

# MACKENZIE CANADIAN SHORT TERM INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

FIXED INCOME FUND

## MANAGEMENT REPORT

### Management's Responsibility for Financial Reporting

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

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

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

On behalf of Mackenzie Financial Corporation,  
Manager of the Fund



Barry McInerney  
President and Chief Executive Officer



Terry Rountes  
Chief Financial Officer, Funds

July 13, 2020

## INDEPENDENT AUDITOR'S REPORT

To the Securityholders of Mackenzie Canadian Short Term Income Fund (the "Fund")

### Opinion

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

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

### Basis for Opinion

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

### Other Information

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

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

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

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

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



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## INDEPENDENT AUDITOR'S REPORT (cont'd)

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

*Deloitte LLP*

Chartered Professional Accountants  
Licensed Public Accountants  
Toronto, Ontario  
July 13, 2020



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# MACKENZIE CANADIAN SHORT TERM INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

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## STATEMENTS OF FINANCIAL POSITION

*In thousands (except per security figures)  
As at March 31*

	2020	2019		2020	2019
	\$	\$		\$	\$
<b>ASSETS</b>			<b>Net assets attributable to securityholders</b>		
<b>Current assets</b>			<b>per security (note 3)</b>		
Investments at fair value	259,863	277,734	Series A	1.98	2.01
Cash and cash equivalents	1,062	39,545	Series AR	9.93	10.07
Accrued interest receivable	1,476	1,533	Series D	9.71	9.85
Dividends receivable	–	4	Series F	5.28	5.35
Accounts receivable for investments sold	2,198	1,382	Series FB	9.78	9.92
Accounts receivable for securities issued	308	2,799	Series G	10.06	10.21
Due from manager	1	1	Series I	5.05	5.13
Margin on derivatives	422	758	Series J	9.65	9.78
Unrealized gains on derivative contracts	490	99	Series M	10.03	10.18
<b>Total assets</b>	<b>265,820</b>	<b>323,855</b>	Series O	9.69	9.82
			Series PW	9.81	9.95
			Series PWFB	9.67	9.81
			Series PWR	9.87	–
			Series PWX	9.79	9.92
			Series PWX8	10.58	11.33
			Series R	–	10.10
			Series SC	9.63	9.77
			Series LB	9.63	9.77
			Series LF	10.02	10.16
			Series LW	9.79	9.93
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Accounts payable for investments purchased	1,407	1,144			
Accounts payable for securities redeemed	2,433	302			
Due to manager	8	–			
Unrealized losses on derivative contracts	2,439	313			
<b>Total liabilities</b>	<b>6,287</b>	<b>1,759</b>			
<b>Net assets attributable to securityholders</b>	<b>259,533</b>	<b>322,096</b>			
<b>Net assets attributable to securityholders</b>					
<b>per series (note 3)</b>					
Series A	13,086	16,052			
Series AR	130	32			
Series D	354	242			
Series F	46,080	59,946			
Series FB	148	93			
Series G	431	452			
Series I	1,314	848			
Series J	451	475			
Series M	357	376			
Series O	7,675	13,565			
Series PW	124,966	111,019			
Series PWFB	1,798	409			
Series PWR	203	–			
Series PWX	2,650	2,007			
Series PWX8	23	114			
Series R	–	50,623			
Series SC	58,168	63,998			
Series LB	720	717			
Series LF	1	1			
Series LW	978	1,127			

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



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# MACKENZIE CANADIAN SHORT TERM INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

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## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended March 31 (note 1)  
In thousands (except per security figures)

