

**COUNSEL | PORTFOLIO SERVICES**

# Counsel Global Dividend

INTERIM UNAUDITED FINANCIAL STATEMENTS

For the period ended September 30, 2019

Counsel Portfolio Services Inc., the Manager of the Fund, appoints independent auditors to audit the Fund's Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Interim Financial Statements, this must be disclosed in an accompanying notice. The Fund's independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Chartered Professional Accountants of Canada.

**STATEMENTS OF FINANCIAL POSITION**

at September 30, 2019 (unaudited) with comparative figures at March 31, 2019 (audited)

	Sept. 30 2019	Mar. 31 2019
<b>Assets</b>		
<b>Current assets:</b>		
Investments at fair value	109,176	111,504
Cash and cash equivalents	-	455
Accrued interest receivable	-	-
Dividends receivable	195	565
Accounts receivable for investments sold	436	6
Accounts receivable for securities issued	34	11
Accounts receivable from the Manager	-	-
Margin on derivative contracts	-	-
Derivative assets	51	57
Other assets	-	-
	109,892	112,598
<b>Non-current assets:</b>		
Taxes recoverable	106	125
Other assets	-	-
	106	125
<b>Total assets</b>	<b>109,998</b>	<b>112,723</b>
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Bank indebtedness	176	-
Accounts payable for investments purchased	-	-
Accounts payable for securities redeemed	119	198
Distributions payable	-	-
Accrued expenses and miscellaneous payables	-	4
Dividends payable on investments sold short	-	-
Derivative liabilities	35	-
Taxes payable	-	-
Other liabilities	-	-
<b>Total liabilities</b>	<b>330</b>	<b>202</b>
<b>Net assets attributable to securityholders</b>	<b>109,668</b>	<b>112,521</b>

	Net assets attributable to securityholders			
	per security		per series	
	Sept. 30 2019	Mar. 31 2019	Sept. 30 2019	Mar. 31 2019
Series A	12.13	12.57	20,356	21,990
Series F	12.31	12.75	9,771	11,414
Series I	12.41	12.86	9,817	10,788
Series O	12.49	12.94	46,151	44,099
Series Private Wealth	12.40	12.85	23,573	24,230
			109,668	112,521

**STATEMENTS OF COMPREHENSIVE INCOME**for the period ended September 30 (unaudited)  
(in \$ 000 except per security amounts)

	2019	2018
<b>Income:</b>		
Dividends	3,045	2,638
Interest and other income	3	5
Net realized gain (loss)	(234)	3,252
Net unrealized gain (loss)	(3,189)	914
Income (loss) from derivatives	-	-
Income (loss) from short selling	-	-
Securities lending income	-	-
Trust income	1	1
<b>Total income</b>	<b>(374)</b>	<b>6,810</b>
<b>Expenses:</b>		
Management fees	309	338
Management fee rebates	-	-
Administration fees	73	83
Commissions and other portfolio transaction costs	50	114
Independent Review Committee costs	1	1
Interest and other charges	3	4
<b>Expenses before amounts absorbed by Manager</b>	<b>436</b>	<b>540</b>
Expenses absorbed by Manager	-	-
<b>Net expenses</b>	<b>436</b>	<b>540</b>
<b>Increase (decrease) in net assets attributable to securityholders</b>		
<b>from operations before tax</b>	<b>(810)</b>	<b>6,270</b>
Foreign withholding tax expense (recovery)	270	302
Foreign income tax expense (recovery)	-	-
Income tax expense (recovery)	-	-
<b>Increase (decrease) in net assets attributable to securityholders</b>		
<b>from operations</b>	<b>(1,080)</b>	<b>5,968</b>

	Increase (decrease) in net assets attributable to securityholders from operations			
	per security		per series	
	2019	2018	2019	2018
Series A	(0.26)	0.56	(430)	832
Series F	(0.17)	0.66	(137)	511
Series I	(0.11)	0.76	(75)	582
Series O	(0.10)	0.79	(255)	2,586
Series Private Wealth	(0.11)	0.76	(183)	1,457
			(1,080)	5,968

**STATEMENTS OF CHANGES IN FINANCIAL POSITION**

for the periods ended September 30 (unaudited) (in \$ 000 except when stated)

	TOTAL		SERIES A		SERIES F		SERIES I	
	2019	2018	2019	2018	2019	2018	2019	2018
<b>Net assets attributable to securityholders, beginning of period</b>	112,521	126,298	21,990	22,683	11,414	11,199	10,788	11,008
Increase (decrease) in net assets attributable to securityholders resulting from:								
<b>Operations</b>	(1,080)	5,968	(430)	832	(137)	511	(75)	582
<b>Distributions:</b>								
Income	(2,715)	(1,741)	(321)	(113)	(229)	(118)	(282)	(191)
Capital gains	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-
Management fee rebates	-	-	-	-	-	-	-	-
<b>Total distributions</b>	(2,715)	(1,741)	(321)	(113)	(229)	(118)	(282)	(191)
<b>Security transactions:</b>								
Proceeds from sale of securities	9,296	10,296	1,009	2,623	789	3,471	454	1,714
Proceeds from securities issued on merger	-	-	-	-	-	-	-	-
Reinvested from distributions	2,610	1,684	292	102	161	81	275	186
Payment on redemption of securities	(10,964)	(20,083)	(2,184)	(3,120)	(2,227)	(3,004)	(1,343)	(1,462)
<b>Total security transactions</b>	942	(8,103)	(883)	(395)	(1,277)	548	(614)	438
<b>Increase (decrease) in assets attributable to securityholders</b>	(2,853)	(3,876)	(1,634)	324	(1,643)	941	(971)	829
<b>Net assets attributable to securityholders, end of period</b>	109,668	122,422	20,356	23,007	9,771	12,140	9,817	11,837
<b>Increase (decrease) in securities (in thousands):</b>								
<b>Securities outstanding, beginning of period</b>			1,750	1,558	895	756	839	736
Add (deduct):								
Securities sold			82	175	64	228	36	112
Securities issued on merger			-	-	-	-	-	-
Reinvested from distributions			23	7	13	6	22	12
Securities redeemed			(177)	(209)	(178)	(197)	(106)	(95)
<b>Securities outstanding, end of period</b>			1,678	1,531	794	793	791	765

