

# **Knowledge First Financial**

## **Family Single Student Education Savings Plan**

(Education savings program provided by Knowledge First Foundation)

Unaudited Semi-Annual Financial Statements

**For the six months ended June 30, 2020**

*The Foundation appoints an independent auditor to audit the Plan's annual financial statements. The independent auditor has not audited the Plan's June 30, 2020 and 2019 financial statements. Applicable securities laws require that if an auditor has not audited the interim financial statements, this must be disclosed in an accompanying notice.*

**FAMILY SINGLE STUDENT EDUCATION SAVINGS PLAN  
STATEMENTS OF FINANCIAL POSITION**

As at June 30, 2020 and December 31, 2019

All amounts in Canadian dollars

	<b>June 30, 2020</b>	<b>December 31, 2019</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Assets</b>		
<b>Current Assets</b>		
Cash	23,311,543	9,776,201
Investments (Note 5)	3,533,074,108	137,762,257
Government grants receivable	2,110,742	-
Interest receivable	18,783,643	537,935
	<u>3,577,280,036</u>	<u>148,076,393</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Government grants payable	-	103,943
Payable for investments purchased	37,364	-
Principal payable to subscribers	37,192,469	37,187,431
Accounts payable and other liabilities (Notes 7 and 8)	8,800,462	1,368,780
	<u>46,030,295</u>	<u>38,660,154</u>
<b>Net assets attributable to subscribers and beneficiaries (Note 6)</b>	<b><u>3,531,249,741</u></b>	<b><u>109,416,239</u></b>

**Approved by the Board of Directors of Knowledge First Foundation**

"R. George Hopkinson"

"David Forster"

R. George Hopkinson, Director

David Forster, Director

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

**FAMILY SINGLE STUDENT EDUCATION SAVINGS PLAN  
STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)**

For the six months ended June 30, 2020 and 2019

All amounts in Canadian dollars

	<b>June 30, 2020</b>	<b>June 30, 2019</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Income</b>		
Interest income	25,211,548	1,494,988
Dividend Income	9,040,800	-
Other income		
Other changes in fair value of investments:		
Net realized gains on investments	23,697,484	1,412,639
Net change in unrealized gains on investments	62,695,850	3,437,493
<b>Total income (net)</b>	<b>120,645,682</b>	<b>6,345,120</b>
<b>Expenses</b>		
Management fees (Note 8)	14,878,046	306,974
Investment counsel fees (Note 9)	-	49,630
Custodian fees	-	5,214
Independent Review Committee fees	-	1,009
<b>Total expenses</b>	<b>14,878,046</b>	<b>362,827</b>
<b>Increase in net assets attributable to subscribers and beneficiaries</b>	<b>105,767,636</b>	<b>5,982,293</b>

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

**FAMILY SINGLE STUDENT EDUCATION SAVINGS PLAN  
STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SUBSCRIBERS AND  
BENEFICIARIES (UNAUDITED)**

For the six months ended June 30, 2020 and 2019

All amounts in Canadian dollars

	<b>June 30, 2020</b>	<b>June 30, 2019</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Net assets attributable to subscribers and beneficiaries, beginning of period</b>	<b>109,416,238</b>	<b>100,877,381</b>
Subscribers' contributions (Note 6)		
Contributions and transfers in	61,368,424	16,906,271
Return of contributions	(29,261,021)	(7,900,277)
Transfers in from Family Group Plan	1,576,777,669	
	<u>1,608,885,072</u>	<u>9,005,994</u>
Government grants (Note 6)		
Government grant contributions	16,551,534	203,183
Government grant repayments and transfers	(940,166)	7,220,030
Government grant payments to beneficiaries	(15,331,796)	(3,064,086)
Transfers in from Family Group Plan	604,808,786	
	<u>605,088,358</u>	<u>4,359,127</u>
Accumulated income (Note 6)		
Increase in net assets attributable to subscribers and beneficiaries	105,767,636	5,982,293
Education Assistance Payment (EAP) disbursements	(35,432,477)	(5,229,066)
Payments of government grant income to beneficiaries	(11,028,712)	(2,434,915)
Payments of government grant income to educational institutions	(1,084,124)	(17,015)
Income transferred in (out), net	(1,915,555)	20,819,127
Transfers in from Family Group Plan	1,151,553,305	-
	<u>1,207,860,073</u>	<u>19,120,424</u>
<b>Net assets attributable to subscribers and beneficiaries, end of period</b>	<b><u>3,531,249,741</u></b>	<b><u>133,362,926</u></b>

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

**FAMILY SINGLE STUDENT EDUCATION SAVINGS PLAN  
STATEMENTS OF CASH FLOWS**

For the six months ended June 30, 2020 and 2019

All amounts in Canadian dollars

	<b>June 30, 2020</b>	<b>June 30, 2019</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Cash flows from (used in) operating activities</b>		
Increase in net assets attributable to subscribers and beneficiaries	105,767,636	5,982,293
Adjustments for:		
Net realized (gains) on investments	(23,697,484)	(1,412,639)
Net change in unrealized (gains) on investments	(62,695,850)	(3,437,493)
Amortization of bond discounts and premiums	4,421,035	337,688
Purchases of investments	(4,804,334,704)	(157,232,767)
Proceeds from sale or maturity of investments	1,491,032,516	137,085,102
Interest receivable	(18,245,708)	(128,667)
Accounts payable and other liabilities	7,436,720	274,635
<b>Net cash used in operating activities</b>	<b>(3,300,315,839)</b>	<b>(18,531,848)</b>
<b>Cash flows from (used in) in financing activities</b>		
Subscribers' contributions	61,368,424	16,906,271
Return of subscribers' contributions	(29,261,021)	(9,360,131)
Government grant receipts	14,440,791	203,183
Government grant repayments and transfers	(1,044,109)	7,367,392
Government grant payments to beneficiaries	(15,331,796)	(3,064,086)
Income payments to beneficiaries:		
Education Assistance Payments	(35,432,477)	(5,229,066)
Government grants	(11,028,712)	(2,434,915)
Funds transferred in (out)	(1,915,555)	20,819,127
Income payments to educational institutions from government grants	(1,084,124)	(17,015)
Funds transferred in from Family Group Plan	3,333,139,760	-
<b>Net cash from financing activities</b>	<b>3,313,851,181</b>	<b>25,190,760</b>
<b>Net decrease in cash</b>	<b>13,535,342</b>	<b>6,658,912</b>
<b>Cash, beginning of period</b>	<b>9,776,201</b>	<b>11,665,475</b>
<b>Cash, end of period</b>	<b>23,311,543</b>	<b>18,324,387</b>
Supplementary Information *		
Interest received	16,006,640	1,028,633
* Included in operating activities		

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

**FAMILY SINGLE STUDENT EDUCATION SAVINGS PLAN  
SCHEDULE OF INVESTMENT PORTFOLIO**

As at June 30, 2020

All amounts in Canadian dollars

Bond Name	Coupon	Maturity Date	Par Value	Cost	Fair Value
<b>FEDERAL (2.3%)</b>					
CANADA HOUSING TRUST	1.90%	2026-09-15	2,550,000	2,455,437	2,726,318
GOVERNMENT OF CANADA	2.25%	2025-06-01	3,745,000	3,957,462	4,097,805
GOVERNMENT OF CANADA	2.00%	2028-06-01	15,000,000	15,734,535	16,815,538
GOVERNMENT OF CANADA	6.94%	2021-12-01	4,235,000	7,613,177	7,306,059
GOVERNMENT OF CANADA	5.75%	2033-06-01	30,230,000	45,677,845	49,194,417
				<u>75,438,456</u>	<u>80,140,137</u>
<b>PROVINCIAL (25.7%)</b>					
CENTRE HOSPITALIER DE L'UNIVERSITE DE MONTREAL	4.45%	2049-10-01	800,000	838,145	1,147,458
PROVINCE OF ALBERTA	2.35%	2025-06-01	73,500,000	73,185,582	78,448,824
PROVINCE OF ALBERTA	3.10%	2050-06-01	22,900,000	23,572,272	27,464,574
PROVINCE OF ALBERTA	3.90%	2033-12-01	1,110,000	1,249,375	1,375,287
PROVINCE OF BRITISH COLUMBIA	2.85%	2025-06-18	7,480,000	7,607,033	8,231,508
PROVINCE OF BRITISH COLUMBIA	2.80%	2048-06-18	9,940,000	11,152,077	11,920,715
PROVINCE OF BRITISH COLUMBIA	5.70%	2029-06-18	41,110,000	51,726,259	56,596,181
PROVINCE OF BRITISH COLUMBIA	2.95%	2028-12-18	46,395,000	50,184,339	53,065,925
PROVINCE OF ONTARIO	3.50%	2024-06-02	15,720,000	16,261,216	17,420,077
PROVINCE OF ONTARIO	2.60%	2025-06-02	90,220,000	91,122,921	97,893,017
PROVINCE OF ONTARIO	2.40%	2026-06-02	73,450,000	73,280,616	79,528,492
PROVINCE OF ONTARIO	2.60%	2027-06-02	63,560,000	64,524,507	69,982,951
PROVINCE OF ONTARIO	4.65%	2041-06-02	26,465,000	35,335,664	38,904,647
PROVINCE OF ONTARIO	6.50%	2029-03-08	60,030,000	81,733,192	85,653,377
PROVINCE OF ONTARIO	5.85%	2033-03-08	59,345,000	85,242,028	88,628,758
PROVINCE OF ONTARIO	2.90%	2049-06-02	7,500,000	8,783,816	9,119,650
PROVINCE OF ONTARIO	2.05%	2030-06-02	23,345,000	24,004,628	24,929,449
PROVINCE OF QUEBEC	2.50%	2026-09-01	12,100,000	12,100,000	13,211,519
PROVINCE OF QUEBEC	2.75%	2027-09-01	46,245,000	48,072,634	51,581,792
PROVINCE OF QUEBEC	2.75%	2028-09-01	30,000,000	33,261,544	33,680,933
PROVINCE OF SASKATCHEWAN	6.35%	2030-01-25	4,722,000	6,069,076	6,724,862
PROVINCE OF SASKATCHEWAN	3.20%	2024-06-03	33,815,000	34,203,321	37,016,713
PROVINCE OF SASKATCHEWAN	2.55%	2026-06-02	10,000,000	9,995,112	10,870,281
PROVINCE OF SASKATCHEWAN	2.65%	2027-06-02	1,710,000	1,670,116	1,877,643

