

**COUNSEL | PORTFOLIO SERVICES**

# *Counsel Global Low Volatility Equity*

ANNUAL FINANCIAL STATEMENTS

For the year ended March 31, 2020

## COUNSEL | PORTFOLIO SERVICES

# Management's *Responsibility for Financial Reporting*

To the securityholders of:

Counsel All Equity Portfolio

Counsel Balanced Portfolio

Counsel Canadian Core Fixed Income

Counsel Canadian Dividend

Counsel Canadian Growth

Counsel Canadian Value

Counsel Conservative Portfolio

Counsel Defensive Global Equity

Counsel Fixed Income

Counsel Global Dividend

Counsel Global Fixed Income

Counsel Global Low Volatility Equity

Counsel Global Real Estate

Counsel Global Small Cap

Counsel Global Trend Strategy

Counsel Growth Portfolio

Counsel High Income Portfolio

Counsel High Yield Fixed Income

Counsel International Growth

Counsel International Value

Counsel Money Market

Counsel Monthly Income Portfolio

Counsel North American High Yield Bond

Counsel Retirement Accumulation Portfolio

Counsel Retirement Foundation Portfolio

Counsel Retirement Income Portfolio

Counsel Retirement Preservation Portfolio

Counsel Short Term Bond

Counsel U.S. Growth

Counsel U.S. Value

IPC Multi-Factor Canadian Equity

IPC Multi-Factor International Equity

IPC Multi-Factor U.S. Equity

(collectively, "the Funds")

The accompanying financial statements have been prepared by Counsel Portfolio Services Inc. ("Counsel"), as manager of the Funds. The statements have been approved by the Board of Directors of Counsel (the "Board"). Management is responsible for the information and representations contained in these financial statements.

Counsel maintains internal controls over the financial reporting process to ensure that relevant and reliable financial information is provided. The financial statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgments. The significant accounting policies, which management believes are appropriate for the Funds, are described in note 3 to the financial statements.

The Board is responsible for reviewing and approving the financial statements and overseeing the Manager's performance of its financial reporting responsibilities. The Board is assisted in discharging this responsibility by an Audit Committee, which reviews the financial statements and recommends them for approval by the Board. The Audit Committee also meets regularly with the Manager, internal auditors and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues.

Deloitte LLP are the external auditors of the Funds. They are appointed by the Board. The external auditors have audited the financial statements in accordance with generally accepted auditing standards to enable them to express to securityholders their opinion on the financial statements.



**Chris Reynolds**  
Director

July 13, 2020



**Paulette Jervis**  
Chief Financial Officer

July 13, 2020

## Independent Auditor's Report

To the Securityholders of:

Counsel Fixed Income	Counsel Global Dividend
Counsel Money Market	Counsel High Yield Fixed Income
Counsel Balanced Portfolio	Counsel High Income Portfolio
Counsel Conservative Portfolio	Counsel Global Fixed Income
Counsel Growth Portfolio	Counsel Global Trend Strategy
Counsel All Equity Portfolio	Counsel North American High Yield Bond
Counsel Monthly Income Portfolio	Counsel Retirement Preservation Portfolio
Counsel Global Small Cap	Counsel Retirement Foundation Portfolio
Counsel Canadian Dividend	Counsel Retirement Accumulation Portfolio
Counsel Canadian Value	Counsel Retirement Income Portfolio
Counsel Canadian Growth	Counsel Defensive Global Equity
Counsel U.S. Value	Counsel Global Low Volatility Equity
Counsel U.S. Growth	Counsel Canadian Core Fixed Income
Counsel International Value	IPC Multi-Factor Canadian Equity
Counsel International Growth	IPC Multi-Factor U.S. Equity
Counsel Global Real Estate	IPC Multi-Factor International Equity
Counsel Short Term Bond	

(the "Funds" and each individually, the "Fund")

### Opinion

We have audited the financial statements of each of the Funds, which comprise the statements of financial position as at March 31, 2020 and 2019, and the statements of comprehensive income, changes in financial position and cash flows for the periods then ended, as indicated in note 1, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of each of the Funds as at March 31, 2020 and 2019, as applicable, and its financial performance and its cash flows for the periods then ended, as indicated in note 1, in accordance with International Financial Reporting Standards ("IFRS").