	SERIES O		SERIES PRIVATE WEALTH	
	2019	2018	2019	2018
<b>Net assets attributable to securityholders, beginning of period</b>	44,099	51,811	24,230	29,597
Increase (decrease) in net assets attributable to securityholders resulting from:				
<b>Operations</b>	(255)	2,586	(183)	1,457
<b>Distributions:</b>				
Income	(1,222)	(856)	(661)	(463)
Capital gains	-	-	-	-
Return of capital	-	-	-	-
Management fee rebates	-	-	-	-
<b>Total distributions</b>	(1,222)	(856)	(661)	(463)
<b>Security transactions:</b>				
Proceeds from sale of securities	5,609	182	1,435	2,306
Proceeds from securities issued on merger	-	-	-	-
Reinvested from distributions	1,222	856	660	459
Payment on redemption of securities	(3,302)	(5,977)	(1,908)	(6,520)
<b>Total security transactions</b>	3,529	(4,939)	187	(3,755)
<b>Increase (decrease) in assets attributable to securityholders</b>	2,052	(3,209)	(657)	(2,761)
<b>Net assets attributable to securityholders, end of period</b>	46,151	48,602	23,573	26,836
<b>Increase (decrease) in securities (in thousands):</b>				
<b>Securities outstanding, beginning of period</b>	3,407	3,442	1,886	1,981
Add (deduct):				
Securities sold	451	11	114	150
Securities issued on merger	-	-	-	-
Reinvested from distributions	96	55	52	30
Securities redeemed	(260)	(386)	(151)	(424)
<b>Securities outstanding, end of period</b>	3,694	3,122	1,901	1,737

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

**STATEMENTS OF CASH FLOWS**

for the periods ended September 30 (unaudited) (in \$ 000)

	2019	2018
<b>Cash flows from operating activities</b>		
Increase (decrease) in net assets attributable to securityholders from operations	(1,080)	5,968
<b>Less non-cash impact of:</b>		
Net realized loss (gain) on investments	234	(3,252)
Change in net unrealized loss (gain) on investments	3,189	(914)
Distributions received from Underlying Funds	-	-
<b>Adjustments for:</b>		
Proceeds from sale and maturity of investments	68,180	106,836
Purchases of investments	(69,666)	(101,716)
(Increase) decrease in accounts receivable and other assets	389	374
Increase (decrease) in accounts payable and other liabilities	(4)	-
<b>Net cash provided by (used in) operating activities</b>	<b>1,242</b>	<b>7,296</b>
<b>Cash flows from financing activities:</b>		
Proceeds from securities issued	9,273	9,926
Proceeds from securities issued on merger	-	-
Payments on redemption of securities	(11,043)	(20,479)
Distributions paid net of reinvestments	(105)	(57)
<b>Net cash provided by (used in) financing activities</b>	<b>(1,875)</b>	<b>(10,610)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(633)</b>	<b>(3,314)</b>
Cash and cash equivalents at beginning of period	455	3,265
Effect of exchange rate fluctuations on cash and cash equivalents	2	-
<b>Cash and cash equivalents, end of period</b>	<b>(176)</b>	<b>(49)</b>
Cash	-	-
Cash equivalents	-	-
Bank indebtedness	(176)	(49)
	(176)	(49)
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received net of withholding taxes	3,164	2,710
Interest received net of withholding taxes	3	5
Interest paid	3	3
Income taxes paid (recovered)	-	-

**SCHEDULE OF INVESTMENTS**

as at September 30, 2019 (unaudited)

