



SEMI-ANNUAL  
REPORT

2015

CORE CANADIAN DIVIDEND TRUST

  
strathbridge  
ASSET MANAGEMENT

### Letter to Unitholders

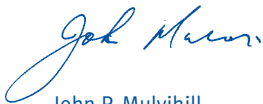
We are pleased to present the 2015 semi-annual report containing the management report of fund performance and the unaudited financial statements for Core Canadian Dividend Trust (the “Fund”).

The year started off well for Canadian stocks but, after peaking in mid-April, all sectors except Health Care (led by Valeant Pharmaceuticals International, Inc.) were in decline. The reasons are varied but include a lackluster recovery in the price of oil, sluggish commodity prices in general, and continued concerns about Greece’s potential exit from the Eurozone and the meteoric rise and fall of the Chinese stock market. A neutral stock market persists despite Canadian economic data so far this year that has been, at worst, benign and, in some cases, better than expected such as housing starts and jobs numbers. Market volatility suggests investors are calm or even complacent in the face of the concerns mentioned above.

During the six months ended June 30, 2015, the Fund paid cash distributions of \$0.23 per unit. The total return of the Fund, including reinvestment of distributions, was negative 6.1 percent for the period. The net asset value per unit decreased from \$7.17 at December 31, 2014 to \$6.51 at June 30, 2015. The net realized gain on options attributable to Strathbridge Selective Overwriting strategy (see “The Fund”) amounted to \$0.01 per unit, unchanged compared to last year. For a more detailed review of the operations of the Fund, please see the Results of Operations and the Portfolio Manager Report sections.

On January 2, 2015, Strathbridge Asset Management Inc. (the “Manager”) announced that unitholders had approved a proposal to change the investment restrictions and investment strategy of the Fund. Please refer to the Recent Developments section for details of the proposal.

We thank all unitholders for their continued support and encourage unitholders to review the more detailed information contained within the semi-annual report.



John P. Mulvihill  
Chairman & CEO  
Strathbridge Asset Management Inc.

### The Fund

The Fund is a closed-end investment trust designed to provide unitholders with a stable stream of monthly distributions targeted to be 6.5 percent per annum on the net asset value (“NAV”) of the Fund and to preserve and grow the NAV. The units are listed on the Toronto Stock Exchange (“TSX”) under the ticker symbol CDD.UN.

To accomplish its objectives the Fund invests in a portfolio (“Core Canadian Dividend Portfolio”) consisting of high-quality, large capitalization, dividend-paying Canadian companies across multiple sectors that have an excellent long-term track record of dividend growth and share price appreciation. The Fund may also purchase other issuers listed on the Toronto Stock Exchange which the Manager believes are consistent with the Fund’s investment objectives (provided that after such purchase, no more than an aggregate of 25 percent of the net asset value of the Fund is invested in securities of such other issuers) and invest in public investment funds including exchange traded funds and other Strathbridge Funds (provided that no more than 15 percent of the net asset value of the Fund may be invested in securities of other Strathbridge Funds) that provide exposure to such securities.

The Fund employs a proprietary investment strategy, Strathbridge Selective Overwriting (“SSO”), to enhance the income generated by the portfolio and to reduce volatility. In addition, the Fund may write cash covered put options in respect of securities in which it is permitted to invest.

The SSO strategy is a quantitative, technical based methodology that identifies appropriate times to write and/or close out option positions compared to writing continuously and rolling options every thirty days. This proprietary process has been developed over many years through various market cycles. The Manager believes the primary benefit to investors is to maximize the total return of the particular portfolio while reducing the level of volatility of the portfolio, thereby increasing the risk-adjusted return.

## Core Canadian Dividend Trust

### Management Report of Fund Performance

#### Management Report of Fund Performance

This semi-annual management report of fund performance contains the financial highlights for the six months ended June 30, 2015 of Core Canadian Dividend Trust (the "Fund"). The unaudited semi-annual financial statements of the Fund are attached.

Copies of the Fund's proxy voting policies and procedures, proxy voting disclosure record and quarterly portfolio disclosure may be obtained by calling 1-800-725-7172 toll free, by writing to the Fund at Investor Relations, 121 King Street West, Suite 2600, Standard Life Centre, P.O. Box 113, Toronto, Ontario, M5H 3T9, by email at [info@strathbridge.com](mailto:info@strathbridge.com) or by visiting our website at [www.strathbridge.com](http://www.strathbridge.com). You can also request semi-annual or annual reports at no cost by using one of the above methods.

#### Results of Operations

##### Distributions

For the six months ended June 30, 2015, cash distributions of \$0.23 per unit were paid to unitholders, unchanged from the prior year.

Since the inception of the Fund in November 2006, the Fund has paid total cash distributions of \$4.18 per unit.

##### Revenue and Expenses

For the six months ended June 30, 2015, the Fund's total revenue was \$0.13 per unit compared to \$0.16 per unit in the prior year. Overall expenses decreased 4.5 percent compared to a year ago. However, total expenses per unit increased by \$0.02 per unit from the previous year to \$0.18 per unit mainly due to a decreased number of units outstanding during the period. The Fund had a net realized and unrealized loss of \$0.38 per unit in the first half of 2015 as compared to a net realized and unrealized gain of \$0.22 per unit a year earlier.

