

COUNSEL | PORTFOLIO SERVICES

Counsel Short Term Bond

ANNUAL FINANCIAL STATEMENTS

For the year ended March 31, 2021

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.ipcportfolios.ca or by visiting www.sedar.com.

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 Income Trend Strategy
(formerly Counsel Retirement Income Portfolio)
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 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
IPC Private Wealth Visio Balanced Growth Pool
IPC Private Wealth Visio Balanced Pool
IPC Private Wealth Visio Core Fixed Income
IPC Private Wealth Visio Growth Pool
IPC Private Wealth Visio Income Pool
IPC Private Wealth Visio North American 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
June 8, 2021



Paulette Jervis
Chief Financial Officer
June 8, 2021

Independent Auditor's Report

To the Securityholders of:

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

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

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at March 31, 2021 and 2020, as applicable, 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 the Fund as at March 31, 2021 and 2020, 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 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 scepticism 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.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 8, 2021

STATEMENTS OF FINANCIAL POSITION

at March 31, 2021 with comparative figures at March 31, 2020
(in \$ 000 except per security amounts)

	2021	2020
Assets		
Current assets:		
Investments at fair value	20,018	29,227
Cash and cash equivalents	951	1,108
Accrued interest receivable	104	191
Dividends receivable	—	—
Accounts receivable for investments sold	6	251
Accounts receivable for securities issued	11	1
Accounts receivable from the Manager	—	—
Margin on derivative contracts	34	62
Derivative assets	173	578
Other assets	—	—
	21,297	31,418
Non-current assets:		
Taxes recoverable	—	—
Other assets	—	—
	—	—
Total assets	21,297	31,418
Liabilities		
Current liabilities:		
Bank indebtedness	—	—
Accounts payable for investments purchased	265	216
Accounts payable for securities redeemed	11	42
Distributions payable	—	—
Accrued expenses and miscellaneous payables	1	1
Dividends payable on investments sold short	—	—
Derivative liabilities	9	697
Taxes payable	—	—
Other liabilities	—	—
Total liabilities	286	956
Net assets attributable to securityholders	21,011	30,462

STATEMENTS OF COMPREHENSIVE INCOME

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

	2021	2020
Income:		
Dividends	—	1
Interest and other income	716	2,560
Net realized gain (loss)	884	858
Net unrealized gain (loss)	86	(157)
Income (loss) from derivatives	59	(391)
Income (loss) from short selling	—	—
Securities lending income	1	—
Trust income	—	—
Total income	1,746	2,871
Expenses:		
Management fees	156	140
Management fee rebates	(14)	(2)
Administration fees	35	31
Commissions and other portfolio transaction costs	1	4
Independent Review Committee costs	—	—
Interest and other charges	4	5
Expenses before amounts absorbed by Manager	182	178
Expenses absorbed by Manager	—	—
Net expenses	182	178
Increase (decrease) in net assets attributable to securityholders from operations before tax	1,564	2,693
Foreign withholding tax expense (recovery)	(2)	1
Foreign income tax expense (recovery)	—	—
Income tax expense (recovery)	—	—
Increase (decrease) in net assets attributable to securityholders from operations	1,566	2,692

	Net assets attributable to securityholders			
	per security		per series	
	2021	2020	2021	2020
Series A	9.65	9.38	7,959	7,856
Series F	9.72	9.45	6,983	6,256
Series I	9.75	9.49	1,015	836
Series O	9.70	9.44	765	12,065
Series Private Wealth	9.98	9.71	4,289	3,449
			21,011	30,462

	Increase (decrease) in net assets attributable to securityholders from operations			
	per security		per series	
	2021	2020	2021	2020
Series A	0.40	0.12	340	108
Series F	0.45	0.17	315	105
Series I	0.48	0.24	56	23
Series O	0.71	0.26	692	2,367
Series Private Wealth	0.51	0.22	163	89
			1,566	2,692

STATEMENTS OF CHANGES IN FINANCIAL POSITION

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

	TOTAL		SERIES A		SERIES F		SERIES I	
	2021	2020	2021	2020	2021	2020	2021	2020
Net assets attributable to securityholders, beginning of period	30,462	97,723	7,856	8,609	6,256	3,764	836	1,065
Increase (decrease) in net assets attributable to securityholders resulting from:								
Operations	1,566	2,692	340	108	315	105	56	23
Distributions:								
Income	(610)	(2,208)	(112)	(106)	(127)	(80)	(31)	(21)
Capital gains	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–	–
Management fee rebates	(14)	(2)	(1)	–	(13)	(2)	–	–
Total distributions	(624)	(2,210)	(113)	(106)	(140)	(82)	(31)	(21)
Security transactions:								
Proceeds from sale of securities	12,023	16,326	2,330	2,137	2,410	5,053	1,052	363
Proceeds from securities issued on merger	–	–	–	–	–	–	–	–
Reinvested from distributions	621	2,199	112	106	138	78	31	21
Payment on redemption of securities	(23,037)	(86,268)	(2,566)	(2,998)	(1,996)	(2,662)	(929)	(615)
Total security transactions	(10,393)	(67,743)	(124)	(755)	552	2,469	154	(231)
Increase (decrease) in assets attributable to securityholders	(9,451)	(67,261)	103	(753)	727	2,492	179	(229)
Net assets attributable to securityholders, end of period	21,011	30,462	7,959	7,856	6,983	6,256	1,015	836
Increase (decrease) in securities (in thousands):								
Securities outstanding, beginning of period			838	919	662	399	88	113
Add (deduct):								
Securities sold			239	227	247	536	108	38
Securities issued on merger			–	–	–	–	–	–
Reinvested from distributions			12	11	14	8	3	2
Securities redeemed			(265)	(319)	(205)	(281)	(95)	(65)
Securities outstanding, end of period			824	838	718	662	104	88

	SERIES O		SERIES PRIVATE WEALTH	
	2021	2020	2021	2020
Net assets attributable to securityholders, beginning of period	12,065	79,964	3,449	4,321
Increase (decrease) in net assets attributable to securityholders resulting from:				
Operations	692	2,367	163	89
Distributions:				
Income	(251)	(1,924)	(89)	(77)
Capital gains	–	–	–	–
Return of capital	–	–	–	–
Management fee rebates	–	–	–	–
Total distributions	(251)	(1,924)	(89)	(77)
Security transactions:				
Proceeds from sale of securities	1,893	5,212	4,338	3,561
Proceeds from securities issued on merger	–	–	–	–
Reinvested from distributions	251	1,924	89	70
Payment on redemption of securities	(13,885)	(75,478)	(3,661)	(4,515)
Total security transactions	(11,741)	(68,342)	766	(884)
Increase (decrease) in assets attributable to securityholders	(11,300)	(67,899)	840	(872)
Net assets attributable to securityholders, end of period	765	12,065	4,289	3,449
Increase (decrease) in securities (in thousands):				
Securities outstanding, beginning of period	1,279	8,491	355	446
Add (deduct):				
Securities sold	193	554	431	367
Securities issued on merger	–	–	–	–
Reinvested from distributions	26	204	9	7
Securities redeemed	(1,419)	(7,970)	(365)	(465)
Securities outstanding, end of period	79	1,279	430	355