	Country	Sector	No. of Units/ Shares	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>EQUITIES</b>					
Accent Group Ltd.	Australia	Consumer Discretionary	63,823	96	97
ACEA SPA	Italy	Utilities	6,617	173	175
Agricultural Bank of China Ltd. H	China	Financials	2,668,000	1,579	1,383
Air New Zealand Ltd.	New Zealand	Industrials	253,733	479	589
Allianz SE Reg.	Germany	Financials	3,657	1,084	1,129
Anthem Inc.	United States	Health Care	5,437	1,742	1,728
Asian Pay Television Trust	Singapore	Communication Services	1,696,900	298	271
ASR Nederland NV	Netherlands	Financials	6,400	299	313
Athens Water Supply & Sewerage Co. SA	Greece	Utilities	5,020	57	58
Atlantica Yield PLC	United States	Utilities	43,907	1,176	1,400
Aygaz AS	Turkey	Utilities	12,093	31	33
Bank of China Ltd. H	China	Financials	2,405,000	1,325	1,251
Bank of Communications Co. Ltd. H	China	Financials	1,573,000	1,614	1,360
Bank of Montreal	Canada	Financials	15,700	1,599	1,532
Barrett Business Services Inc.	United States	Industrials	2,236	255	263
BCE Inc.	Canada	Communication Services	3,495	222	224
BG Staffing Inc.	United States	Industrials	3,798	126	96
BHP Billiton Ltd.	Australia	Materials	19,415	677	637
Booz Allen Hamilton Holding Corp.	United States	Information Technology	17,427	1,443	1,638
Boyd Group Income Fund	Canada	Industrials	2,200	326	386
BR Malls Participacoes SA	Brazil	Real Estate	38,236	194	177
Canadian Imperial Bank of Commerce	Canada	Financials	15,843	1,706	1,732
China Construction Bank Corp. H	China	Financials	1,397,000	1,496	1,411
China Minsheng Banking Corp. Ltd.	China	Financials	585,000	527	527
Cineplex Inc.	Canada	Communication Services	10,200	264	247
Clas Ohlson AB	Sweden	Consumer Discretionary	10,403	139	132
CNOOC Ltd.	China	Energy	127,000	292	257
Cogeco Inc. Sub. voting	Canada	Communication Services	600	50	57
Colgate Palmolive Co.	United States	Consumer Staples	16,585	1,566	1,614
Comcast Corp. Class A	United States	Communication Services	26,542	1,501	1,584
Compania de Distribucion Integral Logista SA	Spain	Industrials	5,295	183	137
Computacenter PLC	United Kingdom	Information Technology	6,909	110	145
Consorcio ARA SAB de CV	Mexico	Consumer Discretionary	69,451	28	19
Core-Mark Holding Co. Inc.	United States	Consumer Discretionary	6,034	292	256
DBS Group Holdings Ltd.	Singapore	Financials	57,700	1,501	1,382
D'leteren SA	Belgium	Consumer Discretionary	2,207	131	158
Enel SPA	Italy	Utilities	201,481	1,598	1,992
Enghouse Systems Ltd.	Canada	Information Technology	4,200	144	153
Eregli Demir Ve Celik Fabrikalari TAS	Turkey	Materials	962,136	2,278	1,545
The Estee Lauder Companies Inc. Class A	United States	Consumer Staples	6,073	1,343	1,599
Fisher & Paykel Healthcare Corp. Ltd.	New Zealand	Health Care	12,585	175	181
Ford Otomotiv Sanayi AS	Turkey	Consumer Discretionary	27,932	345	389
Fortescue Metals Group Ltd.	Australia	Materials	232,865	1,566	1,831
Fujitsu Ltd.	Japan	Information Technology	14,400	1,367	1,526
Fusion Partners Co.	Japan	Information Technology	2,300	23	28
Gamania Digital Entertainment Co. Ltd.	Taiwan	Communication Services	8,000	22	20
Genpact Ltd.	United States	Information Technology	8,548	392	438
Global Net Lease Inc.	United States	Real Estate	850	22	22
Grupo Aval Acciones y Valores SA	Colombia	Financials	4,627	49	46
Grupo Financiero Banorte SAB de CV Series O	Mexico	Financials	60,326	406	429
Grupo Financiero Inbursa SAB de CV	Mexico	Financials	62,126	96	105
GS Engineering & Construction Corp.	South Korea	Industrials	308	17	11
H. Lundbeck AS	Denmark	Health Care	4,725	248	207
Hamilton Beach Brands Holdings Co.	United States	Consumer Discretionary	1,526	63	33
Hana Financial Group Inc.	South Korea	Financials	36,178	1,542	1,408
Heidrick & Struggles International Inc.	United States	Industrials	1,915	70	69
Hera SpA	Italy	Utilities	203,074	931	1,104
Hilltop Holdings Inc.	United States	Financials	4,235	120	134
Humana Inc.	United States	Health Care	1,675	582	567
IA Financial Corporate Inc.	Canada	Financials	700	36	42
Industria de Diseno Textil SA (Inditex)	Spain	Consumer Discretionary	19,032	744	780
Industrial and Commercial Bank of China Ltd. H	China	Financials	1,650,000	1,427	1,463
Industrial Bank of Korea	South Korea	Financials	56,421	876	822
Insperty Inc.	United States	Industrials	10,007	1,622	1,306
Inter Parfums Inc.	United States	Consumer Staples	2,865	252	265
International Consolidated Airlines Group SA	United Kingdom	Industrials	32,533	355	252
Intuit Inc.	United States	Information Technology	5,162	1,503	1,817
IRB Brasil Resseguros SA	Brazil	Financials	59,400	658	710
IREN SPA	Italy	Utilities	46,115	160	178
Johnson Outdoors Inc. Class A	United States	Consumer Discretionary	9,194	839	713
KBC Ancora	Belgium	Financials	2,269	140	134
Kforce Inc.	United States	Industrials	12,031	553	602
Kimberly-Clark Corp.	United States	Consumer Staples	8,975	1,633	1,687
Klepierre	France	Real Estate	8,049	356	362
Koc Holding AS	Turkey	Industrials	179,326	684	795
Koninklijke (Royal) KPN NV	Netherlands	Communication Services	390,211	1,647	1,611

**SCHEDULE OF INVESTMENTS (continued)**

as at September 30, 2019 (unaudited)