**CORPORATE (38.8%)**

407 INTERNATIONAL INC	4.19%	2042-04-25	1,175,000	1,378,209	1,483,439
407 INTERNATIONAL INC	3.65%	2044-09-08	8,600,000	8,807,202	10,188,010
407 INTERNATIONAL INC	3.72%	2048-05-11	2,012,000	2,012,000	2,451,259
407 INTERNATIONAL INC	3.14%	2030-03-06	2,295,000	2,293,779	2,572,612
407 INTERNATIONAL INC	6.47%	2029-07-27	10,000,000	12,652,582	13,888,593
ABC SCHOOLS PARTNERSHIP	4.25%	2043-12-31	617,221	617,221	722,469
ACCESS JUSTICE DURHAM LTD	5.02%	2039-08-31	4,928,514	5,769,855	6,312,017
AEROPORTS DE MONTREAL	3.03%	2050-04-21	915,000	915,000	995,836
AIMCO REALTY INVESTORS LP	3.37%	2027-06-01	7,760,000	8,043,307	8,617,150
AIMCO REALTY INVESTORS LP	2.71%	2029-06-01	3,925,000	3,969,892	4,202,382
ALBERTA POWERLINE LP	4.07%	2053-12-01	965,249	988,977	1,151,110
ALBERTA POWERLINE LP	4.07%	2054-03-01	3,071,649	3,204,899	3,640,232
ALECTRA INC	2.49%	2027-05-17	9,352,000	9,051,124	9,995,986
ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST	3.39%	2029-08-15	1,435,000	1,435,000	1,483,853
ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST	3.11%	2027-04-08	3,300,000	3,321,394	3,387,446
ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST	3.12%	2030-02-21	1,300,000	1,300,000	1,308,849
ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST	3.13%	2028-05-15	1,200,000	1,200,000	1,225,578
ALTAGAS LTD	2.16%	2025-06-10	2,000,000	2,000,000	2,021,632
ALTALINK LP	3.99%	2042-06-30	2,021,000	2,098,311	2,532,821
ALTALINK LP	4.92%	2043-09-17	6,000,000	7,098,240	8,562,823
BANK OF MONTREAL	2.89%	2023-06-20	2,165,000	2,164,745	2,282,646
BANK OF MONTREAL	3.19%	2028-03-01	52,145,000	52,992,777	58,890,992
BANK OF MONTREAL	2.28%	2024-07-29	9,685,000	9,682,768	10,022,957
BANK OF MONTREAL	2.37%	2025-02-03	2,100,000	2,062,528	2,184,311
BANK OF MONTREAL	2.57%	2027-06-01	39,000,000	38,439,804	39,789,975
BANK OF MONTREAL	2.88%	2029-09-17	7,395,000	7,367,550	7,671,272
BANK OF MONTREAL	2.08%	2030-06-17	5,600,000	5,600,000	5,615,652
BANK OF NOVA SCOTIA	3.89%	2029-01-18	20,255,000	20,517,806	21,663,624
BANK OF NOVA SCOTIA	2.84%	2029-07-03	22,765,000	22,932,182	23,581,029
BANK OF NOVA SCOTIA	2.16%	2025-02-03	1,600,000	1,599,680	1,649,777
BANK OF NOVA SCOTIA	2.58%	2027-03-30	8,385,000	8,324,649	8,544,337
BANK OF NOVA SCOTIA	3.10%	2028-02-02	46,900,000	49,945,677	52,689,770
BANK OF NOVA SCOTIA	2.29%	2024-06-28	14,325,000	14,324,759	14,990,312
BELL CANADA INC	2.75%	2025-01-29	565,000	563,097	594,499
BELL CANADA INC	2.90%	2029-09-10	2,500,000	2,573,057	2,662,568
BELL CANADA INC	3.50%	2050-09-30	1,500,000	1,463,926	1,569,009
BELL CANADA INC	2.50%	2030-05-14	2,600,000	2,595,424	2,669,782
BLACKBIRD INFRASTRUCTURE 407 GP	3.76%	2047-06-30	406,404	406,404	452,114
BRIDGING NORTH AMERICA GP	4.02%	2038-05-31	8,052,000	8,139,167	9,080,526

BROOKFIELD INFRASTRUCTURE FINANCE ULC	3.41%	2029-10-09	3,360,000	3,360,000	3,470,731
BROOKFIELD RENEWABLE KWAGIS HOLDING INC	4.45%	2053-12-31	2,100,000	2,100,000	2,545,756
BROOKFIELD RENEWABLE PARTNERS ULC	4.29%	2049-11-05	2,928,000	2,924,082	3,291,532
CANADIAN IMPERIAL BANK OF COMMERCE	3.30%	2025-05-26	52,220,000	54,254,454	57,492,513
CANADIAN IMPERIAL BANK OF COMMERCE	2.97%	2023-07-11	9,730,000	9,734,737	10,283,811
CANADIAN IMPERIAL BANK OF COMMERCE	3.42%	2026-01-26	19,865,000	19,912,118	20,117,165
CANADIAN IMPERIAL BANK OF COMMERCE	3.45%	2028-04-04	7,735,000	7,736,753	8,087,716
CANADIAN IMPERIAL BANK OF COMMERCE	3.29%	2024-01-15	2,100,000	2,143,473	2,240,653
CANADIAN IMPERIAL BANK OF COMMERCE	2.95%	2029-06-19	12,500,000	12,639,287	12,993,551
CANADIAN IMPERIAL BANK OF COMMERCE	2.35%	2024-08-28	3,740,000	3,740,000	3,876,668
CANADIAN NATIONAL RAILWAY COMPANY	3.95%	2045-09-22	2,000,000	2,135,976	2,488,763
CANADIAN NATIONAL RAILWAY COMPANY	3.60%	2047-08-01	10,299,000	10,406,478	12,256,582
CANADIAN NATIONAL RAILWAY COMPANY	3.60%	2048-07-31	3,535,000	3,470,058	4,226,571
CANADIAN NATIONAL RAILWAY COMPANY	3.00%	2029-02-08	705,000	702,235	776,130
CANADIAN NATURAL RESOURCES LTD	3.31%	2022-02-11	6,000,000	6,076,276	6,148,554
CAPITAL CITY LINK GENERAL PARTNERSHIP	4.39%	2046-03-31	6,135,766	6,333,117	7,316,089
CAPITAL DESJARDINS INC	4.95%	2026-12-15	24,895,000	25,836,369	26,141,858
CBHP LP	3.00%	2053-05-27	5,756,000	5,756,000	5,886,834
CHOICE PROPERTIES REAL ESTATE INVESTMENT	3.53%	2029-06-11	4,505,000	4,505,000	4,803,730
CORDELIO AMALCO GP	4.09%	2034-09-30	1,874,692	1,874,692	2,108,340
CORDELIO AMALCO GP	4.09%	2034-06-30	1,877,472	1,877,472	2,120,659
CSS FSCC PARTNERSHIP	6.92%	2042-07-31	2,903,249	3,680,850	4,274,465
CU INC	3.95%	2048-11-23	1,690,000	1,822,818	2,153,325
CU INC	2.96%	2049-09-07	1,500,000	1,526,782	1,611,708
DAIMLER CANADA FINANCE INC	1.91%	2021-07-08	5,513,000	5,484,229	5,518,640
DAIMLER CANADA FINANCE INC	2.23%	2021-12-16	7,628,000	7,553,427	7,664,021
DAIMLER CANADA FINANCE INC	3.30%	2022-08-16	13,430,000	13,504,668	13,767,769
DAIMLER CANADA FINANCE INC	2.97%	2024-03-13	7,150,000	7,201,965	7,312,931
DAIMLER CANADA FINANCE INC	2.54%	2023-08-21	3,805,000	3,804,696	3,840,163
DEXTER NOVA ALLIANCE GP	2.82%	2036-05-31	3,435,000	3,435,000	3,626,862
ENBRIDGE GAS INC	2.37%	2029-08-09	2,264,000	2,283,010	2,398,758
ENBRIDGE GAS INC	2.90%	2030-04-01	3,900,000	4,110,294	4,288,182
ENBRIDGE GAS INC	4.88%	2041-06-21	1,800,000	2,289,834	2,454,710
ENBRIDGE INC	2.99%	2029-10-03	2,100,000	2,098,608	2,203,601
ENBRIDGE INC	2.44%	2025-06-02	1,200,000	1,199,713	1,231,208
ENBRIDGE PIPELINES INC	3.52%	2029-02-22	830,000	839,778	914,920
ENWAVE ENERGY CORP	3.34%	2050-06-15	2,570,000	2,570,000	2,656,779
FAIR HYDRO TRUST	3.36%	2033-05-15	2,730,000	2,730,000	3,183,869
FEDERATION DES CAISSES DESJARDINS DU QUEBEC	2.42%	2024-10-04	6,300,000	6,285,637	6,550,328
FENGATE PCL PROGRESS PARTNERS MBR LP	3.05%	2054-01-31	5,142,000	5,114,650	5,133,824
FIRST CAPITAL REAL ESTATE INVESTMENT TRUST	4.32%	2025-07-31	3,370,000	3,465,104	3,488,210
FIRST CAPITAL REAL ESTATE INVESTMENT TRUST	3.60%	2026-05-06	3,255,000	3,225,276	3,241,332
FIRST CAPITAL REAL ESTATE INVESTMENT TRUST	3.75%	2027-07-12	2,600,000	2,553,576	2,574,133