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Other Information**

Management is responsible for the other information. The other information comprises the Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

/s/ Deloitte LLP

Chartered Professional Accountants  
Licensed Public Accountants  
July 13, 2020

**STATEMENTS OF FINANCIAL POSITION**

at March 31, 2020 with comparative figures at March 31, 2019  
(in \$ 000 except per security amounts)

	2020	2019
<b>Assets</b>		
<b>Current assets:</b>		
Investments at fair value	91,856	64,507
Cash and cash equivalents	1,055	1,000
Accrued interest receivable	-	-
Dividends receivable	359	248
Accounts receivable for investments sold	-	-
Accounts receivable for securities issued	163	294
Accounts receivable from the Manager	-	-
Margin with broker	-	-
Derivative assets	-	-
Other assets	-	-
	93,433	66,049
<b>Non-current assets:</b>		
Taxes recoverable	-	-
Other assets	-	-
	-	-
<b>Total assets</b>	93,433	66,049
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Bank indebtedness	-	-
Accounts payable for investments purchased	-	811
Accounts payable for securities redeemed	-	17
Distributions payable	-	-
Accrued expenses and miscellaneous payables	-	-
Dividends payable on investments sold short	-	-
Derivative liabilities	-	-
Taxes payable	-	-
Other liabilities	-	-
<b>Total liabilities</b>	-	828
<b>Net assets attributable to securityholders</b>	93,433	65,221

	Net assets attributable to securityholders			
	per security		per series	
	2020	2019	2020	2019
Series O	9.33	10.78	93,433	65,221
			93,433	65,221

**STATEMENTS OF COMPREHENSIVE INCOME**

for the periods ended March 31  
(in \$ 000 except per security amounts)

	2020	2019
<b>Income:</b>		
Dividends	2,573	1,855
Interest and other income	15	9
Net realized gain (loss)	784	1,809
Net unrealized gain (loss)	(13,696)	1,807
Income (loss) from derivatives	-	-
Income (loss) from short selling	-	-
Securities lending income	8	4
Trust income	5	3
<b>Total income</b>	(10,311)	5,487
<b>Expenses:</b>		
Management fees	-	-
Management fee rebates	-	-
Administration fees	-	-
Commissions and other portfolio transaction costs	55	35
Independent Review Committee costs	-	-
Interest and other charges	1	1
<b>Expenses before amounts absorbed by Manager</b>	56	36
Expenses absorbed by Manager	-	-
<b>Net expenses</b>	56	36
<b>Increase (decrease) in net assets attributable to securityholders from operations before tax</b>	(10,367)	5,451
Foreign withholding tax expense (recovery)	277	240
Foreign income tax expense (recovery)	-	-
Income tax expense (recovery)	-	-
<b>Increase (decrease) in net assets attributable to securityholders from operations</b>	(10,644)	5,211

	Increase (decrease) in net assets attributable to securityholders from operations			
	per security		per series	
	2020	2019	2020	2019
Series O	(0.97)	0.98	(10,644)	5,211
Series R	n/a	0.40	n/a	-
			(10,644)	5,211

**STATEMENTS OF CHANGES IN FINANCIAL POSITION**

for the periods ended March 31 (in \$ 000 except when stated)

