

COUNSEL | PORTFOLIO SERVICES

Counsel Short Term Bond

ANNUAL FINANCIAL STATEMENTS

For the year ended March 31, 2023

These Financial Statements do not contain the Management Report of Fund Performance ("MRFP") of the investment fund.

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.counselservices.com or by visiting www.sedar.com.

COUNSEL SHORT TERM BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2023

MANAGEMENT REPORT

Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by Counsel Portfolio Services Inc. (the "Manager"), as Manager of Counsel Short Term Bond (the "Fund"). The Manager is responsible for the integrity, objectivity and reliability of the data presented. This responsibility includes selecting appropriate accounting principles and making judgments and estimates consistent with International Financial Reporting Standards. The Manager is also responsible for the development of internal controls over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors (the "Board") of Counsel Portfolio Services Inc. is responsible for reviewing and approving the financial statements and overseeing the Manager's performance of its financial reporting responsibilities. The Board 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.

Effective March 31, 2023, KPMG LLP was appointed the external auditor of the Fund. It is appointed by the Board. The external auditor has audited the financial statements in accordance with Canadian generally accepted auditing standards to enable it to express to the securityholders its opinion on the financial statements. Its report is set out below.



Sam Febraro
President and Chief Executive Officer



Paulette Jervis
Chief Financial Officer

June 5, 2023

INDEPENDENT AUDITOR'S REPORT

To the Securityholders of Counsel Short Term Bond (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise:

- the statement of financial position as at March 31, 2023
- the statement of comprehensive income for the period then ended as indicated in note 1
- the statement of changes in financial position for the period then ended as indicated in note 1
- the statement of cash flows for the period then ended as indicated in note 1 and
- notes to the financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2023, and its financial performance and cash flows for the period then ended as indicated in note 1 in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our auditor's 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 Matter – Comparative Information

The financial statements for the period ended March 31, 2022 were audited by another auditor who expressed an unmodified opinion on those financial statements on June 13, 2022.

COUNSEL SHORT TERM BOND

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INDEPENDENT AUDITOR'S REPORT (cont'd)

Other Information

Management is responsible for the other information. Other information comprises:

– the information included in the Annual Management Report of Fund Performance of the Fund.

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 and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in the Annual Management Report of Fund Performance of the Fund filed with the relevant Canadian Securities Commissions as at 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 the 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 International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), 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 financial reporting process of the Fund.

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 generally accepted auditing standards 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 the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, 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 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.
- 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.



Chartered Professional Accountants
Licensed Public Accountants
Toronto, Ontario
June 5, 2023

COUNSEL SHORT TERM BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2023

STATEMENTS OF FINANCIAL POSITION

at March 31 (in \$ 000 except per security amounts)

	2023	2022
ASSETS		
Current assets		
Investments at fair value	68,757	154,541
Cash and cash equivalents	2,832	21,477
Accrued interest receivable	409	747
Accounts receivable for investments sold	1,477	5,849
Accounts receivable for securities issued	3	119
Due from manager	1	3
Margin on derivatives	204	255
Derivative assets	32	615
Total assets	73,715	183,606
LIABILITIES		
Current liabilities		
Accounts payable for investments purchased	3,601	22,142
Accounts payable for securities redeemed	88	135
Derivative liabilities	107	88
Total liabilities	3,796	22,365
Net assets attributable to securityholders	69,919	161,241

	Net assets attributable to securityholders (note 3)			
	per security		per series	
	2023	2022	2023	2022
Series A	9.00	9.24	5,685	7,682
Series F	9.05	9.33	5,257	5,846
Series I	9.09	9.37	365	687
Series O	9.04	9.32	52,603	139,579
Series Private Wealth	9.30	9.59	6,009	7,447
			69,919	161,241

STATEMENTS OF COMPREHENSIVE INCOME

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

	2023	2022
Income		
Dividends	–	20
Interest income for distribution purposes	3,770	648
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	(4,366)	(294)
Net unrealized gain (loss)	321	(2,486)
Securities lending income	21	2
Fee rebate income	13	5
Total income (loss)	(241)	(2,105)
Expenses (note 6)		
Management fees	101	153
Management fee rebates	(11)	(16)
Administration fees	30	34
Interest charges	1	–
Commissions and other portfolio transaction costs	10	3
Independent Review Committee fees	1	–
Expenses before amounts absorbed by Manager	132	174
Expenses absorbed by Manager	–	–
Net expenses	132	174
Increase (decrease) in net assets attributable to securityholders from operations before tax	(373)	(2,279)
Foreign withholding tax expense (recovery)	3	2
Foreign income tax expense (recovery)	–	–
Increase (decrease) in net assets attributable to securityholders from operations	(376)	(2,281)

	Increase (decrease) in net assets attributable to securityholders from operations (note 3)			
	per security		per series	
	2023	2022	2023	2022
Series A	(0.04)	(0.39)	(31)	(335)
Series F	0.03	(0.32)	19	(210)
Series I	0.01	(0.25)	1	(21)
Series O	(0.03)	(1.17)	(392)	(1,560)
Series Private Wealth	0.04	(0.41)	27	(155)
			(376)	(2,281)

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

COUNSEL SHORT TERM BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2023

STATEMENTS OF CHANGES IN FINANCIAL POSITION

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

	Total		Series A		Series F		Series I		Series O	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	161,241	21,011	7,682	7,959	5,846	6,983	687	1,015	139,579	765
Increase (decrease) in net assets from operations	(376)	(2,281)	(31)	(335)	19	(210)	1	(21)	(392)	(1,560)
Distributions paid to securityholders:										
Investment income	(4,984)	(169)	(152)	(24)	(177)	(31)	(20)	(10)	(4,395)	(65)
Capital gains	—	—	—	—	—	—	—	—	—	—
Management fee rebates	(11)	(16)	(1)	(1)	(10)	(15)	—	—	—	—
Total distributions paid to securityholders	(4,995)	(185)	(153)	(25)	(187)	(46)	(20)	(10)	(4,395)	(65)
Security transactions:										
Proceeds from securities issued	15,930	154,317	833	2,327	499	1,306	219	288	12,900	141,892
Reinvested distributions	4,987	183	153	25	180	44	19	10	4,395	65
Payments on redemption of securities	(106,868)	(11,804)	(2,799)	(2,269)	(1,100)	(2,231)	(541)	(595)	(99,484)	(1,518)
Total security transactions	(85,951)	142,696	(1,813)	83	(421)	(881)	(303)	(297)	(82,189)	140,439
Increase (decrease) in net assets attributable to securityholders	(91,322)	140,230	(1,997)	(277)	(589)	(1,137)	(322)	(328)	(86,976)	138,814
End of period	69,919	161,241	5,685	7,682	5,257	5,846	365	687	52,603	139,579
Increase (decrease) in fund securities (in thousands) (note 7):										
Securities outstanding – beginning of period			832	824	627	718	73	104	14,980	79
Issued			93	243	55	136	24	30	1,414	15,055
Reinvested distributions			17	3	20	5	2	1	488	7
Redeemed			(310)	(238)	(121)	(232)	(59)	(62)	(11,064)	(161)
Securities outstanding – end of period			632	832	581	627	40	73	5,818	14,980

	Series Private Wealth	
	2023	2022
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS		
Beginning of period	7,447	4,289
Increase (decrease) in net assets from operations	27	(155)
Distributions paid to securityholders:		
Investment income	(240)	(39)
Capital gains	—	—
Management fee rebates	—	—
Total distributions paid to securityholders	(240)	(39)
Security transactions:		
Proceeds from securities issued	1,479	8,504
Reinvested distributions	240	39
Payments on redemption of securities	(2,944)	(5,191)
Total security transactions	(1,225)	3,352
Increase (decrease) in net assets attributable to securityholders	(1,438)	3,158
End of period	6,009	7,447
Increase (decrease) in fund securities (in thousands) (note 7):		
Securities outstanding – beginning of period	777	430
Issued	159	867
Reinvested distributions	26	4
Redeemed	(316)	(524)
Securities outstanding – end of period	646	777