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

STATEMENTS OF CASH FLOWS

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

	2021	2020
Cash flows from operating activities		
Increase (decrease) in net assets attributable to securityholders from operations	1,566	2,692
Less non-cash impact of:		
Net realized loss (gain) on investments	(884)	(858)
Change in net unrealized loss (gain) on investments	(86)	157
Distributions received from Underlying Funds	–	–
Adjustments for:		
Proceeds from sale and maturity of investments	33,999	131,674
Purchases of investments	(23,852)	(72,052)
(Increase) decrease in accounts receivable and other assets	155	497
Increase (decrease) in accounts payable and other liabilities	–	–
Net cash provided by (used in) operating activities	10,898	62,110
Cash flows from financing activities:		
Proceeds from securities issued	12,013	16,369
Proceeds from securities issued on merger	–	–
Payments on redemption of securities	(23,068)	(86,268)
Distributions paid net of reinvestments	(3)	(11)
Net cash provided by (used in) financing activities	(11,058)	(69,910)
Increase (decrease) in cash and cash equivalents	(160)	(7,800)
Cash and cash equivalents at beginning of period	1,108	8,912
Effect of exchange rate fluctuations on cash and cash equivalents	3	(4)
Cash and cash equivalents, end of period	951	1,108
Cash	951	1,108
Cash equivalents	–	–
Bank indebtedness	–	–
	951	1,108
Supplementary disclosures on cash flow from operating activities:		
Dividends received net of withholding taxes	2	3
Interest received net of withholding taxes	803	2,984
Interest paid	–	5
Income taxes paid (recovered)	–	–

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

SCHEDULE OF INVESTMENTS

as at March 31, 2021

	Country	Sector	Currency*	Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS						
407 International Inc. 1.80% 05-22-2025 Callable 2025	Canada	Corporate		30,000	30	31
407 International Inc. 2.43% 05-04-2027 Callable MTN	Canada	Corporate		5,000	5	5
407 International Inc. 2.59% 05-25-2032 Callable 2032	Canada	Corporate		5,000	5	5
A&V Holdings Midco LLC Term Loan B 1st Lien F/R 02-28-2020	United States	Bank Loans	USD	9,620	11	12
ABG Intermediate Holdings 2 LLC Term Loan 1st Lien F/R 09-29-2024	United States	Bank Loans	USD	20,000	26	25
ADS Tactical Inc. Term Loan B 1st Lien F/R 03-04-2028	United States	Bank Loans	USD	10,000	12	12
Adtalem Global Education Inc. Term Loan B 1st Lien F/R 02-12-2028	United States	Bank Loans	USD	30,000	38	37
Advantage Sales & Marketing Inc. Term Loan B 1st Lien F/R 10-31-2027	United States	Bank Loans	USD	9,975	13	13
Alcami Carolinas Corp. Term Loan 1st Lien F/R 07-06-2025	United States	Bank Loans	USD	29,250	38	30
Alchemy US Holdco LLC Term Loan B 1st Lien F/R 10-01-2025	United States	Bank Loans	USD	18,508	24	23
Alectra Inc. 3.24% 11-21-2024 Callable 2024	Canada	Corporate		20,000	21	21
Algonquin Power & Utilities Corp. 4.65% 02-15-2022	Canada	Corporate		30,000	31	31
Alimentation Couche-Tard Inc. 3.90% 11-01-2022 Callable	Canada	Corporate		40,000	41	42
Alimentation Couche-Tard Inc. 2.95% 01-25-2030 Callable 2029	Canada	Corporate	USD	10,000	13	13
Allied Properties Real Estate Investment Trust 1.73% 02-12-2026	Canada	Corporate		8,000	8	8
AltaGas Ltd. 2.17% 03-16-2027	Canada	Corporate		5,000	5	5
AltaLink LP 2.98% 11-28-2022	Canada	Corporate		280,000	287	291
AltaLink LP 1.51% 09-11-2030	Canada	Corporate		5,000	5	5
Amentum Government Services Holdings LLC Term Loan B 1st Lien F/R 02-03-2027	United States	Bank Loans	USD	20,000	26	25
American Tower Corp. 1.88% 10-15-2030 Callable 2030	United States	Corporate	USD	10,000	13	12
APFS Staffing Holdings Inc. Term Loan 1st Lien F/R 04-10-2026	United States	Bank Loans	USD	19,650	26	25
Apple Inc. 1.13% 05-11-2025 Callable 2025	United States	Corporate	USD	30,000	42	38
ARC Resources Ltd. 2.35% 03-10-2026	Canada	Corporate		24,000	24	24
ARC Resources Ltd. 3.47% 03-10-2031	Canada	Corporate		5,000	5	5
Aroundtown SA 4.63% 09-18-2025 Callable 2025	Germany	Corporate		40,000	40	43
Arterra Wines Canada Inc. Term Loan 1st Lien F/R 11-18-2027	Canada	Bank Loans	USD	9,975	13	13
Ascend Performance Materials Operations LLC Term Loan B 1st Lien F/R 08-27-2026	United States	Bank Loans	USD	29,551	38	38
AT&T Inc. F/R 03-25-2024	United States	Corporate	USD	14,000	18	18
AT&T Inc. 1.65% 02-01-2028 Callable 2027	United States	Corporate	USD	10,000	13	12
AT&T Inc. 2.25% 02-01-2032 Callable 2031	United States	Corporate	USD	10,000	13	12
Athenahealth Inc. Term Loan B 1st Lien F/R 02-11-2026	United States	Bank Loans	USD	19,427	25	24
Athene Global Funding 2.10% 09-24-2025	United States	Corporate		40,000	40	40
Ball Metalpack Finco LLC Term Loan B 1st Lien F/R 07-26-2025	United States	Bank Loans	USD	19,450	25	24
Bank of America Corp. F/R 04-25-2025 Callable 2024	United States	Corporate		230,000	231	242
Bank of America Corp. F/R 03-24-2026 Callable 2025	United States	Corporate		30,000	30	32
Bank of America Corp. F/R 04-04-2029	United States	Corporate		6,000	6	6
Bank of Montreal 2.37% 02-03-2025 Callable 2025	Canada	Corporate		60,000	60	62
Bank of Montreal 1.76% 03-10-2026	Canada	Corporate		42,000	42	42
Bank of Montreal F/R 06-17-2030 Callable 2025	Canada	Corporate		70,000	71	71
Bank of Montreal F/R 11-26-2080	Canada	Corporate		10,000	10	10
The Bank of Nova Scotia 2.16% 02-03-2025	Canada	Corporate		150,000	149	155
The Bank of Nova Scotia 1.40% 11-01-2027	Canada	Corporate		20,000	20	19
bclMC Realty Corp. 1.06% 03-12-2024	Canada	Corporate		15,000	15	15
bclMC Realty Corp. 1.68% 03-03-2025 Callable 2025	Canada	Corporate		20,000	20	20
bclMC Realty Corp. 1.07% 02-04-2026	Canada	Corporate		20,000	20	19
bclMC Realty Corp. 3.00% 03-31-2027 Callable 2026	Canada	Corporate		110,000	109	117
bclMC Realty Corp. 1.75% 07-24-2030 Callable 2030	Canada	Corporate		5,000	5	5
BCPE Cycle Merger Sub II Inc. 10.63% 07-15-2027 Callable 2022	United States	Corporate	USD	10,000	13	14
Bell Canada Inc. 3.35% 03-12-2025 Callable 2025	Canada	Corporate		70,000	75	75
Bell Canada Inc. 1.65% 08-16-2027 Callable 2027	Canada	Corporate		110,000	107	107
Bell Canada Inc. 2.50% 05-14-2030	Canada	Corporate		10,000	11	10
BMW Canada Auto Trust 0.33% 07-20-2023	Canada	Mortgage Backed		12,555	13	13
BP Capital Markets PLC 3.47% 05-15-2025	United Kingdom	Corporate		60,000	60	65
Brookfield Infrastructure Finance ULC 4.20% 09-11-2028 Callable 2028	Canada	Corporate		30,000	30	33
Brookfield Infrastructure Finance ULC 2.86% 09-01-2032 Callable 2032	Canada	Corporate		10,000	10	10
Brookfield Renewable Partners ULC 4.25% 01-15-2029 Callable 2028	Canada	Corporate		10,000	11	11
Brookfield Renewable Partners ULC 3.38% 01-15-2030 Callable 2029	Canada	Corporate		10,000	10	11
Brookfield Residential Properties Inc. 6.25% 09-15-2027 Callable 2022	Canada	Corporate	USD	10,000	13	13
Bruce Power LP 3.00% 06-21-2024 Callable 2024	Canada	Corporate		40,000	39	42
Canada Housing Trust No. 1 F/R 03-15-2024	Canada	Federal Government		550,000	553	554
Canada Housing Trust No. 1 1.95% 12-15-2025	Canada	Federal Government		2,000,000	2,123	2,071
Canada Housing Trust No. 1 F/R 03-15-2026	Canada	Federal Government		160,000	161	160
Canadian Imperial Bank of Commerce 2.97% 07-11-2023	Canada	Corporate		118,000	120	124
Canadian Imperial Bank of Commerce F/R 03-04-2025	Canada	Corporate		69,000	69	69
Canadian Imperial Bank of Commerce 3.30% 05-26-2025	Canada	Corporate		260,000	260	281
Canadian Imperial Bank of Commerce 1.10% 01-19-2026	Canada	Corporate		80,000	79	78
Canadian Imperial Bank of Commerce 4.38% 10-28-2080	Canada	Corporate		10,000	10	10
Canadian National Railway Co. 3.00% 02-08-2029 Callable 2028	Canada	Corporate		10,000	10	11
Canadian Natural Resources Ltd. 3.55% 06-03-2024	Canada	Corporate		30,000	30	32
Canadian Natural Resources Ltd. 2.50% 01-17-2028	Canada	Corporate		10,000	10	10
Canadian Pacific Railway Ltd. 3.15% 03-13-2029 Callable 2028	Canada	Corporate		10,000	10	11
Canadian Western Bank 1.57% 09-14-2023	Canada	Corporate		40,000	40	41
Canadian Western Bank 2.61% 01-30-2025 Callable 2024	Canada	Corporate		30,000	30	31