	2020	2019
	\$	\$
<b>Income</b>		
Dividends	433	501
Interest income	9,217	8,962
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	1,563	(3,911)
Net unrealized gain (loss)	(5,268)	5,248
Securities lending income	41	18
Fee rebate income	13	14
<b>Total income (loss)</b>	<b>5,999</b>	<b>10,832</b>
<b>Expenses (note 6)</b>		
Management fees	2,536	2,422
Management fee rebates	(11)	(32)
Administration fees	491	419
Interest charges	4	1
Commissions and other portfolio transaction costs	29	35
Independent Review Committee fees	1	1
Other	1	5
<b>Expenses before amounts absorbed by Manager</b>	<b>3,051</b>	<b>2,851</b>
Expenses absorbed by Manager	–	–
<b>Net expenses</b>	<b>3,051</b>	<b>2,851</b>
<b>Increase (decrease) in net assets attributable to securityholders from operations before tax</b>	<b>2,948</b>	<b>7,981</b>
Foreign withholding taxes	–	–
Foreign income taxes paid (recovered)	–	–
<b>Increase (decrease) in net assets attributable to securityholders from operations</b>	<b>2,948</b>	<b>7,981</b>
<b>Increase (decrease) in net assets attributable to securityholders from operations per series</b>		
Series A	(18)	321
Series AR	(1)	–
Series D	–	5
Series F	1,283	1,279
Series FB	–	–
Series G	–	10
Series I	(5)	20
Series J	2	12
Series M	1	9
Series O	211	661
Series PW	(122)	2,643
Series PWF	–	(12)
Series PWFb	20	49
Series PWR	(5)	–
Series PWX	10	74
Series PWX8	–	5
Series R	1,598	1,545

	2020	2019
	\$	\$
Series SC	(20)	1,318
Series LB	(2)	14
Series LF	–	–
Series LW	(4)	28
<b>Increase (decrease) in net assets attributable to securityholders from operations per security</b>		
Series A	–	0.03
Series AR	(0.27)	0.63
Series D	0.01	0.32
Series F	0.09	0.19
Series FB	–	0.11
Series G	(0.01)	0.23
Series I	(0.02)	0.11
Series J	0.04	0.25
Series M	0.02	0.23
Series O	0.20	0.27
Series PW	(0.01)	0.25
Series PWF	–	(0.01)
Series PWFb	0.13	0.58
Series PWR	(1.85)	–
Series PWX	0.05	0.34
Series PWX8	0.17	0.41
Series R	0.32	0.31
Series SC	–	0.17
Series LB	(0.02)	0.10
Series LF	0.09	0.25
Series LW	(0.02)	0.26

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



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# MACKENZIE CANADIAN SHORT TERM INCOME FUND

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## STATEMENTS OF CHANGES IN FINANCIAL POSITION

For the periods ended March 31 (note 1)  
In thousands

	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	Series A		Series AR		Series D		Series F		Series FB	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
Beginning of period	16,052	22,560	32	–	242	129	59,946	21,681	93	272
Increase (decrease) in net assets from operations	(18)	321	(1)	–	–	5	1,283	1,279	–	–
Distributions paid to securityholders:										
Investment income	(168)	(284)	(1)	–	(5)	(4)	(1,567)	(887)	(2)	(2)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–	–	–	–
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(168)	(284)	(1)	–	(5)	(4)	(1,567)	(887)	(2)	(2)
Security transactions:										
Proceeds from securities issued	8,403	5,298	123	33	521	157	109,351	70,734	115	110
Reinvested distributions	157	266	1	–	4	3	609	632	2	2
Payments on redemption of securities	(11,340)	(12,109)	(24)	(1)	(408)	(48)	(123,542)	(33,493)	(60)	(289)
Total security transactions	(2,780)	(6,545)	100	32	117	112	(13,582)	37,873	57	(177)
<b>Total increase (decrease) in net assets</b>	<b>(2,966)</b>	<b>(6,508)</b>	<b>98</b>	<b>32</b>	<b>112</b>	<b>113</b>	<b>(13,866)</b>	<b>38,265</b>	<b>55</b>	<b>(179)</b>
<b>End of period</b>	<b>13,086</b>	<b>16,052</b>	<b>130</b>	<b>32</b>	<b>354</b>	<b>242</b>	<b>46,080</b>	<b>59,946</b>	<b>148</b>	<b>93</b>

	Securities		Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>										
Securities outstanding – beginning of period	8,004	11,299	3	–	25	13	11,202	4,071	9	27
Issued	4,181	2,670	12	3	52	17	20,380	13,334	12	11
Reinvested distributions	78	134	–	–	–	–	114	119	–	–
Redeemed	(5,640)	(6,099)	(2)	–	(41)	(5)	(22,965)	(6,322)	(6)	(29)
<b>Securities outstanding – end of period</b>	<b>6,623</b>	<b>8,004</b>	<b>13</b>	<b>3</b>	<b>36</b>	<b>25</b>	<b>8,731</b>	<b>11,202</b>	<b>15</b>	<b>9</b>