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

COUNSEL SHORT TERM BOND

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STATEMENTS OF CASH FLOWS

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

	2023	2022
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to securityholders from operations	(376)	(2,281)
Adjustments for:		
Net realized loss (gain) on investments	5,438	451
Change in net unrealized loss (gain) on investments	(321)	2,486
Distributions received in-kind from underlying funds	(13)	(5)
Purchase of investments	(84,708)	(143,149)
Proceeds from sale and maturity of investments	151,824	21,365
(Increase) decrease in accounts receivable and other assets	391	(866)
Increase (decrease) in accounts payable and other liabilities	—	(1)
Net cash provided by (used in) operating activities	72,235	(122,000)
Cash flows from financing activities		
Proceeds from securities issued	16,046	154,209
Payments on redemption of securities	(106,915)	(11,681)
Distributions paid net of reinvestments	(8)	(2)
Net cash provided by (used in) financing activities	(90,877)	142,526
Increase (decrease) in cash and cash equivalents	(18,642)	20,526
Cash and cash equivalents at beginning of period	21,477	951
Effect of exchange rate fluctuations on cash and cash equivalents	(3)	—
Cash and cash equivalents, end of period	2,832	21,477
Cash	563	588
Cash equivalents	2,269	20,889
Cash and cash equivalents, end of period	2,832	21,477
Supplementary disclosures on cash flow from operating activities:		
Dividends received	—	20
Foreign taxes paid	3	2
Interest received	4,108	20
Interest paid	1	—

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

COUNSEL SHORT TERM BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2023

SCHEDULE OF INVESTMENTS

as at March 31, 2023

	Country	Sector	Par Value/ Shares/ Units	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS					
407 International Inc. 1.80% 05-22-2025 Callable 2025	Canada	Corporate - Non Convertible	30,000	30	28
407 International Inc. 4.22% 02-14-2028	Canada	Corporate - Non Convertible	28,000	28	28
ADS Tactical Inc. Term Loan B 1st Lien F/R 03-04-2028	United States	Term Loans	USD 9,000	11	11
AIMCo Realty Investors LP 2.20% 11-04-2026	Canada	Corporate - Non Convertible	17,000	17	16
Alectra Inc. 3.24% 11-21-2024 Callable 2024	Canada	Corporate - Non Convertible	20,000	21	20
Algonquin Power & Utilities Corp. F/R 01-18-2082	Canada	Corporate - Non Convertible	8,000	8	6
Alimentation Couche-Tard Inc. 2.95% 01-25-2030 Callable 2029	Canada	Corporate - Non Convertible	USD 10,000	13	12
AltaGas Ltd. 2.17% 03-16-2027	Canada	Corporate - Non Convertible	5,000	5	5
AltaGas Ltd. F/R 01-11-2082	Canada	Corporate - Non Convertible	5,000	5	4
AltaGas Ltd. F/R 08-17-2082	Canada	Corporate - Non Convertible	8,000	8	8
AltaLink LP 3.40% 06-06-2024 Callable 2024	Canada	Corporate - Non Convertible	1,440,000	1,468	1,416
Amazon.com Inc. 0.25% 05-12-2023	United States	Corporate - Non Convertible	USD 50,000	60	67
Amazon.com Inc. 4.70% 12-01-2032	United States	Corporate - Non Convertible	USD 31,000	42	43
Apple Inc. 1.13% 05-11-2025 Callable 2025	United States	Corporate - Non Convertible	USD 30,000	42	38
ARC Resources Ltd. 2.35% 03-10-2026	Canada	Corporate - Non Convertible	124,000	122	115
Aroundtown SA 4.63% 09-18-2025 Callable 2025	Germany	Corporate - Non Convertible	40,000	40	39
Ascend Wellness Holdings Inc. Term Loan 1st Lien F/R 08-27-2025	United States	Term Loans	USD 6,000	8	7
Athene Global Funding F/R 04-09-2024	United States	Corporate - Non Convertible	308,000	307	306
Athene Global Funding 3.13% 03-10-2025	United States	Corporate - Non Convertible	78,000	78	74
Athene Global Funding 2.10% 09-24-2025	United States	Corporate - Non Convertible	40,000	40	37
Athene Global Funding 2.47% 06-09-2028	United States	Corporate - Non Convertible	30,000	27	26
Bank of America Corp. F/R 09-15-2027 (Fix-To-Float)	United States	Corporate - Non Convertible	193,000	180	175
Bank of Montreal 1.76% 03-10-2026	Canada	Corporate - Non Convertible	452,000	434	417
Bank of Montreal 1.55% 05-28-2026	Canada	Corporate - Non Convertible	196,000	188	179
Bank of Montreal 3.65% 04-01-2027	Canada	Corporate - Non Convertible	270,000	270	260
Bank of Montreal 4.31% 06-01-2027	Canada	Corporate - Non Convertible	2,000	2	2
Bank of Montreal 4.71% 12-07-2027	Canada	Corporate - Non Convertible	4,000	4	4
Bank of Montreal F/R 06-17-2030 Callable 2025	Canada	Corporate - Non Convertible	714,000	687	665
Bank of Montreal F/R 11-26-2080	Canada	Corporate - Non Convertible	26,000	25	24
Bank of Montreal F/R 11-26-2082	Canada	Corporate - Non Convertible	66,000	66	66
Bank of Montreal F/R 05-26-2171 Perp.	Canada	Corporate - Non Convertible	90,000	90	89
The Bank of Nova Scotia 1.95% 01-10-2025	Canada	Corporate - Non Convertible	233,000	222	222
The Bank of Nova Scotia 5.50% 05-08-2026	Canada	Corporate - Non Convertible	272,000	272	279
The Bank of Nova Scotia 2.95% 03-08-2027	Canada	Corporate - Non Convertible	536,000	502	504
The Bank of Nova Scotia F/R 05-03-2032	Canada	Corporate - Non Convertible	96,000	96	91
The Bank of Nova Scotia F/R 07-27-2082	Canada	Corporate - Non Convertible	259,000	259	254
BCE Inc. 2.20% 05-29-2028	Canada	Corporate - Non Convertible	5,000	5	4
BCE Inc. 4.54% Cum. Red. First Pfd. Series R Callable	Canada	Communication Services	13	—	—
BCI QuadReal Realty 2.55% 06-24-2026	Canada	Corporate - Non Convertible	960,000	955	904
bclMC Realty Corp. 1.06% 03-12-2024	Canada	Corporate - Non Convertible	15,000	15	14
bclMC Realty Corp. 1.68% 03-03-2025 Callable 2025	Canada	Corporate - Non Convertible	20,000	20	19
Bell Canada Inc. 3.60% 09-29-2027 Callable 2027	Canada	Corporate - Non Convertible	560,000	564	539
BP Capital Markets PLC 3.47% 05-15-2025	United Kingdom	Corporate - Non Convertible	220,000	225	215
Broadcast Media Partners 4.50% 05-01-2029	United States	Corporate - Non Convertible	USD 5,000	6	6
Brookfield Renewable Energy Partners ULC 3.63% 01-15-2027 Callable 2026	Canada	Corporate - Non Convertible	620,000	626	595
Brookfield Renewable Partners ULC 4.25% 01-15-2029 Callable 2028	Canada	Corporate - Non Convertible	10,000	10	10
Brookfield Residential Properties Inc. 6.25% 09-15-2027 Callable	Canada	Corporate - Non Convertible	USD 10,000	13	12
Brookfield Residential Properties Inc. 5.13% 06-15-2029	Canada	Corporate - Non Convertible	3,000	3	2
Bruce Power LP 4.70% 12-21-2027	Canada	Corporate - Non Convertible	17,000	17	17
Bruce Power LP 2.68% 12-21-2028	Canada	Corporate - Non Convertible	8,000	8	7
Canada Housing Trust 2.25% 12-15-2025	Canada	Federal Government	290,000	293	280
Canadian Core Real Estate LP 3.30% 03-02-2027	Canada	Corporate - Non Convertible	82,000	82	76
Canadian Imperial Bank of Commerce 2.75% 03-07-2025	Canada	Corporate - Non Convertible	1,363,000	1,313	1,311
Canadian Imperial Bank of Commerce 4.95% 06-29-2027	Canada	Corporate - Non Convertible	382,000	385	386
Canadian Imperial Bank of Commerce 5.05% 10-07-2027	Canada	Corporate - Non Convertible	100,000	100	101
Canadian Imperial Bank of Commerce F/R 04-07-2032	Canada	Corporate - Non Convertible	122,000	121	117
Canadian Imperial Bank of Commerce F/R 01-20-2033	Canada	Corporate - Non Convertible	87,000	87	86
Canadian Imperial Bank of Commerce F/R 07-28-2082	Canada	Corporate - Non Convertible	119,000	119	117
Canadian National Railway Co. 3.00% 02-08-2029 Callable 2028	Canada	Corporate - Non Convertible	10,000	10	9