	TOTAL		SERIES O		SERIES R	
	2020	2019	2020	2019	2020	2019
<b>Net assets attributable to securityholders, beginning of period</b>	65,221	46,162	65,221	46,161	-	1
Increase (decrease) in net assets attributable to securityholders resulting from:						
<b>Operations</b>	(10,644)	5,211	(10,644)	5,211	-	-
<b>Distributions:</b>						
Income	(2,238)	(1,502)	(2,238)	(1,502)	-	-
Capital gains	(1,511)	(2,042)	(1,511)	(2,042)	-	-
Return of capital	-	-	-	-	-	-
Management fee rebates	-	-	-	-	-	-
<b>Total distributions</b>	(3,749)	(3,544)	(3,749)	(3,544)	-	-
<b>Security transactions:</b>						
Proceeds from sale of securities	44,665	18,411	44,665	18,411	-	-
Proceeds from securities issued on merger	-	-	-	-	-	-
Reinvested from distributions	3,749	3,544	3,749	3,544	-	-
Payment on redemption of securities	(5,809)	(4,563)	(5,809)	(4,562)	-	(1)
<b>Total security transactions</b>	42,605	17,392	42,605	17,393	-	(1)
<b>Increase (decrease) in assets attributable to securityholders</b>	28,212	19,059	28,212	19,060	-	(1)
<b>Net assets attributable to securityholders, end of period</b>	93,433	65,221	93,433	65,221	-	-
<b>Increase (decrease) in securities (in thousands):</b>						
<b>Securities outstanding, beginning of period</b>			6,050	4,415	-	-
Add (deduct):						
Securities sold			4,189	1,717	-	-
Securities issued on merger			-	-	-	-
Reinvested from distributions			357	345	-	-
Securities redeemed			(582)	(427)	-	-
<b>Securities outstanding, end of period</b>			10,014	6,050	-	-

**STATEMENTS OF CASH FLOWS**

for the periods ended March 31  
(in \$ 000)

	2020	2019
<b>Cash flows from operating activities</b>		
Increase (decrease) in net assets attributable to securityholders from operations	(10,644)	5,211
<b>Less non-cash impact of:</b>		
Net realized loss (gain) on investments	(784)	(1,809)
Change in net unrealized loss (gain) on investments	13,696	(1,807)
Distributions received from Underlying Funds	-	-
<b>Adjustments for:</b>		
Proceeds from sale and maturity of investments	73,516	47,015
Purchases of investments	(114,588)	(62,256)
(Increase) decrease in accounts receivable and other assets	(111)	(96)
Increase (decrease) in accounts payable and other liabilities	-	-
<b>Net cash provided by (used in) operating activities</b>	<b>(38,915)</b>	<b>(13,742)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from securities issued	44,796	18,208
Proceeds from securities issued on merger	-	-
Payments on redemption of securities	(5,826)	(4,638)
Distributions paid net of reinvestments	-	-
<b>Net cash provided by (used in) financing activities</b>	<b>38,970</b>	<b>13,570</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>55</b>	<b>(172)</b>
Cash and cash equivalents at beginning of period	1,000	1,171
Effect of exchange rate fluctuations on cash and cash equivalents	-	1
<b>Cash and cash equivalents, end of period</b>	<b>1,055</b>	<b>1,000</b>
Cash	1,055	1,000
Cash equivalents	-	-
Bank indebtedness	-	-
	1,055	1,000
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received net of withholding taxes	2,185	1,519
Interest received net of withholding taxes	15	9
Interest paid	1	1
Income taxes paid (recovered)	-	-