	Series G		Series I		Series J		Series M		Series O	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
Beginning of period	452	432	848	947	475	489	376	400	13,565	29,399
Increase (decrease) in net assets from operations	–	10	(5)	20	2	12	1	9	211	661
Distributions paid to securityholders:										
Investment income	(6)	(8)	(17)	(17)	(8)	(11)	(6)	(8)	(268)	(753)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–	–	–	–
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(6)	(8)	(17)	(17)	(8)	(11)	(6)	(8)	(268)	(753)
Security transactions:										
Proceeds from securities issued	24	22	515	1	–	–	–	–	3,122	4,361
Reinvested distributions	6	8	17	17	8	11	6	8	187	680
Payments on redemption of securities	(45)	(12)	(44)	(120)	(26)	(26)	(20)	(33)	(9,142)	(20,783)
Total security transactions	(15)	18	488	(102)	(18)	(15)	(14)	(25)	(5,833)	(15,742)
<b>Total increase (decrease) in net assets</b>	<b>(21)</b>	<b>20</b>	<b>466</b>	<b>(99)</b>	<b>(24)</b>	<b>(14)</b>	<b>(19)</b>	<b>(24)</b>	<b>(5,890)</b>	<b>(15,834)</b>
<b>End of period</b>	<b>431</b>	<b>452</b>	<b>1,314</b>	<b>848</b>	<b>451</b>	<b>475</b>	<b>357</b>	<b>376</b>	<b>7,675</b>	<b>13,565</b>

	Securities		Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>										
Securities outstanding – beginning of period	44	42	165	185	49	50	37	39	1,381	3,007
Issued	2	2	101	–	–	–	–	–	317	447
Reinvested distributions	1	1	3	3	1	1	1	1	19	70
Redeemed	(4)	(1)	(9)	(23)	(3)	(2)	(2)	(3)	(925)	(2,143)
<b>Securities outstanding – end of period</b>	<b>43</b>	<b>44</b>	<b>260</b>	<b>165</b>	<b>47</b>	<b>49</b>	<b>36</b>	<b>37</b>	<b>792</b>	<b>1,381</b>

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

# MACKENZIE CANADIAN SHORT TERM INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

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## STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

For the periods ended March 31 (note 1)  
In thousands

	2020	2019	2020	2019	2020	2019	2020	2019
	Series PW		Series PWF		Series PWFB		Series PWR	
	\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>								
Beginning of period	111,019	77,505	–	19,279	409	330	–	–
Increase (decrease) in net assets from operations	(122)	2,643	–	(12)	20	49	(5)	–
Distributions paid to securityholders:								
Investment income	(1,820)	(1,997)	–	(65)	(35)	(21)	–	–
Capital gains	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–	–
Management fee rebates	(11)	(28)	–	(3)	–	(1)	–	–
Total distributions paid to securityholders	(1,831)	(2,025)	–	(68)	(35)	(22)	–	–
Security transactions:								
Proceeds from securities issued	56,788	62,877	–	1,448	3,607	1,766	208	–
Reinvested distributions	1,739	1,914	–	45	35	21	–	–
Payments on redemption of securities	(42,627)	(31,895)	–	(20,692)	(2,238)	(1,735)	–	–
Total security transactions	15,900	32,896	–	(19,199)	1,404	52	208	–
<b>Total increase (decrease) in net assets</b>	<b>13,947</b>	<b>33,514</b>	<b>–</b>	<b>(19,279)</b>	<b>1,389</b>	<b>79</b>	<b>203</b>	<b>–</b>
<b>End of period</b>	<b>124,966</b>	<b>111,019</b>	<b>–</b>	<b>–</b>	<b>1,798</b>	<b>409</b>	<b>203</b>	<b>–</b>

	Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>								
Securities outstanding – beginning of period	11,155	7,822	–	1,967	42	34	–	–
Issued	5,687	6,379	–	148	367	183	21	–
Reinvested distributions	175	194	–	5	4	2	–	–
Redeemed	(4,276)	(3,240)	–	(2,120)	(227)	(177)	–	–
<b>Securities outstanding – end of period</b>	<b>12,741</b>	<b>11,155</b>	<b>–</b>	<b>–</b>	<b>186</b>	<b>42</b>	<b>21</b>	<b>–</b>

