

Interim Unaudited Financial Statements

For the Six-Month Period Ended September 30, 2018

These Interim Unaudited Financial Statements do not contain the Interim Management Report of Fund Performance (“MRFP”) of the investment fund. You may obtain a copy of the Interim MRFP, at no cost, by contacting us using one of the methods noted under Fund Formation and Series Information or by visiting the SEDAR website at www.sedar.com. Copies of the Annual Financial Statements or Annual MRFP may also be obtained, at no cost, using any of the methods outlined above.

Securityholders may also contact us using one of these methods to request a copy of the investment fund’s proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENTS

Mackenzie Financial Corporation, the Manager of the Fund, appoints independent auditors to audit the Fund’s Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Interim Financial Statements, this must be disclosed in an accompanying notice.

The Fund’s independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Chartered Professional Accountants of Canada.



MACKENZIE CUNDILL VALUE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

GLOBAL EQUITY FUND

STATEMENTS OF FINANCIAL POSITION

*In thousands (except per security figures)
As at*

	Sep. 30 2018	Mar. 31 2018 (Audited)
	\$	\$
ASSETS		
Current assets		
Investments at fair value	2,446,866	2,287,858
Cash and cash equivalents	6,395	–
Dividends receivable	1,517	4,109
Accounts receivable for investments sold	–	41,103
Accounts receivable for securities issued	555	614
Due from manager	1	29
Unrealized gains on derivative contracts	8,547	1,246
Total assets	2,463,881	2,334,959

LIABILITIES

Current liabilities		
Bank indebtedness	–	4,393
Accounts payable for investments purchased	17	27,949
Accounts payable for securities redeemed	6,232	3,459
Distribution payable	109	–
Due to manager	–	228
Unrealized losses on derivative contracts	–	4,845
Total liabilities	6,358	40,874

Net assets attributable to securityholders 2,457,523 2,294,085

Net assets attributable to securityholders per series (note 3)

Series A	1,082,718	1,248,107
Series AG	115,503	116,250
Series AR	3,704	2,491
Series B	1,567	1,973
Series D	2,965	2,348
Series F	191,120	101,118
Series F6	1	–
Series F8	536	471
Series FB	609	984
Series FB5	1	1
Series G	7,659	7,329
Series GA	9,446	–
Series GF	675	–
Series I	11,798	10,809
Series J	1,559	1,575
Series OJ	4	–
Series O	160,096	161,917
Series O6	41	1
Series PW	499,089	211,346
Series PWF	–	63,481
Series PWF8	–	75
Series PWFB	1,489	544

	Sep. 30 2018	Mar. 31 2018 (Audited)
	\$	\$
Series PWFB5	267	302
Series PWT6	1,271	783
Series PWT8	3,473	2,284
Series PWX	13,923	12,353
Series R	18,973	16,816
Series S	319,801	319,299
Series T6	1,325	1,970
Series T8	7,823	9,458
Series GL	86	–
Series GW	1	–

Net assets attributable to securityholders per security (note 3)

Series A	14.10	13.59
Series AG	35.12	33.80
Series AR	12.81	12.35
Series B	37.42	36.08
Series D	12.29	11.81
Series F	11.76	11.29
Series F6	15.02	–
Series F8	8.14	8.14
Series FB	12.05	11.58
Series FB5	15.47	15.23
Series G	15.70	15.09
Series GA	9.86	–
Series GF	9.86	–
Series I	11.21	10.78
Series J	17.47	16.81
Series OJ	9.86	–
Series O	11.77	11.28
Series O6	17.00	16.79
Series PW	12.71	12.23
Series PWF	–	12.44
Series PWF8	–	14.16
Series PWFB	10.68	10.25
Series PWFB5	14.84	14.61
Series PWT6	14.48	14.37
Series PWT8	14.03	14.07
Series PWX	13.63	13.06
Series R	14.85	14.23
Series S	20.33	19.48
Series T6	10.07	10.01
Series T8	7.51	7.54
Series GL	9.86	–
Series GW	9.86	–

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



MACKENZIE
Investments

MACKENZIE CUNDILL VALUE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

GLOBAL EQUITY FUND

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended September 30 (note 1)
In thousands (except per security figures)

	2018	2017
	\$	\$
Income		
Dividends	28,790	27,250
Interest income	34	38
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	150,615	163,873
Net unrealized gain (loss)	(66,640)	(176,233)
Securities lending income	630	1,115
Total income (loss)	113,429	16,043
Expenses (note 6)		
Management fees	17,969	20,213
Management fee rebates	(50)	(33)
Administration fees	2,107	2,464
Administration fee rebates	(1)	(1)
Interest charges	64	22
Commissions and other portfolio transaction costs	1,181	1,703
Independent Review Committee fees	4	5
Other	9	8
Expenses before amounts absorbed by Manager	21,283	24,381
Expenses absorbed by Manager	–	–
Net expenses	21,283	24,381
Increase (decrease) in net assets attributable to securityholders from operations before tax	92,146	(8,338)
Foreign withholding taxes	2,123	3,971
Foreign income taxes paid (recovered)	–	–
Increase (decrease) in net assets attributable to securityholders from operations	90,023	(12,309)
Increase (decrease) in net assets attributable to securityholders from operations per series		
Series A	42,742	(15,012)
Series AG	4,462	(1,049)
Series AR	89	(5)
Series B	70	(43)
Series D	91	(6)
Series F	5,882	(757)
Series F6	–	–
Series F8	23	1
Series FB	38	–
Series FB5	–	(5)
Series G	286	(47)
Series GA	(134)	–
Series GF	(10)	–
Series I	432	(53)
Series J	59	(12)
Series OJ	(1)	–
Series O	7,938	781
Series O6	–	–

	2018	2017
	\$	\$
Series PW	8,655	1,508
Series PWF	1,261	601
Series PWF8	1	(4)
Series PWFB	30	3
Series PWFB5	13	4
Series PWT6	33	13
Series PWT8	96	26
Series PWX	611	64
Series R	804	73
Series S	16,138	1,784
Series T6	72	(43)
Series T8	343	(131)
Series GL	(1)	–
Series GW	–	–
Increase (decrease) in net assets attributable to securityholders from operations per security		
Series A	0.55	(0.14)
Series AG	1.33	(0.28)
Series AR	0.39	(0.06)
Series B	1.51	(0.61)
Series D	0.46	(0.03)
Series F	0.46	(0.08)
Series F6	0.16	–
Series F8	0.36	(0.01)
Series FB	0.65	0.01
Series FB5	0.66	(3.81)
Series G	0.60	(0.09)
Series GA	(0.14)	–
Series GF	(0.14)	–
Series I	0.44	(0.05)
Series J	0.65	(0.11)
Series OJ	(0.14)	–
Series O	0.57	0.05
Series O6	(0.22)	0.08
Series PW	0.30	0.10
Series PWF	0.25	0.15
Series PWF8	0.28	(0.71)
Series PWFB	0.28	0.23
Series PWFB5	0.65	0.25
Series PWT6	0.43	0.27
Series PWT8	0.45	0.20
Series PWX	0.64	0.06
Series R	0.69	0.06
Series S	1.01	0.10
Series T6	0.45	(0.18)
Series T8	0.31	(0.10)
Series GL	(0.14)	–
Series GW	(0.14)	–