##### Net Asset Value

The net asset value per unit of the Fund decreased 9.2 percent from \$7.17 at December 31, 2014 to \$6.51 at June 30, 2015. The total net asset value of the Fund decreased \$0.6 million, from \$6.3 million at December 31, 2014 to \$5.7 million at June 30, 2015, reflecting a decrease in net assets attributable to equity holders of \$0.4 million and cash distributions of \$0.2 million.

#### Recent Developments

On November 12, 2014, the Board of Advisors approved a proposal to: (i) change the Fund's investment restrictions so that the Fund may (a) purchase securities of an issuer only if such securities are common equity securities of issuers included in the Core Canadian Dividend Portfolio as modified or reconstituted from time to time, or other issuers listed on the TSX which the Manager believes are consistent with the Fund's investment objectives (other than those issuers included in the Core Canadian Dividend Portfolio) provided that after such purchase, no more than an aggregate of 25 percent (previously 15 percent) of the net asset value of the Fund is invested in securities of such other issuers (the Fund generally invests not less than 4 percent and not more than 10 percent of the Fund's assets in the securities of each issuer in the Core Canadian Dividend Portfolio and not more than 10 percent of the Fund's assets in the securities of any one issuer in the portfolio) and (b) invest in public investment funds including exchange traded funds and other Strathbridge Funds (provided that no more than 15 percent of the net asset value of the Fund may be invested in securities of other Strathbridge Funds) that provide exposure to such securities in accordance with applicable laws; (ii) enable the Fund to invest up to 10

## Management Report of Fund Performance

percent of its net assets to purchase call options in respect of securities in which the Fund is permitted to invest; and (iii) enable the Manager to invest the Fund's portfolio entirely in cash or cash equivalents, denominated in Canadian dollars, in its discretion. A joint management information circular was mailed to unitholders of record on November 21, 2014 and a special meeting of unitholders of the Fund was held on December 23, 2014 to consider and vote upon the proposal. On January 2, 2015, the Manager announced that the proposal was approved by the unitholders to change the investment restrictions and investment strategy of the Fund.

### **Transition to International Financial Reporting Standards Accounting Policies**

The Fund has adopted International Financial Reporting Standards ("IFRS") accounting policies for the year beginning January 1, 2014 as required by Canadian securities legislation and the Canadian Accounting Standards Board. Previously, the Fund prepared its financial statements in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). Note 5 to the annual financial statements for the year ended December 31, 2014 discloses the impact of the transition to IFRS on the Fund's reported financial position, financial performance and cash flows, including the nature and effect of significant changes in accounting policies from those used in the Fund's financial statements for the year ended December 31, 2013 prepared under Canadian GAAP.

### **Related Party Transactions**

Strathbridge Asset Management Inc. ("Strathbridge"), as the Investment Manager of the Fund, manages the investment portfolio in a manner consistent with the investment objectives, strategy and criteria of the Fund pursuant to an Investment Management Agreement made between the Fund and Strathbridge dated October 27, 2006,

Strathbridge is the Manager of the Fund pursuant to a Trust Agreement made between the Fund and Strathbridge dated October 27, 2006. As such, Strathbridge is responsible for providing or arranging for required administrative services to the Fund.

Strathbridge is paid the fees described under the Management Fees section of this report.

During the period, no recommendations or approvals were required to be sought from the Independent Review Committee ("IRC") concerning related party transactions.

### **Independent Review Committee**

National Instrument 81-107 - Independent Review Committee for Investment Funds ("NI 81-107") requires all publicly offered investment funds to establish an IRC to whom the Manager must refer conflict of interest matters for review or approval. NI 81-107 also imposes obligations upon the Manager to establish written policies and procedures for dealing with conflict of interest matters, maintaining records in respect of these matters and providing assistance to the IRC in carrying out its functions. The Chief Compliance Officer, designated by the Manager, is in charge of facilitating the fulfillment of these obligations.

The IRC will prepare, for each financial year, a report to securityholders that describes the IRC and its activities during such financial year and includes, if known, a description of each instance when the Manager acted in a conflict of interest matter for which the IRC did not give a positive recommendation or for which a condition, imposed by the IRC, was not met in its recommendation or approval. Members of the IRC are Robert W. Korthals, Michael M. Koerner and Robert G. Bertram.

# Core Canadian Dividend Trust

## Management Report of Fund Performance

### Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

Information for the period ended June 30, 2015 is derived from the Fund's unaudited semi-annual financial statements.

The information for the years ended December 31 is derived from the Fund's audited annual financial statements.

	<b>Six months ended June 30, 2015</b>
<b>NET ASSETS PER UNIT</b>	
<b>Net Assets, beginning of period<sup>(1)</sup></b>	<b>\$ 7.17</b>
INCREASE (DECREASE) FROM OPERATIONS	
Total revenue	<b>0.13</b>
Total expenses	<b>(0.18)</b>
Realized gain (loss) for the period	<b>0.40</b>
Unrealized gain (loss) for the period	<b>(0.78)</b>
<b>Total Increase (Decrease) from Operations<sup>(2)</sup></b>	<b>(0.43)</b>
DISTRIBUTIONS	
Non-taxable distributions	<b>(0.23)</b>
<b>Total Distributions<sup>(3)</sup></b>	<b>(0.23)</b>
<b>Net Assets, end of period<sup>(1)</sup></b>	<b>\$ 6.51</b>

(1) All per unit figures presented in 2015, 2014 and 2013 are referenced to net assets determined in accordance with IFRS which are derived from the Fund's unaudited financial statements for the six months ended June 30, 2015 and the annual audited financial statements for the year ended December 31, 2014. Net assets per unit for all other prior years were derived from the Fund's audited annual financial statements that were prepared in accordance with Canadian GAAP. Net assets per unit is the difference between the aggregate value of the assets (including the valuation of securities at closing prices for the years beginning on or after January 1, 2013 and for all other prior years at bid prices) and the aggregate value of the liabilities divided by the number of units then outstanding.

