PORTLAND
INVESTMENT COUNSEL™

PORTLAND GLOBAL BANKS FUND

(FORMERLY COPERNICAN BRITISH BANKS FUND)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

SEPTEMBER 30, 2014

PORTFOLIO MANAGEMENT TEAM	**Chris Wain-Lowe** Executive Vice President and Portfolio Manager

Management Discussion of Fund Performance
Portland Global Banks Fund

This annual management report of fund performance contains financial highlights, but does not contain either interim or annual financial statements of the investment fund. You can get a copy of the interim or annual financial statements at your request, and at no cost, by calling 1-888-710-4242, by writing to us at 1375 Kerns Road, Suite 100, Burlington, ON L7P 4V7 or visiting our website at www.portlandic.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

The views of the portfolio management team contained in this report are as of September 30, 2014 and this report is not intended to provide legal, accounting, tax or specific investment advice. Views, portfolio holdings and allocations may have changed subsequent to this date. For current information please contact us using the above methods. All references to performance relate to Series F units. The performance of other units may be different than that of the Series F units due to differing fees or as a result of varying inception dates.

INVESTMENT OBJECTIVE AND STRATEGIES

The investment objectives of the Portland Global Banks Fund (the "Fund") remain as discussed in the Prospectus. The Fund's objectives are to provide positive long-term total returns consisting of both income and capital gain by investing primarily in a portfolio of global bank equities. The investment strategies are to provide income and capital growth while moderating the volatility of equities by investing primarily in a globally diversified portfolio of equities / American Depositary Receipts, income securities, preferred shares, options and ETFs of, or that provide exposure to, banks located anywhere in the world.

RISK

The overall risk level has not changed for the Fund and remains as discussed in the prospectus. As part of the restructuring noted below, the investment objectives and strategies of the Fund were broadened from focusing on equities of British bank-based financial services companies to equities of bank-based financial services companies located anywhere in the world. Portland Investment Counsel Inc. (the "Manager" or "we") believes that this change in investment objectives and strategies has not substantially altered the risks of investing. Investors should be able to accept a high level of risk and plan to hold for the medium to long term.

RESULTS OF OPERATIONS

The Fund was a closed-end investment fund, the units of which were traded on the Toronto Stock Exchange. As at the close of business on December 13, 2013, the Fund restructured into an open-end mutual fund (the "Restructuring"). The Units outstanding prior to the Restructuring of the Fund were automatically converted to Series A2 Units upon the Restructuring. Prior to the Restructuring, Portland Global Banks Fund was named Copernican British Banks Fund. The Fund also offers Series A Units and Series F Units pursuant to a simplified prospectus of May 26, 2014.

The Year-By-Year Returns section of the Management Report of Fund Performance shows the annual historical returns of each applicable series of Units since inception. Series A2 rose 10.5% from October 1 to September 30, 2014.

For the period December 17, 2013 to September 30, 2014, the Fund's benchmark indices, the MSCI World Banks Total Return Index and the MSCI World Total Return Index rose 14.0% and 14.5% respectively. The net asset value per series F unit increased from $10.43 at December 31, 2013 to $10.56 at September 30, 2014, having paid distributions during the period totaling $0.4585, including the monthly distribution of $0.0417 on September 30th. Unlike the indices, the Fund's return is after the deduction of its fees and expenses. Currently, the Fund hedges approximately 33% of its non Canadian dollar exposure.

Prior to the Restructuring, the Fund had suspended distributions. After Restructuring, the Fund has a target of a 5% distribution per annum based on the opening net asset value of $10.00 per unit. Indicators that the Fund may reach this goal include the dividend yield (a financial ratio that shows how much a company pays out in dividends relative to its share price) of the equities of the Fund. Sourced from Thomson Reuters the equity component's trailing weighted average dividend yield was 2%. The targeted 5% per annum distribution was met since the Restructuring. The distributions paid by the Fund were lower than the Fund's earnings from dividends, derivatives and net realized gains.