	Country	Sector	No. of Units/ Shares	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>EQUITIES (continued)</b>					
Koninklijke Philips NV	Netherlands	Health Care	24,222	1,486	1,485
Luminex Corp.	United States	Health Care	10,116	319	277
Malayan Banking BHD	Malaysia	Financials	221,800	687	597
Manpower Inc.	United States	Industrials	12,357	1,578	1,378
Manulife Financial Corp.	Canada	Financials	17,100	379	416
Mastercard Inc. Class A	United States	Information Technology	3,815	912	1,371
Medifast Inc.	United States	Consumer Staples	5,286	1,075	725
Menicon Co. Ltd.	Japan	Health Care	2,300	104	107
Mercer International Inc.	Canada	Materials	2,103	45	35
Metropole Television SA	France	Communication Services	13,061	334	284
Microsoft Corp.	United States	Information Technology	10,775	329	1,983
MOL Magyar Olaj-es Gazipari RT	Hungary	Energy	33,844	426	422
Monash IVF Group Ltd.	Australia	Health Care	7,645	8	7
Motor Oil (Hellas) Corinth Refineries SA	Greece	Energy	36,191	690	1,119
Muenchener Rueckversicherungs – Gesellschaft AG (MunichRe)	Germany	Financials	4,704	1,516	1,611
National Bank of Canada	Canada	Financials	19,800	1,253	1,305
NetEnt AB	Sweden	Consumer Discretionary	27,757	123	113
NIC Inc.	United States	Information Technology	15,153	415	414
Nichii Gakkan Co.	Japan	Health Care	5,800	110	126
Nippon Telegraph & Telephone Corp. (NTT)	Japan	Communication Services	4,900	286	309
NN Group NV	Netherlands	Financials	14,753	676	693
Novartis AG Reg.	Switzerland	Health Care	4,374	456	502
NTT DoCoMo Inc.	Japan	Communication Services	4,800	148	162
Nu Skin Enterprises Inc. Class A	United States	Consumer Staples	14,276	931	804
OMV AG	Austria	Energy	7,342	505	522
Oracle Corp.	United States	Information Technology	21,625	1,557	1,575
Orica Ltd.	Australia	Materials	28,273	531	569
Orion OYJ	Finland	Health Care	36,769	1,640	1,816
PepsiCo Inc.	United States	Consumer Staples	8,733	1,580	1,585
PetroChina Co. Ltd. H	China	Energy	142,000	124	97
Piaggio & C. SPA	Italy	Consumer Discretionary	51,147	198	200
Pizza Pizza Royalty Corp.	Canada	Consumer Discretionary	4,688	47	48
Plus500 Ltd.	Israel	Financials	6,475	145	80
The Procter & Gamble Co.	United States	Consumer Staples	12,293	1,204	2,024
Progress Software Corp.	United States	Information Technology	28,284	1,447	1,425
Proximus SA	Belgium	Communication Services	12,600	468	495
Prudential Financial Inc.	United States	Financials	7,031	838	837
PSA Peugeot Citroen	France	Consumer Discretionary	48,388	1,722	1,598
PT Indo Tambangraya Megah TBK	Indonesia	Energy	24,539	46	28
PTT Exploration and Production PCL	Thailand	Energy	368,900	1,498	1,931
QGEP Participacoes SA	Brazil	Energy	194,600	898	688
Raiffeisen International Bank-Holding AG	Austria	Financials	632	27	19
Redefine Property Ltd.	South Africa	Real Estate	1,745,629	1,263	1,195
Regis Resources Ltd.	Australia	Materials	174,702	742	765
Rent-A-Center Inc.	United States	Consumer Discretionary	680	24	23
Rio Tinto Ltd.	Australia	Materials	18,691	1,563	1,548
Roche Holding AG Genussscheine	Switzerland	Health Care	5,163	1,554	1,989
Royal Bank of Canada	Canada	Financials	1,400	143	150
Royal Mail PLC	United Kingdom	Industrials	101,442	409	350
Sanki Engineering Co. Ltd.	Japan	Industrials	11,300	150	177
Sapiens International Corp. NV	Israel	Information Technology	1,792	42	47
SK Hynix Inc.	South Korea	Information Technology	12,988	1,169	1,178
Skandinaviska Enskilda Banken AB (SEB) A	Sweden	Financials	11,162	140	136
Societa Cattolica di Assicurazioni Societa Cooperativa	Italy	Financials	5,205	65	59
Sonova Holding AG	Switzerland	Health Care	2,591	628	797
South32 Ltd.	Australia	Materials	530,773	1,863	1,243
Starbucks Corp.	United States	Consumer Discretionary	10,657	1,348	1,247
Telephone and Data Systems Inc.	United States	Communication Services	38,360	1,580	1,310
Ternium SA ADR	Luxembourg	Materials	23,916	598	607
Tetra Tech Inc.	United States	Industrials	4,129	431	474
Tinexta SpA	Italy	Industrials	5,401	105	93
TOPBI International Holdings Ltd.	Taiwan	Consumer Discretionary	31,000	116	129
The Toronto-Dominion Bank	Canada	Financials	5,082	351	393
True North Commercial Real Estate Investment Trust	Canada	Real Estate	3,775	25	26
Tupras-Turkiye Petrol Rafinerileri AS	Turkey	Energy	40,612	1,235	1,366
Valora Holding AG	Switzerland	Consumer Discretionary	366	134	131
Ventas Inc.	United States	Real Estate	9,706	901	938
Verizon Communications Inc.	United States	Communication Services	22,360	1,622	1,786
Visa Inc. Class A	United States	Information Technology	6,994	1,544	1,592
VP Bank AG	Liechtenstein	Financials	414	94	86
Wal-Mart Stores Inc.	United States	Consumer Staples	2,971	343	467
WD-40 Co.	United States	Consumer Staples	191	47	46
The Western Union Co.	United States	Information Technology	58,061	1,440	1,781

**SCHEDULE OF INVESTMENTS (continued)**

as at September 30, 2019 (unaudited)

	Country	Sector	No. of Units/ Shares	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>EQUITIES (continued)</b>					
Wolters Kluwer NV	Netherlands	Industrials	15,420	1,491	1,490
Yanzhou Coal Mining Co. Ltd. H	China	Energy	224,000	261	301
Yum! Brands Inc.	United States	Consumer Discretionary	7,060	1,102	1,060
Z Energy Ltd.	New Zealand	Energy	102,692	510	477
Zeal Network SE	Germany	Consumer Discretionary	1,424	50	35
Zhen Ding Technology Holding Ltd.	Taiwan	Information Technology	17,000	80	80
Zoomlion Heavy Industry Science and Technology Co. Ltd.	China	Industrials	53,400	43	48
				105,432	109,176
<b>COMMISSIONS AND OTHER PORTFOLIO TRANSACTION COSTS</b>				(50)	-
<b>TOTAL INVESTMENTS</b>				105,382	109,176

**Net Assets**

Total investments	109,176
Derivative assets (see schedule of forward currency contracts)	51
Derivative liabilities (see schedule of forward currency contracts)	(35)
Other net assets (liabilities)	476
	<u>109,668</u>

**Schedule of Asset Composition**

at September 30, 2019 (unaudited)

at March 31, 2019

	% of net assets
<b>BY ASSET TYPE</b>	
Equities	99.6
Other	0.4
<b>Total</b>	<b>100.0</b>

	% of net assets
<b>BY SECTOR</b>	
Financials	21.6
Information Technology	15.7
Consumer Staples	9.9
Health Care	8.9
Materials	8.0
Industrials	7.8
Communication Services	7.6
Energy	6.6
Consumer Discretionary	6.5
Utilities	4.5
Real Estate	2.5
Other	0.4
	<b>100.0</b>