**Six months ended  
June 30, 2015**

### RATIOS/SUPPLEMENTAL DATA

Net Asset Value (\$millions)	<b>\$ 5.68</b>
Number of units outstanding	<b>871,946</b>
Management expense ratio <sup>(1)</sup>	<b>4.91%<sup>(4)</sup></b>
Portfolio turnover rate <sup>(2)</sup>	<b>84.36%</b>
Trading expense ratio <sup>(3)</sup>	<b>0.21%<sup>(4)</sup></b>
Net Asset Value per unit <sup>(5)</sup>	<b>\$ 6.51</b>
Closing market price	<b>\$ 6.46</b>

(1) The management expense ratio ("MER") is the sum of all fees and expenses for the stated period, including federal and provincial sales taxes but excluding transaction fees, divided by the average net asset value. Generally, the MER increases when the Fund becomes smaller in size due to redemptions. The MER for 2014 includes the special resolution expense. The MER for 2014 excluding the special resolution expense is 3.78%. The MER for 2010 includes the warrant exercise fees. The MER for 2010 excluding the warrant exercise fees is 2.63%.

(2) Portfolio turnover rate is calculated based on the lesser of purchases or sales of investments, excluding short-term investments, divided by the average value of the portfolio securities. The Fund employs an option overlay strategy which can result in higher portfolio turnover by virtue of option exercises, when compared to a conventional equity mutual fund.

Management Report of Fund Performance

As a result of the adoption of IFRS, for June 30, 2015, December 31, 2014 and 2013, the net assets per unit presented in the financial statements and the net asset value per unit calculated weekly are both valued at closing prices. For all other prior years ended December 31, the net assets per unit presented in the financial statements differs from the net asset value per unit calculated weekly, primarily as a result of investments being valued at bid prices for financial statements purposes and at closing prices for weekly net asset value purposes.

		Years ended December 31							
		2014	2013	2012	2011	2010			
\$	7.30	\$	6.80	\$	6.94	\$	7.61	\$	7.39
	0.29		0.30		0.29		0.27		0.26
	(0.29)		(0.25)		(0.23)		(0.23)		(0.22)
	1.00		0.44		(0.27)		0.41		0.20
	(0.66)		0.47		0.51		(0.65)		0.47
	0.34		0.96		0.30		(0.20)		0.71
	(0.47)		(0.45)		(0.44)		(0.47)		(0.48)
	(0.47)		(0.45)		(0.44)		(0.47)		(0.48)
\$	7.17	\$	7.30	\$	6.79	\$	6.94	\$	7.61

- (2) Total increase (decrease) from operations consists of interest and dividend revenue, realized and unrealized gain (loss), less expenses and is calculated based on the weighted average number of units outstanding during the period. The schedule is not intended to total to the ending net assets as calculations are based on the weighted average number of units outstanding during the period.
- (3) Distributions to unitholders are based on the number of units outstanding on the record date for each distribution. All distributions were paid in cash.

		Years ended December 31							
		2014	2013	2012	2011	2010			
\$	6.25	\$	7.56	\$	8.90	\$	11.03	\$	13.96
	871,946		1,034,646		1,308,579		1,588,084		1,831,294
	3.84%		3.44%		3.16%		3.00%		2.64%
	159.49%		126.26%		120.09%		122.69%		164.67%
	0.20%		0.22%		0.20%		0.23%		0.35%
\$	7.17	\$	7.30	\$	6.80	\$	6.94	\$	7.63
\$	6.70	\$	6.76	\$	6.35	\$	6.32	\$	7.15

- (3) Trading expense ratio represents total commissions expressed as a percentage of the daily average net asset value during the period.
- (4) Annualized.
- (5) Net Asset Value per unit is the difference between the aggregate value of the assets including the valuation of securities at closing prices and the aggregate value of the liabilities, divided by the number of units then outstanding.

# Core Canadian Dividend Trust

## Management Report of Fund Performance

### Management Fees

Strathbridge, as the Investment Manager of the Fund, is entitled to fees under the Investment Management Agreement calculated monthly as 1/12 of 1.00 percent of the net asset value of the Fund at each month end. Services received under the Investment Management Agreement include the making of all investment decisions and writing of covered call options in accordance with the investment objectives, strategy and criteria of the Fund. Strathbridge also makes all decisions as to the purchase and sale of securities in the Fund's portfolio and as to the execution of all portfolio and other transactions.

Strathbridge, as the Manager of the Fund, is entitled to fees under the Trust Agreement calculated monthly as 1/12 of 0.10 percent of the net asset value of the Fund at each month end. Services received under the Trust Agreement include providing or arranging for required administrative services to the Fund.