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



MACKENZIE
Investments

MACKENZIE CUNDILL VALUE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

GLOBAL EQUITY FUND

STATEMENTS OF CHANGES IN FINANCIAL POSITION

For the periods ended September 30 (note 1)
In thousands

	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Series A		Series AG		Series AR		Series B		Series D	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	1,248,107	1,626,138	116,250	138,192	2,491	827	1,973	3,413	2,348	2,099
Increase (decrease) in net assets from operations	42,742	(15,012)	4,462	(1,049)	89	(5)	70	(43)	91	(6)
Distributions paid to securityholders:										
Investment income	-	-	-	-	-	-	-	-	(3)	-
Capital gains	-	-	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-	-	-
Management fee rebates	-	-	-	-	-	-	-	-	-	-
Administration fee rebates	-	-	-	-	-	-	-	-	-	-
Total distributions paid to securityholders	-	-	-	-	-	-	-	-	(3)	-
Security transactions:										
Proceeds from securities issued	37,166	52,859	2	-	733	708	-	-	211	343
Proceeds from securities issued on merger	137,985	-	-	-	626	-	-	-	426	-
Reinvested distributions	-	-	-	-	-	-	-	-	3	-
Payments on redemption of securities	(383,282)	(295,005)	(5,211)	(17,051)	(235)	(8)	(476)	(1,107)	(111)	(71)
Total security transactions	(208,131)	(242,146)	(5,209)	(17,051)	1,124	700	(476)	(1,107)	529	272
Total increase (decrease) in net assets	(165,389)	(257,158)	(747)	(18,100)	1,213	695	(406)	(1,150)	617	266
End of period	1,082,718	1,368,980	115,503	120,092	3,704	1,522	1,567	2,263	2,965	2,365
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	91,848	121,618	3,439	4,168	202	68	55	96	199	182
Issued	2,665	4,020	-	-	57	59	-	-	17	30
Issued on merger	9,652	-	-	-	48	-	-	-	34	-
Reinvested distributions	-	-	-	-	-	-	-	-	-	-
Redeemed	(27,353)	(22,463)	(150)	(524)	(18)	(1)	(13)	(32)	(9)	(6)
Securities outstanding – end of period	76,812	103,175	3,289	3,644	289	126	42	64	241	206
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	101,118	125,434	-	-	471	542	984	681	1	264
Increase (decrease) in net assets from operations	5,882	(757)	-	-	23	1	38	-	-	(5)
Distributions paid to securityholders:										
Investment income	(441)	-	-	-	(1)	-	(1)	-	-	-
Capital gains	-	-	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	(22)	(22)	-	-	-	-
Management fee rebates	-	-	-	-	-	-	-	-	-	-
Administration fee rebates	-	-	-	-	-	-	-	-	-	-
Total distributions paid to securityholders	(441)	-	-	-	(23)	(22)	(1)	-	-	-
Security transactions:										
Proceeds from securities issued	81,480	15,588	1	-	99	45	231	252	-	-
Proceeds from securities issued on merger	17,906	-	-	-	-	-	13	-	-	-
Reinvested distributions	378	-	-	-	10	6	1	-	-	-
Payments on redemption of securities	(15,203)	(38,640)	-	-	(44)	(26)	(657)	(110)	-	(258)
Total security transactions	84,561	(23,052)	1	-	65	25	(412)	142	-	(258)
Total increase (decrease) in net assets	90,002	(23,809)	1	-	65	4	(375)	142	-	(263)
End of period	191,120	101,625	1	-	536	546	609	823	1	1
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	8,960	11,383	-	-	58	63	85	60	-	17
Issued	7,065	1,428	-	-	12	5	20	23	-	-
Issued on merger	1,502	-	-	-	-	-	1	-	-	-
Reinvested distributions	32	-	-	-	1	1	-	-	-	-
Redeemed	(1,303)	(3,572)	-	-	(5)	(3)	(55)	(10)	-	(17)
Securities outstanding – end of period	16,256	9,239	-	-	66	66	51	73	-	-

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

MACKENZIE CUNDILL VALUE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

GLOBAL EQUITY FUND

STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

For the periods ended September 30 (note 1)
In thousands

	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Series G		Series GA		Series GF		Series I		Series J	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	7,329	8,110	–	–	–	–	10,809	11,389	1,575	1,825
Increase (decrease) in net assets from operations	286	(47)	(134)	–	(10)	–	432	(53)	59	(12)
Distributions paid to securityholders:										
Investment income	(1)	–	–	–	–	–	(18)	–	–	–
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–	–	–	–
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Administration fee rebates	–	–	–	–	–	–	(1)	(1)	–	–
Total distributions paid to securityholders	(1)	–	–	–	–	–	(19)	(1)	–	–
Security transactions:										
Proceeds from securities issued	20	27	–	–	–	–	82	36	–	–
Proceeds from securities issued on merger	528	–	9,646	–	685	–	877	–	27	–
Reinvested distributions	1	–	–	–	–	–	19	1	–	–
Payments on redemption of securities	(504)	(451)	(66)	–	–	–	(402)	(748)	(102)	(123)
Total security transactions	45	(424)	9,580	–	685	–	576	(711)	(75)	(123)
Total increase (decrease) in net assets	330	(471)	9,446	–	675	–	989	(765)	(16)	(135)
End of period	7,659	7,639	9,446	–	675	–	11,798	10,624	1,559	1,690

	Securities		Securities		Securities		Securities		Securities	
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	486	549	–	–	–	–	1,003	1,079	94	111
Issued	1	2	–	–	–	–	7	3	–	–
Issued on merger	33	–	965	–	68	–	77	–	2	–
Reinvested distributions	–	–	–	–	–	–	2	–	–	–
Redeemed	(32)	(31)	(7)	–	–	–	(36)	(72)	(7)	(8)
Securities outstanding – end of period	488	520	958	–	68	–	1,053	1,010	89	103

	Series OJ		Series O		Series O6		Series PW		Series PWF	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	–	–	161,917	169,061	1	1	211,346	70,162	63,481	22,298
Increase (decrease) in net assets from operations	(1)	–	7,938	781	–	–	8,655	1,508	1,261	601
Distributions paid to securityholders:										
Investment income	–	–	(1,031)	–	–	–	–	–	–	–
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	(1)	–	–	–	–	–
Management fee rebates	–	–	–	–	–	–	(38)	(26)	(11)	(7)
Administration fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	–	–	(1,031)	–	(1)	–	(38)	(26)	(11)	(7)
Security transactions:										
Proceeds from securities issued	–	–	3,594	4,160	40	–	257,788	145,907	2,046	33,765
Proceeds from securities issued on merger	6	–	1,632	–	–	–	53,148	–	–	–
Reinvested distributions	–	–	1,026	–	1	–	16	26	5	7
Payments on redemption of securities	(1)	–	(14,980)	(9,216)	–	–	(31,826)	(15,777)	(66,782)	(2,054)
Total security transactions	5	–	(8,728)	(5,056)	41	–	279,126	130,156	(64,731)	31,718
Total increase (decrease) in net assets	4	–	(1,821)	(4,275)	40	–	287,743	131,638	(63,481)	32,312
End of period	4	–	160,096	164,786	41	1	499,089	201,800	–	54,610