FIRST CAPITAL REAL ESTATE INVESTMENT TRUST	3.46%	2027-01-22	700,000	700,000	685,219
GENERAL MOTORS FINANCIAL OF CANADA LTD	3.25%	2023-11-07	1,300,000	1,299,909	1,289,065
GIBSON ENERGY INC	0.00%	2025-07-14	400,000	399,219	401,720
GIBSON ENERGY INC	0.00%	2027-07-14	500,000	499,875	502,410
GRAND RENEWABLE SOLAR LP	3.93%	2035-01-31	454,859	451,678	507,483
GRANDLINQ GP	4.77%	2047-03-31	1,584,830	1,783,311	1,864,661
GRANITE REIT HOLDINGS LP	3.06%	2027-06-04	1,600,000	1,600,000	1,643,256
GREATER TORONTO AIRPORTS AUTHORITY	6.45%	2027-12-03	1,275,000	1,675,475	1,690,023
GREAT-WEST LIFECO INC	2.38%	2030-05-14	29,605,000	29,605,000	30,944,211
HCN CANADIAN HOLDINGS-I LP	2.95%	2027-01-15	1,100,000	1,099,064	1,090,918
HEALTH MONTREAL COLLECTIVE LP	6.72%	2049-09-30	14,151,000	18,436,901	21,031,083
HONDA CANADA FINANCE INC	2.50%	2024-06-04	490,000	490,000	506,387
HSBC BANK CANADA	2.54%	2023-01-31	2,257,000	2,244,848	2,320,134
HSBC BANK CANADA	3.25%	2023-09-15	40,585,000	40,607,474	42,767,583
HUSKY ENERGY INC	3.55%	2025-03-12	3,300,000	3,429,494	3,292,390
HYDRO ONE INC	5.00%	2046-10-19	1,506,000	1,839,448	2,207,598
HYDRO ONE INC	4.39%	2041-09-26	7,180,000	8,075,173	9,331,639
HYDRO ONE INC	3.63%	2049-06-25	5,670,000	5,584,738	6,908,008
IA FINANCIAL CORP INC	2.40%	2030-02-21	3,100,000	3,106,473	3,148,945
INPOWER BC GENERAL PARTNERSHIP	4.47%	2033-03-31	3,291,974	3,451,766	3,744,561
INTEGRATED TEAM SOLUTIONS PCH PARTNERSHIP	4.88%	2046-05-31	2,014,916	2,174,594	2,608,440
INTEGRATED TEAM SOLUTIONS SJHC PARTNERSHIP	5.95%	2042-11-30	5,000,433	6,417,260	6,875,802
JOHN DEERE FINANCIAL INC	2.41%	2025-01-14	2,000,000	2,007,635	2,093,350
KINGSTON SOLAR LP	3.57%	2035-07-31	312,457	305,876	341,208
LOWER MATTAGAMI ENERGY LP	4.18%	2046-02-23	1,226,000	1,223,855	1,607,609
LOWER MATTAGAMI ENERGY LP	2.31%	2026-10-21	15,320,000	14,803,866	16,199,319
MANUFACTURERS LIFE INSURANCE COMPANY	3.18%	2027-11-22	12,752,000	12,889,405	13,276,692
MANULIFE BANK OF CANADA	1.50%	2025-06-25	1,300,000	1,300,000	1,304,940
MANULIFE FINANCIAL CORP	3.32%	2028-05-09	20,205,000	20,199,429	21,168,484
MANULIFE FINANCIAL CORP	2.82%	2035-05-13	5,000,000	5,096,454	5,137,467
MOBILINX HURONTARIO GP	3.28%	2039-05-31	1,554,000	1,554,000	1,625,764
MPT FINCO INC	3.46%	2029-11-30	2,782,113	2,782,113	2,995,917
NATIONAL BANK OF CANADA	2.55%	2024-07-12	11,440,000	11,444,078	11,959,788
NAV CANADA	2.92%	2051-09-29	630,000	630,000	685,526
NORTH BATTLEFORD POWER LP	4.96%	2032-12-31	3,190,446	3,622,207	3,846,392
NORTH WEST REDWATER PARTNERSHIP	4.75%	2037-06-01	5,595,000	6,293,989	6,758,026
NORTH WEST REDWATER PARTNERSHIP	2.80%	2027-06-01	3,000,000	3,138,882	3,144,363
NORTHERN COURIER PIPELINE LP	3.37%	2042-06-30	2,727,842	2,727,842	2,934,355
NORTHWESTCONNECT GROUP PARTNERSHIP	5.95%	2041-04-30	673,088	789,785	924,038
NORTHWESTERN HYDRO ACQUISITION CO II LP	3.88%	2036-12-31	4,642,000	4,642,000	5,330,316
NORTHWESTERN HYDRO ACQUISITION CO III LP	3.94%	2038-12-31	5,400,000	5,400,000	6,358,496
NOUVELLE AUTOROUTE 30 FINANCEMENT INC	4.12%	2042-06-30	5,562,223	5,562,223	6,574,345
OMERS REALTY CORP	3.33%	2024-11-12	3,950,000	4,013,597	4,289,599

OMERS REALTY CORP	3.24%	2027-10-04	17,045,000	17,039,286	19,018,547
OMERS REALTY CORP	3.63%	2030-06-05	3,155,000	3,438,589	3,699,998
ONTARIO POWER GENERATION INC	2.98%	2029-09-13	1,100,000	1,100,000	1,196,651
ONTARIO POWER GENERATION INC	2.89%	2025-04-08	1,800,000	1,800,000	1,925,719
PEMBINA PIPELINE CORP	3.71%	2026-08-11	800,000	841,307	865,811
PEMBINA PIPELINE CORP	2.99%	2024-01-22	500,000	477,332	519,108
PEMBINA PIPELINE CORP	4.02%	2028-03-27	5,670,000	5,727,508	6,258,980
PEMBINA PIPELINE CORP	4.54%	2049-04-03	1,785,000	1,890,852	1,940,371
PEMBINA PIPELINE CORP	2.56%	2023-06-01	10,245,000	10,253,460	10,496,851
PEMBINA PIPELINE CORP	3.31%	2030-02-01	4,400,000	4,523,463	4,616,207
PEMBINA PIPELINE CORP	3.43%	2021-11-10	5,000,000	5,106,933	5,119,327
PLENARY HEALTH BRIDGEPOINT LP	7.25%	2042-08-31	4,515,686	6,417,182	6,921,002
PLENARY HEALTH CARE PARTNERSHIPS HUMBER	4.90%	2039-05-31	9,220,054	10,294,158	11,450,643
PLENARY HEALTH HAMILTON LP	5.80%	2043-05-31	7,079,521	8,838,618	9,727,030
PLENARY PROPERTIES LTAP LP	6.29%	2044-01-31	2,953,537	3,943,034	4,343,324
RAINBOW HOSPITAL PARTNERSHIP	4.99%	2044-03-31	2,617,669	2,672,265	3,203,778
RIOCAN REAL ESTATE INVESTMENT TRUST	3.29%	2024-02-12	4,920,000	4,928,179	5,034,623
RIOCAN REAL ESTATE INVESTMENT TRUST	2.58%	2025-02-12	1,665,000	1,665,000	1,651,638
RIOCAN REAL ESTATE INVESTMENT TRUST	2.36%	2027-03-10	1,300,000	1,300,000	1,250,001
ROGERS COMMUNICATIONS INC	4.00%	2024-03-13	1,250,000	1,306,992	1,361,095
ROGERS COMMUNICATIONS INC	3.25%	2029-05-01	3,675,000	3,736,499	4,026,728
ROGERS COMMUNICATIONS INC	3.65%	2027-03-31	2,400,000	2,616,238	2,666,851
ROYAL BANK OF CANADA	3.45%	2026-09-29	23,900,000	24,033,391	24,528,535
ROYAL BANK OF CANADA	1.97%	2022-03-02	36,000,000	36,377,030	36,654,007
ROYAL BANK OF CANADA	2.35%	2024-07-02	7,340,000	7,355,905	7,627,565
ROYAL BANK OF CANADA	2.74%	2029-07-25	6,220,000	6,220,000	6,434,390
ROYAL BANK OF CANADA	2.61%	2024-11-01	6,300,000	6,274,700	6,613,942
ROYAL BANK OF CANADA	2.88%	2029-12-23	6,000,000	6,015,066	6,243,409
ROYAL BANK OF CANADA	2.33%	2027-01-28	11,100,000	11,131,759	11,601,835
ROYAL BANK OF CANADA	1.94%	2025-05-01	26,655,000	26,655,000	27,247,019
ROYAL BANK OF CANADA	2.09%	2030-06-30	1,000,000	1,000,000	1,002,228
SAPUTO INC	2.24%	2027-06-16	2,800,000	2,800,000	2,833,790
SGTP HIGHWAY BYPASS LP	4.11%	2045-01-31	3,809,000	3,853,587	4,467,532
SGTP HIGHWAY BYPASS LP	4.16%	2049-07-31	414,000	414,000	507,170
SHAW COMMUNICATIONS INC	3.30%	2029-12-10	1,600,000	1,595,979	1,719,481
SHAW COMMUNICATIONS INC	2.90%	2030-12-09	900,000	898,369	928,927
SINAI HEALTH SYSTEM/CANADA	3.53%	2056-06-09	695,000	695,000	812,739
SNC-LAVALIN INNISFREE MCGILL FINANCE INC	6.63%	2044-06-30	7,445,672	9,371,154	10,719,776
SPY HILL POWER LP	4.14%	2036-03-31	493,671	493,672	571,820
SSL FINANCE INC	4.10%	2045-10-31	6,246,853	6,381,188	7,397,655
SUN LIFE FINANCIAL INC	2.58%	2032-05-10	1,200,000	1,199,544	1,242,059
SUNCOR ENERGY INC	3.10%	2029-05-24	1,545,000	1,550,913	1,603,662
SUNCOR ENERGY INC	5.00%	2030-04-09	1,400,000	1,395,758	1,657,495