**SCHEDULE OF INVESTMENTS**

as at March 31, 2020

	Country	Sector	No. of Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>EXCHANGE TRADED FUNDS</b>					
Vanguard FTSE Developed Markets ETF	Multinational	Exchange Traded Funds	9,666	470	454
Vanguard S&P 500 ETF	Multinational	Exchange Traded Funds	2,083	728	696
				1,198	1,150
<b>EQUITIES</b>					
3i Group PLC	United Kingdom	Financials	9,840	177	136
Adecco Group SA	Switzerland	Industrials	4,743	380	264
Agnico-Eagle Mines Ltd.	Canada	Materials	7,243	436	407
Allianz SE Reg.	Germany	Financials	3,901	1,234	947
The Allstate Corp.	United States	Financials	8,904	1,312	1,151
Alphabet Inc. Class A	United States	Communication Services	384	599	629
Alstom SA	France	Industrials	4,090	242	241
Amazon.com Inc.	United States	Consumer Discretionary	197	450	542
American Tower Corp. Class A	United States	Real Estate	4,438	1,260	1,362
Aon PLC	United States	Financials	4,874	1,297	1,134
Apple Inc.	United States	Information Technology	4,263	1,083	1,528
Aroundtown SA	Germany	Real Estate	13,521	152	95
Astellas Pharma Inc.	Japan	Health Care	56,300	1,114	1,228
AT&T Inc.	United States	Communication Services	25,333	1,172	1,041
Atos Origin	France	Information Technology	2,667	345	254
Auto Trader Group PLC	United Kingdom	Communication Services	19,676	164	151
AutoZone Inc.	United States	Consumer Discretionary	851	1,302	1,015
AvalonBay Communities Inc.	United States	Real Estate	3,334	941	692
Baker Hughes Co.	United States	Energy	20,699	590	306
Bank of Montreal	Canada	Financials	4,025	402	286
The Bank of Nova Scotia	Canada	Financials	3,502	248	201
Barclays PLC	United Kingdom	Financials	209,877	556	344
Barratt Developments PLC	United Kingdom	Consumer Discretionary	13,917	160	107
Barrick Gold Corp.	Canada	Materials	30,251	666	782
Baxter International Inc.	United States	Health Care	2,986	315	342
BCE Inc.	Canada	Communication Services	11,593	672	669
The Berkeley Group Holdings PLC	United Kingdom	Consumer Discretionary	5,656	388	356
Bristol-Myers Squibb Co.	United States	Health Care	17,811	1,237	1,400
Canon Inc.	Japan	Information Technology	28,800	1,137	886
Capri Holdings Ltd.	United States	Consumer Discretionary	2,394	143	36
Cardinal Health Inc.	United States	Health Care	4,377	321	296
Cboe Global Markets Inc.	United States	Financials	2,927	464	368
CBS Corp. Class B non-voting	United States	Communication Services	20,909	1,071	412
Centrica PLC	United Kingdom	Utilities	178,811	387	119
Chevron Corp.	United States	Energy	1,335	200	136
CI Financial Corp.	Canada	Financials	18,834	473	263
The Clorox Co.	United States	Consumer Staples	2,913	580	712
Colgate Palmolive Co.	United States	Consumer Staples	15,073	1,353	1,410
Coloplast AS	Denmark	Health Care	1,208	196	248
Colruyt SA	Belgium	Consumer Staples	1,857	136	142
ComfortDelGro Corp. Ltd.	Singapore	Industrials	74,000	166	112
ConocoPhillips	United States	Energy	17,179	1,378	746
Consolidated Edison Inc.	United States	Utilities	9,712	1,143	1,068
Cummins Inc.	United States	Industrials	5,435	1,161	1,037
Daito Trust Construction Co. Ltd.	Japan	Real Estate	3,400	643	447
Deutsche Boerse AG	Germany	Financials	4,024	691	778
Deutsche Lufthansa AG Reg.	Germany	Industrials	26,810	756	361
Direct Line Insurance Group PLC	United Kingdom	Financials	30,272	161	156
Edwards Lifesciences Corp.	United States	Health Care	3,352	1,060	891
Electronic Arts Inc.	United States	Communication Services	3,860	508	545
Eni SPA	Italy	Energy	62,102	1,260	884
Equinor ASA	Norway	Energy	27,345	794	485
Erie Indemnity Co. Class A	United States	Financials	647	150	135
Eutelsat Communications SA	France	Communication Services	5,442	138	80
Eversource Energy	United States	Utilities	9,103	1,004	1,004
Exelon Corp.	United States	Utilities	22,226	1,199	1,153
Exxon Mobil Corp.	United States	Energy	14,461	1,403	774
F5 Networks Inc.	United States	Information Technology	3,779	684	568
Fortescue Metals Group Ltd.	Australia	Materials	86,275	750	742
Franco-Nevada Corp.	Canada	Materials	4,794	515	674
The Gap Inc.	United States	Consumer Discretionary	40,631	1,000	403
Geberit AG	Switzerland	Industrials	855	600	531
Gecina SA	France	Real Estate	551	116	103
Getlink SE	France	Industrials	7,262	164	124
Gilead Sciences Inc.	United States	Health Care	15,375	1,360	1,620
GlaxoSmithKline PLC	United Kingdom	Health Care	25,454	687	673
H&R Block Inc.	United States	Consumer Discretionary	14,277	454	283
Hang Seng Bank Ltd.	Hong Kong	Financials	8,400	240	202