	Securities		Securities		Securities		Securities		Securities	
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	–	–	14,357	15,449	–	–	17,280	5,845	5,101	1,836
Issued	–	–	307	387	2	–	20,387	12,406	162	2,836
Issued on merger	–	–	137	–	–	–	4,124	–	–	–
Reinvested distributions	–	–	86	–	–	–	1	2	–	1
Redeemed	–	–	(1,285)	(849)	–	–	(2,519)	(1,334)	(5,263)	(171)
Securities outstanding – end of period	–	–	13,602	14,987	2	–	39,273	16,919	–	4,502

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

MACKENZIE CUNDILL VALUE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

GLOBAL EQUITY FUND

STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

For the periods ended September 30 (note 1)
In thousands

	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Series PWF8		Series PWF8		Series PWF8		Series PWF8		Series PWF8	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	75	–	544	–	302	–	783	–	2,284	–
Increase (decrease) in net assets from operations	1	(4)	30	3	13	4	33	13	96	26
Distributions paid to securityholders:										
Investment income	–	–	(4)	–	(1)	–	–	–	–	–
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	(1)	(4)	–	–	(7)	(7)	(35)	(23)	(129)	(85)
Management fee rebates	–	–	–	–	–	–	–	–	(1)	–
Administration fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(1)	(4)	(4)	–	(8)	(7)	(35)	(23)	(130)	(85)
Security transactions:										
Proceeds from securities issued	–	168	956	267	–	338	523	814	1,416	2,258
Proceeds from securities issued on merger	–	–	93	–	–	–	–	–	–	–
Reinvested distributions	–	4	4	–	1	–	10	7	37	12
Payments on redemption of securities	(75)	(89)	(134)	(1)	(41)	(35)	(43)	(8)	(230)	(122)
Total security transactions	(75)	83	919	266	(40)	303	490	813	1,223	2,148
Total increase (decrease) in net assets	(75)	75	945	269	(35)	300	488	803	1,189	2,089
End of period	–	75	1,489	269	267	300	1,271	803	3,473	2,089

	Securities		Securities		Securities		Securities		Securities	
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	5	–	53	–	21	–	54	–	162	–
Issued	–	11	90	27	–	23	36	57	98	153
Issued on merger	–	–	9	–	–	–	–	–	–	–
Reinvested distributions	–	–	–	–	–	–	1	–	3	1
Redeemed	(5)	(6)	(13)	–	(3)	(2)	(3)	(1)	(16)	(8)
Securities outstanding – end of period	–	5	139	27	18	21	88	56	247	146

	Series PWX		Series R		Series S		Series T6		Series T8	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	12,353	12,178	16,816	18,753	319,299	324,296	1,970	3,423	9,458	13,316
Increase (decrease) in net assets from operations	611	64	804	73	16,138	1,784	72	(43)	343	(131)
Distributions paid to securityholders:										
Investment income	(81)	–	(109)	–	(2,038)	–	–	–	–	–
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	(48)	(73)	(350)	(429)
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Administration fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(81)	–	(109)	–	(2,038)	–	(48)	(73)	(350)	(429)
Security transactions:										
Proceeds from securities issued	654	2,115	361	11	10,747	12,292	83	159	291	496
Proceeds from securities issued on merger	1,257	–	2,120	–	1	–	–	–	–	–
Reinvested distributions	80	–	–	–	2,038	–	16	20	105	126
Payments on redemption of securities	(951)	(707)	(1,019)	(1,490)	(26,384)	(4,625)	(768)	(1,281)	(2,024)	(3,298)
Total security transactions	1,040	1,408	1,462	(1,479)	(13,598)	7,667	(669)	(1,102)	(1,628)	(2,676)
Total increase (decrease) in net assets	1,570	1,472	2,157	(1,406)	502	9,451	(645)	(1,218)	(1,635)	(3,236)
End of period	13,923	13,650	18,973	17,347	319,801	333,747	1,325	2,205	7,823	10,080

	Securities		Securities		Securities		Securities		Securities	
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	946	961	1,182	1,358	16,392	17,153	197	327	1,254	1,653
Issued	49	168	24	2	540	663	8	16	38	63
Issued on merger	91	–	141	–	–	–	–	–	–	–
Reinvested distributions	6	–	–	–	99	–	2	2	14	16
Redeemed	(70)	(57)	(69)	(109)	(1,299)	(245)	(75)	(126)	(264)	(418)
Securities outstanding – end of period	1,022	1,072	1,278	1,251	15,732	17,571	132	219	1,042	1,314

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

MACKENZIE CUNDILL VALUE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

GLOBAL EQUITY FUND

STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

For the periods ended September 30 (note 1)
In thousands

	2018	2017	2018	2017	2018	2017
	Series GL		Series GW		Total	
	\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS						
Beginning of period	-	-	-	-	2,294,085	2,552,402
Increase (decrease) in net assets from operations	(1)	-	-	-	90,023	(12,309)
Distributions paid to securityholders:						
Investment income	-	-	-	-	(3,729)	-
Capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	(593)	(643)
Management fee rebates	-	-	-	-	(50)	(33)
Administration fee rebates	-	-	-	-	(1)	(1)
Total distributions paid to securityholders	-	-	-	-	(4,373)	(677)
Security transactions:						
Proceeds from securities issued	-	-	-	-	398,524	272,608
Proceeds from securities issued on merger	132	-	63	-	227,171	-
Reinvested distributions	-	-	-	-	3,751	209
Payments on redemption of securities	(45)	-	(62)	-	(551,658)	(392,301)
Total security transactions	87	-	1	-	77,788	(119,484)
Total increase (decrease) in net assets	86	-	1	-	163,438	(132,470)
End of period	86	-	1	-	2,457,523	2,419,932
Increase (decrease) in fund securities (note 7):						
Securities outstanding – beginning of period	-	-	-	-		
Issued	1	-	-	-		
Issued on merger	13	-	6	-		
Reinvested distributions	-	-	-	-		
Redeemed	(5)	-	(6)	-		
Securities outstanding – end of period	9	-	-	-		

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



MACKENZIE
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MACKENZIE CUNDILL VALUE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