SYSCO CANADA INC	3.65%	2025-04-25	500,000	504,697	513,734
TELUS CORP	3.30%	2029-05-02	2,010,000	1,994,824	2,202,444
TELUS CORP	2.75%	2026-07-08	3,390,000	3,379,463	3,578,728
TELUS CORP	3.15%	2030-02-19	2,255,000	2,278,463	2,442,497
TELUS CORP	3.95%	2050-02-16	1,500,000	1,483,031	1,662,215
TELUS CORP	2.35%	2028-01-27	500,000	498,647	512,623
TERANET HOLDINGS LP	5.75%	2040-12-17	6,138,000	6,446,137	6,761,924
TERANET HOLDINGS LP	6.10%	2041-06-17	3,228,000	3,559,655	3,705,019
THOMSON REUTERS CORP	2.24%	2025-05-14	4,200,000	4,200,000	4,294,281
THP PARTNERSHIP	4.39%	2046-10-31	5,067,125	5,326,793	6,271,000
TORONTO HYDRO CORP	2.52%	2026-08-25	5,000,000	4,901,815	5,364,312
TORONTO-DOMINION BANK	4.86%	2031-03-04	8,435,000	9,045,054	9,739,307
TORONTO-DOMINION BANK	3.22%	2029-07-25	35,395,000	35,386,846	37,331,022
TORONTO-DOMINION BANK	3.01%	2023-05-30	9,030,000	9,030,000	9,550,040
TORONTO-DOMINION BANK	3.06%	2032-01-26	22,325,000	22,347,721	23,672,189
TORONTO-DOMINION BANK	1.94%	2025-03-13	3,300,000	3,300,000	3,378,325
TORONTO-DOMINION BANK	3.11%	2030-04-22	29,990,000	30,063,146	31,583,520
TOYOTA CREDIT CANADA INC	2.64%	2024-03-27	3,200,000	3,208,272	3,339,331
TRANSCANADA PIPELINES LTD	4.55%	2041-11-15	1,000,000	1,091,286	1,150,587
TRANSCANADA PIPELINES LTD	3.39%	2028-03-15	4,595,000	4,554,215	4,996,193
TRANSCANADA PIPELINES LTD	3.80%	2027-04-05	800,000	798,733	884,891
TRANSCANADA TRUST	4.65%	2077-05-18	14,475,000	13,905,625	14,285,381
TRILLIUM WINDPOWER LP	5.80%	2033-02-15	1,631,142	1,836,321	2,003,235
VENTAS CANADA FINANCE LTD	2.80%	2024-04-12	1,800,000	1,805,180	1,768,699
VW CREDIT CANADA INC	3.70%	2022-11-14	9,080,000	9,279,291	9,435,949
VW CREDIT CANADA INC	2.85%	2024-09-26	4,100,000	4,093,878	4,203,419
				<u>1,289,498,423</u>	<u>1,370,370,907</u>
<b>SHORT TERM SECURITIES (0.5%)</b>					
GOVERNMENT OF CANADA TREASURY BILL	0.00%	2020-07-23	5,095,000	5,094,494	5,094,535
GOVERNMENT OF CANADA TREASURY BILL	0.00%	2020-08-20	220,000	219,926	219,946
GOVERNMENT OF CANADA TREASURY BILL	0.00%	2020-07-09	3,695,000	3,694,823	3,694,886
GOVERNMENT OF CANADA TREASURY BILL	0.00%	2020-08-06	560,000	559,906	559,906
GOVERNMENT OF CANADA TREASURY BILL	0.00%	2020-09-03	55,000	54,981	54,981
GOVERNMENT OF CANADA TREASURY BILL	0.00%	2020-07-16	2,300,000	2,299,860	2,299,854
GOVERNMENT OF CANADA TREASURY BILL	0.00%	2020-07-30	2,520,000	2,519,652	2,519,700
GOVERNMENT OF CANADA TREASURY BILL	0.00%	2020-08-27	1,075,000	1,074,690	1,074,684
NATIONAL BANK OF CANADA	0.20%	2020-07-02	2,765,000	2,765,000	2,765,000
				<u>18,283,332</u>	<u>18,283,492</u>
<b>TOTAL FIXED INCOME INVESTMENTS</b>				<u><b>2,228,395,684</b></u>	<u><b>2,374,069,169</b></u>

<b>EQUITIES</b>	<b># of Shares</b>	<b>Cost \$</b>	<b>Fair Value \$</b>
<b>COMMUNICATION SERVICES (0.4%)</b>			
AIMIA INC	92,300	348,006	274,131
BCE INC	98,400	5,841,288	5,571,408
COGECO COMMUNICATIONS INC	16,600	1,424,884	1,623,646
COGECO INC	10,900	926,811	883,118
CORUS ENTERTAINMENT INC	170,320	1,002,118	487,115
QUEBECOR INC	184,900	4,093,791	5,393,533
ROGERS COMMUNICATIONS INC	4,700	267,611	256,385
SHAW COMMUNICATIONS INC	1,300	30,140	28,782
TELUS CORP	5,400	126,679	122,958
		<u>14,061,328</u>	<u>14,641,076</u>
<b>CONSUMER DISCRETIONARY (0.1%)</b>			
A&W REVENUE ROYALTIES INCOME FUND	1,100	42,261	28,952
ARITZIA INC	6,600	130,081	125,466
BRP INC	23,900	1,175,331	1,383,810
CANADIAN TIRE CORP LTD	100	12,567	11,764
DOLLARAMA INC	9,800	465,859	442,568
DOREL INDUSTRIES INC	1,100	6,195	5,973
EXCO TECHNOLOGIES LTD	1,500	9,888	10,050
LEON'S FURNITURE LTD	200	3,011	2,668
LINAMAR CORP	900	34,461	33,030
MAGNA INTERNATIONAL INC	22,700	1,198,471	1,372,442
MARTINREA INTERNATIONAL INC	145,100	1,900,645	1,491,628
PIZZA PIZZA ROYALTY CORP	5,400	48,553	45,036
		<u>5,027,323</u>	<u>4,953,387</u>
<b>CONSUMER STAPLES (0.4%)</b>			
ALCANNA INC	800	2,682	2,816
ALIMENTATION COUCHE-TARD INC	96,200	3,592,685	4,095,234
ANDREW PELLER LTD	600	5,095	5,280
CORBY SPIRIT AND WINE LTD	7,000	129,539	113,750
EMPIRE CO LTD	160,600	4,426,124	5,221,106
JAMIESON WELLNESS INC	12,000	346,131	426,960
LASSONDE INDUSTRIES INC	200	49,096	31,002
LOBLAW COS LTD	12,400	851,169	819,764
MAPLE LEAF FOODS INC	43,400	926,984	1,237,334
METRO INC	16,600	959,968	929,600
NORTH WEST CO INC	15,800	374,600	468,944
PRIMO WATER CORP	39,900	547,213	743,337
SAPUTO INC	200	6,600	6,474
SUNOPTA INC	5,800	27,549	37,062