* Par value of bonds is stated in Canadian dollars unless otherwise noted.

SCHEDULE OF INVESTMENTS (continued)

as at March 31, 2021

	Country	Sector	Currency*	Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS (continued)						
Canadian Western Bank 1.82% 12-16-2027	Canada	Corporate		10,000	10	10
Canadian Western Bank F/R 07-31-2081	Canada	Corporate		5,000	5	5
Capital Power Corp. 4.99% 01-23-2026 Callable 2025	Canada	Corporate		40,000	40	45
Capital Power Corp. 3.15% 10-01-2032	Canada	Corporate		5,000	5	5
Cascades Inc. 5.13% 01-15-2026 Callable 2023	Canada	Corporate	USD	10,000	13	13
CCS-CMCG Holdings Inc. Term Loan 1st Lien F/R 09-25-2025	United States	Bank Loans	USD	19,550	25	24
Charter Communications Operating LLC 5.05% 03-30-2029 Callable 2028	United States	Corporate	USD	10,000	14	14
Charter Communications Operating LLC 2.80% 04-01-2031 Callable 2031	United States	Corporate	USD	20,000	28	25
Charter Communications Operating LLC 2.30% 02-01-2032	United States	Corporate	USD	5,000	7	6
Chartwell Retirement Residences 4.21% 04-28-2025 Callable 2025	Canada	Corporate		20,000	20	21
Choice Properties LP 3.60% 09-20-2022 Callable	Canada	Corporate		140,000	146	145
Choice Properties Real Estate Investment Trust 3.55% 01-10-2025 Callable 2024	Canada	Corporate		60,000	64	64
Choice Properties Real Estate Investment Trust 4.18% 03-08-2028 Callable 2027	Canada	Corporate		100,000	111	111
Choice Properties Real Estate Investment Trust 3.53% 06-11-2029 Callable 2029	Canada	Corporate		10,000	10	11
Citadel Securities LP Term Loan B 1st Lien F/R 02-27-2028	United States	Bank Loans	USD	208,008	266	259
Colbun SA 4.50% 07-10-2024 Callable 2024	Chile	Corporate	USD	5,000	7	7
CoolSys Inc. Delayed Draw Term Loan 1st Lien F/R 12-31-2049	United States	Bank Loans	USD	1,091	1	1
CoolSys Inc. Term Loan 1st Lien F/R 12-31-2049	United States	Bank Loans	USD	28,560	37	36
Costco Wholesale Corp. 1.38% 06-20-2027 Callable 2027	United States	Corporate	USD	20,000	28	25
Cowen Inc. Term Loan B 1st Lien F/R 03-12-2021	United States	Bank Loans	USD	10,000	12	13
CPPIB Capital Inc. 1.95% 09-30-2029	Canada	Corporate		30,000	30	30
Dream Industrial Real Estate Investment Trust 1.66% 12-22-2025	Canada	Corporate		10,000	10	10
Eagle Credit Card Trust 1.27% 07-17-2025	Canada	Corporate		10,000	10	10
Emera Inc. 2.90% 06-16-2023	Canada	Corporate		70,000	68	73
Empire Communities Corp. 7.38% 12-15-2025	Canada	Corporate		10,000	10	10
The Empire Life Insurance Co. 3.63% 04-17-2081	Canada	Corporate		2,000	2	2
Enbridge Gas Inc. 2.50% 08-05-2026 Callable 2026	Canada	Corporate		10,000	10	10
Enbridge Gas Inc. 2.90% 04-01-2030 Callable 2030	Canada	Corporate		5,000	5	5
Enbridge Inc. 2.44% 06-02-2025	Canada	Corporate		140,000	145	145
Energir Inc. 2.10% 04-16-2027 Callable 2027	Canada	Corporate		10,000	10	10
ENMAX Corp. 3.33% 06-02-2025	Canada	Corporate		10,000	11	11
EPCOR Utilities Inc. 1.30% 05-19-2023	Canada	Corporate		30,000	30	30
Exxon Mobil Corp. 2.99% 03-19-2025 Callable 2025	United States	Corporate	USD	10,000	15	13
Fairfax Financial Holdings Ltd. 3.95% 03-03-2031	Canada	Corporate		10,000	10	10
Federation des Caisses Desjardins du Quebec 2.42% 10-04-2024	Canada	Corporate		30,000	30	31
Federation des Caisses Desjardins du Quebec F/R 05-26-2030 Callable 2025	Canada	Corporate		20,000	20	21
First American Payment Systems LP Term Loan B 1st Lien F/R 02-21-2027	United States	Bank Loans	USD	27,389	36	34
Forming Machining Industries Holdings LLC Term Loan 1st Lien F/R 10-03-2025	United States	Bank Loans	USD	23,062	30	25
Foxtrot Escrow Issuer LLC 12.25% 11-15-2026 Callable 2022	United States	Corporate	USD	24,000	31	34
Gannett Holdings LLC Term Loan B 1st Lien F/R 02-08-2026	United States	Bank Loans	USD	9,935	12	13
Garrett LX I S.a.r.l. Term Loan B 1st Lien F/R 03-05-2028	Luxembourg	Bank Loans	USD	10,000	13	13
Garrett LX I S.a.r.l. Term Loan B 1st Lien F/R 03-05-2028	Luxembourg	Bank Loans	EUR	10,000	15	15
Gibson Energy Inc. 2.85% 07-14-2027 Callable 2027	Canada	Corporate		50,000	51	51
Gibson Energy Inc. F/R 12-22-2080	Canada	Corporate		15,000	15	15
The Goldman Sachs Group Inc. F/R 07-27-2022 Callable 2021	United States	Corporate		80,000	80	80
The Goldman Sachs Group Inc. F/R 02-28-2029	United States	Corporate		11,000	11	11
Grab Holdings Inc. Term Loan B 1st Lien F/R 01-20-2026	Singapore	Bank Loans	USD	20,000	25	26
H&R Real Estate Investment Trust 2.92% 05-06-2022	Canada	Corporate		160,000	158	163
H&R Real Estate Investment Trust 3.42% 01-23-2023 Callable 2022	Canada	Corporate		10,000	10	10
H&R Real Estate Investment Trust 4.07% 06-16-2025 Callable 2025	Canada	Corporate		35,000	35	37
H&R Real Estate Investment Trust 2.63% 02-19-2027	Canada	Corporate		5,000	5	5
HCA Healthcare Inc. 3.50% 09-01-2030 Callable 2030	United States	Corporate	USD	10,000	13	13
Heathrow Funding Ltd. 3.00% 06-17-2023	United Kingdom	Corporate		230,000	231	231
Heathrow Funding Ltd. 3.25% 05-21-2025	United Kingdom	Corporate		20,000	21	21
Heritage Power LLC Term Loan B 1st Lien F/R 07-08-2026	United States	Bank Loans	USD	39,300	50	47
Honda Canada Finance Inc. F/R 02-26-2024	Canada	Corporate		37,000	37	37
Honda Canada Finance Inc. 1.34% 03-17-2026	Canada	Corporate		10,000	10	10
Honda Canada Finance Inc. 1.65% 02-25-2028	Canada	Corporate		10,000	10	10
Horizon Therapeutics USA Inc. Term Loan B 1st Lien F/R 02-26-2028	United States	Bank Loans	USD	10,000	13	13
Hudson River Trading LLC Term Loan B 1st Lien F/R 03-19-2028	United States	Bank Loans	USD	10,000	12	12
Husky Energy Inc. 3.50% 02-07-2028 Callable 2027	Canada	Corporate		10,000	10	10
Hydro One Inc. 0.71% 01-16-2023	Canada	Corporate		80,000	80	80
Hydro One Inc. 2.54% 04-05-2024 Callable 2024	Canada	Corporate		240,000	245	251
Hydro One Inc. 2.97% 06-26-2025 Callable 2025	Canada	Corporate		40,000	42	43
Hydro One Ltd. 1.41% 10-15-2027 Callable 2027	Canada	Corporate		5,000	5	5
The Independent Order Of Foresters F/R 10-15-2035 Callable 2030	Canada	Corporate		5,000	5	5
INEOS 226 Ltd. Term Loan B 1st Lien F/R 01-21-2026	United Kingdom	Bank Loans	EUR	10,000	15	15
INEOS Enterprises Holdings US Finco LLC Term Loan B 1st Lien F/R 09-03-2026	United States	Bank Loans	USD	24,284	32	31
INEOS US Petrochem LLC Term Loan B 1st Lien F/R 01-21-2026	United States	Bank Loans	USD	10,000	13	13
Innovative Water Care Global Corp. Term Loan 1st Lien F/R 02-27-2026	United States	Bank Loans	USD	39,200	49	47
Intact Financial Corp. 1.93% 12-16-2030	Canada	Corporate		10,000	10	9
Intact Financial Corp. F/R 03-31-2081	Canada	Corporate		6,000	6	6
Inter Pipeline Ltd. 3.17% 03-24-2025 Callable 2024 MTN	Canada	Corporate		50,000	51	52