GLOBAL EQUITY FUND

STATEMENTS OF CASH FLOWS

For the periods ended September 30 (note 1)
In thousands

	2018	2017
	\$	\$
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to securityholders from operations	90,023	(12,309)
Adjustments for:		
Net realized loss (gain) on investments	(161,223)	(163,873)
Change in net unrealized loss (gain) on investments	66,640	176,233
Purchase of investments	(366,173)	(516,099)
Proceeds from sale and maturity of investments	518,134	607,994
Change in dividends receivable	2,592	1,482
Change in due from manager	28	(1)
Change in due to manager	(228)	–
Net cash from operating activities	149,793	93,427
Cash flows from financing activities		
Proceeds from securities issued	135,585	75,119
Payments on redemption of securities	(274,104)	(195,771)
Distributions paid net of reinvestments	(513)	(468)
Net cash from financing activities	(139,032)	(121,120)
Net increase (decrease) in cash and cash equivalents	10,761	(27,693)
Cash and cash equivalents at beginning of period	(4,393)	28,349
Effect of exchange rate fluctuations on cash and cash equivalents	27	–
Cash and cash equivalents at end of period	6,395	656
Cash	1,135	656
Cash equivalents	5,260	–
Cash and cash equivalents at end of period	6,395	656
Supplementary disclosures on cash flow from operating activities:		
Dividends received	31,382	28,732
Foreign taxes paid	2,123	3,971
Interest received	34	38
Interest paid	64	22

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



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MACKENZIE CUNDILL VALUE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

GLOBAL EQUITY FUND

SCHEDULE OF INVESTMENTS

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES					
Allergan PLC	United States	Health Care	262,830	69,635	64,698
Baidu Inc. ADR	China	Information Technology	226,657	53,664	66,983
Bank of America Corp.	United States	Financials	4,447,427	66,629	169,320
Barclays PLC	United Kingdom	Financials	16,469,980	58,901	47,643
BorgWarner Inc.	United States	Consumer Discretionary	811,963	44,012	44,889
Bristow Group Inc.	United States	Energy	1,804,876	30,492	28,293
Chesapeake Energy Corp.	United States	Energy	4,743,291	39,121	27,523
Chesapeake Energy Corp. 5.75% Conv. Pfd. Series A	United States	Energy	116,057	112,320	90,188
Chesapeake Energy Corp. 5.75% Conv. Pfd.	United States	Energy	19,283	13,071	15,801
China Mobile Ltd.	China	Telecommunication Services	3,299,400	41,113	42,023
Cielo SA	Brazil	Information Technology	4,482,800	21,774	17,552
Citigroup Inc.	United States	Financials	1,898,400	85,332	176,002
CK Hutchison Holdings Ltd.	Hong Kong	Industrials	3,616,314	56,450	53,850
Corus Entertainment Inc. Class B non-voting	Canada	Consumer Discretionary	3,687,684	14,575	15,451
CVS Health Corp.	United States	Health Care	695,295	76,870	70,733
DAVITA Inc.	United States	Health Care	839,621	72,088	77,722
Discovery Communications Inc. Class C	United States	Consumer Discretionary	2,247,279	56,888	85,905
Fiat Chrysler Automobiles NV	United Kingdom	Consumer Discretionary	556,143	8,600	12,635
Finetex EnE Inc.	South Korea	Industrials	363,192	—	55
General Electric Co.	United States	Industrials	2,701,484	46,943	39,415
The Goldman Sachs Group Inc.	United States	Financials	206,334	42,474	59,793
Halliburton Co.	United States	Energy	1,026,768	56,458	53,779
Hang Lung Properties Ltd.	Hong Kong	Real Estate	9,663,000	25,944	24,407
Hitachi Ltd.	Japan	Information Technology	1,352,820	43,689	59,406
Hudson's Bay Co.	Canada	Consumer Discretionary	3,231,535	32,016	31,346
International Business Machines Corp.	United States	Information Technology	170,250	33,434	33,269
Liberty Global PLC Class A	United Kingdom	Consumer Discretionary	2,149,538	88,372	80,364
Mitsubishi Electric Corp.	Japan	Industrials	2,863,900	51,309	50,712
Novartis AG Reg.	Switzerland	Health Care	418,787	42,389	46,548
Oracle Corp.	United States	Information Technology	684,191	36,849	45,589
Philip Morris International Inc.	United States	Consumer Staples	699,152	85,820	73,673
POSCO	South Korea	Materials	82,386	24,960	28,250
Rowan Companies Inc.	United States	Energy	1,233,056	32,253	30,005
RPC Inc.	United States	Energy	2,272,163	57,712	45,454
Samsung Electronics Co. Ltd.	South Korea	Information Technology	769,500	20,362	41,618
Sanofi	France	Health Care	602,917	65,564	69,250
SoftBank Group Corp.	Japan	Telecommunication Services	391,000	30,249	51,020
Standard Chartered PLC	United Kingdom	Financials	5,326,878	67,743	57,087
Sugar Union UkrRos GDR	Ukraine	Consumer Staples	4,500	—	—
Tenaris SA ADR	Luxembourg	Energy	1,182,590	42,349	51,228
UBS Group AG	Switzerland	Financials	2,096,288	42,648	42,790
Union Pacific Corp.	United States	Industrials	226,960	26,118	47,758
Wabtec Corp.	United States	Industrials	350,868	33,252	47,556
Weatherford International PLC	United States	Energy	12,326,480	52,880	43,169



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MACKENZIE CUNDILL VALUE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

GLOBAL EQUITY FUND

SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Wells Fargo & Co.	United States	Financials	2,270,783	143,008	154,240
Zimmer Biomet Holdings Inc.	United States	Health Care	187,604	27,602	31,874
Total equities				2,173,932	2,446,866
Transaction costs				(2,817)	—
Total investments				2,171,115	2,446,866
Derivative instruments (see schedule of derivative instruments)					8,547
Cash and cash equivalents					6,395
Other assets less liabilities					(4,285)
Total net assets					2,457,523



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MACKENZIE CUNDILL VALUE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

GLOBAL EQUITY FUND

SUMMARY OF INVESTMENT PORTFOLIO

September 30, 2018	
Portfolio Allocation	% of NAV
Equities	99.5
Cash and short-term investments	0.3
Other assets (liabilities)	0.2

Regional Allocation	
Regional Allocation	% of NAV
United States	63.4
United Kingdom	8.0
Japan	6.6
China	4.4
Switzerland	3.6
Hong Kong	3.2
South Korea	2.8
France	2.8
Luxembourg	2.1
Canada	1.9
Brazil	0.7
Cash and short-term investments	0.3
Other assets (liabilities)	0.2

Sector Allocation	
Sector Allocation	% of NAV
Financials	28.7
Energy	15.7
Health care	14.7
Consumer discretionary	11.0
Information technology	10.8
Industrials	9.7
Telecommunication services	3.8
Consumer staples	3.0
Materials	1.1
Real estate	1.0
Cash and short-term investments	0.3
Other assets (liabilities)	0.2