GEORGE WESTON LTD	4,600	455,885	457,470
		<u>12,701,320</u>	<u>14,596,133</u>

**ENERGY (0.9%)**

AFRICA OIL CORP	90	177	96
ATHABASCA OIL CORP	2,200	3,008	396
BONAVISTA ENERGY CORP	300	923	15
CAMECO CORP	84,967	1,095,360	1,182,741
CANACOL ENERGY LTD	11,900	43,782	45,696
CANADIAN NATURAL RESOURCES LTD	80,700	1,797,455	1,900,485
CENOVUS ENERGY INC	267,496	1,529,720	1,698,600
CRESCENT POINT ENERGY CORP	201,800	383,975	443,960
ENBRIDGE INC	301,150	13,381,732	12,431,472
ENERPLUS CORP	44,900	149,361	171,518
GIBSON ENERGY INC	188,600	4,165,573	3,985,118
IMPERIAL OIL LTD	100	2,104	2,184
MEG ENERGY CORP	52,700	189,222	198,679
PAREX RESOURCES INC	130,800	2,210,012	2,139,888
PRECISION DRILLING CORP	1,500	2,196	1,545
SEVEN GENERATIONS ENERGY LTD	26,400	84,921	79,992
STORM RESOURCES LTD	200	312	290
SUNCOR ENERGY INC	139,700	4,933,792	3,197,733
SURGE ENERGY INC	400	905	134
TC ENERGY CORP	101,100	6,164,682	5,863,800
TRANSGLOBE ENERGY CORP	1,000	1,955	750
WHITECAP RESOURCES INC	14,700	39,748	32,781
		<u>36,180,915</u>	<u>33,377,873</u>

**FINANCIALS (2.2%)**

AGF MANAGEMENT LTD	2,400	12,043	12,048
ATRIUM MORTGAGE INVESTMENT CORP	19,300	265,529	215,967
BANK OF MONTREAL	32,200	3,003,278	2,326,772
BANK OF NOVA SCOTIA	62,500	4,209,398	3,511,250
BROOKFIELD ASSET MANAGEMENT INC	65,050	3,032,319	2,906,434
CANACCORD GENUITY GROUP INC	123,700	750,571	854,767
CANADIAN IMPERIAL BANK OF COMMERCE	2,000	192,449	181,480
CANADIAN WESTERN BANK	63,600	2,039,103	1,504,140
CI FINANCIAL CORP	84,600	1,747,395	1,461,042
ELEMENT FLEET MANAGEMENT CORP	91,600	896,931	927,908
EQUITABLE GROUP INC	500	54,391	35,695
FIERA CAPITAL CORP	36,000	431,490	342,000
GENWORTH MI CANADA INC	35,900	1,825,752	1,192,239
GMP CAPITAL INC	500	1,177	655

GREAT-WEST LIFECO INC	1,600	37,590	38,080
GUARDIAN CAPITAL GROUP LTD	1,397	34,713	28,988
IA FINANCIAL CORP INC	118,800	6,795,657	5,400,648
IGM FINANCIAL INC	37,200	1,388,099	1,227,228
INTACT FINANCIAL CORP	9,500	1,315,496	1,227,495
MANULIFE FINANCIAL CORP	25	593	462
NATIONAL BANK OF CANADA	135,200	8,544,001	8,317,504
ONEX CORP	24,400	1,992,024	1,496,452
POWER CORP OF CANADA	90,290	2,672,126	2,156,125
ROYAL BANK OF CANADA	242,200	23,595,504	22,309,042
SUN LIFE FINANCIAL INC	67,900	3,498,250	3,387,531
TIMBERCREEK FINANCIAL CORP	5,400	51,547	46,386
TMX GROUP LTD	53,400	5,042,150	7,167,882
TORONTO-DOMINION BANK	169,700	11,643,958	10,282,123
TRISURA GROUP LTD	6,000	214,482	367,500
		<u>85,288,016</u>	<u>78,925,843</u>

**HEALTH CARE (0.1%)**

BAUSCH HEALTH COS INC	167,589	3,985,520	4,162,911
CRH MEDICAL CORP	26,100	130,745	74,124
VIEMED HEALTHCARE INC	16,300	149,800	212,063
		<u>4,266,065</u>	<u>4,449,098</u>

**INDUSTRIALS (1.4%)**

AECON GROUP INC	62,400	1,139,194	921,024
ATS AUTOMATION TOOLING SYSTEMS INC	90,300	1,802,148	1,726,536
BIRD CONSTRUCTION INC	2,700	15,004	16,065
BLACK DIAMOND GROUP LTD	3,300	11,917	5,082
BOYD GROUP SERVICES INC	3,300	548,538	666,831
CAE INC	127,400	3,707,669	2,805,348
CALIAN GROUP LTD	1,000	39,443	54,830
CANADIAN NATIONAL RAILWAY COMPANY	119,200	13,129,342	14,317,112
CANADIAN PACIFIC RAILWAY LTD	38,500	10,994,722	13,294,820
CANWEL BUILDING MATERIALS GROUP LTD	5,900	22,555	26,137
HARDWOODS DISTRIBUTION INC	700	8,126	11,494
HEROUX-DEVTEK INC	1,600	29,259	16,288
IBI GROUP INC	2,600	12,482	12,064
MAGELLAN AEROSPACE CORP	100	901	722
MORNEAU SHEPELL INC	2,400	78,652	76,056
MULLEN GROUP LTD	2,400	18,297	17,448
RITCHIE BROS AUCTIONEERS INC	3,400	189,333	187,918
STANTEC INC	26,800	1,010,505	1,123,188
TFI INTERNATIONAL INC	72,100	2,968,771	3,474,499

THOMSON REUTERS CORP	800	74,484	73,792
TOROMONT INDUSTRIES LTD	31,600	2,117,860	2,128,892
WASTE CONNECTIONS INC	34,900	4,092,340	4,438,931
WESTPORT FUEL SYSTEMS INC	100	385	165
WSP GLOBAL INC	32,900	2,911,129	2,739,254
		<u>44,923,056</u>	<u>48,134,496</u>

**INFORMATION TECHNOLOGY (1.3%)**

ABSOLUTE SOFTWARE CORP	66,500	642,082	918,365
CELESTICA INC	101,700	981,160	947,844
CGI INC	46,500	3,452,653	3,977,145
CONSTELLATION SOFTWARE INC/CANADA	7,600	6,420,930	11,649,964
DESCARTES SYSTEMS GROUP INC	60,800	2,865,590	4,357,536
ENGHOUSE SYSTEMS LTD	50,700	2,681,894	3,675,750
EVERTZ TECHNOLOGIES LTD	48,300	851,162	541,926
KINAXIS INC	7,100	826,579	1,377,826
OPEN TEXT CORP	7,100	393,556	409,315
PHOTON CONTROL INC	19,200	29,297	34,176
QUARTERHILL INC	400	714	836
SHOPIFY INC	13,900	8,995,760	17,927,803
		<u>28,141,377</u>	<u>45,818,486</u>

**MATERIALS (1.5%)**

ACADIAN TIMBER CORP	800	12,278	11,616
AGNICO EAGLE MINES LTD	700	59,052	60,851
AIRBOSS OF AMERICA CORP	43,500	607,057	793,875
ALACER GOLD CORP	130,600	553,539	1,218,498
ALAMOS GOLD INC	26,800	273,604	339,288
ALTIUS MINERALS CORP	3,200	24,626	31,168
ARGONAUT GOLD INC	215,500	399,060	551,680
B2GOLD CORP	1,100	8,063	8,492
BARRICK GOLD CORP	162,100	4,849,722	5,921,513
BELO SUN MINING CORP	18,300	12,687	15,189
CANFOR CORP	6,100	56,647	71,797
CAPSTONE MINING CORP	5,500	3,047	4,565
CASCADES INC	107,200	1,268,721	1,585,488
CENTERRA GOLD INC	197,400	1,919,296	2,990,610
DUNDEE PRECIOUS METALS INC	276,500	1,306,435	2,471,910
ELDORADO GOLD CORP	328,000	3,557,830	4,293,520
ERO COPPER CORP	100	1,428	1,967
FIRST QUANTUM MINERALS LTD	57,900	490,302	626,478
FRANCO-NEVADA CORP	5,200	846,845	986,180
GOLDEN STAR RESOURCES LTD	300	1,069	1,185

HUBBAY MINERALS INC	32,200	76,882	132,342
IAMGOLD CORP	10,200	48,849	54,978
INTERFOR CORP	3,300	29,424	37,752
INTERTAPE POLYMER GROUP INC	12,000	159,472	143,760
KINROSS GOLD CORP	80,500	587,083	788,900
KIRKLAND LAKE GOLD LTD	81,239	3,642,849	4,541,260
LABRADOR IRON ORE ROYALTY CORP	154,600	3,168,035	3,752,142
LIBERTY GOLD CORP	2,600	2,303	5,512
LUNDIN GOLD INC	34,000	281,283	433,160
LUNDIN MINING CORP	437,800	2,696,916	3,187,184
MAJOR DRILLING GROUP INTERNATIONAL INC	14,900	84,568	63,921
METHANEX CORP	26,600	490,271	651,700
NEW GOLD INC	287,500	347,835	529,000
NORANDA INCOME FUND	20,000	56,774	22,700
NORBORD INC	23,400	498,506	725,166
NUTRIEN LTD	35,700	1,590,682	1,557,234
OCEANAGOLD CORP	58,800	92,318	185,808
PAN AMERICAN SILVER CORP	50,500	1,318,914	2,082,115
RESOLUTE FOREST PRODUCTS INC	1,700	4,652	4,828
ROXGOLD INC	40,500	45,610	61,965
SEMAFO INC	7,400	17,272	34,262
SILVERCORP METALS INC	73,600	401,175	534,336
SSR MINING INC	63,300	1,204,931	1,831,269
TASEKO MINES LTD	13,500	7,830	9,045
TECK RESOURCES LTD	124,298	1,436,264	1,767,518
TERANGA GOLD CORP	137,500	1,179,284	1,691,250
TOREX GOLD RESOURCES INC	38,700	622,351	827,793
TURQUOISE HILL RESOURCES LTD	10,700	9,690	10,700
WESDOME GOLD MINES LTD	188,400	1,013,192	2,209,932
WEST FRASER TIMBER CO LTD	100	4,561	4,772
WESTERN FOREST PRODUCTS INC	600	1,200	558
WINPAK LTD	3,000	137,558	124,770
YAMANA GOLD INC	333,198	1,464,641	2,459,001
		<u>38,974,483</u>	<u>52,452,503</u>
<b>REAL ESTATE (0.6%)</b>			
ALLIED PROPERTIES REIT	13,400	648,239	548,864
CANADIAN APARTMENT PROPERTIES REIT	14,200	702,689	689,978
DREAM INDUSTRIAL REIT	204,916	2,522,602	2,188,503
DREAM UNLIMITED CORP	22,500	248,368	201,600
GRANITE REAL ESTATE INVESTMENT TRUST	89,500	5,432,326	6,270,370
INOVALIS REAL ESTATE INVESTMENT TRUST	3,800	39,338	28,918
INTERRENT REAL ESTATE INVESTMENT TRUST	190,424	2,647,416	2,728,776