* Par value of bonds is stated in Canadian dollars unless otherwise noted.

SCHEDULE OF INVESTMENTS (continued)

as at March 31, 2021

	Country	Sector	Currency*	Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS (continued)						
Inter Pipeline Ltd. F/R 03-26-2079 Callable 2029	Canada	Corporate		10,000	10	11
Inter Pipeline Ltd. F/R 11-19-2079 Callable 2029	Canada	Corporate		20,000	20	21
Interior Logic Group Holdings IV LLC Term Loan B 1st Lien F/R 05-21-2025	United States	Bank Loans	USD	48,750	62	61
ION Trading Finance Ltd. Term Loan B 1st Lien F/R 03-26-2028	United States	Bank Loans	USD	10,000	13	13
ION Trading Finance Ltd. Term Loan B 1st Lien F/R 03-26-2028	Ireland	Bank Loans	EUR	10,000	15	15
Ivanhoe Cambridge II Inc. 2.91% 06-27-2023 Callable 2023	Canada	Corporate		90,000	93	94
Ivanhoe Cambridge II Inc. 2.30% 12-12-2024 Callable 2024	Canada	Corporate		30,000	30	31
Jadex Inc. Term Loan 1st Lien F/R 02-12-2028	United States	Bank Loans	USD	39,550	51	49
Jane Street Group LLC Term Loan B 1st Lien F/R 01-21-2027	United States	Bank Loans	USD	9,975	13	12
John Deere Financial Inc. 1.34% 09-08-2027	United States	Corporate		20,000	20	19
Journey Personal Care Corp. Term Loan 1st Lien F/R 02-19-2028	United States	Bank Loans	USD	10,000	13	13
JPMorgan Chase & Co. 1.90% 03-05-2028	United States	Corporate		10,000	10	10
Kestrel Bidco Inc. Term Loan 1st Lien F/R 08-07-2026	Canada	Bank Loans	USD	28,538	37	35
Keyera Corp. F/R 06-13-2079 Callable 2029	Canada	Corporate		10,000	10	11
Keyera Corp. F/R 03-10-2081	Canada	Corporate		8,000	8	8
Kronos Acquisition Holdings Inc. Term Loan B 1st Lien F/R 12-22-2026	United States	Bank Loans	USD	9,975	13	12
LABL Escrow Issuer LLC 6.75% 07-15-2026 Callable 2022	United States	Corporate	USD	9,000	12	12
LABL Escrow Issuer LLC 10.50% 07-15-2027 Callable 2022	United States	Corporate	USD	14,000	19	20
LABL Inc. Term Loan B 1st Lien F/R 07-02-2026	United States	Bank Loans	USD	29,550	39	37
Laurentian Bank of Canada 1.15% 06-03-2024	Canada	Corporate		28,000	28	28
Laurentian Bank of Canada 0.70% 06-01-2025	Canada	Mortgage Backed		133,682	132	133
Loblaws Companies Ltd. 2.28% 05-07-2030 Callable 2030	Canada	Corporate		10,000	10	10
LogMeIn Inc. Term Loan B 1st Lien F/R 08-14-2027	United States	Bank Loans	USD	9,975	13	12
Lower Mattagami Energy LP 3.42% 06-20-2024	Canada	Corporate		50,000	53	54
LSF10 XL Bidco SCA Term Loan B 1st Lien F/R 03-30-2028	Luxembourg	Bank Loans	EUR	10,000	15	15
Manulife Bank of Canada 2.38% 11-19-2024	Canada	Corporate		5,000	5	5
Manulife Bank of Canada 1.50% 06-25-2025	Canada	Corporate		20,000	20	20
Manulife Bank of Canada 1.34% 02-26-2026	Canada	Corporate		33,000	33	33
Manulife Financial Corp. F/R 05-09-2028 Callable 2023	Canada	Corporate		190,000	193	200
Manulife Financial Corp. F/R 05-12-2030 Callable 2025	Canada	Corporate		30,000	30	31
Mastercard Inc. 1.90% 03-15-2031	United States	Corporate	USD	2,000	3	2
Mavis Tire Express Services Corp Bridge Loan F/R 07-08-2021	United States	Bank Loans	USD	36,000	-	-
McDonald's Corp. 3.13% 03-04-2025 Callable 2025	United States	Corporate		70,000	69	75
Meredith Corp. Term Loan B 1st Lien 01-31-2025	United States	Bank Loans	USD	9,925	13	13
Metronet Systems Holdings LLC Term Loan 1st Lien F/R 12-31-2049	United States	Bank Loans	USD	39,600	52	50
Morgan Stanley 3.00% 02-07-2024 Series MPLE	United States	Corporate		180,000	185	190
Morgan Stanley F/R 03-21-2025	United States	Corporate		70,000	70	70
Murphy USA Inc. Term Loan B 1st Lien F/R 01-29-2028	United States	Bank Loans	USD	10,000	13	13
National Bank of Canada 2.58% 02-03-2025	Canada	Corporate		100,000	101	105
National Bank of Canada F/R 08-18-2026 Callable 2025	Canada	Corporate		10,000	10	10
NAV Canada 2.06% 05-29-2030	Canada	Corporate		10,000	10	10
NextEra Energy Capital Holdings Inc. 2.25% 06-01-2030 Callable 2030	United States	Corporate	USD	10,000	14	12
NextEra Energy Inc. 2.75% 05-01-2025 Callable 2025	United States	Corporate	USD	10,000	14	13
Nielsen Holdings PLC Term Loan B 1st Lien F/R 02-05-2028	United States	Bank Loans	USD	10,000	13	13
Nissan Canada Inc. 1.63% 03-18-2024	Canada	Corporate		16,000	16	16
Norbord Inc. 5.75% 07-15-2027 Callable 2022	Canada	Corporate	USD	10,000	13	13
North West Redwater Partnership 2.80% 06-01-2027 Callable 2027	Canada	Corporate		6,000	6	6
OMERS Finance Trust 1.55% 04-21-2027	Canada	Corporate		190,000	194	188
OMERS Finance Trust 2.60% 05-14-2029	Canada	Corporate		10,000	10	10
OMERS Realty Corp. 1.30% 09-22-2023	Canada	Corporate		80,000	80	81
OneDigital Borrower LLC Term Loan B Delayed Draw 1st Lien F/R 10-30-2027	United States	Bank Loans	USD	1,797	2	2
OneDigital Borrower LLC Term Loan B 1st Lien F/R 10-30-2027	United States	Bank Loans	USD	18,203	24	23
Ontario Power Generation Inc. 2.89% 04-08-2025 Callable 2025	Canada	Corporate		40,000	40	42
Ontario Power Generation Inc. 2.98% 09-13-2029	Canada	Corporate		20,000	22	21
Ontario Power Generation Inc. 3.22% 04-08-2030 Callable 2030	Canada	Corporate		70,000	78	74
Ontario Teachers' Finance Trust 1.10% 10-19-2027	Canada	Provincial Governments		10,000	10	10
OPB Finance Trust 2.98% 01-25-2027	Canada	Provincial Governments		70,000	75	75
Parkland Fuel Corp. 6.00% 06-23-2028 Callable 2023	Canada	Corporate		20,000	20	22
PayPal Holdings Inc. 2.20% 09-26-2022	United States	Corporate	USD	60,000	80	77
PayPal Holdings Inc. 1.35% 06-01-2023	United States	Corporate	USD	20,000	28	26
PayPal Holdings Inc. 2.40% 10-01-2024 Callable 2024	United States	Corporate	USD	30,000	40	40
PayPal Holdings Inc. 2.30% 06-01-2030 Callable 2030	United States	Corporate	USD	10,000	14	12
Pembina Pipeline Corp. 3.71% 08-11-2026 Callable 2026	Canada	Corporate		40,000	42	43
Pembina Pipeline Corp. 4.02% 03-27-2028 Callable 2027	Canada	Corporate		10,000	11	11
Pembina Pipeline Corp. 3.62% 04-03-2029 Callable 2029	Canada	Corporate		10,000	10	11
Pembina Pipeline Corp. F/R 01-25-2081	Canada	Corporate		30,000	30	29
Pluto Acquisition I Inc. Term Loan B 1st Lien F/R 06-20-2026	United States	Bank Loans	USD	29,550	39	37
Province of British Columbia 2.85% 06-18-2025	Canada	Provincial Governments		320,000	345	343
Province of Ontario 2.60% 06-02-2025	Canada	Provincial Governments		560,000	594	593
Province of Ontario 1.35% 12-02-2030	Canada	Provincial Governments		530,000	493	492
Province of Quebec 2.25% 02-22-2024	Canada	Provincial Governments		110,000	110	115
Province of Quebec 2.75% 09-01-2025	Canada	Provincial Governments		750,000	807	801
Province of Quebec 1.90% 09-01-2030	Canada	Provincial Governments		300,000	296	295