	% of net assets
<b>BY REGION</b>	
United States	39.2
Europe ex U.K.	26.5
Pacific ex Japan	21.7
Canada	6.6
Japan	2.2
Latin America	1.9
Middle East and Africa	1.2
United Kingdom	0.7
	<b>100.0</b>

	% of net assets
<b>BY ASSET TYPE</b>	
Equities	99.1
Cash and cash equivalents	0.4
Other	0.5
<b>Total</b>	<b>100.0</b>

	% of net assets
<b>BY SECTOR</b>	
Energy	15.2
Financials	15.1
Health Care	14.1
Information Technology	12.0
Consumer Discretionary	11.2
Consumer Staples	9.2
Communication Services	8.1
Materials	5.6
Utilities	5.0
Industrials	3.5
Real Estate	0.1
Cash and cash equivalents	0.4
Other	0.5
	<b>100.0</b>

	% of net assets
<b>BY REGION</b>	
United States	36.1
Europe ex U.K.	27.5
Pacific ex Japan	18.2
Canada	9.6
Latin America	2.6
Japan	2.2
Middle East and Africa	1.9
United Kingdom	1.5
Cash and cash equivalents	0.4
	<b>100.0</b>

**Schedule of Derivative Instruments**

as at September 30, 2019 (unaudited)

**Schedule of Forward Currency Contracts**

Counterparty credit rating	Settlement date	Currency to be received (000)	Contract costs (CAD\$ 000)	Currency to be delivered (000)	Current fair value (CAD\$ 000)	Unrealized gains (CAD\$ 000)	Unrealized losses (CAD\$ 000)	
AA	10-28-2019	13,336 CAD	13,336	10,097 USD	13,371	-	(35)	
AA	10-28-2019	13,108 CAD	13,108	9,860 USD	13,057	51	-	
						51	(35)	
<b>TOTAL DERIVATIVE ASSETS</b>								51
<b>TOTAL DERIVATIVE LIABILITIES</b>								(35)



**NOTES TO INTERIM UNAUDITED FINANCIAL STATEMENTS****1. FISCAL PERIODS AND GENERAL INFORMATION**

The information provided in these financial statements and notes thereto is for the six-month periods ended or as at September 30, 2019 and 2018 (as applicable), except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at March 31, 2019. In the year a series is established, 'period' represents the period from inception to the period end of that fiscal period. Refer to Note 10 (a) for series inception dates.

The Fund is organized as an open-ended mutual fund trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust as amended and restated from time to time. The address of the Fund's registered office is 5015 Spectrum Way, Suite 300, Mississauga, Ontario, Canada. The Fund is authorized to issue an unlimited number of units (referred to as "security" or "securities") of multiple series. Series of the Fund are available for sale under Simplified Prospectus and/or exempt distribution options.

Counsel Portfolio Services Inc. (the "Manager" or "Counsel") acts as the Fund's manager and trustee.

**2. BASIS OF PREPARATION AND PRESENTATION**

These unaudited interim financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), including International Accounting Standard 34 Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). These financial statements were prepared using the same accounting policies, critical accounting judgments and estimates as applied in the Fund's most recent audited annual financial statements for the year ended March 31, 2019. A summary of the Fund's significant accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the Fund's functional currency, and are rounded to the nearest thousand unless otherwise indicated. These financial statements are prepared on a going concern basis using the historical cost basis, except for financial assets and liabilities that have been measured at fair value.

These financial statements were authorized for issue by Counsel's Board of Directors on November 12, 2019.

**3. SIGNIFICANT ACCOUNTING POLICIES****(a) Financial Instruments**

Financial instruments include financial assets and liabilities such as debt and equity securities and derivatives. The Fund classifies and measures financial instruments in accordance with IFRS 9 Financial Instruments. Upon initial recognition, financial instruments are classified as fair value through profit or loss ("FVTPL"). All financial instruments are recognized in the Statements of Financial Position when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date.

Investments are designated on initial recognition as FVTPL with changes in fair value recognized in the Statement of Comprehensive Income – Net unrealized gain (loss).

The Fund's redeemable securities contain multiple contractual obligations and therefore meet the criteria for classification as financial liabilities. The Fund's obligation for net assets attributable to securityholders is presented at the redemption amount.

Realized and unrealized gains and losses on investments are calculated based on average cost of investments and exclude commissions and other portfolio transaction costs, which are separately reported in the Statement of Comprehensive Income – Commissions and other portfolio transaction costs.

Gains and losses arising from changes in the fair value of the investments are included in the Statement of Comprehensive Income for the period in which they arise.

**(b) Fair Value Measurement**

Fair value is defined as 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.

Investments, including exchange traded funds ("ETFs"), listed on a public securities exchange or traded on an over-the-counter market are valued on the basis of the last traded market price where this price falls within the quoted bid-ask spread for the investment. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Unlisted or non-exchange traded investments, or investments where a last sale or close price is unavailable or investments for which market quotations are, in Counsel's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by the Manager using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data. The cost of investments is determined on a weighted average cost basis.

Cash and cash equivalents which includes cash on deposit with financial institutions and short term investments that are readily convertible to cash, are subject to an insignificant risk of changes in value, and are used by the Fund in the management of short-term commitments. Cash and cash equivalents are reported at fair value which closely approximates their amortized cost due to their nature of being highly liquid and having short terms to maturity.

The Fund may use derivatives (such as written options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Manager, provided that the use of the derivative is consistent with the Fund's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the Fund, as applicable.

Valuations of derivative instruments are carried out daily, using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives.

The value of forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out. The change in value of forward contracts is included in the Statements of Comprehensive Income – Other changes in fair value of investments - Net unrealized gain (loss).

Further information on the Fund's fair value measurements may be found in Note 10.

**(c) Income recognition**

Interest income from interest bearing investments is recognized using the effective interest method. Dividends are accrued as of the ex-dividend date. Realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, are calculated on an average cost basis.

Income, realized gains (losses) and unrealized gains (losses) are allocated daily among the series on a pro-rata basis.