COUNSEL SHORT TERM BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2023

SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2023

	Country	Sector	Par Value/ Shares/ Units	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS (cont'd)					
Canadian Natural Resources Ltd. 2.50% 01-17-2028	Canada	Corporate - Non Convertible	10,000	10	9
Canadian Pacific Railway Ltd. 2.54% 02-28-2028	Canada	Corporate - Non Convertible	50,000	49	46
Canadian Pacific Railway Ltd. 3.15% 03-13-2029 Callable 2028	Canada	Corporate - Non Convertible	10,000	10	9
Canadian Western Bank 1.57% 09-14-2023	Canada	Corporate - Non Convertible	20,000	20	20
Canadian Western Bank 2.60% 09-06-2024	Canada	Corporate - Non Convertible	92,000	87	88
Canadian Western Bank 2.61% 01-30-2025 Callable 2024	Canada	Corporate - Non Convertible	11,000	11	10
Canadian Western Bank 3.86% 04-21-2025	Canada	Corporate - Non Convertible	224,000	224	218
Canadian Western Bank F/R 12-22-2032	Canada	Corporate - Non Convertible	38,000	38	38
Canadian Western Bank F/R 07-31-2081	Canada	Corporate - Non Convertible	2,000	2	2
Capital Power Corp. F/R 09-09-2082	Canada	Corporate - Non Convertible	22,000	22	22
CCS-CMGC Holdings Inc. Term Loan 1st Lien F/R 09-25-2025	United States	Term Loans	USD 19,150	25	18
CDP Financial Inc. 1.50% 10-19-2026	Canada	Provincial Governments	306,000	299	285
Cenovus Energy Inc. 3.60% 03-10-2027 Callable 2026	Canada	Corporate - Non Convertible	11,000	11	11
Cenovus Energy Inc. 3.50% 02-07-2028 Callable 2027	Canada	Corporate - Non Convertible	30,000	29	29
Central 1 Credit Union 4.65% 02-07-2028	Canada	Corporate - Non Convertible	80,000	80	78
Central 1 Credit Union F/R 06-30-2031	Canada	Corporate - Non Convertible	374,000	364	333
CGI Inc. 2.10% 09-18-2028	Canada	Corporate - Non Convertible	2,000	2	2
CHIP Mortgage Trust 1.50% 11-15-2024	Canada	Corporate - Non Convertible	11,000	11	10
Choice Properties Real Estate Investment Trust 3.55% 01-10-2025 Callable 2024	Canada	Corporate - Non Convertible	60,000	64	58
Choice Properties Real Estate Investment Trust 2.85% 05-21-2027	Canada	Corporate - Non Convertible	317,000	312	292
Columbia Care Inc. 6.00% 06-29-2025 Conv.	Canada	Corporate - Convertible	USD 1,000	1	1
Corus Entertainment Inc. 5.00% 05-11-2028	Canada	Corporate - Non Convertible	3,000	3	2
Crombie Real Estate Investment Trust 3.92% 06-21-2027 Callable 2027	Canada	Corporate - Non Convertible	25,000	26	24
Curaleaf Holdings Inc. 8.00% 12-15-2026	United States	Corporate - Non Convertible	USD 10,000	13	11
Dollarama Inc. 5.08% 10-27-2025	Canada	Corporate - Non Convertible	32,000	32	32
Domtar Corp. 6.75% 10-01-2028	United States	Corporate - Non Convertible	USD 6,000	8	7
Dream Industrial Real Estate Investment Trust 1.66% 12-22-2025 (A)	Canada	Corporate - Non Convertible	211,000	202	191
Dream Industrial Real Estate Investment Trust 3.97% 04-13-2026	Canada	Corporate - Non Convertible	51,000	51	49
Dream Industrial Real Estate Investment Trust 2.54% 12-07-2026	Canada	Corporate - Non Convertible	62,000	61	56
Dream Industrial Real Estate Investment Trust 2.06% 06-17-2027	Canada	Corporate - Non Convertible	3,000	3	3
Dream Industrial Real Estate Investment Trust 5.38% 03-22-2028	Canada	Corporate - Non Convertible	21,000	21	21
Dream Summit Industrial 1.82% 04-01-2026	Canada	Corporate - Non Convertible	5,000	5	5
Dream Summit Industrial 2.25% 01-12-2027	Canada	Corporate - Non Convertible	2,000	2	2
Dream Summit Industrial 2.44% 07-14-2028	Canada	Corporate - Non Convertible	1,000	1	1
The Empire Life Insurance Co. 5.50% 01-13-2033	Canada	Corporate - Non Convertible	73,000	73	73
The Empire Life Insurance Co. 3.63% 04-17-2081	Canada	Corporate - Non Convertible	2,000	2	2
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	Canada	Corporate - Non Convertible	680,000	686	631
Énergir inc. 2.10% 04-16-2027 Callable 2027	Canada	Corporate - Non Convertible	10,000	10	9
EPCOR Utilities Inc. 1.30% 05-19-2023	Canada	Corporate - Non Convertible	110,000	109	109
Equitable Bank 1.88% 11-26-2025	Canada	Corporate - Non Convertible	13,000	12	12
Equitable Bank 3.36% 03-02-2026	Canada	Corporate - Non Convertible	65,000	65	61
Exxon Mobil Corp. 2.99% 03-19-2025 Callable 2025	United States	Corporate - Non Convertible	USD 10,000	15	13
Fédération des Caisses Desjardins du Québec 5.20% 10-01-2025	Canada	Corporate - Non Convertible	151,000	151	153
Fédération des Caisses Desjardins du Québec 4.41% 05-19-2027	Canada	Corporate - Non Convertible	200,000	200	198
Fédération des Caisses Desjardins du Québec F/R 05-26-2030 Callable 2025	Canada	Corporate - Non Convertible	590,000	586	559
Fédération des Caisses Desjardins F/R 08-23-2032	Canada	Corporate - Non Convertible	52,000	52	51
First Capital Real Estate Investment Trust 3.45% 03-01-2028	Canada	Corporate - Non Convertible	19,000	17	17
Flynn America LP Term Loan B 1st Lien F/R 07-23-2028	United States	Term Loans	USD 7,750	9	10
Ford Credit Canada Co. 7.00% 02-10-2026	United States	Corporate - Non Convertible	28,000	28	28
Ford Credit Canada Co. 2.96% 09-16-2026	United States	Corporate - Non Convertible	4,000	4	4
Ford Motor Co. 3.25% 02-12-2032	United States	Corporate - Non Convertible	USD 34,000	37	36
Ford Motor Credit Co. LLC 6.78% 09-15-2025	United States	Corporate - Non Convertible	623,000	624	626
Fortified Trust 3.76% 06-23-2025	Canada	Corporate - Non Convertible	143,000	143	140
General Motors Financial of Canada Ltd. 5.20% 02-09-2028	United States	Corporate - Non Convertible	55,000	55	54
Gibson Energy Inc. 2.85% 07-14-2027 Callable 2027	Canada	Corporate - Non Convertible	32,000	33	29
Gibson Energy Inc. F/R 12-22-2080	Canada	Corporate - Non Convertible	15,000	15	13
The Goldman Sachs Group Inc. 3.31% F/R 10-31-2025 Callable 2024	United States	Corporate - Non Convertible	150,000	152	146
The Goldman Sachs Group Inc. F/R 11-30-2027	United States	Corporate - Non Convertible	407,000	388	375

COUNSEL SHORT TERM BOND

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SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2023