* Par value of bonds is stated in Canadian dollars unless otherwise noted.

SCHEDULE OF INVESTMENTS (continued)

as at March 31, 2021

	Country	Sector	Currency*	Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS (continued)						
PSP Capital Inc. 0.90% 06-15-2026	Canada	Federal Government		130,000	128	127
QVC Inc. 4.38% 09-01-2028 Callable 2028	United States	Corporate	USD	20,000	26	25
Rackspace Technology Global Inc. Term Loan B 1st Lien F/R 02-09-2028	United States	Bank Loans	USD	10,000	13	12
Reliance LP 2.68% 12-01-2027	Canada	Corporate		10,000	10	10
Reliance LP 2.67% 08-01-2028	Canada	Corporate		4,000	4	4
Rogers Communications Inc. 3.65% 03-31-2027	Canada	Corporate		39,000	42	42
Royal Bank of Canada 2.95% 05-01-2023	Canada	Corporate		96,000	97	100
Royal Bank of Canada 2.61% 11-01-2024	Canada	Corporate		30,000	31	31
Royal Bank of Canada 1.94% 05-01-2025	Canada	Corporate		40,000	40	41
Royal Bank of Canada 2.33% 01-28-2027	Canada	Corporate		7,000	7	7
Royal Bank of Canada F/R 06-30-2030 Callable 2025	Canada	Corporate		30,000	30	30
Royal Bank of Canada F/R 01-28-2033	Canada	Corporate		11,000	11	11
Royal Bank of Canada F/R 11-24-2080 Callable 2025	Canada	Corporate		5,000	5	5
Royal Bank of Canada F/R 02-24-2081	Canada	Corporate		20,000	20	21
S&P Global Inc. 1.25% 08-15-2030 Callable 2030	United States	Corporate	USD	5,000	7	6
Sagen MI Canada Inc. 3.26% 03-05-2031	Canada	Corporate		4,000	4	4
Sagen MI Canada Inc. F/R 03-24-2081	Canada	Corporate		13,000	13	13
Saputo Inc. 1.42% 06-19-2026	Canada	Corporate		10,000	10	10
Saputo Inc. 2.24% 06-16-2027 Callable 2027	Canada	Corporate		5,000	5	5
Scotia Capital Inc. 1.74% 01-01-2025	Canada	Mortgage Backed		126,723	125	130
Scotia Capital Inc. 1.25% 03-01-2025	Canada	Mortgage Backed		54,742	55	55
Scotia Capital Inc. 0.55% 01-01-2026	Canada	Mortgage Backed		49,572	49	49
Sea to Sky Highway Investment LP 2.63% 08-31-2030	Canada	Corporate		29,149	30	30
Shaw Communications Inc. 4.40% 11-02-2028 Callable 2028	Canada	Corporate		20,000	20	22
Shaw Communications Inc. 2.90% 12-09-2030 Callable 2030	Canada	Corporate		5,000	5	5
Sienna Senior Living Inc. 3.11% 11-04-2024	Canada	Corporate		20,000	20	21
Sienna Senior Living Inc. 3.45% 02-27-2026 Callable 2026	Canada	Corporate		20,000	20	21
Signal Parent Inc. Term Loan B 1st Lien F/R 04-01-2028	United States	Bank Loans	USD	10,000	13	12
Signify Health LLC Term Loan 1st Lien 12-23-2024	United States	Bank Loans	USD	9,975	13	13
SmartCentres Real Estate Investment Trust 1.74% 12-16-2025	Canada	Corporate		20,000	20	20
SmartCentres Real Estate Investment Trust 3.19% 06-11-2027 Callable 2027	Canada	Corporate		5,000	5	5
SmartCentres Real Estate Investment Trust 3.53% 12-20-2029 Callable 2029	Canada	Corporate		10,000	10	10
Sorenson Communications LLC Term Loan B 1st Lien F/R 03-12-2026	United States	Bank Loans	USD	10,000	12	13
South Coast British Columbia Transport Authority 1.60% 07-03-2030	Canada	Provincial Governments		10,000	10	9
Spa US HoldCo Inc. Term Loan B 1st Lien F/R 03-12-2028	United States	Bank Loans	USD	10,000	12	13
Specialty Pharma III Inc. Term Loan B 1st Lien F/R 02-24-2028	United States	Bank Loans	USD	10,000	12	12
SS&C Technologies Inc. Term Loan B5 1st Lien F/R 04-16-2025	United States	Bank Loans	USD	19,490	25	24
Summit Industrial Income Real Estate Investment Trust 2.15% 09-17-2025 Callable 2025	Canada	Corporate		20,000	20	20
Summit Industrial Income Real Estate Investment Trust 1.82% 04-01-2026	Canada	Corporate		5,000	5	5
Sun Life Financial Inc. F/R 09-19-2028 Callable 2023	Canada	Corporate		140,000	148	147
Sun Life Financial Inc. F/R 08-13-2029 Callable 2024	Canada	Corporate		390,000	387	404
Sun Life Financial Inc. F/R 05-10-2032 Callable 2027	Canada	Corporate		10,000	10	10
Sun Life Financial Inc. F/R 10-01-2035	Canada	Corporate		10,000	10	9
Suncor Energy Inc. 3.10% 05-24-2029 Callable 2029	Canada	Corporate		10,000	10	10
Sydney Airport Finance Co. Pty. Ltd. 3.63% 04-28-2026 Callable 2026	Australia	Corporate	USD	104,000	130	141
Target Corp. 2.25% 04-15-2025 Callable 2025	United States	Corporate	USD	20,000	28	26
TELUS Corp. 2.75% 07-08-2026	Canada	Corporate		120,000	125	125
TELUS Corp. 2.35% 01-27-2028 Callable 2027	Canada	Corporate		5,000	5	5
TELUS Corp. 3.30% 05-02-2029 Callable 2029	Canada	Corporate		10,000	10	11
TELUS Corp. 3.15% 02-19-2030 Callable 2029	Canada	Corporate		20,000	20	21
TELUS Corp. 2.05% 10-07-2030	Canada	Corporate		10,000	10	9
Terrier Media Buyer Inc. Term Loan B 1st Lien F/R 12-17-2026	United States	Bank Loans	USD	29,626	39	37
Thomson Reuters Corp. 2.24% 05-14-2025 Callable 2025	Canada	Corporate		50,000	50	51
Thor Industries Inc. Term Loan B 1st Lien F/R 02-01-2026	United States	Bank Loans	USD	37,743	47	48
Titan Sub LLC Term Loan B 1st Lien F/R 09-19-2026	United States	Bank Loans	USD	19,750	26	25
T-Mobile US Inc. 3.50% 04-15-2025 Callable 2025	United States	Corporate	USD	20,000	28	27
T-Mobile US Inc. 1.50% 02-15-2026 Callable 2026	United States	Corporate	USD	10,000	14	12
T-Mobile US Inc. 3.75% 04-15-2027 Callable 2027	United States	Corporate	USD	20,000	28	27
TMX Group Ltd. 2.02% 02-12-2031	Canada	Corporate		2,000	2	2
The Toronto-Dominion Bank F/R 01-06-2023	Canada	Corporate	USD	30,000	38	38
The Toronto-Dominion Bank 1.94% 03-13-2025	Canada	Corporate		20,000	20	20
The Toronto-Dominion Bank 1.13% 12-09-2025	Canada	Corporate		120,000	120	118
The Toronto-Dominion Bank 1.89% 03-08-2028	Canada	Corporate		21,000	21	21
The Toronto-Dominion Bank F/R 04-22-2030 Callable 2025	Canada	Corporate		270,000	286	286
Tourmaline Oil Corp. 2.08% 01-25-2028	Canada	Corporate		2,000	2	2
Toyota Credit Canada Inc. 2.11% 02-26-2025	Canada	Corporate		10,000	10	10
Toyota Credit Canada Inc. 1.18% 02-23-2026	Canada	Corporate		20,000	20	20
Toyota Motor Corp. 1.34% 03-25-2026	Japan	Corporate	USD	12,000	15	15
TransCanada PipeLines Ltd. 3.80% 04-05-2027 Callable 2027	Canada	Corporate		10,000	11	11
TransCanada PipeLines Ltd. 3.00% 09-18-2029 Callable 2029	Canada	Corporate		10,000	10	10
TransCanada PipeLines Ltd. 4.20% 03-04-2081	Canada	Corporate		15,000	15	14
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate		80,000	80	82
Transurban Finance Co. Pty. Ltd. 4.56% 11-14-2028 Callable 2028	Australia	Corporate		30,000	30	33

* Par value of bonds is stated in Canadian dollars unless otherwise noted.

SCHEDULE OF INVESTMENTS (continued)