**(d) Commissions and other portfolio transaction costs**

Commissions and other portfolio transaction costs are costs incurred to acquire financial assets or liabilities. They include fees and commissions paid to agents, advisers, brokers and dealers.

**(e) Securities lending, repurchase and reverse repurchase transactions**

The Fund is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the Fund's Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date. Securities lending transactions are administered by the Canadian Imperial Bank of Commerce (the "Securities Lending Agent"). The value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased. Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments, and financial institutions. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is included in the Statements of Comprehensive Income – Securities lending income and recognized when earned.

**(f) Foreign currency**

The functional and presentation currency of the Fund is Canadian dollars. Foreign currency purchases and sales of investments and foreign currency dividend and interest income and expenses are translated to Canadian dollars at the rate of exchange prevailing at the time of the transactions.

Foreign exchange gains (losses) on purchases and sales of foreign currencies are included in the Statements of Comprehensive Income – Net realized gain (loss).

The fair value of investments and other assets and liabilities, denominated in foreign currencies, are translated to Canadian dollars at the rate of exchange prevailing on each business day.

**NOTES TO INTERIM UNAUDITED FINANCIAL STATEMENTS****3. SIGNIFICANT ACCOUNTING POLICIES (continued)****(g) Offsetting**

The Fund only offsets financial assets and liabilities in the Statement of Financial Position when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statements of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts.

Income and expenses are not offset in the statement of comprehensive income unless required or permitted to by an accounting standard, as specifically disclosed in the IFRS policies of the Fund.

**(h) Net assets attributable to securityholders per security**

Net assets attributable to securityholders per security is computed by dividing the net assets attributable to securityholders of a series of securities on a business day by the total number of securities of the series outstanding on that day.

**(i) Net asset value per security**

Net asset value per security is determined for the purchase and redemption of securities in accordance with the methods disclosed in the Fund's Simplified Prospectus and Annual Information Form. These methods may vary from valuation principles under IFRS. The fair value of net assets presented in the financial statements is consistent with the net asset values calculated for the purchase and redemption of the Fund's redeemable securities calculated in accordance with securities regulations.

**(j) Increase (decrease) in net assets attributable to securityholders from operations per security**

Increase (decrease) in net assets attributable to securityholders from operations per security in the Statements of Comprehensive Income represents the increase (decrease) in net assets attributable to securityholders from operations for the period, divided by the weighted average number of securities outstanding during the period.

**(k) Mergers**

The Fund applies the acquisition method of accounting for Fund mergers. Under this method, one of the Funds in each merger is identified as the acquiring Fund, and is referred to as the Continuing Fund, and the other Fund involved in the merger is referred to as the Terminated Fund. This identification is based on the comparison of the relative net asset values of the Funds as well as consideration of the continuation of such aspects of the Continuing Fund as: investment advisors; investment objectives and practices; type of portfolio securities; and management fees and expenses.

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

The preparation of these financial statements requires management to make estimates and assumptions that primarily affect the valuation of investments. Estimates and assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

**Use of Estimates**

Fair value of securities not quoted in an active market

The Fund holds financial instruments that are not quoted in active markets and are valued using valuation techniques that make use of observable data, to the extent practicable. Various valuation techniques are utilized, depending on a number of factors, including comparison with similar instruments for which observable market prices exist and recent arm's length market transactions. Key inputs and assumptions used are company specific and may include estimated discount rates and expected price volatilities. Changes in key inputs, could affect the reported fair value of these financial instruments held by the Fund.

**Use of Judgments**

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 in order to determine the most appropriate classification in accordance with IFRS 9. The Manager has considered the Fund's business model, commitments to securityholders, and the manner in which investments are managed and evaluated as a group and has determined that irrevocable designation of financial instruments as financial assets or financial liabilities at fair value through profit or loss provides the most appropriate measurement and presentation of the Fund's investments and financial instruments.

**Functional currency**

The Fund's functional and presentation currency is the Canadian dollar, which is the currency considered to best represent the economic effects of the Fund's underlying transactions, events and conditions taking into consideration the manner in which securities are issued and redeemed and how returns and performance by the Fund are measured.

**5. INCOME TAXES**

The Fund qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its income including net realized capital gains in the taxation year, which is not paid or payable to its securityholders as at the end of the taxation year. It is the intention of the Fund to distribute all of its net income and sufficient net realized capital gains so that the Fund will not be subject to income taxes other than foreign withholding taxes, if applicable. The Fund's taxation year end is December 15.

Losses of the Fund cannot be allocated to securityholders and are retained in the Fund for use in future years. Non-capital losses incurred may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Net capital losses may be carried forward indefinitely to reduce future realized capital gains.

Refer to Note 10 (d) for a summary of the Fund's loss carryforwards.

**6. MANAGEMENT FEES AND OPERATING EXPENSES**

Counsel is paid a management fee for arranging for the management of the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements relating to the purchase and sale of the investment portfolio and making arrangements with registered dealers for the purchase and sale of securities of the Fund by securityholders.

Each series of the Fund, excluding series 0, is charged a fixed rate annual administration fee ("Administration Fee"), as applicable, and in return, Counsel bears all of the operating expenses of the Fund, other than certain specified fund costs.

Other fund costs include taxes (including, but not limited to GST/HST and income tax), interest and borrowing costs, all fees and expenses of the Counsel Funds' Independent Review Committee, costs of complying with the regulatory requirement to produce Fund Facts, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the Funds, and any new fees related to external services that were not commonly charged in the Canadian mutual fund industry and introduced after October 29, 2019 (the date of the Fund's last Simplified Prospectus).

The management fee and Administration Fee are calculated for each series of securities of the Fund as an annualized percentage of the daily net asset value of the series. Refer to Note 10 (a) for the management fee and Administration Fee rates charged to each series of securities.

At its sole discretion, the Manager may waive management fees or Administration fees otherwise payable by a series.