	Country	Sector	Par Value/ Shares/ Units	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS (cont'd)					
The Goldman Sachs Group Inc. F/R 02-28-2029	United States	Corporate - Non Convertible	11,000	11	10
Government of Canada 0.25% 03-01-2026	Canada	Federal Government	32,000	29	29
Government of Canada 4.25% 12-01-2026 Real Return	Canada	Federal Government	1,270,000	2,657	2,479
Government of Canada 1.25% 03-01-2027	Canada	Federal Government	4,242,000	3,942	3,949
Government of Canada 1.50% 06-01-2031	Canada	Federal Government	3,822,000	3,515	3,444
Government of Canada 4.71% 02-29-2024	Canada	Federal Government	10,214,000	9,763	9,793
Granite Real Estate Investment Trust 2.19% 08-30-2028	Canada	Corporate - Non Convertible	5,000	5	4
Granite Real Estate Investment Trust 2.38% 12-18-2030	Canada	Corporate - Non Convertible	1,000	1	1
Gray Television Inc. 5.38% 11-15-2031	United States	Corporate - Non Convertible	USD 11,000	14	10
H&R Real Estate Investment Trust 3.37% 01-30-2024 Callable 2023	Canada	Corporate - Non Convertible	300,000	302	295
H&R Real Estate Investment Trust 4.07% 06-16-2025 Callable 2025	Canada	Corporate - Non Convertible	239,000	246	232
Heathrow Funding Ltd. 3.25% 05-21-2025	United Kingdom	Corporate - Non Convertible	20,000	21	19
Heathrow Funding Ltd. 2.69% 10-13-2027	United Kingdom	Corporate - Non Convertible	3,000	3	3
Home Trust Co. 5.32% 06-13-2024	Canada	Corporate - Non Convertible	200,000	200	197
Honda Canada Finance Inc. 1.34% 03-17-2026	Canada	Corporate - Non Convertible	10,000	10	9
Honda Canada Finance Inc. 4.87% 09-23-2027	Canada	Corporate - Non Convertible	40,000	40	40
Honda Canada Finance Inc. 1.65% 02-25-2028	Canada	Corporate - Non Convertible	8,000	8	7
HSBC Bank Canada 3.40% 03-24-2025	Canada	Corporate - Non Convertible	283,000	283	276
Hunter Douglas Inc. Term Loan B 1st Lien F/R 02-09-2029	Netherlands	Term Loans	USD 11,940	15	15
Hydro One Inc. 2.54% 04-05-2024 Callable 2024	Canada	Corporate - Non Convertible	910,000	917	890
Hydro One Inc. 3.93% 11-30-2029	Canada	Corporate - Non Convertible	190,000	190	189
Hydro One Ltd. 1.41% 10-15-2027 Callable 2027	Canada	Corporate - Non Convertible	5,000	5	4
Intact Financial Corp. 2.18% 05-18-2028	Canada	Corporate - Non Convertible	3,000	3	3
Intact Financial Corp. F/R 03-31-2081	Canada	Corporate - Non Convertible	56,000	54	47
Inter Pipeline Ltd. 3.48% 12-16-2026 Callable 2026	Canada	Corporate - Non Convertible	404,000	400	384
Inter Pipeline Ltd. 4.23% 06-01-2027	Canada	Corporate - Non Convertible	25,000	25	24
Inter Pipeline Ltd. 5.76% 02-17-2028	Canada	Corporate - Non Convertible	12,000	12	12
Inter Pipeline Ltd. F/R 03-26-2079 Callable 2029	Canada	Corporate - Non Convertible	10,000	10	10
Inter Pipeline Ltd. F/R 11-19-2079 Callable 2029	Canada	Corporate - Non Convertible	20,000	20	19
International Bank for Reconstruction and Development 0% 03-31-2027	Supra - National	Supra - National	USD 200,000	238	248
Iris Escrow Issuer Corp. 10.00% 12-15-2028 144A	Canada	Corporate - Non Convertible	USD 10,000	11	10
Ivanhoe Cambridge II Inc. 2.30% 12-12-2024 Callable 2024	Canada	Corporate - Non Convertible	28,000	28	27
Jadex Inc. Term Loan 1st Lien F/R 02-12-2028	United States	Term Loans	USD 28,784	37	35
John Deere Financial Inc. 2.41% 01-14-2025	United States	Corporate - Non Convertible	378,000	379	363
JPMorgan Chase & Co. 1.90% 03-05-2028	United States	Corporate - Non Convertible	100,000	95	90
Knight Health Holdings LLC Term Loan B 1st Lien F/R 12-17-2028	United States	Term Loans	USD 7,900	9	6
LABL Escrow Issuer LLC 6.75% 07-15-2026 Callable	United States	Corporate - Non Convertible	USD 9,000	12	12
LABL Escrow Issuer LLC 10.50% 07-15-2027 Callable	United States	Corporate - Non Convertible	USD 14,000	19	18
Laurentian Bank of Canada 1.15% 06-03-2024	Canada	Corporate - Non Convertible	28,000	28	27
Laurentian Bank of Canada 1.95% 03-17-2025	Canada	Corporate - Non Convertible	753,000	733	707
Laurentian Bank of Canada 1.60% 05-06-2026	Canada	Corporate - Non Convertible	6,000	6	6
Laurentian Bank of Canada F/R 06-15-2032	Canada	Corporate - Non Convertible	159,000	159	151
Loblaws Cos Ltd. 5.01% 09-13-2032	Canada	Corporate - Non Convertible	22,000	22	22
Lower Mattagami Energy LP 3.42% 06-20-2024	Canada	Corporate - Non Convertible	50,000	53	49
LSF10 XL Bidco SCA Term Loan B 1st Lien F/R 03-30-2028	Luxembourg	Term Loans	EUR 8,535	13	11
Magna International Inc. 4.95% 01-31-2031	Canada	Corporate - Non Convertible	10,000	10	10
Manulife Bank of Canada 1.54% 09-14-2026	Canada	Corporate - Non Convertible	127,000	122	114
Manulife Bank of Canada 2.86% 02-16-2027	Canada	Corporate - Non Convertible	6,000	6	6
Manulife Financial Corp. F/R 08-20-2029 Callable 2024	Canada	Corporate - Non Convertible	860,000	868	832
Manulife Financial Corp. F/R 03-10-2033	Canada	Corporate - Non Convertible	104,000	104	105
Manulife Financial Corp. F/R 06-19-2082	Canada	Corporate - Non Convertible	186,000	186	182
Morgan Stanley 3.00% 02-07-2024	United States	Corporate - Non Convertible	670,000	674	657
Mozart Debt Merger Sub Inc. 3.88% 04-01-2029	United States	Corporate - Non Convertible	USD 15,000	19	18
Mozart Debt Merger Sub Inc. 5.25% 10-01-2029	United States	Corporate - Non Convertible	USD 6,000	8	7
National Bank of Canada 2.55% 07-12-2024	Canada	Corporate - Non Convertible	670,000	670	649
National Bank of Canada 2.58% 02-03-2025	Canada	Corporate - Non Convertible	319,000	319	306
National Bank of Canada 5.30% 11-03-2025	Canada	Corporate - Non Convertible	74,000	74	75
National Bank of Canada 1.53% 06-15-2026	Canada	Corporate - Non Convertible	11,000	11	10
National Bank of Canada F/R 08-16-2032	Canada	Corporate - Non Convertible	254,000	254	253

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SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2023