### Past Performance

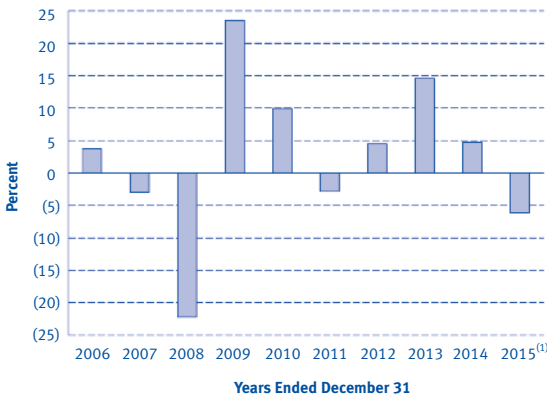
The following chart sets out the Fund's year-by-year past performance. It is important to note that the:

- (1) information shown assumes that all distributions (including deemed distributions based on the intrinsic value of the warrants exercised prior to the expiry date of the warrants) made by the Fund during these periods were reinvested in units of the Fund,
- (2) information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns, and
- (3) past performance of the Fund does not necessarily indicate how it will perform in the future.

### Year-By-Year Returns

The following bar chart illustrates how the Fund's total return varied from year to year for each of the past nine years and for the six months ended June 30, 2015. The chart also shows, in percentage terms, how much an investment made on January 1 in each year or the date of inception on November 16, 2006 would have increased or decreased by the end of the fiscal year or June 30, 2015 for the six months ended.

### Annual Total Return



<sup>(1)</sup> For the six months ended June 30, 2015.



### Portfolio Manager Report

The year started off well for Canadian stocks but, after peaking in mid-April, all sectors except Health Care (led by Valeant Pharmaceuticals International, Inc.) were in decline. The reasons are varied but include a lackluster recovery in the price of oil, sluggish commodity prices in general, and continued concerns about Greece's potential exit from the Eurozone and the meteoric rise and fall of the Chinese stock market. A neutral stock market persists despite Canadian economic data so far this year that has been, at worst, benign and, in some cases, better than expected such as housing starts and jobs numbers. Market volatility suggests investors are calm or even complacent in the face of the concerns mentioned above.

The net asset value ("NAV") per unit at June 30, 2015 was \$6.51 compared to \$7.17 at December 31, 2014. Unitholders received cash distributions of \$0.23 per unit during the first half of the year. The Fund's units, listed on the TSX as CDD.UN, closed on June 30, 2015 at \$6.46, down \$0.24 from the December 30, 2014 closing at \$6.70. The June 30, 2015 closing price represents a 0.8 percent discount to the NAV per unit.

Most sectors were down in the second quarter and, in many cases, down enough to erase any gains from the previous quarter. Consumer stocks, both Staples and Discretionary, managed to deliver modest positive results during the first half while virtually all other sectors had negative returns. The worst performers were in the Energy, Industrials and Utilities sectors.

This sectoral weakness was not exactly borne out in the portfolio. Our best performer was Manulife Financial Corporation followed by BCE Inc. Teck Resources Limited was a laggard again this quarter only surpassed by AGF Management Limited ("AGF") which has been in steady decline for about eighteen months while its portfolio weight was kept to a minimum.

The total return of the Fund, including reinvestment of distributions, for the first six months ended June 30, 2015, was negative 6.1 percent compared to the S&P/TSX 60 Index at 0.6 percent. The equal weighted total return of the fifteen stocks that make up Core Canadian Dividend Portfolio was negative 5.6 percent.

Volatility began to increase in the second quarter of 2014 and reached fever pitch by year-end. Calm resumed in January and volatility, as measured by the S&P/TSX 60 VIX Index, has drifted lower since that time. The Fund continues to be very selective in overwriting activity which is especially challenging in this low volatility environment. Our option writing strategy contributed modestly to the total return during the first six months of 2015 and the Fund closed the period with 9.5 percent of the portfolio written as compared to an average of 7.4 percent during the period.

# Core Canadian Dividend Trust

## Management Report of Fund Performance

### Summary of Investment Portfolio

The composition of the portfolio may change due to ongoing portfolio transactions of the Fund. A quarterly portfolio summary, which includes the percentage of net asset value for each holding, and a monthly portfolio list are available on our website at [www.strathbridge.com](http://www.strathbridge.com).

#### Asset Mix

June 30, 2015

	% of Net Asset Value
Financials	52.2%
Telecommunication Services	9.3%
Energy	9.0%
Consumer Discretionary	7.4%
Materials	5.5%
Consumer Staples	4.5%
Industrials	3.9%
Utilities	2.9%
Cash	2.9%
Other Assets (Liabilities)	2.4%
	100.0%

## Management Report of Fund Performance

## Portfolio Holdings

June 30, 2015

	% of Net Asset Value
BCE Inc.	9.3%
Manulife Financial Corporation	9.1%
National Bank of Canada	7.3%
Canadian Imperial Bank of Commerce	7.0%
Royal Bank of Canada	6.7%
The Bank of Nova Scotia	6.7%
The Toronto-Dominion Bank	5.6%
Bank of Montreal	5.5%
TransCanada Corp.	4.6%
Enbridge Inc.	4.4%
Thomson Reuters Corp.	4.1%
Russel Metals Inc.	3.9%
Canadian Tire Corporation	3.3%
Teck Resources Limited - Class B	3.2%
Canadian Utilities Limited	2.9%
Cash	2.9%
Alimentation Couche - Tard Inc.	2.6%
AGF Management Limited - Class B	2.7%
First Quantum Minerals Ltd.	2.3%
Loblaw Companies Limited	1.9%
Sun Life Financial Inc.	1.6%

## Forward-Looking Statements

This report may contain forward-looking statements about the Fund. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also forward-looking. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to any divergence between what is anticipated and what actually occurs, including, but not limited to, general economic, political and market factors, interest and foreign exchange rates, global equity and capital markets, business competition, technology change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

The above-mentioned list of important factors is not exhaustive. You should consider these and other factors carefully before making any investment decisions and you should avoid placing undue reliance on forward-looking statements. While the Fund currently anticipates that subsequent events and developments may cause the Fund's views to change, the Fund does not undertake to update any forward-looking statements.