	Series PWX		Series PWX8		Series R		Series SC	
	\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>								
Beginning of period	2,007	1,937	114	116	50,623	–	63,998	107,840
Increase (decrease) in net assets from operations	10	74	–	5	1,598	1,545	(20)	1,318
Distributions paid to securityholders:								
Investment income	(51)	(66)	(2)	(4)	(1,067)	(1,032)	(839)	(1,258)
Capital gains	–	–	–	–	–	–	–	–
Return of capital	–	–	(4)	(6)	–	–	–	–
Management fee rebates	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(51)	(66)	(6)	(10)	(1,067)	(1,032)	(839)	(1,258)
Security transactions:								
Proceeds from securities issued	1,397	734	–	–	–	50,000	32,586	23,893
Reinvested distributions	51	66	3	4	–	110	818	1,229
Payments on redemption of securities	(764)	(738)	(88)	(1)	(51,154)	–	(38,375)	(69,024)
Total security transactions	684	62	(85)	3	(51,154)	50,110	(4,971)	(43,902)
<b>Total increase (decrease) in net assets</b>	<b>643</b>	<b>70</b>	<b>(91)</b>	<b>(2)</b>	<b>(50,623)</b>	<b>50,623</b>	<b>(5,830)</b>	<b>(43,842)</b>
<b>End of period</b>	<b>2,650</b>	<b>2,007</b>	<b>23</b>	<b>114</b>	<b>–</b>	<b>50,623</b>	<b>58,168</b>	<b>63,998</b>

	Securities		Securities		Securities		Securities	
<b>Increase (decrease) in fund securities (note 7):</b>								
Securities outstanding – beginning of period	202	196	10	10	5,011	–	6,552	11,089
Issued	141	74	–	–	–	5,000	3,325	2,470
Reinvested distributions	5	7	–	–	–	11	84	127
Redeemed	(77)	(75)	(8)	–	(5,011)	–	(3,918)	(7,134)
<b>Securities outstanding – end of period</b>	<b>271</b>	<b>202</b>	<b>2</b>	<b>10</b>	<b>–</b>	<b>5,011</b>	<b>6,043</b>	<b>6,552</b>

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

# MACKENZIE CANADIAN SHORT TERM INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

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## STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

For the periods ended March 31 (note 1)  
In thousands

	2020	2019	2020	2019	2020	2019	2020	2019
	Series LB		Series LF		Series LW		Total	
	\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>								
<b>Beginning of period</b>	717	1,823	1	–	1,127	1,202	322,096	286,341
Increase (decrease) in net assets from operations	(2)	14	–	–	(4)	28	2,948	7,981
Distributions paid to securityholders:								
Investment income	(9)	(21)	–	–	(13)	(18)	(5,884)	(6,456)
Capital gains	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	(4)	(6)
Management fee rebates	–	–	–	–	–	–	(11)	(32)
Total distributions paid to securityholders	(9)	(21)	–	–	(13)	(18)	(5,899)	(6,494)
Security transactions:								
Proceeds from securities issued	259	127	–	1	232	602	217,251	222,164
Reinvested distributions	8	20	–	–	13	17	3,664	5,053
Payments on redemption of securities	(253)	(1,246)	–	–	(377)	(704)	(280,527)	(192,949)
Total security transactions	14	(1,099)	–	1	(132)	(85)	(59,612)	34,268
<b>Total increase (decrease) in net assets</b>	<b>3</b>	<b>(1,106)</b>	<b>–</b>	<b>1</b>	<b>(149)</b>	<b>(75)</b>	<b>(62,563)</b>	<b>35,755</b>
<b>End of period</b>	<b>720</b>	<b>717</b>	<b>1</b>	<b>1</b>	<b>978</b>	<b>1,127</b>	<b>259,533</b>	<b>322,096</b>
<b>Increase (decrease) in fund securities (note 7):</b>								
<b>Securities outstanding – beginning of period</b>	<b>73</b>	<b>187</b>	<b>–</b>	<b>–</b>	<b>113</b>	<b>121</b>		
Issued	27	13	–	–	24	61		
Reinvested distributions	1	2	–	–	1	2		
Redeemed	(26)	(129)	–	–	(38)	(71)		
<b>Securities outstanding – end of period</b>	<b>75</b>	<b>73</b>	<b>–</b>	<b>–</b>	<b>100</b>	<b>113</b>		