**7. FUND'S CAPITAL**

The capital of the Fund is divided into different series with each series having an unlimited number of securities. The securities outstanding for the Fund as at September 30, 2019 and March 31, 2019 and securities issued, reinvested and redeemed for the period are presented in the Statements of Changes in Financial Position. Counsel manages the capital of the Fund in accordance with the investment objectives and strategies as discussed in Note 10 (b).

**NOTES TO INTERIM UNAUDITED FINANCIAL STATEMENTS****8. FINANCIAL INSTRUMENTS RISK****(a) Risk exposure and management**

The Fund's investment activities expose it to a variety of financial risks, as defined in IFRS 7 *Financial Instruments: Disclosures* ("IFRS 7"). The Fund's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, grouped by asset type, with geographic and sector information.

The Manager seeks to minimize potential adverse effects of financial risks on the Fund's performance by employing professional, experienced portfolio advisors, by monitoring the Fund's positions and market events daily, by diversifying the investment portfolio within the constraints of the Fund's investment objectives and strategies, as disclosed in Note 10 (b), and where applicable, by using derivatives to hedge certain risk exposures. To assist in managing risks, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy, internal guidelines, and securities regulations.

**(b) Liquidity risk**

Liquidity risk arises when the Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable securities. In order to monitor the liquidity of its assets, the Fund utilizes a liquidity risk management program that calculates the number of days to convert the investments held by the Fund into cash using a multi-day liquidation approach. This liquidity risk analysis assesses the Fund's liquidity against pre-determined minimum liquidity percentages, established for different time periods, and is monitored quarterly. In addition, the Fund has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions. In order to comply with securities regulations, the Fund must maintain at least 85% of its assets in liquid investments (i.e. investments that can be readily sold).

Other investment funds managed by Counsel ("Top Funds") may invest in Series O securities offered by the Fund on a prospectus-exempt basis in accordance with the investment objectives of those funds. Series Private Wealth securities may also be issued on a prospectus-exempt basis to investors in the IPC Private Wealth program offered by IPC Securities Corporation, an affiliate of Counsel. From time to time, these holdings may be rebalanced by either reducing an allocation to the Fund or eliminating such investments in the Fund entirely. In either case, depending on the size of the investment by a large investor, this could cause a significant redemption from the Fund. Meeting such a redemption may require the Fund to sell portfolio holdings. This could result in the Fund selling a particular holding before it has achieved the valuation sought by the Manager thus affecting Fund returns. This could also result in the Fund realizing capital gains on its holdings earlier than planned, which could result in capital gains distributed to investors in the Fund (which could result in income tax payable by the investor) that might not have occurred or might have occurred at a later date. For the amounts held by and the changes thereto during the period pertaining to Series O and/or Series Private Wealth, please refer to the amounts disclosed in the Statement of Financial Position and Statement of Changes in Financial Position.

**(c) Credit Risk**

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment into which it has entered with the Fund.

All transactions in listed securities are executed with approved brokers. To minimize the possibility of settlement default, securities are exchanged for payment simultaneously, where market practices permit, through the facilities of a central depository and/or clearing agency where customary.

The carrying amount of investments and other assets represents the maximum credit risk exposure as at the dates of the Statements of Financial Position.

The Fund may enter into securities lending transactions with counterparties and it may also be exposed to credit risk from the counterparties to the derivative instruments it may use. Credit risk associated with these transactions is considered minimal as all counterparties have an approved credit rating equivalent to a Standard & Poor's credit rating of not less than A-1 (low) on their short-term debt and of A on their long-term debt, as applicable.

Note 10 (c) summarizes the Fund's exposure to credit risk pertaining to fixed income investments and derivatives.

**(d) Currency risk**

Currency risk arises when the fair value of financial instruments that are denominated in a currency other than the Canadian dollar, which is the Fund's reporting currency, fluctuates due to changes in exchange rates. Note 10 (c) summarizes the Fund's exposure to currency risk.

**(e) Interest rate risk**

Interest rate risk arises when the fair value of interest-bearing financial instruments fluctuates due to changes in the prevailing levels of market interest rates. Cash and cash equivalents do not expose the Fund to significant amounts of interest rate risk. Note 10 (c) summarizes the Fund's exposure to interest rate risk related to fixed income investments including indirect exposure through ETFs.

**(f) Other price risk**

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. This risk is managed through a careful selection of investments and other financial instruments within the parameters of the investment strategy. Note 10 (c) summarizes the Fund's exposure to other price risk, including indirect exposure through ETFs.

**9. FURTHER INFORMATION**

A copy of the Fund's current Simplified Prospectus, Annual Information Form, Management Report of Fund Performance, Fund Fact Sheets, quarterly portfolio disclosures and proxy voting policies and disclosures will be provided, without charge, by: calling toll-free 1-877-625-9885, writing to Counsel Portfolio Services Inc., 5015 Spectrum Way, Suite 300, Mississauga, ON, L4W 0E4, by visiting our website at [www.counsel-services.com](http://www.counsel-services.com) or by visiting [www.sedar.com](http://www.sedar.com).

**NOTES TO INTERIM UNAUDITED FINANCIAL STATEMENTS**

All figures stated in \$000s of Canadian dollars, except for Note 10(a), unless otherwise noted

**10. FUND SPECIFIC INFORMATION****(a) Series information**

Series	Date of Inception	Minimum Investment (\$)	Management Fee <sup>7</sup> (%)	Administration Fee <sup>7</sup> (%)
Series A <sup>1</sup>	July 13, 2012	1,000	2.10	0.31
Series F <sup>2,3</sup>	July 13, 2012	1,000	1.10	0.15
Series I <sup>2,3,4,7</sup>	July 13, 2012	1,000	-	0.15
Series O <sup>3,5</sup>	July 24, 2012	-	-	-
Series Private Wealth <sup>3,6</sup>	July 13, 2012	-	-	0.15

<sup>1</sup> As described in the Fund's Simplified Prospectus, securities of this series purchased under the sales charge purchase option may be subject to a fee of up to 5%; securities purchased under the redemption charge or low-load purchase options may be subject to a redemption fee of up to 6% or 3% respectively.