as at March 31, 2021

	Country	Sector	Currency*	Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS (continued)						
Triton Water Holdings Inc. Term Loan B 1st Lien F/R 03-16-2028	United States	Bank Loans	USD	10,000	12	13
Trulieve Cannabis Corp. 9.75% 06-18-2024	United States	Corporate	USD	8,000	10	11
Ultra Clean Holdings Inc. Term Loan B 1st Lien F/R 08-27-2025	United States	Bank Loans	USD	27,000	34	34
Ultra Clean Holdings Inc. Term Loan B 1st Lien F/R 08-27-2025	United States	Bank Loans	USD	28,216	36	36
United States Treasury 0.50% 04-15-2024 Inflation Indexed	United States	Foreign Governments	USD	340,000	473	480
United States Treasury 1.75% 06-30-2024	United States	Foreign Governments	USD	890,000	1,157	1,166
United States Treasury 0.25% 10-31-2025	United States	Foreign Governments	USD	360,000	468	441
Ventas Canada Finance Ltd. 2.55% 03-15-2023 Callable 2023	United States	Corporate		70,000	68	72
Ventas Inc. 2.80% 04-12-2024 Callable 2024	United States	Corporate		50,000	50	52
Ventas Inc. F/R 11-12-2021	United States	Corporate		130,000	129	130
Veregy Term Loan 1st Lien F/R 11-03-2027	United States	Bank Loans	USD	9,975	13	13
Verizon Communications Inc. F/R 03-20-2026	United States	Corporate	USD	16,000	20	20
Verizon Communications Inc. 2.38% 03-22-2028	United States	Corporate		8,000	8	8
Verizon Communications Inc. 2.50% 05-16-2030 Callable 2030	United States	Corporate		30,000	31	29
Verizon Communications Inc. 1.75% 01-20-2031	United States	Corporate	USD	10,000	13	12
Vertex Aerospace Services Corp. Term Loan B 1st Lien F/R 06-29-2027	United States	Bank Loans	USD	9,652	13	12
Videotron Ltd. 5.13% 04-15-2027 Callable 2022	Canada	Corporate	USD	160,000	203	213
Videotron Ltd. 4.50% 01-15-2030 Callable 2024	Canada	Corporate		30,000	30	32
Vungle Inc. Term Loan B 1st Lien F/R 09-30-2026	United States	Bank Loans	USD	9,751	13	12
Walgreens Boots Alliance Inc. 3.20% 04-15-2030 Callable 2030	United States	Corporate	USD	20,000	28	26
The Walt Disney Co. 3.06% 03-30-2027	United States	Corporate		13,000	14	14
Waste Management of Canada Corp. 2.60% 09-23-2026 Callable 2026	Canada	Corporate		20,000	20	21
Wells Fargo & Co. 3.19% 02-08-2024 Callable 2024	United States	Corporate		40,000	40	42
Wells Fargo & Co. 2.57% 05-01-2026 Callable 2025	United States	Corporate		70,000	71	73
Wells Fargo & Co. 2.98% 05-19-2026 Series MPLE	United States	Corporate		30,000	32	32
Wells Fargo & Co. 2.49% 02-18-2027	United States	Corporate		30,000	30	31
Wells Fargo & Co. F/R 03-15-2169	United States	Corporate	USD	6,000	8	8
Welltower Inc. 3.63% 03-15-2024 Callable 2024	United States	Corporate	USD	30,000	40	41
Welltower Inc. 2.95% 01-15-2027 Callable 2026	United States	Corporate		5,000	5	5
WildBrain Ltd. Term Loan B 1st Lien F/R 03-18-2028	Canada	Bank Loans	USD	10,000	12	12
Xperi Holding Corp. Term Loan B 1st Lien F/R 06-01-2025	United States	Bank Loans	USD	16,393	20	21
Xplornet Communications Inc. Term Loan 1st Lien F/R 05-29-2027	Canada	Bank Loans	USD	9,925	13	12
Yum! Brands Inc. 3.63% 03-15-2031	United States	Corporate	USD	10,000	13	12
					19,443	19,483
EQUITIES						
BCE Inc. Pfd. Series AA	Canada	Communication Services		412	6	7
BCE Inc. Pfd. Series AJ	Canada	Communication Services		180	3	3
Brookfield Asset Management Inc. Pfd. Series 46	Canada	Financials		226	6	6
Brookfield Renewable Partners LP Pfd. Series 11	Canada	Utilities		483	12	12
Brookfield Renewable Partners LP Pfd. Series 13	Canada	Utilities		191	5	5
Brookfield Renewable Partners LP Pfd. Series 9	Canada	Utilities		14	-	-
Emera Inc. Pfd. Series J	Canada	Utilities		50	1	1
TC Energy Corp. Pfd. Series 15	Canada	Energy		1,192	30	30
TransAlta Corp. Pfd. Series A	Canada	Utilities		343	4	5
TransCanada Corp. 5.50% Cum. Pfd Series 13	Canada	Energy		187	5	5
					72	74
EXCHANGE TRADED FUNDS						
¹ Mackenzie Emerging Markets Bond Index ETF (CAD-Hedged)	Canada	Exchange Traded Funds		1,127	109	107
¹ Mackenzie Emerging Markets Local Currency Bond Index ETF	Multinational	Exchange Traded Funds		2,292	216	204
¹ Mackenzie Floating Rate Income ETF	Canada	Exchange Traded Funds		7,830	150	150
					475	461
COMMISSIONS AND OTHER PORTFOLIO TRANSACTION COSTS						
TOTAL INVESTMENTS						
					19,990	20,018
Net Assets						
Total investments						20,018
Cash and cash equivalents						951
Derivative assets (see schedule of derivative instruments)						173
Derivative liabilities (see schedule of derivative instruments)						(9)
Other net assets (liabilities)						(122)
						21,011

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

* Par value of bonds is stated in Canadian dollars unless otherwise noted.

SCHEDULE OF INVESTMENTS (continued)