	Country	Sector	Par Value/ Shares/ Units	Average Cost (\$ '000)	Fair Value (\$ '000)
BONDS (cont'd)					
National Bank of Canada F/R 08-15-2081	Canada	Corporate - Non Convertible	10,000	10	7
NextEra Energy Capital Holdings Inc. 1.90% 06-15-2028	United States	Corporate - Non Convertible	USD 2,000	2	2
North West Redwater Partnership 3.20% 07-22-2024 Callable 2024	Canada	Corporate - Non Convertible	220,000	220	215
North West Redwater Partnership 2.80% 06-01-2027 Callable 2027	Canada	Corporate - Non Convertible	959,000	915	900
OMERS Finance Trust 1.55% 04-21-2027	Canada	Corporate - Non Convertible	460,000	441	424
Ontario Power Generation Inc. 2.89% 04-08-2025 Callable 2025	Canada	Corporate - Non Convertible	40,000	40	39
Ontario Teachers' Pension Plan 4.45% 06-02-2032	Canada	Provincial Governments	20,000	20	21
OPB Finance Trust 2.98% 01-25-2027	Canada	Provincial Governments	297,000	303	288
PACCAR Financial Corp. 0.99% 05-14-2024	United States	Corporate - Non Convertible	326,000	319	312
PayPal Holdings Inc. 2.40% 10-01-2024 Callable 2024	United States	Corporate - Non Convertible	USD 30,000	40	39
Pembina Pipeline Corp. 3.71% 08-11-2026 Callable 2026	Canada	Corporate - Non Convertible	410,000	415	396
Pembina Pipeline Corp. 4.02% 03-27-2028 Callable 2027	Canada	Corporate - Non Convertible	10,000	11	10
Pembina Pipeline Corp. F/R 01-25-2081	Canada	Corporate - Non Convertible	30,000	30	25
Prime Structured Mortgage Trust 1.86% 11-15-2024	Canada	Corporate - Non Convertible	98,000	97	93
Province of Alberta 1.65% 06-01-2031	Canada	Provincial Governments	2,610,000	2,379	2,255
Province of Ontario 2.60% 06-02-2025	Canada	Provincial Governments	2,289,000	2,328	2,232
Province of Ontario 3.60% 03-08-2028	Canada	Provincial Governments	690,000	687	696
Province of Ontario 1.55% 11-01-2029	Canada	Provincial Governments	120,000	120	107
Province of Ontario 4.05% 02-02-2032	Canada	Provincial Governments	80,000	80	83
Province of Ontario 3.75% 06-02-2032	Canada	Provincial Governments	3,000	3	3
Province of Quebec 2.25% 02-22-2024	Canada	Provincial Governments	110,000	110	108
Province of Quebec 2.75% 09-01-2025	Canada	Provincial Governments	5,712,000	5,830	5,579
Province of Quebec 3.65% 05-20-2032	Canada	Provincial Governments	66,000	66	66
PSP Capital Inc. 0.90% 06-15-2026	Canada	Federal Government	520,000	496	478
QVC Inc. 4.38% 09-01-2028 Callable 2028	United States	Corporate - Non Convertible	USD 7,000	9	4
Reliance LP 2.68% 12-01-2027	Canada	Corporate - Non Convertible	10,000	10	9
Reliance LP 2.67% 08-01-2028	Canada	Corporate - Non Convertible	4,000	4	4
RioCan Real Estate Investment Trust 5.61% 10-06-2027	Canada	Corporate - Non Convertible	29,000	29	29
RioCan Real Estate Investment Trust 2.83% 11-08-2028	Canada	Corporate - Non Convertible	2,000	2	2
RioCan Real Estate Investment Trust 4.63% 05-01-2029	Canada	Corporate - Non Convertible	10,000	10	9
Rogers Communications Inc. 3.10% 04-15-2025	Canada	Corporate - Non Convertible	1,220,000	1,213	1,179
Rogers Communications Inc. F/R 12-17-2081	Canada	Corporate - Non Convertible	176,000	168	161
Rogers Communications Inc. F/R 03-15-2082	Canada	Corporate - Non Convertible	USD 4,000	5	5
Royal Bank of Canada 2.61% 11-01-2024	Canada	Corporate - Non Convertible	745,000	741	718
Royal Bank of Canada 3.37% 09-29-2025	Canada	Corporate - Non Convertible	247,000	244	239
Royal Bank of Canada 5.24% 11-02-2026	Canada	Corporate - Non Convertible	163,000	163	166
Royal Bank of Canada 2.33% 01-28-2027	Canada	Corporate - Non Convertible	8,000	7	7
Royal Bank of Canada 4.64% 01-17-2028	Canada	Corporate - Non Convertible	187,000	187	187
Royal Bank of Canada F/R 06-30-2030 Callable 2025	Canada	Corporate - Non Convertible	430,000	414	400
Royal Bank of Canada F/R 11-03-2031	Canada	Corporate - Non Convertible	169,000	163	151
Royal Bank of Canada F/R 02-01-2033	Canada	Corporate - Non Convertible	101,000	101	99
Royal Bank of Canada F/R 11-24-2080 Callable 2025	Canada	Corporate - Non Convertible	109,000	103	102
RR Donnelley & Sons Co. 6.13% 11-01-2026	United States	Corporate - Non Convertible	USD 5,000	6	7
Saputo Inc. 2.88% 11-19-2024 Callable 2024	Canada	Corporate - Non Convertible	150,000	150	145
Scotia Capital Inc. 1.25% 03-01-2025	Canada	Mortgage Backed	39,948	40	38
Sienna Senior Living Inc. 3.11% 11-04-2024	Canada	Corporate - Non Convertible	120,000	120	115
Sienna Senior Living Inc. 3.45% 02-27-2026 Callable 2026	Canada	Corporate - Non Convertible	20,000	20	19
Sienna Senior Living Inc. 2.82% 03-31-2027	Canada	Corporate - Non Convertible	1,000	1	1
Signal Parent Inc. Term Loan B 1st Lien F/R 04-01-2028	United States	Term Loans	USD 9,825	12	9
South Coast British Columbia Transport Authority 1.60% 07-03-2030	Canada	Municipal Governments	10,000	10	9
Sun Life Financial Inc. F/R 08-13-2029 Callable 2024	Canada	Corporate - Non Convertible	880,000	864	845
Sun Life Financial Inc. F/R 05-10-2032 Callable 2027	Canada	Corporate - Non Convertible	320,000	292	291
Sun Life Financial Inc. F/R 08-10-2034	Canada	Corporate - Non Convertible	28,000	28	28
Suzano Austria GmbH 2.50% 09-15-2028	Brazil	Corporate - Non Convertible	USD 3,000	4	3
Sydney Airport Finance Co. Pty. Ltd. 3.63% 04-28-2026 Callable 2026	Australia	Corporate - Non Convertible	USD 104,000	130	135
Target Corp. 2.25% 04-15-2025 Callable 2025	United States	Corporate - Non Convertible	USD 20,000	28	26
Thomson Reuters Corp. 2.24% 05-14-2025 Callable 2025	Canada	Corporate - Non Convertible	78,000	77	74
T-Mobile USA Inc. 3.50% 04-15-2025 Class B	United States	Corporate - Non Convertible	USD 100,000	133	131
T-Mobile USA Inc. 4.95% 03-15-2028	United States	Corporate - Non Convertible	USD 31,000	42	42

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SCHEDULE OF INVESTMENTS (cont'd)

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	Country	Sector	Par Value/ Shares/ Units	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS (cont'd)					
TMX Group Ltd. 2.30% 12-11-2024 Callable 2024	Canada	Corporate - Non Convertible	240,000	244	233
The Toronto-Dominion Bank 2.67% 09-09-2025	Canada	Corporate - Non Convertible	470,000	449	448
The Toronto-Dominion Bank 4.34% 01-27-2026	Canada	Corporate - Non Convertible	3,000	3	3
The Toronto-Dominion Bank 2.26% 01-07-2027	Canada	Corporate - Non Convertible	78,000	76	72
The Toronto-Dominion Bank 5.38% 10-21-2027	Canada	Corporate - Non Convertible	141,000	141	145
The Toronto-Dominion Bank 4.48% 01-18-2028	Canada	Corporate - Non Convertible	173,000	173	172
The Toronto-Dominion Bank F/R 09-14-2028 Callable 2023	Canada	Corporate - Non Convertible	318,000	315	315
The Toronto-Dominion Bank 4.68% 01-08-2029	Canada	Corporate - Non Convertible	116,000	116	117
The Toronto-Dominion Bank F/R 07-25-2029 Callable 2024	Canada	Corporate - Non Convertible	1,128,000	1,092	1,092
The Toronto-Dominion Bank F/R 04-22-2030 Callable 2025	Canada	Corporate - Non Convertible	317,000	321	303
The Toronto-Dominion Bank F/R 01-26-2032 Callable 2027	Canada	Corporate - Non Convertible	29,000	28	27
Tourmaline Oil Corp. 2.08% 01-25-2028	Canada	Corporate - Non Convertible	2,000	2	2
Tourmaline Oil Corp. 2.53% 02-12-2029	Canada	Corporate - Non Convertible	2,000	2	2
Toyota Credit Canada Inc. 4.45% 01-26-2026	Canada	Corporate - Non Convertible	170,000	169	169
Toyota Motor Corp. 1.34% 03-25-2026	Japan	Corporate - Non Convertible	USD 12,000	15	15
TransCanada PipeLines Ltd. 5.42% 03-10-2026	Canada	Corporate - Non Convertible	330,000	330	331
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate - Non Convertible	630,000	616	567
Transcontinental Inc. 2.67% 02-03-2025	Canada	Corporate - Non Convertible	7,000	7	7
Transurban Finance Co. Pty. Ltd. 4.56% 11-14-2028 Callable 2028	Australia	Corporate - Non Convertible	350,000	363	343
Trulieve Cannabis Corp. 9.75% 06-18-2024	United States	Corporate - Non Convertible	USD 8,000	10	10
Ventas Inc. 2.80% 04-12-2024 Callable 2024	United States	Corporate - Non Convertible	250,000	251	243
Verizon Communications Inc. F/R 03-20-2026	United States	Corporate - Non Convertible	USD 106,000	135	142
The Walt Disney Co. 3.06% 03-30-2027	United States	Corporate - Non Convertible	13,000	14	12
Waste Management of Canada Corp. 2.60% 09-23-2026 Callable 2026	Canada	Corporate - Non Convertible	17,000	17	16
Wells Fargo & Co. 2.57% 05-01-2026 Callable 2025	United States	Corporate - Non Convertible	70,000	71	67
Wells Fargo & Co. 2.98% 05-19-2026	United States	Corporate - Non Convertible	611,000	605	578
Wells Fargo & Co. 2.49% 02-18-2027	United States	Corporate - Non Convertible	10,000	10	9
Welltower Inc. 3.63% 03-15-2024 Callable 2024	United States	Corporate - Non Convertible	USD 100,000	131	133
WSP Global Inc. 2.41% 04-19-2028	Canada	Corporate - Non Convertible	5,000	5	4
Total bonds				70,290	68,440
EQUITIES					
BCE Inc. Pfd. Series AA	Canada	Communication Services	412	6	7
BCE Inc. Pfd. Series AI	Canada	Communication Services	65	1	1
Brookfield Renewable Partners LP Pfd. Series 13	Canada	Utilities	191	5	4
Emera Inc. Pfd. Series J	Canada	Utilities	27	1	1
Emera Inc. Pfd. Series L	Canada	Utilities	160	4	3
Loblaw Companies Ltd. 5.30% Cum. Red. 2nd Pfd. Series B	Canada	Consumer Staples	40	1	1
Total equities				18	17
EXCHANGE-TRADED FUNDS					
¹ Mackenzie Emerging Markets Local Currency Bond Index ETF	Canada	Exchange-Traded Funds	3,704	317	300
Total exchange-traded funds				317	300
Transaction costs					
				—	—
Total investments				70,625	68,757
Derivative instruments					
(see schedule of derivative instruments)					(75)
Cash and cash equivalents					2,832
Other assets less liabilities					(1,595)
Net assets attributable to securityholders					69,919