<sup>2</sup> A negotiable advisory or asset-based fee (plus sales taxes) is payable by investors to their dealer(s) in connection with the securities held in this series. The fee may be collected by Counsel from the investor's account through redemption of securities and remitted to the dealer at the investor's request. Alternatively, the dealer may collect it directly from the investor. Investors in this series may be eligible for a management fee reduction subject to meeting certain requirements as discussed in the Fund's Simplified Prospectus.

<sup>3</sup> Securities of this series are not subject to sales charges or redemption charges.

<sup>4</sup> The management fee for this series is 1.10% and is payable directly to Counsel generally through the monthly redemption of securities.

<sup>5</sup> There are no management or administration fees for this series since these securities are designed to facilitate fund-of-fund investing where duplication of management fees is prohibited.

<sup>6</sup> There are no management fees for Series Private Wealth. An investor must enter into an agreement to participate in the IPC Private Wealth Program and agree to pay certain asset-based fees.

<sup>7</sup> Counsel may, at its discretion, waive or lower the management fee (either directly or indirectly) and/or administration fee payable by investors.

**(b) Investment Objectives and Strategies**

The Fund seeks to earn dividend income and long-term growth of capital by investing primarily in Canadian, U.S. and international equities.

**(c) Risks Associated with Financial Instruments**

## i. Currency Risk

The table below indicates the foreign currencies, to which the Fund had significant exposure as at period end in Canadian dollar terms, including the underlying principal amount of forward currency contracts.

Currency	September 30, 2019			
	Investments	Cash and cash equivalents	Derivative instruments	Net exposure
Australian dollars	6,698	34	-	6,732
Brazilian real	1,574	1	-	1,575
Chinese yuan	1,411	-	-	1,411
Euro	20,256	8	-	20,264
Hong Kong dollars	6,685	-	-	6,685
Japanese yen	2,434	-	-	2,434
Singapore dollars	1,653	5	-	1,658
South Korean won	3,419	-	-	3,419
Swiss franc	3,505	-	-	3,505
Thailand baht	1,931	-	-	1,931
Turkish lire	4,129	-	-	4,129
United States dollars	42,954	(146)	(26,428)	16,380
Other currencies	5,750	28	-	5,778
<b>Total</b>	<b>102,399</b>	<b>(70)</b>	<b>(26,428)</b>	<b>75,901</b>
As percent of net assets (%)				69.2

Currency	March 31, 2019			
	Investments	Cash and cash equivalents	Derivative instruments	Net exposure
Australian dollars	2,711	11	-	2,722
Brazilian real	2,165	-	-	2,165
Chinese yuan	7,714	-	-	7,714
Euro	18,893	(3)	-	18,890
Israel sheqel	2,154	22	-	2,176
Japanese yen	2,513	-	-	2,513
Norwegian krona	2,595	-	-	2,595
Swiss franc	3,856	2	-	3,858
Thailand baht	2,861	-	-	2,861
Turkish lire	3,430	-	-	3,430
United States dollars	40,665	263	(13,200)	27,728
Other currencies	11,625	95	-	11,720
<b>Total</b>	<b>101,182</b>	<b>390</b>	<b>(13,200)</b>	<b>88,372</b>
As percent of net assets (%)				78.6

As at September 30, 2019, had the Canadian dollar strengthened or weakened by 5.0% relative to all foreign currencies, with all other variables held constant, net assets would have decreased or increased by approximately \$3,796 or 3.5% of total net assets (March 31, 2019 – \$4,421 or 3.9% of total net assets). In practice, the actual trading results may differ and the difference could be material.

**NOTES TO INTERIM UNAUDITED FINANCIAL STATEMENTS**

All figures stated in \$000s of Canadian dollars, except for Note 10(a), unless otherwise noted

**10. FUND SPECIFIC INFORMATION****(c) Risks Associated with Financial Instruments (continued)**

## ii. Interest Rate Risk

As at September 30, 2019 and March 31, 2019, the Fund did not have a significant exposure to interest rate risk related to fixed income investments.

## iii. Other Price Risk

The Fund's most significant exposure to other price risk arises from its investment in equity securities. As at September 30, 2019, had the prices on the respective stock exchanges for these securities raised or lowered by 10.0%, with all other variables held constant, net assets would have increased or decreased by approximately \$10,918 or 10.0% of total net assets (March 31, 2019 – \$11,150 or 9.9% of total net assets). In practice, the actual trading results may differ and the difference could be material.

## iv. Credit Risk

As at September 30, 2019 and March 31, 2019, the Fund did not have a significant exposure to credit risk related to fixed income investments.

**(d) Loss Carryforwards**

As at the last taxation year-end, the Fund had no loss carryforwards available to offset future taxable income.

**(e) Fair Value Classification**

The table below summarizes the Fund's financial instruments carried at fair value using the following fair value hierarchy:

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.

as at September 30, 2019	Level 1	Level 2	Level 3	Total
Fixed income	-	-	-	-
Equities	109,176	-	-	109,176
Cash equivalents	-	-	-	-
Derivative assets	-	51	-	51
Derivative liabilities	-	(35)	-	(35)
<b>Total</b>	<b>109,176</b>	<b>16</b>	<b>-</b>	<b>109,192</b>

  

as at March 31, 2019	Level 1	Level 2	Level 3	Total
Fixed income	-	-	-	-
Equities	111,504	-	-	111,504
Cash equivalents	-	-	-	-
Derivative assets	-	57	-	57
Derivative liabilities	-	-	-	-
<b>Total</b>	<b>111,504</b>	<b>57</b>	<b>-</b>	<b>111,561</b>

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for non-North American equities when North American intraday stock market movements exceed predetermined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. Consequently, during the period, non-North American equities frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices).

As of September 30, 2019, these securities were classified as Level 1 (March 31, 2019 – Level 1). Other than as described above, there were no significant transfers between Level 1 and Level 2.



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