KILLAM APARTMENT REIT	187,300	3,249,325	3,281,496
MORGUARD NORTH AMERICAN RESIDENTIAL REIT	7,500	135,258	109,425
NORTHVIEW APARTMENT REIT	8,900	249,413	309,542
REAL MATTERS INC	134,100	1,684,623	3,550,968
SUMMIT INDUSTRIAL INCOME REIT	226,800	2,507,545	2,596,860
TRUE NORTH COMMERCIAL REIT	15,600	111,216	86,736
		<u>20,178,358</u>	<u>22,592,036</u>
<b>UTILITIES (0.5%)</b>			
ALGONQUIN POWER & UTILITIES CORP	25,600	499,728	449,280
ATCO LTD/CANADA	79,200	3,744,422	3,189,384
ATLANTIC POWER CORP	93,500	295,013	256,190
BORALEX INC	100	2,742	3,090
BROOKFIELD INFRASTRUCTURE CORP	2,700	134,606	167,022
CANADIAN UTILITIES LTD	40,700	1,531,823	1,375,660
CAPITAL POWER CORP	160,600	4,683,571	4,493,588
FORTIS INC/CANADA	60,000	3,195,469	3,097,800
NORTHLAND POWER INC	100	3,189	3,398
POLARIS INFRASTRUCTURE INC	52,100	651,856	752,324
SUPERIOR PLUS CORP	57,400	671,474	638,288
TRANSALTA CORP	163,700	1,347,825	1,317,785
TRANSALTA RENEWABLES INC	113,300	1,588,910	1,653,047
		<u>18,350,628</u>	<u>17,396,856</u>
<b>US EQUITY (23.3%)</b>			
BMO S&P 500 HEDGED TO CAD INDEX ETF	13,521,269	552,901,981	609,133,169
BMO S&P 500 INDEX ETF	4,594,336	175,929,792	212,533,983
		<u>728,831,773</u>	<u>821,667,152</u>
<b>Total Equities</b>		<u>1,036,924,642</u>	<u>1,159,004,939</u>
<b>Total Investments</b>		<u>3,265,320,326</u>	<u>3,533,074,108</u>

# FAMILY SINGLE STUDENT EDUCATION SAVINGS PLAN NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

All amounts in Canadian dollars

## 1. General information

Family Single Student Education Savings Plan (the Plan) was established by Knowledge First Foundation (the Foundation) as a savings vehicle for subscribers (Subscribers) to save for a designated student's (beneficiary) post-secondary education.

The Foundation, the sponsor of the Plan, is a not-for-profit organization, which was incorporated without share capital on February 19, 1990 under the Canada Corporations Act and continued under the amended act of October 17, 2011. The Foundation has engaged its wholly-owned subsidiary, Knowledge First Financial Inc. (Knowledge First Financial) to be the distributor and investment fund manager of the Plan and to provide general administration services to the Plan. Knowledge First Financial is incorporated under the laws of Canada. The primary place of business of the Plan is 50 Burnhamthorpe Road West, Mississauga, Ontario, Canada.

Subscribers to the Plan make periodic deposits into the Plan, net of enrolment fees, insurance premiums, depository fees and service charges charged to each Subscriber. The income earned on Subscriber contributions is held in the Education Assistance Payment account. When a plan matures, is terminated, or is cancelled, such deposits, net of deductions, will be returned to the Subscriber. All or a portion of the income may be paid to the Subscriber as an accumulated income payment. Upon registration of a plan, Knowledge First Financial will apply for government grants on behalf of the Subscriber. The income earned on government grants is held in the Grant Income account. The Plan invests in Canadian government bonds, short-term investments, corporate debt and Canadian as well as US equities.

Education Assistance Payments (EAPs) are paid from government grants and income earned on contributions and governments grants through interest and other income. Contributions are not included in EAPs, however are returned to the Subscriber upon maturity, net of applicable fees. In order to be entitled to an EAP, the administrator must receive proof that a beneficiary meets EAP eligibility requirements for enrolment in a post-secondary program, inclusive of confirmation of beneficiary residency status. If a Subscriber terminates an account, the Subscriber's contributions are returned to the Subscriber and income earned on that Subscriber's deposit is due and payable to the Subscriber in the form of an accumulated income payment or payable to a designated educational institution. Government grant contributions are returned to the originating government agency. Forfeited grant income is payable to an eligible educational institution.

On May 30, 2019, subscribers of the Family Group Education Savings Plan ("Family Group Plan") voted in favour of amendments to Family Group Plan's Education Assistance Agreement ("EAA"), granting the Foundation discretion to transfer the assets from Family Group Plan to the Plan and to allow the Foundation to enter into an EAA for the Plan on behalf of each subscriber, in the manner described in the Management Information Circular of the Group Plan dated April 1, 2019 and to terminate the Group Plan's EAA. As noted in the Management Information Circular, the asset transfer from Family Group Plan to the Plan occurred on January 1, 2020, after which the management has taken steps to formally wind-up Family Group Plan. The total assets, including subscribers' contributions, Government grants, and accumulated income transferred on January 1, 2020 were \$3,333,139,760.

The financial statements were authorized for issue by the Board of Directors of the Foundation on August 25, 2020.

## 2. Basis of accounting

The financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS). The Plan has consistently applied the accounting policies used in the preparation of its financial statements.

## 3. Summary of significant accounting policies

The significant accounting policies followed by the Plan are as follows.

### Financial instruments

The Plan recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments not measured at fair value through profit or loss. Regular purchases and sales of financial assets are recognized at their trade date. The Plan's investments are classified as fair value through profit or loss (FVTPL),

including its investments in equities, ETFs and debt securities. All other financial assets and liabilities, including interest and dividends receivable, amounts receivable for investments sold, government grants receivable, other receivables, amounts payable for securities purchased and accounts payable and other liabilities, and principal payable to subscribers are measured at amortized cost. The Plan's obligation for net assets attributable to subscribers and beneficiaries is presented at the distribution amount, which is the residual amount of assets of the Plan after deducting all of its liabilities.

#### **Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at measurement date. The fair value of financial assets and liabilities traded in active markets is based on quoted market prices at the close of trading on the reporting date. For equities and ETFs, the Plan uses the last traded market price where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Plan determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. For bonds, the Plan uses mid prices provided by independent security pricing vendors. The Plan's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer. The fair value of financial assets and liabilities that are not quoted in an active market is determined using valuation techniques. The use of valuation techniques for financial instruments that are not quoted in an active market requires the Manager to make assumptions that are based on market conditions existing as at the date of the financial statements. Changes in these assumptions as a result of changes in market conditions could affect the reported fair value of financial instruments.

#### **Funds transferred in, net**

During the life of an agreement, Subscribers of another Knowledge First Financial Education Savings Plan or Subscribers at another provider may choose to convert their agreement to the Plan. Alternatively, Subscribers of the Plan may choose to convert their agreement to another Knowledge First Financial Education Savings Plan or convert to another provider. Contributions, government grants and income transferred in/out are reported as changes in net assets attributable to subscribers and beneficiaries.

#### **Income recognition, transaction costs and expenses**

Interest income from investments in bonds and short-term investments is recognized at the effective interest rate. Interest receivable is shown separately on the statements of financial position based on the debt instruments' stated rates of interest. The cost of investments is determined using the average cost method. Average cost includes amortization of premiums and discounts on the Plan's debt securities.

#### **Impairment of financial assets**

Financial Instruments ("IFRS 9") requires that an entity recognize a loss allowance for expected credit losses on financial assets which are measured at amortized cost. With respect to financial assets at amortized cost, the Plan considers both historical analysis and forward-looking information in determining any expected credit loss. As at the financial statement dates, all loans and receivables are due to be settled within the short term. The Plan considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligation in the near term. Given the limited exposure of the Plan to credit risk, no loss allowance has been recognized as any such impairment will not have a significant impact on the financial statements.

#### **Cash**

Cash is comprised of demand deposits with financial institutions.