¹ The issuer of this security is related to the Manager of the Fund.

COUNSEL SHORT TERM BOND

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SUMMARY OF INVESTMENT PORTFOLIO

MARCH 31, 2023

EFFECTIVE ASSET TYPE	% OF NAV
Corporate bonds	51.2
Federal bonds	29.1
Provincial bonds	16.8
Supranational bonds	0.4
Term loans	0.2
Foreign governments	(7.7)
Cash and cash equivalents	4.1
Other	5.9

EFFECTIVE COUNTRY ALLOCATION	% OF NAV
Canada	94.9
United States	6.1
Australia	0.7
United Kingdom	0.3
Japan	(6.5)
Cash and cash equivalents	4.1
Other countries	0.4

MARCH 31, 2022

EFFECTIVE ASSET TYPE	% OF NAV
Corporate	52.2
Federal government	29.0
Provincial governments	11.3
Bank loans	0.4
Mortgage backed	0.1
Foreign governments	(45.0)
Cash and cash equivalents	13.3
Other	38.7

EFFECTIVE REGIONAL ALLOCATION	% OF NAV
Canada	131.2
Pacific ex Japan	0.9
United Kingdom	0.3
Latin America	0.1
Middle East and Africa	0.1
Europe ex U.K.	(6.8)
United States	(39.0)
Cash and cash equivalents	13.3

The effective allocation shows the country, regional or asset type exposure of the Fund calculated by combining its direct investments, exchange traded funds, and derivatives.

COUNSEL SHORT TERM BOND

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SCHEDULE OF DERIVATIVE INSTRUMENTS

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Schedule of Forward Currency Contracts

Counterparty Credit Rating	Currency to be Received (\$ 000)	Currency to be Delivered (\$ 000)	Settlement Date	Contract Cost (\$ 000)	Current Fair Value (\$ 000)	Unrealized Gains (\$ 000)	Unrealized Losses (\$ 000)
AA	967 USD	(1,292) CAD	Apr. 21, 2023	1,292	1,308	16	–
AA	118 USD	(160) CAD	Apr. 21, 2023	160	159	–	(1)
AA	10 EUR	(15) CAD	Apr. 24, 2023	15	15	–	–
AA	5 CAD	(3) EUR	Apr. 28, 2023	(5)	(5)	–	–
A	27 CAD	(20) USD	Apr. 28, 2023	(27)	(27)	–	–
AA	200 USD	(268) CAD	Apr. 28, 2023	268	270	2	–
AA	16 CAD	(11) EUR	May 19, 2023	(16)	(16)	–	–
AA	80 CAD	(60) USD	May 19, 2023	(80)	(81)	–	(1)
AA	150 CAD	(112) USD	May 19, 2023	(150)	(152)	–	(2)
AA	225 USD	(301) CAD	May 19, 2023	301	304	3	–
AA	444 CAD	(333) USD	May 19, 2023	(444)	(449)	–	(5)
AA	118 USD	(160) CAD	May 19, 2023	160	159	–	(1)
AA	150 CAD	(110) USD	May 19, 2023	(150)	(149)	1	–
AA	238 USD	(326) CAD	May 19, 2023	326	322	–	(4)
AA	57 CAD	(43) USD	May 26, 2023	(57)	(58)	–	(1)
A	82 CAD	(60) USD	May 26, 2023	(82)	(81)	1	–
AA	25 CAD	(18) EUR	Jun. 2, 2023	(25)	(26)	–	(1)
AA	2 CAD	(1) EUR	Jun. 2, 2023	(2)	(2)	–	–
A	1,181 CAD	(878) USD	Jun. 2, 2023	(1,181)	(1,185)	–	(4)
AA	1,157 CAD	(861) USD	Jun. 2, 2023	(1,157)	(1,163)	–	(6)
AA	82 CAD	(60) USD	Jun. 9, 2023	(82)	(81)	1	–
AA	520 CAD	(380) USD	Jun. 23, 2023	(520)	(514)	6	–
Total forward currency contracts						30	(26)

Schedule of Futures Contracts

Type of Contract	Number of Contracts	Expiration Date	Average Rate of Contracts (\$)	Notional Value* (\$ 000)	Unrealized Gains (\$ 000)	Unrealized Losses (\$ 000)
SGX Mini Japan Government 10 Year Bond Future	(3)	Jun. 13, 2023	145.45 JPY	(4,528)	–	(81)
CME Ultra 10 year U.S. Treasury Bond Future	(7)	Jun. 21, 2023	121.39 USD	(1,147)	2	–
Total futures contracts				(5,675)	2	(81)

* Notional value represents the exposure to the underlying instruments as at March 31, 2023.

Total Derivative assets	32
Total Derivative liabilities	(107)

COUNSEL SHORT TERM BOND

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NOTES TO FINANCIAL STATEMENTS

1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the years ended or as at March 31, 2023 and 2022 (as applicable). In the year a series is established, 'period' represents the period from inception to the period end of that fiscal period. In a period where a series is terminated the period represents from the beginning of the fiscal year to the termination date. Refer to Note 10 (a) for series inception and termination 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 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 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 through profit or loss ("FVTPL").

These financial statements were authorized for issue by Counsel's Board of Directors on June 5, 2023.

3. Significant Accounting Policies

(a) Financial Instruments

Financial instruments include financial assets and liabilities such as debt and equity securities, investment funds, and derivatives. The Fund classifies and measures financial instruments in accordance with IFRS 9 *Financial Instruments*. Upon initial recognition, financial instruments are classified as 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 assets are derecognized when the right to receive cash flows from the instrument has expired. Financial liabilities are derecognized when the Fund has transferred substantially all risks and rewards of ownership. Investment purchase and sale transactions are recorded as of the trade date.

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

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.

The Fund accounts for its holdings in investment funds at FVTPL. Counsel has concluded that the investment funds in which the Fund invests, do not meet the definition of structured entities.

The Fund's redeemable securities entitle securityholders the right to redeem their interest in the Fund for cash equal to their proportionate share of the net asset value of the Fund, amongst other contractual rights. The Fund's redeemable securities meet the criteria for classification as financial liabilities under IAS 32, *Financial Instruments: Presentation*. The Fund's obligation for net assets attributable to securityholders is presented at the redemption amount.

IAS 7, *Statement of Cash Flows*, requires disclosures related to changes in liabilities and assets, such as the securities of the Fund, arising from financing activities. Changes in securities of the Fund, including both changes from cash flows and non-cash changes, are included in the Statement of Changes in Financial Position. Any changes in the securities not settled in cash as at the end of the period are presented as either Accounts receivable for securities issued or Accounts payable for securities redeemed in the Statement of Financial Position. These accounts receivable and accounts payable amounts typically settle shortly after period-end.