During the period, the Fund profitably divested its holding in Portland CVBI Holdings LP, a private telecommunications offering, as well as positions in Australia (National Australia Bank Limited and Australia and New Zealand Banking Group), India (ICICI Bank Limited) and Spain (Banco Santander SA) plus Germany's Deutsche Bank AG and Switzerland's UBS AG. The Fund also profitably reduced its holding in the UK's Standard Chartered Bank PLC in order to initiate positions in Japan (Sumitomo Mitsui Financial Group, Inc.) and Germany (Commerzbank AG) and increase its position in the Netherlands (ING Groep NV), believing these switches represent a reallocation of capital to relatively under-appreciated areas and franchises.

In our view, current bank prices reflect little improvement from the extremely harsh operating environment endured from 2007 to 2012. Sourced from Thomson Reuters, the portfolio's current weighted average price/'book' of the portfolio is 0.9x compared to the historic 15-year average of 1.6x, where 'book' represents the underlying net asset value of each bank. We believe applying low value multiples to depressed earnings risk underestimating the long term value of quality bank franchises.

The Fund also participated in an exclusive Portland Investment Counsel Inc. private offering in energy efficiency and renewable energy by investing in the Portland Global Energy Efficiency and Renewable Energy Fund LP.

The Fund's net assets decreased to $11.0 million during the period from $25.9 million at the end December 2013. The decrease in assets during the year can be primarily attributed to net redemptions experienced mainly on the account of the Fund's Restructuring which included investors not permitted to hold mutual funds. The Manager does not believe the redemptions had a material impact upon the management of the Fund since such redemptions were contemplated in connection with the Restructuring and every effort is made to fund redemptions in a manner that optimizes the Fund's composition and positions it for the future.

RECENT DEVELOPMENTS

Portland Global Banks Fund was restructured from being a closed-end investment fund into an open-end mutual fund on December 13, 2013. The Manager believes the Restructuring was in the best interests of the Fund as it provided, among other things, it with a broader investment mandate, a better opportunity to use existing tax losses, the reinstatement of a targeted distribution, allow investors to redeem daily at the net asset value per unit and enable investors to switch their units to other mutual funds managed by Manager that has the same or lower management fees.

Regarding the market outlook, geopolitical concerns, particularly the developing tragedies in Syria, Iraq and the Ukraine, following Russia's swift completion of the first annexation of another European country's territory since the Second World War by absorbing Ukraine's Crimean peninsula into the Russian Federation, overshadow the near-term investment horizon. However, the shale gas 'revolution' in the US has made world energy markets less vulnerable to events in the Middle East. Excluding Russia, global trade and the developed world economies are recovering; particularly the US and the UK with both their Central Banks now hinting interest rates could start to rise next year. We continue to believe the Central Banks of the US, Europe, UK and Japan are going to do whatever they think is necessary to reflate their economies. In June, the European Central Bank (ECB) reduced the interest rate paid to banks that deposit with it to an unprecedented negative 0.1%, followed by a further decrease in September to a negative rate of 0.2% when it also announced it would introduce Quantitative Easing measures (i.e. buying bonds) to tackle the risks of too prolonged a period of low inflation. Conversely, the US Federal Reserve has nearly withdrawn entirely its bond buying stimulus efforts. Most of the banks in the Fund are asset sensitive and should experience increased net interest margins as rates rise.

We believe the US and UK are well on the way through a long-term recovery plan and the economic prospects for the next decade look brighter. For Europe and the Eurozone, the sovereign crisis marks the beginning of Europe's own painful competitive adjustments with inflation at its lowest level in nearly 5 years. The ECB appears determined to help smooth out economic bumps and create a stable employment backdrop. There is also uncertainly in China's future growth. Should we achieve clarity on the direction of the global economy, there is pent-up demand for risk assets, which could push equity values higher and so increase the value of the Fund, notwithstanding that such appreciation is never linear and that given recent appreciation, a market correction and/or pause over the near term is possible.

Overall, we believe that the Fund is currently well positioned to meet its investment objective for the medium to long term. We will continue to evaluate opportunities that we believe may generate income, enhance returns and/or reduce risk wherever possible.

RELATED PARTY TRANSACTIONS

The Manager is responsible for the day-to-day operation of and for providing investment management services to the Fund. The Manager receives a fee for providing these services. This is calculated daily based on the net asset value of the Fund and paid monthly. During the 12 month period ended September 30, 2014, the Manager received $257,209 in management fees from the Fund compared to $308,191 for the nine month period ended September 30, 2013.