**SCHEDULE OF INVESTMENTS (continued)**

as at March 31, 2020

	Country	Sector	No. of Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>EQUITIES (continued)</b>					
HCA Holdings Inc.	United States	Health Care	1,972	272	250
Healthpeak Properties Inc.	United States	Real Estate	17,702	782	595
Henry Schein Inc.	United States	Health Care	8,262	740	588
Hermes International	France	Consumer Discretionary	174	162	169
The Hershey Co.	United States	Consumer Staples	6,862	1,259	1,282
Hitachi Ltd.	Japan	Information Technology	17,700	877	726
HKT Trust and HKT Ltd.	Hong Kong	Communication Services	64,000	123	123
HollyFrontier Corp.	United States	Energy	13,322	1,034	460
Hong Kong Exchanges and Clearing Ltd.	Hong Kong	Financials	17,462	681	739
Intact Financial Corp.	Canada	Financials	1,549	180	188
Intel Corp.	United States	Information Technology	17,263	1,073	1,317
International Business Machines Corp.	United States	Information Technology	7,442	1,392	1,164
ITOCHU Corp.	Japan	Industrials	33,100	874	968
Japan Airlines Co. Ltd.	Japan	Industrials	15,300	637	397
Jefferies Financial Group Inc.	United States	Financials	6,625	177	128
JXTG Holdings Inc.	Japan	Energy	38,100	223	184
Kajima Corp.	Japan	Industrials	15,600	355	226
Kellogg Co.	United States	Consumer Staples	14,419	1,211	1,219
Kimberly-Clark Corp.	United States	Consumer Staples	5,011	888	903
Kinross Gold Corp.	Canada	Materials	20,893	122	118
Kirkland Lake Gold Ltd.	Canada	Materials	4,978	303	206
Koninklijke Ahold Delhaize NV	Netherlands	Consumer Staples	27,323	852	900
The Kroger Co.	United States	Consumer Staples	37,407	1,290	1,588
Kuehne + Nagel International AG	Switzerland	Industrials	1,611	319	312
Laboratory Corp. of America Holdings	United States	Health Care	3,076	694	548
Lear Corp.	United States	Consumer Discretionary	2,707	435	310
Linde PLC	Ireland	Materials	518	142	126
The Link Real Estate Investment Trust	Hong Kong	Real Estate	31,900	441	380
Macy's Inc.	United States	Consumer Discretionary	35,044	806	243
MarketAxess Holdings Inc.	United States	Financials	293	149	137
McKesson Corp.	United States	Health Care	6,743	1,236	1,286
Medibank Private Ltd.	Australia	Financials	40,835	120	94
Medtronic PLC	United States	Health Care	3,362	495	427
Merck & Co. Inc.	United States	Health Care	11,784	1,242	1,278
Microsoft Corp.	United States	Information Technology	6,748	1,081	1,500
Mizrahi Tefahot Bank Ltd.	Israel	Financials	6,963	151	183
Mizuho Financial Group Inc.	Japan	Financials	132,000	274	213
NEC Corp.	Japan	Information Technology	6,800	369	350
Nestle SA Reg.	Switzerland	Consumer Staples	9,510	1,107	1,381
Newcrest Mining Ltd.	Australia	Materials	16,536	375	327
Newmont Goldcorp Corp.	United States	Materials	26,606	1,317	1,698
Nippon Telegraph & Telephone Corp. (NTT)	Japan	Communication Services	39,800	1,156	1,331
Northern Trust Corp.	United States	Financials	5,128	698	546
Novo Nordisk AS B	Denmark	Health Care	11,338	860	963
NTT DoCoMo Inc.	Japan	Communication Services	32,700	1,063	1,448
NVR Inc.	United States	Consumer Discretionary	162	789	587
Obayashi Corp.	Japan	Industrials	12,400	181	150
Occidental Petroleum Corp.	United States	Energy	17,738	1,313	290
Omnicom Group Inc.	United States	Communication Services	9,268	957	717
OMV AG	Austria	Energy	1,758	129	68
Pandora AS	Denmark	Consumer Discretionary	3,948	212	181
PepsiCo Inc.	United States	Consumer Staples	7,474	1,162	1,265
Persimmon PLC	United Kingdom	Consumer Discretionary	8,555	333	285
Phillips 66	United States	Energy	2,209	325	167
Plains GP Holdings LP	United States	Energy	14,832	373	117
The Procter & Gamble Co.	United States	Consumer Staples	8,298	1,042	1,287
Proximus SA	Belgium	Communication Services	3,496	132	113
Public Storage	United States	Real Estate	4,691	1,332	1,314
Publicis Groupe SA	France	Communication Services	4,607	313	186
Qualcomm Inc.	United States	Information Technology	2,144	251	205
Red Electrica Corporacion SA	Spain	Utilities	10,287	262	261
RELX PLC	United Kingdom	Industrials	18,780	608	567
RioCan Real Estate Investment Trust	Canada	Real Estate	5,990	149	97
Roche Holding AG Genussscheine	Switzerland	Health Care	3,342	1,159	1,530
Rogers Communications Inc. Class B non-voting	Canada	Communication Services	4,038	276	237
Royal Bank of Canada	Canada	Financials	2,553	273	223
S&P Global Inc.	United States	Financials	672	239	232
Secom Co. Ltd.	Japan	Industrials	3,100	359	363
Seven & I Holdings Co. Ltd.	Japan	Consumer Staples	15,500	734	721
Shaw Communications Inc. Class B non-voting	Canada	Communication Services	6,882	184	157
Shionogi & Co. Ltd.	Japan	Health Care	5,700	426	395
Simon Property Group Inc.	United States	Real Estate	6,495	1,331	502
Singapore Airlines Ltd.	Singapore	Industrials	39,600	389	226
Singapore Exchange Ltd.	Singapore	Financials	19,900	155	181
Singapore Telecommunications Ltd.	Singapore	Communication Services	112,700	336	284