(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 listed on a public securities exchange, including exchange traded funds, or traded on an over-the-counter market are valued on the basis of the last traded market price or close price recorded by the security exchange on which the security is principally traded, where this price falls within the quoted bid-ask spread for the investment. In circumstances where this price is not within the bid-ask spread, Counsel 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 Counsel 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.

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 amortized cost which closely approximates their fair value due to their nature of being highly liquid and having short terms to maturity. Bank overdraft positions are presented under current liabilities as bank indebtedness in the Statement of Financial Position.

COUNSEL SHORT TERM BOND

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NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(b) Fair Value Measurement (cont'd)

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 Counsel or the Fund's sub-advisor(s), 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. Refer to "Exemptions from National Instrument 81-102" in the Annual Information Form of the Fund for further details, including the complete conditions of these exemptions, 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 – Net unrealized gain (loss).

The value of futures contracts or swaps fluctuates daily, and cash settlements made daily, where applicable, by the Fund are equal to the change in unrealized gains or losses that are best determined at the settlement price. These unrealized gains or losses are recorded and reported as such until the Fund closes out the contract or the contract expires. Margin paid or deposited in respect of futures contracts or swaps is reflected as a receivable in the Statement of Financial Position – Margin on derivatives. Any change in the variation margin requirement is settled daily.

Premiums paid (written) for purchasing (writing) options are recorded in Derivative Assets (Liabilities) and subsequently adjusted daily to fair value. If a written option expires unexercised, the premium received is recognized as a realized gain. If a written call option is exercised, the difference between the proceeds of the sale plus the value of the premium, and the cost of the security is recognized as a realized gain or loss. If a written put option is exercised, the cost of the security acquired is the exercise price of the option less the premium received. Refer to the Schedule of Derivative Instruments and Schedule of Options Purchased/Written, as applicable, included in the Schedule of Investments for a listing of derivative and options positions.

The Fund categorizes the fair value of its assets and liabilities into three categories, which are differentiated based on the observable nature of the inputs and extent of estimation required.

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. Examples of Level 2 valuations include quoted prices for similar securities, quoted prices on inactive markets and from recognized investment dealers, and the application of factors derived from observable data to non-North American quoted prices in order to estimate the impact of differences in market closing times.

Financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data and using standard market convention practices. The estimated fair values for these securities may be different from the values that would have been used had a ready market for the investment existed; and

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

The inputs are considered observable if they are developed using market data, such as publicly available Information about actual events or transactions, and that reflect the assumption that market participants would use when pricing the asset or liability.

See Note 10 (e) for the fair value classifications of the Fund.

(c) Income recognition

Interest income for distribution purposes represents the coupon interest received by the Fund which is accounted for on an accrual basis. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds, which are amortized on a straight-line basis

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, and unrealized gains or losses are calculated on an average cost basis.

The Fund may invest in ETFs managed by Mackenzie Investments (an affiliate of Counsel) which are indicated in the Schedule of Investments. The Fund receives Fee rebate income in respect of management fees paid indirectly to Mackenzie which offset the management fees indirectly borne in the return of these Underlying Funds.

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, issue or dispose of financial assets or liabilities. They include fees and commissions paid to agents, exchanges, brokers, dealers and other intermediaries. The total brokerage commissions incurred by the Fund in connection with portfolio transactions for the periods, together with other transaction charges, is disclosed in the Statements of Comprehensive Income. Brokerage business is allocated to brokers based on the best net result for the Fund. Subject to this criteria, commissions may be paid to brokerage firms which provide (or pay for) certain services, other than order execution, which may include investment research, analysis and reports, and databases or software in support of these services. Where applicable and ascertainable, the value of third-party services that were paid for by brokers during the periods is disclosed in Note 10. The value of certain proprietary services provided by brokers cannot be reasonably estimated.

COUNSEL SHORT TERM BOND

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NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(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.

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 and recognized when earned. 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.

Note 10 summarizes the details of securities loaned and collateral received, as well as a reconciliation of securities lending income, if applicable. Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments, and financial institutions.

(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.

(g) Offsetting

Financial assets and liabilities are offset and the net amount reported 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. Note 10 summarizes the details of such offsetting, if applicable, subject to master netting arrangements or other similar agreements and the net impact to the Statements of Financial Position if all such rights were exercised.

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. As at March 31, 2023 and March 31, 2022, there were no such differences.

(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 Statement 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) Comparative amounts

Certain prior period comparative amounts have been reclassified to conform to the current period's presentation.

(l) Future Accounting Changes

Counsel has determined there are no material implications to the Fund's financial statements arising from IFRS issued but not yet effective.

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

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.

COUNSEL SHORT TERM BOND

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NOTES TO FINANCIAL STATEMENTS

4. Critical accounting estimates and judgments

Use of Judgments (cont'd)

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. The Fund maintains a December 15 year-end for tax purposes. The Fund may be subject to withholding taxes on foreign income. In general, the Fund treats withholding tax as a charge against income for tax purposes. The Fund will distribute sufficient amounts from net income for tax purposes, as required, so that the Fund will not pay income taxes other than refundable tax on capital gains, if applicable.

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 O, 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 after the date of the Fund's most recently filed Simplified Prospectus.

Counsel may waive or absorb management fees and/or Administration Fees at its discretion and stop waiving or absorbing such fees at any time without notice. Refer to Note 10 (a) for the management fee and Administration Fee rates charged to each series of securities.

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, 2023 and 2022 and securities issued, reinvested and redeemed for the periods 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 8 (a).

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, Counsel 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 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.

COUNSEL SHORT TERM BOND

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NOTES TO FINANCIAL STATEMENTS

8. Financial Instruments Risk (cont'd)

(b) Liquidity risk (cont'd)

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. Note 10 (c) summarizes the Fund's exposure, if applicable and significant, to credit risk through fixed income instruments. Where presented, credit ratings and rating categories are based on ratings issued by a designated rating organization.

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.

(d) Currency risk

Currency risk is the risk that financial instruments which are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's functional currency, will fluctuate due to changes in exchange rates. Generally, foreign denominated investments increase in value when the value of the Canadian dollar (relative to foreign currencies) falls. Conversely, when the value of the Canadian dollar rises relative to foreign currencies, the values of foreign denominated investments fall.

Note 10 (c) indicates the foreign currencies, if applicable, to which the Fund had significant exposure, in Canadian dollar terms, to the Fund's net assets had the Canadian dollar strengthened or weakened by 5% relative to all foreign currencies, all other variables held constant. In practice, the actual trading results may differ and the difference could be material. Other financial assets and liabilities (including dividends and interest receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not generally expose the Fund to significant currency risk.

(e) Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Generally, these securities increase in value when interest rates fall and decrease in value when interest rates rise.

If significant, Note 10 (c) summarizes the Fund's bonds by remaining term to maturity and illustrates the potential impact to the Fund's net assets had prevailing interest rates increased or decreased by 1%, assuming a parallel shift in the yield curve, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

Cash and cash equivalents are short term in nature and are not generally subject to significant amounts of interest rate risk.

(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.