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

# MACKENZIE CANADIAN SHORT TERM INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

FIXED INCOME FUND

## STATEMENTS OF CASH FLOWS

For the periods ended March 31 (note 1)  
In thousands

	2020	2019
	\$	\$
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets attributable to securityholders from operations	2,948	7,981
Adjustments for:		
Net realized loss (gain) on investments	(3,226)	1,878
Change in net unrealized loss (gain) on investments	5,303	(5,282)
Distributions received in-kind from underlying funds	(94)	(81)
Purchase of investments	(273,525)	(210,218)
Proceeds from sale and maturity of investments	290,577	220,035
Change in accrued interest receivable	57	(85)
Change in dividends receivable	4	1
Change in due from manager	–	13
Change in margin on derivatives	336	48
Change in due to manager	8	(18)
<b>Net cash from operating activities</b>	<b>22,388</b>	<b>14,272</b>
<b>Cash flows from financing activities</b>		
Proceeds from securities issued	195,967	167,498
Payments on redemption of securities	(254,621)	(140,995)
Distributions paid net of reinvestments	(2,235)	(1,441)
<b>Net cash from financing activities</b>	<b>(60,889)</b>	<b>25,062</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(38,501)</b>	<b>39,334</b>
Cash and cash equivalents at beginning of period	39,545	216
Effect of exchange rate fluctuations on cash and cash equivalents	18	(5)
<b>Cash and cash equivalents at end of period</b>	<b>1,062</b>	<b>39,545</b>
Cash	1,062	619
Cash equivalents	–	38,926
<b>Cash and cash equivalents at end of period</b>	<b>1,062</b>	<b>39,545</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	437	502
Foreign taxes paid	–	–
Interest received	9,274	8,877
Interest paid	4	1