as at March 31, 2021

Schedule of Asset Composition

at March 31, 2021

	% of net assets
EFFECTIVE ASSET TYPE	
Corporate	46.0
Federal Government	13.9
Provincial Governments	13.0
Bank Loans	8.2
Mortgage Backed	1.8
Foreign governments (21.1)	1.8
Cash and cash equivalents	4.5
Other	33.7
Total	100.0

EFFECTIVE REGIONAL ALLOCATION

Canada	97.2
United Kingdom	1.6
Pacific ex Japan	1.3
Europe ex U.K.	0.6
Latin America	0.2
Middle East and Africa	0.2
United States (5.6)	0.2
Cash and cash equivalents	4.5
Total	100.0

at March 31, 2020

	% of net assets
EFFECTIVE ASSET TYPE	
Corporate	50.7
Federal Government	18.9
Foreign governments	6.4
Bank Loans	5.5
Provincial Governments	5.2
Mortgage Backed	0.5
Cash and cash equivalents	3.7
Other	9.1
Total	100.0

EFFECTIVE REGIONAL ALLOCATION

Canada	81.5
United States	13.6
United Kingdom	1.0
Pacific ex Japan	0.7
Europe ex U.K.	(0.5)
Cash and cash equivalents	3.7
Total	100.0

Schedule of Derivative Instruments

as at March 31, 2021

Schedule of Forward Currency Contracts

Counterparty credit rating	Settlement date	Currency to be received (000)	Contract cost (CAD\$ 000)	Currency to be delivered (000)	Current fair value (CAD\$ 000)	Unrealized gains (CAD\$ 000)	Unrealized losses (CAD\$ 000)
AA	05-14-2021	15 CAD	15	10 EUR	15	–	–
A	04-16-2021	1,512 CAD	1,512	1,180 USD	1,483	29	–
AA	04-16-2021	1,272 CAD	1,272	993 USD	1,248	24	–
AA	04-23-2021	448 CAD	448	352 USD	442	6	–
AA	04-23-2021	228 CAD	228	180 USD	226	1	–
AA	05-14-2021	98 CAD	98	76 USD	95	3	–
AA	05-21-2021	25 CAD	25	20 USD	25	–	–
A	05-21-2021	386 CAD	386	301 USD	379	8	–
AA	05-21-2021	218 CAD	218	170 USD	214	4	–
AA	05-21-2021	474 CAD	474	373 USD	468	6	–
AA	06-11-2021	756 CAD	756	606 USD	761	–	(5)
AA	04-23-2021	67 USD	85	85 CAD	84	–	(1)
AA	05-07-2021	240 USD	305	305 CAD	302	–	(3)
						81	(9)

Schedule of Future Contracts

Type of contract	No. of contracts	Expiration date	Average rate of contracts	Notional value (\$ 000)	Unrealized gains (\$ 000)	Unrealized losses (\$ 000)
CBOT U.S. 10 Year Treasury Note	(42)	06-01-2021	132.678715 USD	(6,910)	92	–
				(6,910)	92	–

TOTAL DERIVATIVE ASSETS

173

TOTAL DERIVATIVE LIABILITIES

(9)

* Notional value represents the exposure to the underlying instruments

Note:

The following abbreviations have been used:

CAD – Canadian dollars

EUR – Euro

USD – United States dollars

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, 2021 and 2020 (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 year in which a series is terminated, 'period' represents the period from April 1 to the series' termination. Refer to Note 9 (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.

These financial statements were authorized for issue by Counsel's Board of Directors on June 8, 2021.

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 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.

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 investments 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 ("ETFs"), 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 fair value which closely approximates their amortized cost 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.

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.

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 9 (e) for the fair value classifications of the Fund.

NOTES TO ANNUAL FINANCIAL STATEMENTS**3. SIGNIFICANT ACCOUNTING POLICIES (continued)****(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, 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 9. The value of certain proprietary services provided by brokers cannot be reasonably estimated.

(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 9 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

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. Note 9 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, 2021 and March 31, 2020, 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 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.

(k) 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.

Governments worldwide have enacted various measures in seeking to combat the spread of the COVID-19 virus. These measures have led to significant volatility in equity markets and material disruption to businesses globally, resulting in an economic slowdown.

Ongoing uncertainty regarding the duration and long-term impact of the pandemic and the implementation of vaccination programs, as well as the efficacy of government and central bank monetary and fiscal interventions, may continue to affect the Fund's performance 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.