March 31, 2018	
Portfolio Allocation	% of NAV
Equities	99.7
Other assets (liabilities)	0.5
Cash and short-term investments	(0.2)

Regional Allocation	
Regional Allocation	% of NAV
United States	67.4
United Kingdom	11.2
Japan	4.4
South Korea	3.7
China	3.7
France	2.3
Luxembourg	2.2
Hong Kong	1.9
Switzerland	1.8
Canada	1.1
Other assets (liabilities)	0.5
Cash and short-term investments	(0.2)

Sector Allocation	
Sector Allocation	% of NAV
Financials	28.7
Consumer discretionary	15.8
Energy	13.1
Health care	12.2
Information technology	11.4
Industrials	8.1
Consumer staples	5.0
Telecommunication services	3.7
Materials	1.7
Other assets (liabilities)	0.5
Cash and short-term investments	(0.2)



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MACKENZIE CUNDILL VALUE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

GLOBAL EQUITY FUND

SCHEDULE OF DERIVATIVE INSTRUMENTS

As at September 30, 2018

Schedule of Forward Currency Contracts

Counterparty Credit Rating	Bought (\$ 000s)		Sold (\$ 000s)		Settlement Date	Contract Cost (\$ 000s)	Current Fair Value (\$ 000s)	Unrealized Gains (\$ 000s)
AA	46,685	Canadian dollar	(35,155)	U.S. dollar	Oct. 5, 2018	(46,685)	(45,417)	1,268
AA	45,190	Canadian dollar	(33,980)	U.S. dollar	Oct. 5, 2018	(45,190)	(43,900)	1,290
AA	17,490	Canadian dollar	(13,215)	U.S. dollar	Oct. 19, 2018	(17,490)	(17,062)	428
AA	29,196	Canadian dollar	(22,000)	U.S. dollar	Oct. 19, 2018	(29,196)	(28,406)	790
AA	42,936	Canadian dollar	(32,600)	U.S. dollar	Oct. 19, 2018	(42,936)	(42,092)	844
AA	32,950	Canadian dollar	(25,070)	U.S. dollar	Oct. 19, 2018	(32,950)	(32,370)	580
AA	4,000	Brazilian real	(1,276)	Canadian dollar	Oct. 19, 2018	1,276	1,276	–
AA	3,810	Brazilian real	(1,192)	Canadian dollar	Oct. 19, 2018	1,192	1,215	23
AA	21,268	Canadian dollar	(65,090)	Brazilian real	Oct. 19, 2018	(21,268)	(20,773)	495
AA	41,122	Canadian dollar	(31,680)	U.S. dollar	Oct. 26, 2018	(41,122)	(40,892)	230
AA	45,659	Canadian dollar	(35,155)	U.S. dollar	Nov. 2, 2018	(45,659)	(45,370)	289
AA	57,270	Canadian dollar	(43,880)	U.S. dollar	Nov. 2, 2018	(57,270)	(56,629)	641
AA	66,041	Canadian dollar	(50,240)	U.S. dollar	Nov. 2, 2018	(66,041)	(64,837)	1,204
A	68,332	Canadian dollar	(52,750)	U.S. dollar	Dec. 7, 2018	(68,332)	(68,027)	305
AA	45,565	Canadian dollar	(35,215)	U.S. dollar	Dec. 14, 2018	(45,565)	(45,405)	160
Unrealized Gains								8,547
Total forward currency contracts								8,547
Total derivative instruments at fair value								8,547



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Investments

NOTES TO FINANCIAL STATEMENTS

1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the six-month periods ended or as at September 30, 2018 and 2017, except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at March 31, 2018, as applicable. In the year a Fund or series is established or reinstated, 'period' represents the period from inception or reinstatement. Refer to Note 9 for the formation date of the Fund and the inception date of each series.

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 180 Queen Street West, Toronto, 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 or exempt distribution options.

Mackenzie Financial Corporation ("Mackenzie") is the manager of the Fund and is wholly owned by IGM Financial Inc., a subsidiary of Power Financial Corporation, which itself is a subsidiary of Power Corporation of Canada. The Great-West Life Assurance Company, London Life Insurance Company and The Canada Life Assurance Company (collectively, the "Related Insurance Companies") are wholly owned by Great-West Lifeco Inc., which is also a subsidiary of Power Financial Corporation. Investments in companies within the Power Group of companies held by the Fund are identified in the Schedule of Investments.

2. Basis of Preparation and Presentation

These unaudited interim financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), including international Accounting Standard ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). These financial statements were prepared using the same accounting policies, critical accounting judgements and estimates as applied in the Fund's most recent audited annual financial statements for the year ended March 31, 2018. 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 and presentation currency, and rounded to the nearest thousand unless otherwise indicated. These financial statements are prepared on a going concern basis using the historical cost basis, except for financial assets and liabilities that have been measured at fair value.

These financial statements were authorized for issue by the Board of Directors of Mackenzie Financial Corporation on November 13, 2018.

Standards issued but not yet effective for the current accounting year, as applicable, are described in Note 3.

3. Significant Accounting Policies

(a) Financial instruments

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

Financial instruments are subsequently measured at FVTPL with changes in fair value recognized in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The Fund's redeemable securities contain multiple dissimilar contractual obligations and therefore 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 year-end.

Realized and unrealized gains and losses on investments are calculated based on the weighted 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.

NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(a) Financial instruments (cont'd)

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

The Fund accounts for its holdings in unlisted open-ended investment funds and exchange-traded funds, if any, at FVTPL. Mackenzie has concluded that any unlisted open-ended investment fund and exchange-traded funds in which the Fund invests, do not meet either the definition of a structured entity or the definition of an associate.

(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 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, Mackenzie determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Mutual fund securities of an underlying fund are valued on a business day at the price calculated by the manager of such underlying fund in accordance with the constating documents of such underlying fund. 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 Mackenzie's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by Mackenzie using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data.

The cost of investments is determined on a weighted average cost basis.

Cash and cash equivalents which includes cash on deposit with financial institutions and short-term investments that are readily convertible to cash, are subject to an insignificant risk of changes in value, and are used by the Fund in the management of short-term commitments. Cash and cash equivalents are reported at fair value which closely approximates their amortized cost due to their nature of being highly liquid and having short terms to maturity. 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 the Fund's portfolio manager(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 Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – 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 unrealized gains or losses on a "mark to market" basis. 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 futures contracts or swaps. Any change in the variation margin requirement is settled daily.

Premiums received from writing options are included in the Statement of Financial Position as a liability and subsequently adjusted daily to fair value. If a written option expires unexercised, the premium received is recognized as a realized gain. If a written call option is exercised, the difference between the proceeds of the sale plus the value of the premium, and the cost of the security is recognized as a realized gain or loss. If a written put option is exercised, the cost of the security acquired is the exercise price of the option less the premium received.

Refer to the Schedule of Derivative Instruments and Schedule of Options Purchased/Written, as applicable, included in the Schedule of Investments for a listing of derivative and options positions as at September 30, 2018.

NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(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. Distributions received from an underlying fund are included in interest income, dividend income, realized gains (losses) on sale of investments or fee rebate income, as appropriate.

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, advisers, brokers and dealers. 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.

Securities lending transactions are administered by 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. 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 Statement of Comprehensive Income – Securities lending income and recognized when earned.

Note 9 summarizes the details of securities loaned and collateral received, as well as a reconciliation of securities lending income, if applicable.

(f) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset 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 Statement 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.

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.

(g) 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 Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – 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.

(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

The daily Net Asset Value ("NAV") of an investment fund may be calculated without reference to IFRS as per the Canadian Securities Administrators' ("CSA") regulations. The difference between NAV and Net assets attributable to securityholders (as reported in the financial statements), if any, is mainly due to differences in fair value of investments and other financial assets and liabilities. Refer to Note 9 for the Fund's NAV per security.

NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

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

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

(k) Mergers

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

4. Critical Accounting Estimates and Judgments

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

Use of Estimates

Fair value of securities not quoted in an active market

The Fund may hold 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, Mackenzie is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. Mackenzie has assessed the Fund's business model, the manner in which all financial instruments are managed and performance evaluated as a group on a fair value basis, and concluded that FVTPL in accordance with IFRS 9 provides the most appropriate measurement and presentation of the Fund's 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.

Structured entities and associates

In determining whether an unlisted open-ended investment fund or an exchange-traded fund in which the Fund invests, but that it does not consolidate, meets the definitions of either a structured entity or of an associate, Mackenzie is required to make significant judgments about whether these underlying funds have the typical characteristics of a structured entity or of an associate. Mackenzie has assessed the characteristics of these underlying funds and has concluded that they do not meet the definition of either a structured entity or of an associate because the Fund does not have contracts or financing arrangements with these underlying funds and the Fund does not have an ability to influence the activities of these underlying funds or the returns it receives from investing in these underlying funds.

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.

Losses of the Fund cannot be allocated to investors and are retained in the Fund for use in future years. Non-capital losses may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Refer to Note 9 for the Fund's loss carryforwards.

NOTES TO FINANCIAL STATEMENTS

6. Management Fees and Operating Expenses

Mackenzie is paid a management fee for managing 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 investors. The management fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

Each series of the Fund, except B-Series, is charged a fixed rate annual administration fee ("Administration Fee") and in return, Mackenzie bears all of the operating expenses of the Fund, other than certain specified fund costs. The Administration Fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

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 Mackenzie 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 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 simplified prospectus.

All expenses relating to the operation of the Fund attributable to B-Series securities will be charged to that particular series. Operating expenses include legal, audit, transfer agent, custodian, administration and trustee services, cost of financial reporting and Simplified Prospectus printing, regulatory filing fees and other miscellaneous expenses specifically attributable to the B-Series securities and any applicable taxes.

Mackenzie 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 for the management fee and Administration Fee rates charged to each series of securities.

7. Fund's Capital

The capital of the Fund, which is comprised of the net assets attributable to securityholders, is divided into different series with each series having an unlimited number of securities. The securities outstanding for the Fund as at September 30, 2018 and 2017 and securities issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. Mackenzie manages the capital of the Fund in accordance with the investment objectives as discussed in Note 9.

8. Financial Instruments Risk

i. 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, as at September 30, 2018, grouped by asset type, with geographic and sector information.

Mackenzie 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 where applicable, by using derivatives to hedge certain risk exposures. To assist in managing risks, Mackenzie 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.

ii. 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 accordance with securities regulations, the Fund must maintain at least 90% of its assets in liquid investments (i.e., investments that can be readily sold). In addition, the Fund retains sufficient cash and short-term investment positions to maintain adequate liquidity. The Fund also has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions.

iii. Currency risk

Currency risk arises when the fair value of financial instruments that are denominated in a currency other than the Canadian dollar, which is the Fund's reporting currency, fluctuates due to changes in exchange rates. Note 9 summarizes the Fund's exposure, if applicable and significant, to currency risk.

NOTES TO FINANCIAL STATEMENTS

8. Financial Instruments Risk (cont'd)

iv. Interest rate risk

Interest rate risk arises when the fair value of interest-bearing financial instruments fluctuates due to changes in the prevailing levels of market interest rates. Cash and cash equivalents do not expose the Fund to significant amounts of interest rate risk. Note 9 summarizes the Fund's exposure, if applicable and significant, to interest rate risk.

v. 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 strategies. Except for certain derivative contracts, the maximum risk resulting from financial instruments is equivalent to their fair value. The maximum risk of loss on certain derivative contracts such as forwards, swaps, and futures contracts is equal to their notional values. In the case of written call (put) options and short futures contracts, the loss to the Fund continues to increase, without limit, as the fair value of the underlying interest increases (decreases). However, these instruments are generally used within the overall investment management process to manage the risk from the underlying investments and do not typically increase the overall risk of loss to the Fund. This risk is mitigated by ensuring that the Fund holds a combination of the underlying interest, cash cover and/or margin that is equal to or greater than the value of the derivative contract. Note 9 summarizes the Fund's exposure, if applicable and significant, to other price risk.

vi. Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. Note 9 summarizes the Fund's exposure, if applicable and significant, to credit risk.

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 date of the Statement 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 a rating equivalent to a designated rating organization'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.

vii. Underlying funds

The Fund may invest in underlying funds and may be indirectly exposed to currency risk, interest rate risk, other price risk and credit risk from fluctuations in the value of financial instruments held by the underlying funds. Note 9 summarizes the Fund's exposure, if applicable and significant, to these risks from underlying funds.



NOTES TO FINANCIAL STATEMENTS

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

(a) Fund Formation and Series Information

Date of Formation October 7, 1998

The Fund may issue an unlimited number of securities of each series. The number of issued and outstanding securities of each series is disclosed in the Statements of Changes in Financial Position.

Series Offered by Mackenzie Financial Corporation (180 Queen Street West, Toronto, Ontario, M5V 3K1; 1-800-387-0614; www.mackenzieinvestments.com)

Series A, Series T6 and Series T8 securities are offered to retail investors investing a minimum of \$500 (\$5,000 for Series T6 and Series T8). Investors in Series T6 and Series T8 securities also want to receive a regular monthly cash flow of 6% or 8% per year, respectively. Before September 29, 2017, Series A securities were known as Series C.

Series AR securities are offered to retail investors in a Registered Disability Savings Plan offered by Mackenzie.

Series D securities are offered to retail investors investing a minimum of \$500 through a discount brokerage or other account approved by Mackenzie.

Series F, Series F6 and Series F8 securities are offered to investors who are enrolled in a dealer-sponsored fee-for-service or wrap program, who are subject to an asset-based fee rather than commissions on each transaction and who invest at least \$500 (\$5,000 for Series F6 and Series F8); they are also available to employees of Mackenzie and its subsidiaries, and directors of Mackenzie. Investors in Series F6 and Series F8 securities also want to receive a regular monthly cash flow of 6% and 8% per year, respectively.