**SCHEDULE OF INVESTMENTS (continued)**

as at March 31, 2020

	Country	Sector	No. of Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>EQUITIES (continued)</b>					
Sonova Holding AG	Switzerland	Health Care	1,338	399	340
Spark New Zealand Ltd.	New Zealand	Communication Services	150,485	502	516
Swisscom AG Reg.	Switzerland	Communication Services	892	623	677
Sysco Corp.	United States	Consumer Staples	11,552	1,207	743
Target Corp.	United States	Consumer Discretionary	3,099	340	406
TE Connectivity Ltd.	United States	Information Technology	7,529	912	669
Telstra Corp. Ltd.	Australia	Communication Services	184,203	549	495
Total SA	France	Energy	8,465	590	462
United Overseas Bank Ltd.	Singapore	Financials	4,728	105	91
Universal Health Services Inc. Class B	United States	Health Care	3,095	518	432
Venture Corp. Ltd.	Singapore	Information Technology	7,800	117	105
Verizon Communications Inc.	United States	Communication Services	16,814	1,189	1,274
Vestas Wind Systems AS	Denmark	Industrials	1,877	211	215
Visa Inc. Class A	United States	Information Technology	5,564	1,349	1,264
W.W. Grainger Inc.	United States	Industrials	1,749	726	613
The Walt Disney Co.	United States	Communication Services	3,543	677	483
Wheaton Precious Metals Corp.	Canada	Materials	7,155	199	277
				101,514	90,706
<b>COMMISSIONS AND OTHER PORTFOLIO TRANSACTION COSTS</b>				(42)	-
<b>TOTAL INVESTMENTS</b>				102,670	91,856
<b>Net Assets:</b>					
Total investments					91,856
Cash and cash equivalents					1,055
Other net assets (liabilities)					522
					93,433

**Schedule of Asset Composition**

The effective allocation shows the regional or sector exposure of the Fund calculated by including the Fund's proportionate share of its holdings in index participation units and derivatives.

at March 31, 2020

	% of net assets
<b>BY ASSET TYPE</b>	
Equities	97.1
Exchange Traded Funds	1.2
Cash and cash equivalents	1.1
Other	0.6
<b>Total</b>	<b>100.0</b>