### Management's Responsibility for Financial Reporting

The accompanying financial statements of Core Canadian Dividend Trust (the "Fund") and all the information in this semi-annual report are the responsibility of the management of Strathbridge Asset Management Inc. (the "Manager") and have been approved by the Fund's Board of Advisors (the "Board").

The financial statements have been prepared by management in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgments. Management has ensured that the other financial information presented in this semi-annual report is consistent with the financial statements. The significant accounting policies which management believes are appropriate for the Fund are described in Note 3 of the annual financial statements for the year ended December 31, 2014.

The Manager is also responsible for maintaining a system of internal controls designed to provide reasonable assurance that assets are safeguarded and that accounting systems provide timely, accurate and reliable financial information.

The Board meets periodically with management and the independent auditor to discuss internal controls, the financial reporting process, various auditing and financial reporting matters, and to review the annual report, the financial statements and the independent auditor's report. Deloitte LLP, the Fund's independent auditor, has full and unrestricted access to the Board.



John P. Mulvihill  
Director  
Strathbridge Asset Management Inc.



John D. Germain  
Director  
Strathbridge Asset Management Inc.

August 7, 2015

**Notice to Unitholders**

The Fund's independent auditor has not performed a review of these Semi-Annual Financial Statements in accordance with standards established by the Chartered Professional Accountants of Canada.

# Core Canadian Dividend Trust

## Financial Statements

### Statements of Financial Position

As at June 30, 2015 (Unaudited) and December 31, 2014 (Audited)

	Note	June 30, 2015	Dec. 31, 2014
<b>ASSETS</b>			
Financial assets at fair value through profit or loss		\$ 5,373,802	\$ 6,298,429
Dividends receivable		21,127	24,828
Due from brokers - investments		156,071	1,067,226
Cash		165,324	83,451
<b>TOTAL ASSETS</b>		<b>5,716,324</b>	<b>7,473,934</b>
<b>LIABILITIES</b>			
Accrued liabilities		29,165	51,705
Derivative liabilities		5,599	–
Accrued management fees	5	5,142	6,942
Redemptions payable		–	1,166,071
<b>TOTAL LIABILITIES</b>		<b>39,906</b>	<b>1,224,718</b>
<b>NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS</b>		<b>\$ 5,676,418</b>	<b>\$ 6,249,216</b>
<b>NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS PER UNIT</b>		<b>\$ 6.5101</b>	<b>\$ 7.1670</b>

The notes are an integral part of the Financial Statements.

## Statements of Comprehensive Income

Six months ended June 30 (Unaudited)

	Note	2015	2014
<b>INCOME</b>			
Dividend income		\$ 112,921	\$ 161,516
Net realized gain on investments at fair value through profit or loss	3	340,338	615,093
Net realized gain on options at fair value through profit or loss	3	8,472	14,006
Net change in unrealized gain/loss on investments at fair value through profit or loss	3	(679,311)	(399,639)
<b>TOTAL INCOME</b>		<b>(217,580)</b>	390,976
<b>EXPENSES</b>			
Management fees	5	32,966	40,518
Service fees		11,436	14,650
Administrative and other expenses		44,379	44,029
Transaction fees	6	6,384	7,567
Custodian fees		16,770	13,830
Audit fees		14,505	12,735
Advisory board fees	5	9,600	10,200
Independent review committee fees	5	3,509	3,491
Legal fees		1,746	2,178
Unitholder reporting costs		6,709	6,137
Harmonized sales tax		7,896	7,884
<b>TOTAL EXPENSES</b>		<b>155,900</b>	163,219
<b>INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS</b>	7	<b>\$ (373,480)</b>	\$ 227,757
<b>INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS PER UNIT</b>	7	<b>\$ (0.4283)</b>	\$ 0.2201

The notes are an integral part of the Financial Statements.

## Core Canadian Dividend Trust

### Financial Statements

#### Statements of Changes in Equity

Six months ended June 30, 2014 (Unaudited)

	Note	Unit Capital	Deficit	Total
BALANCE AT JANUARY 1, 2014		\$ 9,690,357	\$ (2,134,604)	\$ 7,555,753
Increase in Net Assets Attributable to Equity Holders		–	348,590	348,590
Distributions		–	(489,056)	(489,056)
Value for units redeemed		(1,523,827)	357,756	(1,166,071)
BALANCE AT DECEMBER 31, 2014		\$ 8,166,530	\$ (1,917,314)	\$ 6,249,216
Decrease in Net Assets Attributable to Equity Holders		–	(373,480)	(373,480)
Distributions		–	(199,318)	(199,318)
BALANCE AT JUNE 30, 2015		\$ 8,166,530	\$ (2,490,112)	\$ 5,676,418

The notes are an integral part of the Financial Statements.