Any administrative services paid for or provided by the Manager are charged to the Fund and are grouped and presented by expense type in the statements of operations. Depending on their nature, some expenditures are allocated to the Fund based upon the net asset value or actual costs incurred. During the twelve month period ended September 30, 2014, the Manager was reimbursed $113,543 for operating expenses incurred on behalf of the Fund, including amounts paid to affiliates. This compares to $140,087 for nine month period ended September 30, 2013.

Affiliates of the Manager provide administrative services associated with the day-to-day operations of the Fund. These affiliates of the Manager were reimbursed $4,084 during the twelve month period ended September 30, 2014 by the Fund for such services, compared to $131 during the nine month period ended September 30, 2013.

The Manager received service fees from the Fund and facilitated the payment of such service fees to dealers whose advisors have clients who hold units of the Fund. Service fees were calculated daily based on the net asset value of the Fund. Service fees paid by the Fund to the Manager for the twelve month period ended September 30, 2014 were $28,653 compared to $111,665 for the nine month period ended December 31, 2013. Following the conversion to an open-end mutual fund, such service fees were no longer applicable.

Redemption fees were paid to the Manager in the amount of $1,350 during the year ended December 31, 2013. Such amounts are paid out of the redemption proceeds payable on Trust Units redeemed during the year and are not paid by the Fund. The Fund was restructured on December 13, 2013 (see Recent Developments section) and redemption fees are no longer applicable. As such, the Manager did not receive any redemption fees during the period ended September 30, 2014.

The Board of Directors of the Manager is responsible for reviewing and approving the financial statements and overseeing management's performance of its financial reporting responsibilities.

The Fund, from time to time, entered into security trades with other investment funds managed by the Manager. These trades were executed under prevailing market terms and conditions available to any investor. The Fund relied on standing instructions regarding these related party trades approved by the Independent Review Committee ("IRC") through policies and procedures established by the Manager.

The Manager is required to advise the IRC of any material breach of a condition of the standing instructions. The standing instructions require, among other things, that the investment decision in respect of a related party transaction: (a) is made by the Manager free from any influence by an entity related to the Manager and without taking into account any consideration relevant to the entity related to the Manager; and (b) represents the business judgment of the Manager acting in the best interests of the Fund.

As at September 30, 2014, the Fund owned 1,242 units of Portland Private Income Fund (September 30, 2013: nil) and 2,478 units of Portland Global Energy Efficiency and Renewable Energy Fund LP (September 30, 2013: nil) which are managed by the same Manager as the Fund and were made in accordance with the standing instructions of the IRC.

As at September 30, 2014, the Manager held 306 Series A units and 209 Series F units of the Fund (September 30, 2013: nil).

Notes

Certain statements included in this Management Discussion of Fund Performance constitute forward-looking statements, including those identified by the expressions "anticipate," "believe," "plan," "estimate," "expect," "intend" and similar expressions to the extent they relate to the Fund. These forward-looking statements are not historical facts, but reflect the current expectations of the portfolio management team regarding future results or events of the Fund. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. The portfolio management team has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, except as required by securities legislation.

Certain research and information about specific holdings in the Fund, including any opinion, is based upon various sources believed to be reliable, but it cannot be guaranteed to be current, accurate or complete. It is for information only, and is subject to change without notice.

Summary of Investment Portfolio as at September 30, 2014

Top 25 Investments*

	% of Net Asset Value
JPMorgan Chase & Company	16.2%
Citigroup Inc.	13.2%
Barclays PLC	13.1%
BNP Paribas SA	9.4%
HSBC Holdings PLC	7.4%
ING Groep NV	6.5%
Royal Bank of Scotland Group plc	5.5%
The Goldman Sachs Group Inc.	4.5%
Bank of America Corporation	3.6%
Credit Suisse Group AG	3.5%
Commerzbank AG	3.0%
State Street Corporation	2.7%
Wells Fargo & Company	2.6%
Lloyds Banking Group plc	2.1%
Morgan Stanley	1.6%
Sumitomo Mitsui Financial Group,Inc.	1.5%
Portland Global Energy Efficiency and Renewable Energy Fund LP	1.2%
Standard Chartered PLC	1.1%
Portland Private Income Fund	0.6%
Cash and Cash Equivalents	0.3%
Nordea Bank AB	0.1%
Grand Total	99.7%
Total net asset value	$11,032,128

* *Where the Fund holds less than 25 holdings, all investments have been disclosed. There may be other assets and liabilities which are not included, and therefore the summary does not add up to 100%.*

The investment portfolio may change due to ongoing portfolio transactions of the investment fund. Quarterly updates are available within 60 days of each quarter end by visiting www.portlandic.com or contacting us at 1-888-710-4242.