**EFFECTIVE SECTOR ALLOCATION**

Health Care	16.0
Consumer Staples	14.6
Communication Services	12.5
Information Technology	11.5
Financials	9.9
Industrials	7.3
Real Estate	6.0
Materials	5.8
Energy	5.5
Consumer Discretionary	5.4
Utilities	3.8
Cash and cash equivalents	1.1
Other	0.6
<b>Total</b>	<b>100.0</b>

**EFFECTIVE REGIONAL ALLOCATION**

United States	60.6
Europe ex U.K.	14.5
Japan	10.8
Pacific ex Japan	5.1
Canada	4.5
United Kingdom	3.2
Middle East and Africa	0.2
Cash and cash equivalents	1.1
<b>Total</b>	<b>100.0</b>

at March 31, 2019

	% of net assets
<b>BY ASSET TYPE</b>	
Equities	97.7
Exchange Traded Funds	1.2
Cash and cash equivalents	1.5
Other	(0.4)
<b>Total</b>	<b>100.0</b>

**EFFECTIVE SECTOR ALLOCATION**

Consumer Staples	15.4
Health Care	15.0
Communication Services	9.8
Financials	9.3
Energy	9.2
Information Technology	9.0
Consumer Discretionary	7.5
Utilities	7.1
Industrials	6.4
Materials	6.3
Real Estate	3.9
Cash and cash equivalents	1.5
Other	(0.4)
<b>Total</b>	<b>100.0</b>

**EFFECTIVE REGIONAL ALLOCATION**

United States	57.0
Europe ex U.K.	11.6
Japan	10.3
Pacific ex Japan	8.8
Canada	5.4
United Kingdom	3.8
Middle East and Africa	1.6
Cash and cash equivalents	1.5
<b>Total</b>	<b>100.0</b>

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

The information provided in these financial statements and notes thereto is for the year ended or as at March 31, 2020 and 2019. In a year that a series is terminated, 'period' represents the period from April 1 to that series' date of termination. Refer to Note 10 (a) for series inception dates and termination dates.

The Fund is organized as an open-ended unit 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, 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 annual financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). 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 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 July 13, 2020.

**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 ANNUAL 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 sums of the increase (decrease) in net assets attributable to securityholders from operations for each month, divided by the weighted average number of securities outstanding during each month.

**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.

The outbreak of the novel coronavirus (COVID-19) developed rapidly over the first three months of 2020, with the World Health Organization declaring it a pandemic on March 11, 2020, and governments around the world enacting emergency measures that resulted in business disruptions, volatility in markets and a global economic slowdown.

The Manager uses judgment in assessing the impact from such events on assumptions and estimates applied in reporting the assets and liabilities in the Fund's financial statements at March 31, 2020.

The duration and impact of the COVID-19 pandemic on businesses and markets, and the extent of economic relief measures provided by governments and central banks, are unknown at the reporting date and it is therefore not possible to reliably estimate the impact on the financial results and position of the Fund in future periods.

**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 is a unit 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.

Losses of the Fund cannot be allocated to investors and are retained in the Fund for use in future years. Non-capital losses may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Refer to Note 10 (d) for the Fund's loss carryforwards.

**6. MANAGEMENT FEES AND OPERATING EXPENSES**

No management fee or operating expenses, other than certain specific fund costs, are charged to the Fund

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, 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 Counsel Funds' last Simplified Prospectus).

**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 March 31, 2020 and 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 ANNUAL 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. 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 0 securities offered by the Fund on a prospectus-exempt basis in accordance with the investment objectives of those funds.

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, please refer to the amounts disclosed pertaining to Series 0 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.

**(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 underlying mutual funds and ETFs.

**9. FURTHER INFORMATION**

A copy of the Fund's current Annual Information Form, Management Report of Fund Performance, 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 ANNUAL 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 (%)	Administration Fee (%)
Series O <sup>1,3</sup>	January 7, 2016	-	-	-
Series R <sup>2,3</sup>	January 7, 2016	-	-	-

<sup>1</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>2</sup> This series is not available for sale and is held solely by Counsel. On December 10, 2018, this series was terminated.