## Statements of Cash Flows

Six months ended June 30 (Unaudited)

	Note	2015	2014
CASH, BEGINNING OF YEAR		\$ 83,451	\$ 53,143
<b>Cash Flows Provided by (Used In) Operating Activities</b>			
Increase/(Decrease) in Net Assets Attributable to Equity Holders		(373,480)	227,757
<b>Adjustments to Reconcile Net Cash Provided by (Used In) Operating Activities</b>			
Purchase of investment securities		(5,028,415)	(6,500,450)
Proceeds from disposition of investment securities		5,628,140	8,790,267
Net realized (gain)/loss on investments at fair value through profit or loss		(340,338)	(615,093)
Net realized (gain)/loss on options at fair value through profit or loss		(8,472)	(14,006)
Net change in unrealized gain/loss on investments at fair value through profit or loss		679,311	399,639
(Increase)/decrease in dividends receivable and due from brokers - investments		914,856	5,730
(Decrease)/increase in accrued liabilities, accrued management fees and due to brokers - investments		(24,340)	(21,117)
		<b>1,820,742</b>	<b>2,044,970</b>
<b>Cash Flows Provided by (Used In) Financing Activities</b>			
Unit distributions		(199,318)	(241,104)
Unit redemptions		(1,166,071)	(2,000,478)
		<b>(1,365,389)</b>	<b>(2,241,582)</b>
<b>Net Increase/(Decrease) in Cash During the Period</b>		<b>81,873</b>	<b>31,145</b>
CASH, END OF PERIOD		\$ 165,324	\$ 84,288
Dividends received		\$ 116,622	\$ 167,246

The notes are an integral part of the Financial Statements.

# Core Canadian Dividend Trust

## Financial Statements

### Schedule of Investments

As at June 30, 2015 (Unaudited)

	Number of Shares/ (Contracts)	Average Cost/ (Proceeds)	Fair Value	% of Net Assets Attributable to Equity Holders
<b>INVESTMENTS</b>				
<b>Canadian Common Shares</b>				
<b>Consumer Discretionary</b>				
Canadian Tire Corporation	1,400	\$ 184,413	\$ 187,012	
Thomson Reuters Corp.	4,900	210,808	233,044	
<b>Total Consumer Discretionary</b>		395,221	420,056	7.4 %
<b>Consumer Staples</b>				
Alimentation Couche - Tard Inc.	2,800	139,354	149,604	
Loblaw Companies Limited	1,700	109,875	107,236	
<b>Total Consumer Staples</b>		249,229	256,840	4.5 %
<b>Energy</b>				
Enbridge Inc.	4,245	235,929	247,951	
TransCanada Corp.	5,200	284,104	263,952	
<b>Total Energy</b>		520,033	511,903	9.0 %
<b>Financials</b>				
AGF Management Limited - Class B	25,500	326,332	149,430	
Bank of Montreal	4,200	327,617	310,842	
Canadian Imperial Bank of Commerce	4,300	419,356	395,901	
Manulife Financial Corporation	22,300	481,404	517,583	
National Bank of Canada	8,834	415,322	414,491	
Royal Bank of Canada	5,000	374,457	381,900	
Sun Life Financial Inc.	2,200	90,275	91,740	
The Bank of Nova Scotia	5,900	394,913	380,373	
The Toronto-Dominion Bank	6,000	317,571	318,240	
<b>Total Financials</b>		3,147,247	2,960,500	52.2 %
<b>Industrials</b>				
Russel Metals Inc.	9,800	275,779	222,754	3.9 %
<b>Materials</b>				
First Quantum Minerals Ltd.	7,900	143,454	129,007	
Teck Resources Limited - Class B	14,700	334,559	181,986	
<b>Total Materials</b>		478,013	310,993	5.5 %
<b>Telecommunication Services</b>				
BCE Inc.	9,900	508,028	525,294	9.3 %
<b>Utilities</b>				
Canadian Utilities Limited	4,600	182,087	165,462	2.9 %
<b>Total Canadian Common Shares</b>		\$ 5,755,637	\$ 5,373,802	94.7 %
<b>Options</b>				
<b>Written Covered Call Options</b> (100 shares per contract)				
Bank of Montreal - July 2015 @ \$75	(10)	\$ (890)	\$ (924)	
BCE Inc. - July 2015 @ \$53	(33)	(2,970)	(2,079)	
Canadian Imperial Bank of Commerce - July 2015 @ \$93	(11)	(1,331)	(1,275)	
Royal Bank of Canada - July 2015 @ \$77	(12)	(732)	(725)	
The Toronto-Dominion Bank - July 2015 @ \$54	(13)	(650)	(596)	
<b>Total Written Covered Call Options</b>		(6,573)	(5,599)	(0.1)%
<b>Total Options</b>		\$ (6,573)	\$ (5,599)	(0.1)%
Adjustment for transaction fees		(3,276)		
<b>TOTAL INVESTMENTS</b>		\$ 5,745,788	\$ 5,368,203	94.6 %
<b>OTHER NET ASSETS</b>			308,215	5.4 %
<b>NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS</b>			\$ 5,676,418	100.0 %

The notes are an integral part of the Financial Statements.