Series FB and Series FB5 securities are offered to retail investors investing a minimum of \$500. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor. Investors in Series FB5 securities also want to receive a monthly cash flow of 5% per year.

Series I securities are offered to retail investors investing a minimum of \$500 in a qualified group plan with a minimum of \$20,000,000 in assets.

Series O and Series O6 securities are offered only to investors investing a minimum of \$500,000 who are enrolled in Mackenzie Portfolio Architecture Service or Open Architecture Service; certain institutional investors; and certain qualifying employees of Mackenzie and its subsidiaries. Investors in Series O6 securities also want to receive a monthly cash flow of 6% per year.

Series PW, Series PWT6 and Series PWT8 securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors in Series PWT6 and Series PWT8 securities also want to receive a monthly cash flow of 6% or 8% per year, respectively.

Series PWFB and Series PWFB5 securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor. Investors in Series PWFB5 securities also want to receive a monthly cash flow of 5% per year.

Series PWX securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor.

Series R securities are offered only to other affiliated funds and certain institutional investors in connection with fund-of-fund arrangements.

Series S securities are offered to the Related Insurance Companies and certain other mutual funds, but may be sold to other investors as determined by Mackenzie.

Series AG, Series B and Series J securities are no longer available for sale. Before September 29, 2017, Series AG securities were known as Series A.

Series G securities are no longer available for sale, except for additional purchases by investors who have held these securities since December 11, 2017.

Series GA, Series GF and Series OJ securities were created specially for the purpose of implementing mergers affecting the Fund and are not available for sale.

Series PWF and Series PWF8 securities are no longer available for sale. Effective June 1, 2018, Series PWF and Series PWF8 securities were consolidated into Series F and Series F8 securities, respectively.

Series Distributed by LBC Financial Services Inc. (1360 René-Lévesque Blvd. West, 13th Floor, Montréal, Québec H3G 0A9; 1-800-522-1846; www.laurentianbank.ca/mackenzie)

Series GL and Series GW securities were created specially for the purpose of implementing mergers affecting the Fund and are not available for sale.

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NOTES TO FINANCIAL STATEMENTS

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

(a) Fund Formation and Series Information (cont'd)

An investor in the Fund may choose among different purchase options that are available under each series. These purchase options are a sales charge purchase option, a redemption charge purchase option, various low-load purchase options and a no-load purchase option. The charges under the sales charge purchase option are negotiated by investors with their dealers. The charges under the redemption charge and low-load purchase options are paid to Mackenzie if an investor redeems securities of the Fund during specific periods. Not all purchase options are available under each series of the Fund, and the charges for each purchase option may vary among the different series. For further details on these purchase options, please refer to the Fund's Simplified Prospectus and Fund Facts.

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Sep. 30, 2018	Mar. 31, 2018
Series A ⁽⁴⁾	October 7, 1998	2.00%	0.26%	14.10	13.60
Series AG ⁽⁵⁾	January 16, 1967	2.00% ⁽¹⁾	— *	35.12	33.83
Series AR	January 19, 2016	2.00%	0.31%	12.81	12.36
Series B	June 30, 1997	2.26% ⁽¹⁾	— *	37.42	36.12
Series D	December 23, 2013	1.25%	0.20%	12.29	11.82
Series F	December 6, 1999	0.80% ⁽⁶⁾	0.15% ⁽⁹⁾	11.76	11.29
Series F6	June 1, 2018	0.80%	0.15%	15.02	—
Series F8	April 4, 2007	0.80% ⁽⁶⁾	0.15% ⁽⁹⁾	8.14	8.14
Series FB	October 26, 2015	1.00%	0.28%	12.05	11.58
Series FB5	October 26, 2015	1.00%	0.28%	15.47	15.24
Series G	April 1, 2005	1.50%	0.26%	15.70	15.10
Series GA	September 21, 2018	2.00%	— *	9.86	—
Series GF	September 21, 2018	0.80%	— *	9.86	—
Series I	October 25, 1999	1.35%	0.28%	11.21	10.79
Series J	October 13, 2011	1.75%	0.25%	17.47	16.83
Series OJ	September 21, 2018	1.75%	0.31%	9.86	—
Series O	June 28, 2000	— ⁽²⁾	— *	11.77	11.29
Series O6	January 12, 2016	— ⁽²⁾	— *	17.00	16.80
Series PW	October 11, 2013	1.80% ⁽⁷⁾	0.15%	12.71	12.24
Series PWF	None issued ⁽¹⁰⁾	0.90%	0.15%	—	12.45
Series PWF8	None issued ⁽¹¹⁾	0.90%	0.15%	—	14.17
Series PWFB	April 3, 2017	0.80% ⁽⁸⁾	0.15%	10.68	10.26
Series PWFB5	April 3, 2017	0.80% ⁽⁸⁾	0.15%	14.84	14.62
Series PWT6	April 3, 2017	1.80% ⁽⁷⁾	0.15%	14.48	14.38
Series PWT8	April 3, 2017	1.80% ⁽⁷⁾	0.15%	14.03	14.09
Series PWX	November 13, 2013	— ⁽³⁾	— ⁽³⁾	13.63	13.07
Series R	July 3, 2007	— *	— *	14.85	14.24
Series S	October 6, 2009	— ⁽²⁾	0.03%	20.33	19.49
Series T6	July 30, 2007	2.00%	0.26%	10.07	10.01
Series T8	May 1, 2006	2.00%	0.26%	7.51	7.55
Series GL	September 21, 2018	2.00%	0.28%	9.86	—
Series GW	September 21, 2018	1.90%	0.15%	9.86	—

* Not applicable.

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

(a) Fund Formation and Series Information (cont'd)

- (1) The management fee for this series is a flat fee that includes all operating expenses, except GST/HST, brokerage commissions and income taxes (if any). Prior to August 17, 2018, the management fee for Series B was charged to the Fund at a rate of 2.35%.
- (2) This fee is negotiable and payable directly to Mackenzie by investors in this series.
- (3) This fee is payable directly to Mackenzie by investors in this series through redemptions of their securities.
- (4) Before September 29, 2017, Series A securities were known as Series C.
- (5) Before September 29, 2017, Series AG securities were known as Series A.
- (6) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 1.00%.
- (7) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 1.90%.
- (8) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 0.90%.
- (9) Prior to June 1, 2018, the administration fee for this series was charged to the Fund at a rate of 0.20%.
- (10) The series' original start date was October 24, 2013. All securities in the series were consolidated into Series F on June 1, 2018.
- (11) The series' original start date was April 3, 2017. All securities in the series were consolidated into Series F8 on June 1, 2018.

(b) Investments by Mackenzie and Affiliates

As at September 30, 2018, Mackenzie, other funds managed by Mackenzie and Related Insurance Companies had an investment of \$1,154, \$18,973 and \$319,801 (March 31, 2018 – \$1,085, \$16,816 and \$319,299), respectively, in the Fund.