NOTES TO ANNUAL FINANCIAL STATEMENTS**5. INCOME TAXES**

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

Losses of the Fund cannot be allocated to securityholders and are retained in the Fund for use in future years. Non-capital losses incurred may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Net capital losses may be carried forward indefinitely to reduce future realized capital gains. Refer to Note 9 (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 (IRC), 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, new fees related to external services that were not commonly charged in the Canadian mutual fund industry and introduced after the date of the most recently filed Counsel Funds' simplified prospectus, and the costs of complying with any new regulatory requirements, including, without limitation, any new fees introduced after the date of the most recently filed Counsel Funds' 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 9 (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, 2021 and March 31, 2020 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 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 9 (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.

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 9 (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 9 (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.

NOTES TO ANNUAL FINANCIAL STATEMENTS**8. FINANCIAL INSTRUMENTS RISK (continued)****(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 9 (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 9 (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.

NOTES TO ANNUAL FINANCIAL STATEMENTS

All figures stated in \$000s of Canadian dollars, except for Note 9(a), unless otherwise noted

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

Series	Date of Inception	Minimum Investment (\$)	Management Fee ⁶ (%)	Administration Fee ⁶ (%)
Series A ¹	January 14, 2010	1,000	1.10	0.18
Series F ²	January 14, 2010	1,000	0.75	0.15
Series J ^{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 or low-load options may be subject to a redemption fee of up to 5.5% or 2.5% respectively (based on date of initial purchase); new securities are not available under these options but may be acquired through switching from other Counsel funds.

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.

³ The management fee for this series is 0.75% 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 (excluding Series E 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

Currency	March 31, 2021				Impact on net assets			
	Investments	Cash and cash equivalents	Derivative instruments	Net exposure	Strengthened by 5%		Weakened by 5%	
					(\$)	(%)	(\$)	(%)
Euro	4,933	156	(4,847)	242				
United States dollars	59	–	(15)	44				
Total	4,992	156	(4,862)	286				
As percent of net assets (%)				1.4				
Total currency rate sensitivity on direct holdings					(14)	(0.1)	14	(0.1)
Currency rate sensitivity arising from ETFs					(10)	(0.0)	10	0.0
Total sensitivity to currency rate changes					(24)	(0.1)	24	(0.1)

Currency	March 31, 2020				Impact on net assets			
	Investments	Cash and cash equivalents	Derivative instruments	Net exposure	Strengthened by 5%		Weakened by 5%	
					(\$)	(%)	(\$)	(%)
United States dollars	5,420	281	(4,980)	721				
Total	5,420	281	(4,980)	721				
As percent of net assets (%)				2.4				
Total currency rate sensitivity on direct holdings					(36)	(0.1)	36	0.1
Currency rate sensitivity arising from ETFs					–	–	–	–
Total sensitivity to currency rate changes					(36)	(0.1)	36	0.1

The Fund generally seeks to hedge its foreign currency exposure.

NOTES TO ANNUAL FINANCIAL STATEMENTS

All figures stated in \$000s of Canadian dollars, except for Note 9(a), unless otherwise noted

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

ii. Interest Rate Risk

March 31, 2021	Bond holdings	Impact on net assets			
		Increase by 1%		Decrease by 1%	
		(\$)	(%)	(\$)	(%)
Less than 1 year	161				
1-5 years	13,110				
5-10 years	5,793				
Greater than 10 years	419				
Total	19,483	(873)	(4.2)	873	4.2
Interest sensitivity arising from other financial instruments		640	3.0	(640)	(3.0)
Total sensitivity to interest rate		(258)	(1.2)	258	1.2

March 31, 2020	Bond holdings	Impact on net assets			
		Increase by 1%		Decrease by 1%	
		(\$)	(%)	(\$)	(%)
Less than 1 year	358				
1-5 years	23,722				
5-10 years	4,791				
Greater than 10 years	355				
Total	29,226	(1,137)	(3.8)	1,137	3.8
Interest sensitivity arising from other financial instruments		130	0.5	(130)	(0.5)
Total sensitivity to interest rate		(1,007)	(3.3)	1,007	3.3

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

iii. Other Price Risk

As at March 31, 2021 and March 31, 2020, the Fund did not have a significant exposure to other price risk.

iv. Credit Risk

Bond Rating	March 31, 2021	March 31, 2020
	% of Net Assets	% of Net Assets
AAA	17.4	19.4
AA	18.0	14.1
A	21.0	24.1
BBB	20.0	22.2
Less than BBB	8.9	6.1
Unrated	7.8	12.0
Total	93.1	97.9

As at March 31, 2021, the maximum exposure to any one debt issuer was 13.9% of the net assets of the Fund (March 31, 2020 – 18.7%).

(d) Loss Carryforwards

Non-Capital Losses carryforward	Net Capital Losses carryforward
\$Nil	\$4,757

NOTES TO ANNUAL FINANCIAL STATEMENTS

All figures stated in \$000s of Canadian dollars, except for Note 9(a), unless otherwise noted

9. FUND SPECIFIC INFORMATION (continued)**(e) Fair Value Classification**

The tables below summarize the fair value of the Fund's investments using the fair value categories described in Note 3.

as at March 31, 2021	Level 1	Level 2	Level 3	Total
Fixed income	–	19,483	–	19,483
Exchange Traded Funds	461	–	–	461
Equities	74	–	–	74
Cash equivalents	–	–	–	–
Derivative assets	92	81	–	173
Derivative liabilities	–	(9)	–	(9)
Total	627	19,555	–	20,182

as at March 31, 2020	Level 1	Level 2	Level 3	Total
Fixed income	8	29,218	–	29,226
Exchange Traded Funds	–	–	–	–
Equities	1	–	–	1
Cash equivalents	–	–	–	–
Derivative assets	2	576	–	578
Derivative liabilities	–	(697)	–	(697)
Total	11	29,097	–	29,108

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

as at	Value of securities loaned	Value of collateral received
March 31, 2021	2,744	2,885
March 31, 2020	–	–

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, 2021 and 2020 is presented below:

for the year ended March 31	Amount (\$)		Percentage of Total Amount (%)	
	2021	2020	2021	2020
Gross Securities Lending Income	1	–	100.0	–
Securities Lending Agent fees	–	–	–	–
Securities Lending Income to the Fund before Withholdings Taxes	1	–	100.0	–
Withholding Taxes	–	–	–	–
Securities Lending Income	1	–	100.0	–

(g) Offsetting of financial assets and financial liabilities

The tables below present the recognized 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.

for the year ended March 31	March 31, 2021			
	Gross amount of assets/liabilities	Amount available for offset	Margin	Net amount
Unrealized gains on derivative contracts	173	(4)	34	169
Unrealized losses on derivative contracts	(9)	4	–	(5)
Total	164	–	34	164

for the year ended March 31	March 31, 2020			
	Gross amount of assets/liabilities	Amount available for offset	Margin	Net amount
Unrealized gains on derivative contracts	578	(301)	–	277
Unrealized losses on derivative contracts	(697)	301	62	(334)
Total	(119)	–	62	(57)

(h) Investments in related parties

The Fund invests in ETFs managed by Mackenzie Investments, an affiliate of Counsel, as shown in the Schedule of Investments. The Fund receives a rebate in respect of management fees paid indirectly to Mackenzie which offset the management fees indirectly borne in the return of these ETFs.



COUNSEL | PORTFOLIO SERVICES

Client Services 180 Queen St.W., Toronto, ON M5V 3K1 • Toll-Free: 1-877-216-4979 • Fax: (416) 922-5660
Sales & Marketing 5015 Spectrum Way, Suite 300, Mississauga ON L4W 0E4 • Toll-Free: 1-877-625-9885 • Fax: 1-844-378-6247