## 1. Basis of Presentation

The semi-annual financial statements for Core Canadian Dividend Fund (the "Fund") have been prepared in compliance with International Financial Reporting Standards ("IFRS") as published by the International Accounting Standard ("IAS") 34 Interim Financial Reporting. However, not all disclosures required by IFRS for annual financial statements have been presented and, accordingly, these semi-annual financial statements should be read in conjunction with the most recently prepared annual financial statements for the year ended December 31, 2014.

These semi-annual financial statements follow the same accounting policies and method of application as the most recent audited financial statements for the year ended December 31, 2014.

These financial statements were approved by the Board of Advisors on August 7, 2015.

## 2. Risks Associated with Financial Instruments

The various types of risks associated with its investment strategies, financial instruments and markets in which it invests by the Fund remain unchanged from the prior year and are described in Note 7 of the audited financial statements for the year ended December 31, 2014.

### Credit Risk

During the periods ended June 30, 2015 and December 31, 2014, the counterparties to the Fund's derivative financial instruments had a credit rating of A-1 or higher from Standard & Poor's Ratings Services.

### Liquidity Risk

The amounts in the table are the contractual undiscounted cash flows:

	As at June 30, 2015		
	Financial Liabilities		
	On Demand	< 3 months	Total
Accrued liabilities	\$ -	\$ 29,165	\$ 29,165
Derivative liabilities	-	5,599	5,599
Accrued management fees	-	5,142	5,142
	\$ -	\$ 39,906	\$ 39,906

	As at December 31, 2014		
	Financial Liabilities		
	On Demand	< 3 months	Total
Redemptions payable	\$ -	\$ 1,166,071	\$ 1,166,071
Accrued liabilities	-	51,705	51,705
Accrued management fees	-	6,942	6,942
	\$ -	\$ 1,224,718	\$ 1,224,718

### Market Risk

#### (a) Price Risk

Approximately 95 percent (December 31, 2014 - 101 percent) of the Fund's net assets attributable to equity holders held at June 30, 2015 were publicly traded equities. If equity prices on the exchange

## Core Canadian Dividend Trust

### Notes to Financial Statements

June 30, 2015

increased or decreased by 5 percent as at June 30, 2015, the net assets attributable to equity holders would have increased or decreased by \$0.3 million (December 2014 - \$0.3 million) respectively or 4.7 percent (December 31, 2014 - 5.0 percent) of the net assets attributable to equity holders all other factors remaining constant. In practice, actual trading results may differ and the difference could be material.

#### Concentration Risk

Concentration risk arises as a result of the concentration of exposures with the same category, whether it is geographical location, product type, industry sector or counterparty type. The following is a summary of the Fund's concentration risk:

	June 30, 2015	Dec. 31, 2014
Financials	55.1%	47.6%
Telecommunication Services	9.8%	9.6%
Energy	9.5%	13.2%
Consumer Discretionary	7.8%	9.2%
Materials	5.8%	2.6%
Consumer Staples	4.8%	3.4%
Industrials	4.1%	3.2%
Utilities	3.1%	7.0%
Health Care	-	4.2%
	100.0%	100.0%

#### Fair Value Measurement

The following table illustrates the classification of the Fund's assets and liabilities measured at fair value within the fair value hierarchy as at June 30, 2015 and December 31, 2014.

	As at June 30, 2015				Total
	Level 1	Level 2	Level 3		
Canadian Common Shares	\$ 5,373,802	\$ -	\$ -	\$ 5,373,802	
Options	(2,079)	(3,520)	-	(5,599)	
	\$ 5,371,723	\$ (3,520)	\$ -	\$ 5,368,203	

	As at December 31, 2014				Total
	Level 1	Level 2	Level 3		
Canadian Common Shares	\$ 6,298,429	\$ -	\$ -	\$ 6,298,429	

There were no transfers between Level 1 and Level 2 during the six months ended June 30, 2015 and during the year ended December 31, 2014.

#### 3. Financial Instruments by Category

The following tables present the carrying amounts of the Fund's financial instruments by category as at June 30, 2015 and December 31, 2014.

## Notes to Financial Statements

June 30, 2015

	As at June 30, 2015				Total
	Financial Instruments at FVTPL		Financial Instruments		
	Designated at Inception	Held for Trading	at Amortized Cost		
<b>Assets</b>					
Non-derivative financial assets	\$ 5,373,802	\$ -	\$ -	\$ -	\$ 5,373,802
Dividends receivable	-	-	-	21,127	21,127
Due from brokers - investments	-	-	-	156,071	156,071
Cash	-	-	-	165,324	165,324
	\$ 5,373,802	\$ -	\$ -	\$ 342,522	\$ 5,716,324
<b>Liabilities</b>					
Accrued liabilities	\$ -	\$ -	\$ -	\$ 29,165	\$ 29,165
Derivative liabilities	-	5,599	-	-	5,599
Accrued management fees	-	-	-	5,142	5,142
	\$ -	\$ 5,599	\$ -	\$ 34,307	\$ 39,906

	As at December 31, 2014				Total
	Financial Instruments at FVTPL		Financial Instruments		
	Designated at Inception	Held for Trading	at Amortized Cost		
<b>Assets</b>					
Non-derivative financial assets	\$ 6,298,429	\$ -	\$ -	\$ -	\$ 6,298,429
Dividends receivable	-	-	-	24,828	24,828
Due from brokers - investments	-	-	-	1,067,226	1,067,226
Cash	-	-	-	83,451	83,451
	\$ 6,298,429	\$ -	\$ -	\$ 1,175,505	\$ 7,473,934
<b>Liabilities</b>					
Redemptions payable	\$ -	\$ -	\$ -	\$ 1,166,071	\$ 1,166,071
Accrued liabilities	-	-	-	51,705	51,705
Accrued management fees	-	-	-	6,942	6,942
	\$ -	\$ -	\$ -	\$ 1,224,718	\$ 1,224,718

The following table presents the net gain/(loss) on financial instruments at FVTPL by category for the six months ended June 30, 2015 and 2014.