Portfolio Composition

Sector	
Diversified Banks	52.3%
Other Diversified Financial Services	33.0%
Institutional Brokerage	4.5%
Diversified Capital Markets	3.5%
Institutional Financial Services	2.7%
Investment Banking & Brokerage	1.6%
Independent Power Producers and Energy Traders	1.2%
Cash and Other Assets	1.0%
Multi-Sector Holdings	0.6%
Forward Contracts	(0.4%)

Geographic Region	
United States	44.4%
United Kingdom	29.2%
France	9.4%
Netherlands	6.5%
Switzerland	3.5%
Germany	3.0%
Canada	1.8%
Japan	1.5%
Cash and Other Assets	1.0%
Sweden	0.1%
Forward Contracts	(0.4%)

Cash and Other Assets refers to cash on hand plus all other assets and liabilities in the Fund excluding portfolio investments.

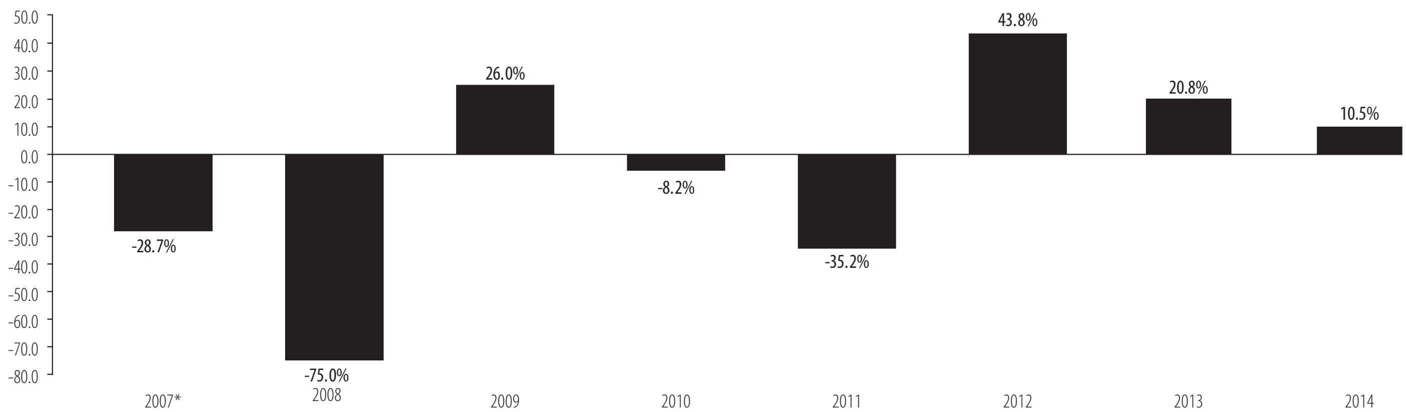
Past Performance

The past performance information shown in this section is calculated using the net asset value per unit and assumes that all distributions made by the investment fund in the periods shown were reinvested in additional securities of the investment fund. The past performance information does not take into account sales, redemptions, distribution or other optional charges or income taxes payable by the unitholder that would have reduced returns or performance. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated.

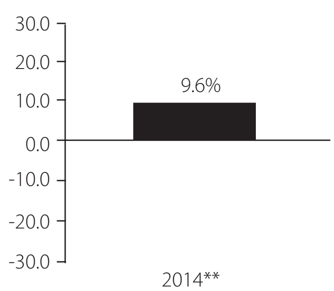
Year-By-Year Returns

The graphs show the annual historical returns of the applicable series of units, which change each year. Annual return is the percentage change in the value of an investment from January 1 to December 31 for 2007 to 2013 and October 1 to September 30 for 2014 (unless otherwise stated).