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

**(b) Investment Objectives and Strategies**

The Fund seeks to provide long-term capital growth by investing, either directly or indirectly through other investment funds and/or derivatives such as futures, in equity securities of companies around the world, while seeking to reduce absolute volatility. The Fund invests primarily with a focus on companies and/or sectors that are believed by the Manager to have lower sensitivity to broader equity market movements. The Fund is not available to retail investors and is only available to other Counsel Funds.

**(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.

March 31, 2020				
Currency	Investments	Cash and cash equivalents	Derivative instruments	Net exposure
Australian dollars	1,658	-	-	1,658
Danish krone	1,607	1	-	1,608
Euro	6,296	(4)	-	6,292
Japanese yen	10,031	-	-	10,031
Swiss franc	5,035	-	-	5,035
United Kingdom pounds	2,892	(38)	-	2,854
United States dollars	55,927	46	-	55,973
Other	3,626	(1)	-	3,625
<b>Total</b>	<b>87,072</b>	<b>4</b>	<b>-</b>	<b>87,076</b>
As percent of net assets (%)				93.2

March 31, 2019				
Currency	Investments	Cash and cash equivalents	Derivative instruments	Net exposure
Australian dollars	2,226	1	-	2,227
Euro	4,079	1	-	4,080
Hong Kong dollars	1,955	-	-	1,955
Japanese yen	6,675	1	-	6,676
Swiss franc	1,961	1	-	1,962
United Kingdom pounds	2,434	(1)	-	2,433
United States dollars	37,782	762	-	38,544
Other currencies	3,855	9	-	3,864
<b>Total</b>	<b>60,967</b>	<b>774</b>	<b>-</b>	<b>61,741</b>
As percent of net assets (%)				94.7

As at March 31, 2020, 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 \$4,354 or 4.7% of total net assets (March 31, 2019 – \$3,087 or 4.7% of total net assets). In practice, the actual trading results may differ and the difference could be material.

## ii. Interest Rate Risk

As at March 31, 2020 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 March 31, 2020, 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 \$9,186 or 9.8% of total net assets (March 31, 2019 – \$6,451 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 March 31, 2020 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.

**NOTES TO ANNUAL FINANCIAL STATEMENTS**

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

**10. FUND SPECIFIC INFORMATION (continued)****(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 March 31, 2020	Level 1	Level 2	Level 3	Total
Fixed income	-	-	-	-
Mutual Funds	1,150	-	-	1,150
Equities	60,205	30,501	-	90,706
Cash equivalents	-	-	-	-
Derivative assets	-	-	-	-
Derivative liabilities	-	-	-	-
<b>Total</b>	<b>61,355</b>	<b>30,501</b>	<b>-</b>	<b>91,856</b>

as at March 31, 2019	Level 1	Level 2	Level 3	Total
Fixed income	-	-	-	-
Mutual Funds	-	-	-	-
Equities	64,507	-	-	64,507
Cash equivalents	-	-	-	-
Derivative assets	-	-	-	-
Derivative liabilities	-	-	-	-
<b>Total</b>	<b>64,507</b>	<b>-</b>	<b>-</b>	<b>64,507</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 March 31, 2020, these securities were classified as Level 2 (March 31, 2019 – Level 1). Other than as described above, there were no significant transfers between Level 1 and Level 2.

**(f) Securities Lending**

as at	Value of securities loaned	Value of collateral received
March 31, 2020	4,743	5,132
March 31, 2019	1,065	1,151

A reconciliation of the gross amount generated from the securities lending transactions to the security lending income to the Fund for the periods ended March 31, 2020 and 2019 is presented below:

for the year ended March 31	Amount (\$)		Percentage of Total Amount (%)	
	2020	2019	2020	2019
Gross Securities Lending Income	10	5	100.0	100.0
Securities Lending Agent fees	(2)	(1)	(20.0)	(20.0)
Securities Lending Income to the Fund before Withholdings Taxes	8	4	80.0	80.0
Withholding Taxes	-	-	0.0	0.0
Securities Lending Income	8	4	80.0	80.0

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