	June 30, 2015	June 30, 2014
<b>Net Realized Gain on Financial Instruments at FVTPL</b>		
Designated at Inception	\$ 340,338	\$ 615,093
Held for Trading	8,472	14,006
	348,810	629,099
<b>Net Change in Unrealized Gain/Loss on Financial Instruments at FVTPL</b>		
Designated at Inception	(680,285)	(398,010)
Held for Trading	974	(1,629)
	(679,311)	(399,639)
<b>Net Gain/(Loss) on Financial Instruments at FVTPL</b>	<b>\$ (330,501)</b>	<b>\$ 229,460</b>

#### 4. Units

For the six months ended June 30, 2015, cash distributions paid to unitholders were \$199,318 (June 30, 2014 - \$241,104) representing a payment of \$0.23 (June 30, 2014 - \$0.23) per unit.

During the six months ended June 30, 2015, nil (June 30, 2014 - nil) units were redeemed with a total retraction value of nil (June 30, 2014 - nil).

## Core Canadian Dividend Trust

### Notes to Financial Statements

June 30, 2015

During the six months ended June 30, 2015 and year ended December 31, 2014, unit transactions are as follows:

	June 30, 2015	Dec. 31, 2014
Units outstanding, beginning of year	871,946	1,034,646
Units redeemed	–	(162,700)
Units outstanding, end of period	871,946	871,946

### 5. Related Party Transactions

#### (a) Management Fees

Total management fees for the six months ended June 30, 2015 were \$32,966 (June 30, 2014 - \$40,518).

#### (b) Board of Advisors' Remuneration

Total remuneration paid to the external members of the Board of Advisors for the six months ended June 30, 2015 were \$9,600 (June 30, 2014 - \$10,200).

#### (c) Independent Review Committee Fees

Total remuneration paid to the external members of the Independent Review Committee for the six months ended June 30, 2015 were \$3,509 (June 30, 2014 - \$3,491).

### 6. Brokerage Commissions and Soft Dollars

The ascertainable soft dollar value received as a percentage of total transaction fees paid during the six months ended June 30, 2015 and 2014 is disclosed below:

	June 30, 2015	June 30, 2014
Soft Dollars	\$ 3,140	\$ 2,440
Percentage of Total Transaction Fees	49.2%	32.2%

### 7. Increase/(Decrease) in Net Assets Attributable to Holders of Units per Unit

The Increase/(Decrease) in Net Assets Attributable to Equity Holders per Unit for the six months ended June 30, 2015 and 2014 is calculated as follows:

	June 30, 2015	June 30, 2014
Increase/(Decrease) in Net Assets Attributable to Equity Holders	\$ (373,480)	\$ 227,757
Weighted Average Number of Units Outstanding during the Period	871,946	1,034,646
Increase/(Decrease) in Net Assets Attributable to Equity Holders per Unit	\$ (0.4283)	\$ 0.2201

Investment Funds Managed by  
Strathbridge Asset Management Inc.

---

UNIT TRUSTS

Canadian Utilities & Telecom Income Fund (UTE.UN)  
Core Canadian Dividend Trust (CDD.UN)  
Gold Participation and Income Fund (GPF.UN)  
Low Volatility U.S. Equity Income Fund (LVU.UN)  
NDX Growth & Income Fund (NGL.UN)  
Top 10 Canadian Financial Trust (TCT.UN)  
U.S. Financials Income Fund (USF.UN)

SPLIT SHARES

Premium Income Corporation (PIC.PR.A/PIC.A)  
S Split Corp. (SBN.PR.A/SBN)  
Top 10 Split Trust (TXT.PR.A/TXT.UN)  
World Financial Split Corp. (WFS.PR.A/WFS)

Head Office

---

Strathbridge Asset Management Inc.  
121 King Street West, Suite 2600  
Standard Life Centre, P.O. Box 113  
Toronto, Ontario  
M5H 3T9

Tel: 416-681-3966  
Toll Free: 1-800-725-7172  
Fax: 416-681-3901  
Email: [info@strathbridge.com](mailto:info@strathbridge.com)

Visit our website at [www.strathbridge.com](http://www.strathbridge.com) for additional information on all Strathbridge Investment Funds.



  
**strathbridge**  
ASSET MANAGEMENT

[www.strathbridge.com](http://www.strathbridge.com)

Strathbridge Asset Management Inc.  
Investor Relations  
121 King Street West, Suite 2600  
Standard Life Centre, P.O. Box 113  
Toronto, Ontario  
M5H 3T9

Tel: 416-681-3966  
Toll Free: 1-800-725-7172  
Fax: 416-681-3901  
Email: [info@strathbridge.com](mailto:info@strathbridge.com)