Other price risk typically arises from exposure to equity securities. Note 10 (c) illustrates the potential increase or decrease in the Fund's net assets had the prices on the respective exchanges for these securities increased or decreased by 10%, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

COUNSEL SHORT TERM BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2023

NOTES TO FINANCIAL STATEMENTS

9. Foreign currency abbreviations

Currency Code	Description	Currency Code	Description	Currency Code	Description
AUD	Australian dollars	HUG	Hungarian forint	PKR	Pakistani rupee
AED	United Arab Emirates Dirham	IDR	Indonesian rupiah	PLN	Polish zloty
BRL	Brazilian real	ILS	Israeli shekel	QAR	Qatar Rial
CAD	Canadian dollars	INR	Indian rupee	RON	Romanian leu
CHF	Swiss franc	JPY	Japanese yen	RUB	Russian ruble
CLP	Chilean peso	KOR	South Korean won	SAR	Saudi riyal
CNY	Chinese yuan	MXN	Mexican peso	SEK	Swedish krona
CZK	Czech koruna	MYR	Malaysian ringgit	SGD	Singapore dollars
DKK	Danish krone	NGN	Nigerian naira	THB	Thailand baht
EGP	Egyptian pound	NOK	Norwegian krona	TRL	Turkish lira
EUR	Euro	NTD	New Taiwan dollar	USD	United States dollars
GBP	United Kingdom pounds	NXD	New Zealand dollars	VND	Vietnamese dong
GHS	Ghana Cedi	PEN	Peruvian nuevo sol	ZAR	South African rand
HKD	Hong Kong dollars	PHP	Philippine peso	ZMW	Zambian kwacha

COUNSEL SHORT TERM BOND

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NOTES TO FINANCIAL STATEMENTS

10. Fund Specific Information (in '000, except for (a))

(a) Fund Formation and Series Information

Series	Inception/ Reinstatement Date	Minimum Investment (\$)	Management fee (%) ⁶	Administration fee (%) ⁶
Series A ¹	January 14, 2010	1,000	0.95	0.15
Series F ²	January 14, 2010	1,000	0.45	0.15
Series I ^{2,3,6}	January 14, 2010	1,000	—	0.15
Series O ⁴	October 26, 2010	—	—	—
Series Private Wealth ⁵	November 5, 2013	—	—	0.15

¹ Series A is the only series subject to sales or redemption charges; these charges are based on purchase options chosen. Securities purchased under the sales charge option may be subject to a negotiated fee of up to 5% at time of initial purchase. Securities previously purchased under the redemption charge purchase option may be subject to a redemption fee of up to 4.5% (based on date of initial purchase); new securities are not available under this option but may be acquired through switching from other Counsel funds. Effective June 15, 2022, the series' management fee and administration fee was reduced from 1.10% and 0.16% respectively.

² 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. Effective June 15, 2022, the series' management fee was reduced from 0.75% (including Series I management fee which is charged directly to investors).

³ The management fee for this series is 0.45% and is payable directly to Counsel generally through the monthly redemption of securities.

⁴ 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.

⁵ There are no management fees for Series Private Wealth. An investor must enter into an agreement to participate in a discretionary managed program offered by IPC Securities Corporation and agree to pay certain asset-based fees.

⁶ Counsel may, at its discretion, waive or lower the management fee (either directly or indirectly) and/or administration fee payable by investors. Individual investors may be eligible for a management fee reduction subject to meeting certain requirements as discussed in the Fund's Simplified Prospectus.

(b) Investment Objectives and Strategies

The Fund seeks to achieve a moderate level of income while preserving investment capital and liquidity. The Fund invests in a diversified portfolio of primarily Canadian fixed-income securities. The Fund may invest up to 30% of its assets directly in foreign securities.

(c) Risks Associated with Financial Instruments

i. Currency Risk

The tables below summarize the Fund's exposure to currency risk.

March 31, 2023								
Currency	Investments (\$)	Cash and Cash Equivalents (\$)	Derivative Instruments (\$)	Net Exposure (\$)	Impact on net assets			
					Strengthened by 5%		Weakened by 5%	
					(\$)	%	(\$)	%
JPY	–	97	(81)	16				
USD	1,374	53	(1,416)	11				
EUR	11	25	(34)	2				
Total	1,385	175	(1,531)	29				
% of Net Assets				–				
Total currency rate sensitivity on direct holdings					(1)	–	1	–
Currency rate sensitivity arising from ETFs					(15)	–	15	–
Total sensitivity to currency rate changes					(16)	–	16	–

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NOTES TO FINANCIAL STATEMENTS

10. Fund Specific Information (in '000, except for (a)) (cont'd)

March 31, 2022								
Currency	Investments (\$)	Cash and Cash Equivalents (\$)	Derivative Instruments (\$)	Net Exposure (\$)	Impact on net assets			
					Strengthened by 5%		Weakened by 5%	
					(\$)	%	(\$)	%
USD	4,595	303	(246)	4,652				
EUR	80	—	(71)	9				
Total	4,675	303	(317)	4,661				
% of Net Assets				2.9				
Total currency rate sensitivity on direct holdings					(233)	(0.1)	233	0.1
Currency rate sensitivity arising from ETFs					(225)	(0.2)	225	0.2
Total sensitivity to currency rate changes					(458)	(0.3)	458	0.3

The Fund uses currency forwards to hedge a portion of its currency risk.

ii. Interest Rate Risk

The tables below summarize the Fund's exposure to interest rate risks from its investments in bonds and derivative instruments by term to maturity.

	Bonds (\$)	Impact on net assets			
		Increase by 1%		Decrease by 1%	
March 31, 2023		(\$)	(%)	(\$)	(%)
Less than 1 year	11,196				
1-5 years	40,987				
5-10 years	13,866				
Greater than 10 years	2,391				
Total	68,440	(1,896)	(2.7)	1,896	2.7
Interest sensitivity arising from other financial instruments		410	0.6	(410)	(0.6)
Total sensitivity to interest rate		(1,486)	(2.1)	1,486	2.1

	Bonds (\$)	Impact on net assets			
		Increase by 1%		Decrease by 1%	
March 31, 2022		(\$)	(%)	(\$)	(%)
Less than 1 year	2,177				
1-5 years	106,587				
5-10 years	38,013				
Greater than 10 years	2,996				
Total	149,773	(6,306)	(3.9)	6,306	3.9
Interest sensitivity arising from other financial instruments		2,115	1.3	(2,115)	(1.3)
Total sensitivity to interest rate		(4,191)	(2.6)	4,191	2.6

The Fund uses futures to hedge a portion of its interest rate risk.

iii. Other price risk

As at March 31, 2023 and March 31, 2022, the Fund did not have a significant exposure to other price risk as its equities holding were primarily in preferred equities.

COUNSEL SHORT TERM BOND

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NOTES TO FINANCIAL STATEMENTS

10. Fund Specific Information (in '000, except for (a)) (cont'd)

iv. Credit risk

As at March 31, 2023 and 2022, debt securities by credit rating are as follows:

Bond Rating*	March 31, 2023	March 31, 2022
	% of Net Assets	% of Net Assets
AAA	33.3	29.3
AA	6.2	6.1
A	29.4	24.3
BBB	19.5	22.5
Less than BBB	1.7	0.9
Unrated	7.8	9.8
Total	97.9	92.9

* Credit ratings and rating categories are based on ratings issued by a designated rating organization

As at March 31, 2023, the maximum exposure to any one debt issuer was 14.2% of the net assets of the Fund (2022 – 29.0%).

(d) Loss Carryforwards

Non-Capital Losses carryforward (\$)	Net Capital Losses carryforward (\$)
–	6,729

(e) Fair Value Classification

The table below summarizes the fair value of the Fund's financial instruments using the fair value hierarchy described in note 3.

	March 31, 2023				March 31, 2022			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Fixed income	–	68,440	–	68,440	–	149,773	–	149,773
Exchange Traded Funds	300	–	–	300	4,708	–	–	4,708
Equities	17	–	–	17	59	–	–	59
Cash equivalents	–	2,269	–	2,269	–	20,889	–	20,889
Derivative assets	2	30	–	32	563	52	–	615
Derivative liabilities	(81)	(26)	–	(107)	(22)	(66)	–	(88)
Total	238	70,713	–	70,951	5,308	170,648	–	175,956

There were no significant transfers between Level 1 and Level 2. Cash equivalents classified as level 2 investments are valued based on amortized cost plus accrued interest which closely approximates fair value.

(f) Securities Lending

	March 31, 2023	March 31, 2022
	(\$)	(\$)
Value of securities loaned	9,698	21,386
Value of collateral received	10,194	22,498

	March 31, 2023		March 31, 2022	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	26	100.0	2	100.0
Tax withheld	–	–	–	–
	26	100.0	2	100.0
Payments to Securities Lending Agent	(5)	(19.2)	–	–
Securities lending income	21	80.8	2	100.0

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NOTES TO FINANCIAL STATEMENTS

10. Fund Specific Information *(in '000, except for (a)) (cont'd)*

(g) Offsetting of Financial Assets and Liabilities

The tables below present financial assets and financial liabilities that are subject to master netting arrangements or other similar agreements and the net impact on the Fund's Statements of Financial Position if all set-off rights were exercised as part of future events such as bankruptcy or termination of contracts. No amounts were offset in the financial statements.

	March 31, 2023			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	32	(5)	204	231
Unrealized losses on derivative contracts	(107)	5	–	(102)
Total	(75)	–	204	129

	March 31, 2022			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	615	(53)	255	817
Unrealized losses on derivative contracts	(88)	53	–	(35)
Total	527	–	255	782