Cash is not held in the legal name of the Plan. The Plan has agreed on an intercompany cash agreement in which Knowledge First Financial maintains a collective cash account for the participating legal entities ("the Plans"). A separate account ledger exists for each Plan and each transaction is recorded in the respective Plans' sub-ledger. Each Plan only has access to and an interest in its share of the cash as determined under the intercompany cash agreement.

#### **Net assets attributable to subscribers and beneficiaries**

Net assets attributable to subscribers and beneficiaries is comprised of subscribers' contributions, government grants and income earned on both subscribers' contributions and government grants. Net assets attributable to subscribers and beneficiaries is classified as a liability as subscribers have the option to withdraw at any point prior to maturity. If a

subscriber withdraws before maturity, the subscriber's contributions are returned to the subscriber, income earned on that subscriber's contributions is due and payable to the subscriber in the form of an accumulated income payment or payable to a designated educational institution. Government grant contributions are returned to the government and forfeited income on the government grants is owed to a designated educational institution. Refer to Note 6 for a breakdown of net assets attributable to subscribers and beneficiaries.

Subscribers' contributions are comprised of deposits received from subscribers, after deductions for various fees. Knowledge First Financial deducts the applicable subscriber fees such as enrolment fees, insurance premiums, depository fees and service charges from the deposits made from subscribers and the net amount is invested in the Plan. During the life of an agreement, subscribers may choose to change the level of their contributions. Refer to Note 6 for a breakdown of the changes to subscribers' contributions.

Subscriber principal balances on matured agreements are reported as 'Principal payable to subscribers' under current liabilities in the Statement of Financial Position.

Government grants represent contributions received from federal and provincial governments. Government grants are recognized upon receipt of an eligible contribution to a registered education savings plan by a subscriber to the Plan.

Accumulated income includes the increase (decrease) in net assets attributable to subscribers and beneficiaries. Education assistance payments, and payments of grant income to beneficiaries and designated financial institutions reduce the accumulated income account.

#### **Taxation**

The income on subscribers' contributions is currently exempt from income taxes under the Income Tax Act (Canada) prior to the maturity of the plan. Education Assistance Payments, comprising government grants and all accumulated income, made to qualified nominees will be included in their income for the purposes of the Income Tax Act (Canada). The amounts deposited by subscribers are not deductible to the subscribers for tax purposes and are not taxable when returned to subscribers or their designated nominees.

#### **Transfer of net assets into the Family Single Student Plan**

Effective January 1, 2020 and, pursuant to a subscriber vote on May 30, 2019, Knowledge First Financial transferred agreements, and assets of the Family Group Plan into the Plan. Accordingly, subscribers of the Family Group Plan became subscribers of the Plan. The total assets, including subscribers' contributions, Government grants, and accumulated income transferred from Family Group Plan into the Plan on January 1, 2020 were \$3,333,139,760.

In connection with the transfer of net assets from Family Group Plan to the Plan:

- (a) the assets were transferred at fair value; and,
- (b) the components of the Family Group Plan's subscribers' principal and income that were transferred into the Plan included: subscribers' contributions; government grants; and accumulated income and liabilities associated with Family Group Plan.
- (c) as part of the Family Group Plan windup, surplus funds of \$7,210,538 were transferred to the Foundation; \$3,472,029 represented cash held for outstanding cheques (liability for outstanding cheques) and \$3,737,509 represented excess funds in the income account (liability in trust for plans).

#### **4. Critical accounting estimates and judgments**

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant judgments and estimates that the Plan has made in preparing the financial statements.

#### **Investment entity status**

A significant judgment made in preparing the Plan's financial statements relates to the determination that the Plan meets the definition of an investment entity as described in IFRS 10, Consolidated financial statements. The Plan's objective is to invest subscribers' contributions to maximize their investment return over the long term for the purpose of generating investment income. Fair value is the primary measurement used to evaluate the performance of substantially all investments.

### Classification and measurement of financial instruments

In classifying and measuring financial instruments held by the Plan, the manager is required to make significant judgments in determining the most appropriate classification in accordance with IFRS 9. In making this judgment, the manager has assessed the Plan's business model for managing the portfolio and the contractual cash flow characteristics and determined the investments are managed on a fair value basis, and that fair value is used to assess performance and make investment decisions. The contractual cash flows of the Plan's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Plan's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

### 5. Financial instruments risks

The Plan's investment activities expose it to a variety of risks associated with financial instruments, as follows: credit risk, liquidity risk and market risk (including price risk, currency risk and interest rate risk). The Plan's overall risk management approach includes investment guidelines, objectives, and limits which are designed to ensure that risk is mitigated through allocation of investments across different market sectors, maturity segments and issuers. The Plan employs a third-party investment manager and monitors the investments for compliance with the stated investment guidelines and relevant securities and tax regulations. Oversight responsibility and authority rests with the Foundation's Board of Directors and its Investment Committee. An Independent Review Committee is also in place.

#### Credit risk

The Plan is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Cash on hand is kept on deposit at financial institutions. The majority of the credit risk to which the Plan is exposed arises from its investments in debt securities. The debt instruments held by the Plan are issued or guaranteed by federal and provincial governments along with corporate debt instruments with an investment grade credit rating at the time of acquisition. The Plan may also be exposed to indirect credit risk through its holdings in ETFs.

The fair value of debt investments includes consideration of the credit worthiness of the debt issuer. The carrying amount of cash, receivables and debt investments represents the maximum credit risk exposure as at June 30, 2020 and December 31, 2019. The analysis below summarizes the credit quality of the Plan's debt portfolio as at June 30, 2020 and December 31, 2019. Credit ratings are obtained from Standard & Poor's, Moody's and DBRS. Where one or more rating is obtained for a security, the lowest rating has been used.

Credit Rating	Percentage of Debt Investments (%)	
	As at	
	June 30, 2020	December 31, 2019
"AAA"	3.4	38.6
"AA"	19.2	25.8
"A"	56.1	35.6
"BBB"	21.3	-
"BB"	0.0	-
Total	100	100.0

Following the subscriber vote in May 2019, on January 1, 2020 the Family Group Plan assets merged with the Family Single Student Plan assets. As a result, the subscribers' profile has changed and now reflects longer maturity agreements. This change in the maturity profile allowed for more flexibility in asset allocation, including the addition of the US and Canadian equities and change in the overall credit risk.

#### Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Plan has current exposure to the subscribers' contributions and government grant balances as subscribers can cancel or terminate their agreement at any time at which point the full balance would become immediately payable to the subscribers or the government. The Plan is also exposed to agreement maturities and obligations with respect to the accumulated income accounts. Therefore, the Plan invests the majority of its assets in investments that are traded

in an active market and can be easily liquidated. In addition, the Plan endeavours to retain adequate cash positions to maintain adequate liquidity.

#### *Maturity Profile*

EAPs (accumulated income and government contributions) are paid upon submission of required documentation to Knowledge First Financial. Subscriber's principal is paid upon maturity of a respective agreement.

If a subscriber cancels an agreement, subscriber's principal and associated government contributions are due upon demand. Government grants payable to the government are presented net of government grants receivable in the Statements of Financial Position, as the Plan has the ability and intent to settle net. Income on the subscriber's principal and returned government grants become immediately payable to the subscriber or to a qualified educational institution, as applicable, and is included in accounts payable and other liabilities in the Statements of Financial Position. All other liabilities of the Plan are due within three months.

#### **Concentration risk**

The table below summarizes this Plan's concentration risk as a percentage of investments as at June 30, 2020 and December 31, 2019. During the time of the merger, Family Group Plan assets represented about 96% of the total investment portfolio of the Family Single Student Plan. Therefore, the Family Group Plan's asset allocation was adopted.

<b>Concentration</b>	<b>Percentage of Investments (%)</b>	
	<b>As at</b>	
	<b>June 30, 2020</b>	<b>December 31, 2019</b>
<u>Fixed Income</u>		
Federal Bonds	2.3	38.2
Provincial Bonds	25.7	46.7
Corporate	38.8	14.0
Municipal	0.0	0.0
Short Term Investments	0.5	1.1
<u>Equities</u>		
Communication Services	0.4	0.0
Consumer Discretionary	0.1	0.0
Consumer Staples	0.4	0.0
Energy	0.9	0.0
Financials	2.2	0.0
Health Care	0.1	0.0
Industrials	1.4	0.0
Information Technology	1.3	0.0
Materials	1.5	0.0
Real Estate	0.6	0.0
Utilities	0.5	0.0
US Equity ETF	23.3	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

#### **Market risk**

The Plan's investments are subject to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The following include sensitivity analyses, as applicable that show how the net assets attributable to subscribers and beneficiaries would be affected by a reasonably possible change in the relevant risk variable at each reporting date. In practice, the actual results may differ, and the differences could be material. The Plan manages interest rate risk through our portfolio managers by diversifying in various investments, as well as through investment committee oversight.

##### a) Currency risk

As at June 30, 2020, the Plan invests in exchange traded funds (ETF) denominated in Canadian dollars. The underlying investments held by the ETFs are exposed to the US dollar. The BMO S&P 500 Hedged to CAD Index ETF has been

hedged back to the Canadian dollar and therefore has little to no currency risk. The Plan is subject to the risk that the fair value of future cash flows of the BMO S&P 500 Index ETF, which are not hedged back to Canadian dollar, will fluctuate because of changes in foreign exchange rates. As at June 30, 2020, if the exchange rate had increased or decreased by 5%, with all other variables held constant, the net assets attributable to subscribers and beneficiaries would have increased or decreased by approximately \$10.6 million (\$0 as at December 31, 2019).

