Decrease in net assets attributable to holders of redeemable shares per share	(0.22)