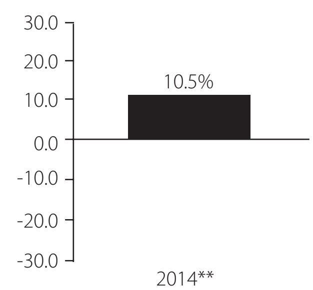
Series A2/Trust Units[1]



Series A Units



Series F Units



1. Prior to December 13, 2013 the Fund operated as Copernican British Banks Fund, a closed-end fund listed on the Toronto Stock Exchange under the symbol CBB.UN. On December 13, 2013 CBB.UN was Restructured, became a multi-class open end mutual fund, and changed its investment objectives and strategies. If the Restructuring had not occurred and the investment objectives and strategies had remained the same, 2013 and 2014 performance may have been different.

*Return for 2007 represents a partial year from July 17, 2007 to December 31, 2007.

**Return for 2014 represents a partial year starting December 17, 2013 to September 30, 2014.

Annual Compound Returns

The table below shows the historical compound returns of the applicable series of units and the MSCI World Total Return Index and the MSCI World Banks Total Return Index (collectively the "Indices"). The MSCI World Index is designed to measure the equity market performance of the following 23 developed market country indexes: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States. The MSCI World Banks Total Return Index consists of large and mid cap stocks across the 23 developed markets classified in the Banks industry group (within the Financials sector) according to the Global Industry Classification Standard.

Series of Units	Inception Date	Since Inception	One Year	Three Year	Five Year	Ten Year
Series A	December 17, 2013	9.6%	-	-	-	-
MSCI World Total Return Index		14.5%	-	-	-	-
MSCI World Banks Total Return Index		14.0%	-	-	-	-
Series F	July 17, 2007	-17.8%	10.5%	22.9%	-0.8%	-
MSCI World Total Return Index		3.6%	22.1%	20.9%	11.9%	-
MSCI World Banks Total Return Index		-2.6%	19.5%	22.7%	7.0%	-
Series G	December 17, 2013	10.5%	-	-	-	-
MSCI World Total Return Index		14.5%	-	-	-	-
MSCI World Banks Total Return Index		14.0%	-	-	-	-

Comparison to the Index: During the year ended September 30, 2014, the Fund experienced a return below that of the Indices. Performance will vary by class largely due to the extent that fees and expenses may differ between classes. Since the Fund does not necessarily invest in the same securities as the Indices or in the same proportion, the performance of the Fund is not expected to equal that of its benchmark.

Management Fees

The Manager is responsible for the day-to-day management and administration of the Fund. The Manager monitors and evaluates the performance of the Fund, pays for the investment management services of the investment adviser and arranges for the administrative services required to be provided to the Fund. As compensation for its service, the Manager is entitled to receive a fee, payable monthly, calculated based on the daily net asset value of the Fund.

		Expenses Paid Out of the Management Fee (%)		
Series of Units	Management Fee (%)	Dealer compensation	General administration, investment advice and profit	Absorbed expenses
Series A	2.00%	100%	-	-
Series A2	1.75%	57%	43%	-
Series F	1.00%	-	71%	29%

Financial Highlights

The following tables show selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five years or, if shorter, the periods since inception of the Fund or a particular series of the Fund. In the current year, per unit information relates to the period outlined in footnote 1(b). In 2013 for Series A2 Units, the information in the table below is for the period from January 1 to September 30 and for all other years is for the period from January 1 to December 31.

Series A Units - Net Assets per unit[1(a)]

For the periods ended	2014
Net assets, beginning of the period	$10.00 [†(b)]
Increase (decrease) from operations:	
Total revenue	0.13
Total expenses	(0.28)
Realized gains (losses)	0.70
Unrealized gains (losses)	0.66
Total increase (decrease) from operations[2]	1.21
Distributions to unitholders:	
From income	-
From dividends	-
From capital gains	-
Return of capital	(0.46)
Total annual distributions[3]	(0.46)
Net assets, end of period[4]	$10.48

Series A Units - Ratios/Supplemental Data

For the periods ended	2014
Total net asset value	$3,209
Number of units outstanding	306
Management expense ratio[5]	2.84% *
Management expense ratio before waivers or absorptions	3.71% *
Trading expense ratio[6]	0.28% *
Portfolio turnover rate[7]	62.02%
Net asset value per unit	$10.48

Series A2 Units - Net Assets per unit[1(a)]