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Plan holds securities with fixed interest rates that expose the Plan to fair value interest rate risk. As at June 30, 2020, had prevailing interest rates increased or decreased by 25 basis points, assuming a parallel shift in the yield curve, with all other variables held constant, net assets of the Plan would have decreased or increased, respectively, by approximately \$39.9 million (approximately 1.1% of the total investment portfolio) (December 31, 2019 - \$2.3 million (approximately 1.6% of the total investment portfolio)).

The tables below summarize the Plan's exposure to interest rate risk as at June 30, 2020 and December 31, 2019 by remaining term to maturity.

	30-Jun-20	Within 1 year	From 1 to 5 years	Over 5 years	Total
Short term investments					
Banker's acceptance		-	-	-	-
Promissory Note		-	-	-	-
Treasury Bill		15,518,492	-	-	15,518,492
Term Deposits		2,765,000	-	-	2,765,000
Government guaranteed instruments					
Federal		-	11,403,864	68,736,273	80,140,137
Provincial		-	239,010,139	666,264,494	905,274,633
Municipal		-	-	-	-
Corporate		-	370,231,301	1,000,139,606	1,370,370,907
<b>Total</b>		<b>18,283,492</b>	<b>620,645,304</b>	<b>1,735,140,373</b>	<b>2,374,069,169</b>
Percentage of total		0.8%	26.1%	73.1%	100.0%

	31-Dec-19	Within 1 year	From 1 to 5 years	Over 5 years	Total
Short term investments					
Banker's acceptance		-	-	-	-
Promissory Note		-	-	-	-
Treasury Bill		1,572,560	-	-	1,572,560
Term Deposits		-	-	-	-
Government guaranteed instruments					
Federal		-	7,210,957	45,353,092	52,564,049
Provincial		-	8,860,324	55,509,257	64,369,581
Municipal		-	-	-	-
Corporate		-	4,673,894	14,582,173	19,256,067
<b>Total</b>		<b>1,572,560</b>	<b>20,745,175</b>	<b>115,444,522</b>	<b>137,762,257</b>
Percentage of total		1.1%	15.1%	83.8%	100.0%

a) Other price risk

The Plan is exposed to other price risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether the changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Financial instruments held by the Plan are susceptible to market price risk arising from uncertainties about future prices of those instruments. Market prices of these instruments are predominantly a function of interest rate movements, credit risks, unemployment rates in the North American economy, general business conditions, commodity prices and corporate profits. The maximum risk resulting from financial instruments held by the Plan is equivalent to their fair value. The investment manager manages this risk through the selection of securities within the parameters of the investment strategy. As at June 30, 2020, if the investment in equities and ETFs had increased or decreased by 5%, with all other variables held constant, the net assets attributable to subscribers and beneficiaries would have increased or decreased by approximately \$58.0 million (\$0 as at December 31, 2019).

**Capital risk management**

The capital of the Plan is represented by the net assets attributable to subscribers and beneficiaries. The capital of the Plan can change on a daily basis as the Plan is subject to ongoing contributions and cancellations. In addition, EAPs and maturities occur at specified times during the year. The Plan is not subject to externally imposed capital requirements. The Plan's objective, when managing capital risk, is to safeguard subscribers' contributions and government grants received and earn income on those amounts in order to pay EAPs to qualified beneficiaries. The Plan endeavours to invest subscribers' contributions, government grants received, and income earned in appropriate investments while maintaining sufficient liquidity to meet maturities, EAPs, cancellations and expenses in accordance with its investment objectives and risk management policies as described above. In order to manage the Plan's capital, the Plan's policy is to perform the following:

- Monitor the level of daily subscriber contributions and withdrawals relative to the liquid assets and adjust the amount of cash invested accordingly.
- Monitor the level of expected future payments for maturities and EAPs based on maturity and student applications received, and historical beneficiary qualification rates, and adjust the investment portfolio accordingly.
- Invest in securities which are traded in an active market and can be easily liquidated.

There has been no change with respect to the overall capital risk management strategy during the period.



### Fair value measurement

The Plan classifies fair value measurement within a hierarchy which gives the highest priority to the unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are:

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date,
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
Level 3	Inputs are unobservable for the asset or liability.

If inputs of different levels are used to measure an asset's or liability's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. The following table illustrates the classification of the Plan's assets and liabilities measured at fair value within the fair value hierarchy as at June 30, 2020 and December 31, 2019.

<b>As of June 30, 2020</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Short-term investments	-	18,283,492	-	18,283,492
Government guaranteed instruments				
Federal	-	80,140,137	-	80,140,137
Provincial	-	905,274,633	-	905,274,633
Municipal	-	-	-	-
Corporate debt instruments	-	1,358,561,706	11,809,201	1,370,370,907
Equities & ETFs	1,159,004,939			1,159,004,939
Investments at fair value	1,159,004,939	2,362,259,968	11,809,201	3,533,074,108

<b>As of December 31, 2019</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Short-term investments	-	1,572,560	-	1,572,560
Government guaranteed instruments				
Federal	-	52,564,049	-	52,564,049
Provincial	-	64,369,581	-	64,369,581
Municipal	-	19,256,067	-	19,256,067
Investments at fair value	-	137,762,257	-	137,762,257

All fair value measurements above are recurring. The carrying values of receivable for investments sold, government grants payable, interest receivable, other receivables, payable for investments purchased and accounts payable and other liabilities, principal payable to subscribers and the Plan's obligation for net assets attributable to subscribers and beneficiaries approximate their fair value due to their short-term nature.

## Investments in unconsolidated structured entities

Underlying Fund as at December 31, 2019	Country of establishment and principal place of business	% Ownership in the underlying Fund	Fair value of the Plan's investment in the underlying Fund
BMO S&P 500 Index ETF	Canada	2.61%	212,533,983
BMO S&P 500 Hedged to CAD Index ETF	Canada	33.62%	609,133,169

Underlying Fund as at December 31, 2019	Country of establishment and principal place of business	% Ownership in the underlying Fund	Fair value of the Plan's investment in the underlying Fund
BMO S&P 500 Index ETF	Canada	-	-
BMO S&P 500 Hedged to CAD Index ETF	Canada	-	-

## 6. Net assets attributable to subscribers and beneficiaries

Net assets attributable to subscribers and beneficiaries is comprised as follows:

	As at	
	June 30, 2020	December 31, 2019
Subscribers' contributions, net of returns	1,618,829,575	9,944,502
Government grants	629,756,670	24,668,314
Accumulated income		
Education assistance payment account	711,631,505	2,933,605
Income from government grants	337,527,567	19,499,049
Foundation education assistance payment account	233,504,424	52,370,769
Balance – End of period	<b>3,531,249,741</b>	<b>109,416,239</b>

The changes to subscribers' contributions to the Plan are as follows:

	Period ended June 30, 2020	Period ended June 30, 2019
Subscribers' deposits and transfers in	1,639,889,295	16,971,577
Insurance premiums deducted	(1,077,619)	(9,999)
Enrolment fee deducted	(544,204)	(32,771)
Return of contributions	(29,261,022)	(7,900,277)
Depository fees and service charges deducted	(121,377)	(22,536)
Net increase in Subscribers' contributions	1,608,885,073	9,005,994
Balance – Beginning of period	9,944,502	22,697,805
Balance – End of period	1,618,829,575	31,703,799

## 7. Accounts payable and other liabilities

Included in accounts payable and other liabilities is \$4,406,217.74 (December 31, 2019 - \$839,850) payable to subscribers for stale dated cheques for which the subscriber has not requested the funds to be reissued. Also included

in accounts payable and other liabilities is forfeited grant income from terminated agreements that will be paid out to a designated educational institutions.

#### **8. Related party transactions**

The Foundation is the sponsor of the Plan. The general administration of the Plan is carried out on behalf of the Foundation by its wholly owned subsidiary, Knowledge First Financial, and includes processing and call centre services related to new agreements, payments, government grants, plan modifications, terminations, maturities and EAPs. On May 30, 2019, subscribers of the Plan voted in favour of amendments to the Plan's EAA to eliminate the Depository Fees, Administration Fee, Custodian Fees and Portfolio Management Fees, and replace these fees with a single, consolidated Management Fee not to exceed 1% per annum of all funds on deposit related to the Plan. , Knowledge First Financial received from the Plan an annual fee of 0.79% plus HST of all funds on deposit related to the Plan. Accounts payable and other liabilities includes \$113,443 (December 31, 2019 - \$115,284) due to Knowledge First Financial relating to administration fees and subscriber fees. The Plan also pays remuneration to members of the Independent Review Committee which are included in Independent Review Committee Fees in the Statements of Comprehensive Income.

#### **9. Investment counsel fees**

Investment counsel fees, which are paid to the Plan's third-party investment manager, are calculated as a percentage of the total fair value of the Plan's investment portfolio. Investment counsel fees paid for the period amounted to 0% (year ended December 31, 2019 - 0.09%) of the total fair value of the investment portfolio in the Plan, as investment counsel fees are borne by Knowledge First Financial pursuant to subscribers' vote on May 30, 2019 amending the Plan's EAA, effective from January 1, 2020, Depository Fees, Administration Fee, Custodian Fees and Portfolio Management Fees are eliminated and replaced with a Management Fee (please see note 8 above for further details).