(c) Loss Carryforwards

As at the last taxation year-end, the Fund has capital losses of \$345,829 which may be carried forward indefinitely to reduce future realized capital gains. There were no non-capital losses available to carry forward for tax purposes.

(d) Securities Lending

The value of securities loaned and collateral received from securities lending at September 30, 2018 and March 31, 2018, were as follows:

	September 30, 2018	March 31, 2018
	(\$)	(\$)
Value of securities loaned	187,418	148,594
Value of collateral received	200,294	155,293

Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments and financial institutions.

A reconciliation of the gross amount generated from the securities lending transactions to the security lending income to the Fund for the periods ended September 30, 2018 and 2017 is as follows:

	2018		2017	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	889	100.0	1,537	100.0
Tax withheld	(49)	(5.5)	(50)	(3.3)
	840	94.5	1,487	96.7
Payments to Securities Lending Agent	(210)	(23.6)	(372)	(24.2)
Securities lending income	630	70.9	1,115	72.5



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NOTES TO FINANCIAL STATEMENTS

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

(e) Commissions

The value of third-party services paid for by brokers during the period, is disclosed in the table below:

	(\$)
September 30, 2018	242
September 30, 2017	71

(f) Fund Merger

At a meeting held on June 22, 2018, investors in Mackenzie Cundill Recovery Fund (the "Terminating Fund") approved the merger of the Terminating Fund into the Fund. The merger was effective after the close of business on September 21, 2018. The merger was effected by transferring the net assets of the Terminating Fund in exchange for the securities of the Fund at fair market value. Series A, Series AR, Series D, Series F, Series FB, Series I, Series J, Series OJ, Series LB, Series LW, Series O, Series PW, Series PWFB, Series PWX, Series R and Series S of the Terminating Fund were issued 9,652 Series A securities, 48 Series AR securities, 34 Series D securities, 1,502 Series F securities, 1 Series FB securities, 33 Series G securities, 965 Series GA securities, 68 Series GF securities, 77 Series I securities, 2 Series J securities, 137 Series O securities, 4,124 Series PW securities, 9 Series PWFB securities, 91 Series PWX securities, 141 Series R securities, 0.1 Series S securities, 13 Series GL securities and 6 Series GW securities of the Fund in exchange for net assets of \$227,171 which was the fair value on September 21, 2018. The merger has been accounted for as an acquisition of the Terminating Fund.

Following the merger, the Terminating Fund was terminated. Mackenzie paid the expenses incurred to effect the merger.

(g) Offsetting of Financial Assets and Liabilities

The table below presents 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.

	September 30, 2018			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	3,222	–	–	3,222
Unrealized losses on derivative contracts	–	–	–	–
Liability for options written	–	–	–	–
Total	3,222	–	–	3,222

	March 31, 2018			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	229	–	–	229
Unrealized losses on derivative contracts	(1,814)	–	–	(1,814)
Liability for options written	–	–	–	–
Total	(1,585)	–	–	(1,585)

(h) Risks Associated with Financial Instruments

i. Risk exposure and management

The Fund seeks long-term capital growth by investing primarily in equities of companies located anywhere in the world. The Fund uses a value style of investing and depending on market conditions, may invest most of its assets in a single country or a single industry.

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NOTES TO FINANCIAL STATEMENTS

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

(h) Risks Associated with Financial Instruments (cont'd)

ii. Currency risk

The table below indicates currencies to which the Fund had significant exposure as at period end in Canadian dollar terms, including the underlying principal amount of any derivative instruments. Other financial assets and liabilities (including accrued interest and dividends receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not expose the Fund to significant currency risk.

September 30, 2018				
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	1,755,223	866	(530,407)	1,225,682
Japanese yen	161,138	1,082	–	162,220
Hong Kong dollar	120,280	853	–	121,133
British pound	104,730	–	–	104,730
Swiss franc	89,338	–	–	89,338
Euro	81,885	–	–	81,885
South Korean won	69,923	7,376	–	77,299
Brazilian real	17,552	2,331	(18,282)	1,601
Total	2,400,069	12,508	(548,689)	1,863,888
% of Net Assets	97.7	0.5	(22.3)	75.9

March 31, 2018				
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	1,723,515	–	(362,441)	1,361,074
British pound	150,485	–	–	150,485
Japanese yen	101,106	–	–	101,106
South Korean won	85,484	–	–	85,484
Euro	80,348	1	–	80,349
Hong Kong dollar	78,940	–	–	78,940
Swiss franc	41,767	–	–	41,767
Total	2,261,645	1	(362,441)	1,899,205
% of Net Assets	98.6	–	(15.8)	82.8

* Includes both monetary and non-monetary financial instruments

As at September 30, 2018, had the Canadian dollar increased or decreased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have decreased or increased by approximately \$93,194 or 3.8% of total net assets (March 31, 2018 – \$94,960 or 4.1%). In practice, the actual trading results may differ and the difference could be material.

iii. Interest rate risk

As at September 30, 2018 and March 31, 2018, the Fund did not have a significant exposure to interest rate risk.

MACKENZIE CUNDILL VALUE FUND

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GLOBAL EQUITY FUND

NOTES TO FINANCIAL STATEMENTS

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

(h) Risks Associated with Financial Instruments (cont'd)

iv. Other price risk

The Fund's most significant exposure to price risk arises from its investment in equity securities. As at September 30, 2018, had the prices on the respective stock exchanges for these securities increased or decreased by 10%, with all other variables held constant, net assets would have increased or decreased by approximately \$244,687 or 10.0% of total net assets (March 31, 2018 – \$228,786 or 10.0%). In practice, the actual trading results may differ and the difference could be material.

v. Credit risk

As at September 30, 2018 and March 31, 2018, the Fund did not have a significant exposure to credit risk.

(i) Fair Value Classification

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

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

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

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.

	September 30, 2018				March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	2,446,866	–	–	2,446,866	1,936,318	351,540	–	2,287,858
Derivative assets	–	8,547	–	8,547	–	1,246	–	1,246
Derivative liabilities	–	–	–	–	–	(4,845)	–	(4,845)
Short-term investments	–	5,260	–	5,260	–	–	–	–
Total	2,446,866	13,807	–	2,460,673	1,936,318	347,941	–	2,284,259

The Fund's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for non-North American equities when North American intraday stock market movements exceed pre-determined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, during the period ended September 30, 2018, non-North American equities frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices).

As at September 30, 2018, these securities were classified as Level 1. As at March 31, 2018, fair value adjustments were applied to the majority of securities in non-North American markets (Level 2) that were closed on the last business day. The remaining non-North American securities were classified as Level 1. Other than as described above, there were no significant transfers between Level 1 and Level 2.

Other financial instruments classified as Level 2 investments are valued through incorporating observable market data and using standard market convention practices. Short-term investments classified as Level 2 investments are valued based on amortized cost plus accrued interest which closely approximates fair value.



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