For the periods ended	2014	2013	2012	2011	2010
Net assets, beginning of the period	$2.12 [(b)]	$1.87	$1.30	$2.00	$2.17
Increase (decrease) from operations:					
Total revenue	0.19	0.05	0.05	0.06	0.05
Total expenses	(0.29)	(0.05)	(0.05)	(0.06)	(0.07)
Realized gains (losses)	(10.79)	(0.22)	(0.16)	(0.68)	(0.35)
Unrealized gains (losses)	12.07	0.48	0.73	0.04	0.19
Total increase (decrease) from operations[2]	1.17	0.26	0.57	(0.64)	(0.18)
Distributions to unitholders:					
From income	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	(0.46)	-	-	-	-
Total annual distributions[3]	(0.46)	-	-	-	-
Net assets, end of period[4]	$10.49	$2.12	$1.87	$1.30	$2.00

Series A2 Units - Ratios/Supplemental Data

For the periods ended	2014	2013	2012	2011	2010
Total net asset value	$10,944,650	$25,912,804	$22,828,506	$15,859,376	$30,593,423
Number of units outstanding	1,043,186	12,195,709	12,200,209	12,211,709	15,263,700
Management expense ratio[5]	3.04%	3.33% *	3.18%	3.18%	3.01%
Management expense ratio before waivers or absorptions	3.58%	3.33% *	3.18%	3.18%	3.01%
Trading expense ratio[6]	0.28%	0.11% *	0.03%	0.13%	0.07%
Portfolio turnover rate[7]	62.02%	7.87%	2.81%	10.90%	4.31%
Net asset value per unit	$10.49	$2.12	$1.87	$1.30	$2.00

Series F Units - Net Assets per unit[1(a)]

For the periods ended	2014
Net assets, beginning of the period	10.00 [†(b)]
Increase (decrease) from operations:	
Total revenue	0.15
Total expenses	(0.19)
Realized gains (losses)	0.45
Unrealized gains (losses)	0.60
Total increase (decrease) from operations[2]	1.01
Distributions to unitholders:	
From income	-
From dividends	-
From capital gains	-
Return of capital	(0.46)
Total annual distributions[3]	(0.46)
Net assets, end of period[4]	$10.55

Series F Units - Ratios/Supplemental Data

For the periods ended	2014
Total net asset value	$84,269
Number of units outstanding	7,981
Management expense ratio[5]	1.83% *
Management expense ratio before waivers or absorptions	2.68% *
Trading expense ratio[6]	0.28% *
Portfolio turnover rate[7]	62.02%
Net asset value per unit	$10.56

† Initial offering price

** Annualized*

Explanatory Notes

1. a) This information is derived from the Fund's audited annual financial statements. The net assets per unit presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the financial statements.

   b) Copernican British Banks Fund was restructured on December 13, 2013 and became a multi-class open-end mutual fund. As part of the restructuring, existing holders of trust units received 0.214028 Series A2 units valued at $10.00 per unit for each trust unit held. If that had occurred at the beginning of the period, the opening net asset value per unit above would have been $9.91.

   Per unit information in 2014 relates to the following periods of each series:

Series A Units	December 13, 2013 - September 30, 2014
Series A2 Units	October 1, 2013 - September 30, 2014
Series F Units	December 13, 2013- September 30, 2014

2. Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted daily average number of units outstanding over the financial period.

3. Distributions are paid out in cash/reinvested in additional shares of the Fund, or both.

4. This is not a reconciliation of the beginning and ending net assets per unit.

5. The management expense ratio ("MER") is based on total expenses (excluding commission and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The Manager may absorb certain expenses otherwise payable by the Fund. The amount of expenses absorbed is determined annually at the discretion of the Manager.

   The Fund holds investments in other investment funds ("Underlying Funds") and the MER is calculated taking into consideration the expenses of the Fund allocated to the series including expenses indirectly attributable to its investment in the Underlying Funds divided by the average daily NAV of the series of the Fund during the period.

6. The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of the daily average net asset value of the Fund.

   The TER is calculated taking into consideration the costs attributable to its investment in the Underlying Funds.

7. The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

   Portfolio turnover rate is based on the lesser of the cumulative cost of purchases or cumulative proceeds of sales divided by the average market value of the portfolio, excluding short-term investments.

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