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



# MACKENZIE CANADIAN SHORT TERM INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

FIXED INCOME FUND

## SCHEDULE OF INVESTMENTS

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS</b>					
407 International Inc. 3.14% 03-06-2030 Callable 2029	Canada	Corporate - Non Convertible	30,000	30	31
407 International Inc. 3.43% 06-01-2033 MTN	Canada	Corporate - Non Convertible	240,000	254	252
Aegis Toxicology Sciences Corp. Term Loan B 1st Lien F/R 05-09-2025	United States	Term Loans	USD 39,400	50	46
AerCap Ireland Capital Designated Activity Co. 3.30% 01-23-2023 Callable 2022	Ireland	Corporate - Non Convertible	USD 780,000	980	935
AG Merger Sub II Inc. Term Loan B 1st Lien F/R 08-01-2026	United States	Term Loans	USD 33,690	44	36
AIMCo Realty Investors LP 2.27% 06-26-2024 Callable 2024	Canada	Corporate - Non Convertible	3,630,000	3,588	3,611
AIMCo Realty Investors LP 3.04% 06-01-2028 Callable 2028	Canada	Corporate - Non Convertible	30,000	30	31
AIMCo Realty Investors LP 2.71% 06-01-2029 Callable 2029	Canada	Corporate - Non Convertible	180,000	183	179
Air Lease Corp. 2.63% 12-05-2024 Callable 2024	United States	Corporate - Non Convertible	330,000	327	268
Alcami Carolinas Corp. Term Loan 1st Lien F/R 07-06-2025	United States	Term Loans	USD 78,800	103	102
Alchemy US Holdco LLC Term Loan B 1st Lien F/R 10-01-2025	United States	Term Loans	USD 108,000	138	135
Algonquin Power & Utilities Corp. 4.65% 02-15-2022	Canada	Corporate - Non Convertible	1,790,000	1,854	1,840
Alimentation Couche-Tard Inc. 3.899% 11-01-2022 Callable	Canada	Corporate - Non Convertible	360,000	367	367
Alimentation Couche-Tard Inc. 2.95% 01-25-2030 Callable 2029 144A	Canada	Corporate - Non Convertible	USD 80,000	105	105
AltaLink LP 3.62% 09-17-2020	Canada	Corporate - Non Convertible	170,000	172	171
AltaLink LP 3.67% 11-06-2023	Canada	Corporate - Non Convertible	3,500,000	3,752	3,679
AltaLink LP 3.40% 06-06-2024 Callable 2024	Canada	Corporate - Non Convertible	2,770,000	2,892	2,891
Anheuser-Busch InBev Finance Inc. 2.60% 05-15-2024 Callable 2024	Belgium	Corporate - Non Convertible	1,470,000	1,462	1,442
APFS Staffing Holdings Inc. Term Loan 1st Lien F/R 04-10-2026	United States	Term Loans	USD 69,475	91	81
Aroundtown SA 4.63% 09-18-2025 Callable 2025	Germany	Corporate - Non Convertible	120,000	120	123
Ascend Performance Materials Operations LLC Term Loan B 1st Lien F/R 08-16-2026	United States	Term Loans	USD 119,400	155	150
AT&T Inc. 4.35% 03-01-2029 Callable 2028	United States	Corporate - Non Convertible	USD 50,000	66	76
Ball Metalpack Finco LLC Term Loan B 1st Lien F/R 07-26-2025	United States	Term Loans	USD 58,950	77	64
Bank of America Corp. F/R 04-24-2022 Callable 2021	United States	Corporate - Non Convertible	1,160,000	1,160	1,155
Bank of America Corp. 3.30% 04-24-2024 Callable 2023	United States	Corporate - Non Convertible	2,190,000	2,219	2,214
Bank of America Corp. F/R 04-25-2025 Callable 2024	United States	Corporate - Non Convertible	2,630,000	2,643	2,618
Bank of America Corp. F/R 09-20-2025 Callable 2024	United States	Corporate - Non Convertible	520,000	520	531
Bank of America Corp. F/R 03-24-2026 Callable 2025	United States	Corporate - Non Convertible	470,000	470	472
Bank of Montreal 2.27% 07-11-2022	Canada	Corporate - Non Convertible	2,360,000	2,328	2,371
Bank of Montreal 2.89% 06-20-2023	Canada	Corporate - Non Convertible	780,000	783	798
Bank of Montreal 2.28% 07-29-2024	Canada	Corporate - Non Convertible	610,000	610	599
Bank of Montreal 2.70% 09-11-2024 DPNT	Canada	Corporate - Non Convertible	2,250,000	2,285	2,293
Bank of Montreal 2.37% 02-03-2025 Callable 2025	Canada	Corporate - Non Convertible	590,000	590	581
Bank of Montreal 3.32% 06-01-2026	Canada	Corporate - Non Convertible	1,610,000	1,626	1,610
Bank of Montreal F/R 09-17-2029 Callable 2024	Canada	Corporate - Non Convertible	90,000	90	88
The Bank of Nova Scotia 2.36% 11-08-2022	Canada	Corporate - Non Convertible	990,000	990	997
The Bank of Nova Scotia 2.98% 04-17-2023	Canada	Corporate - Non Convertible	1,750,000	1,747	1,793
The Bank of Nova Scotia 2.38% 05-01-2023	Canada	Corporate - Non Convertible	1,000,000	1,000	994
The Bank of Nova Scotia 2.49% 09-23-2024	Canada	Corporate - Non Convertible	1,490,000	1,494	1,474
The Bank of Nova Scotia 2.16% 02-03-2025	Canada	Corporate - Non Convertible	1,100,000	1,100	1,072
The Bank of Nova Scotia F/R 07-03-2029 Callable 2024	Canada	Corporate - Non Convertible	420,000	420	407
bclMC Realty Corp. 3.00% 03-31-2027 Callable 2026	Canada	Corporate - Non Convertible	2,460,000	2,484	2,542
BCPE Cycle Merger Sub II Inc. 10.63% 07-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 20,000	27	24
Bell Canada Inc. 3.00% 10-03-2022 Callable 2022	Canada	Corporate - Non Convertible	4,950,000	4,981	5,006
BP Capital Markets PLC 3.47% 05-15-2025	United Kingdom	Corporate - Non Convertible	920,000	922	927



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN SHORT TERM INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

FIXED INCOME FUND

## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Brookfield Infrastructure Finance ULC 4.20% 09-11-2028 Callable 2028	Canada	Corporate - Non Convertible	400,000	417	406
Brookfield Infrastructure Finance ULC 3.41% 10-09-2029 Callable 2029	Canada	Corporate - Non Convertible	160,000	160	152
Brookfield Renewable Partners ULC 4.25% 01-15-2029 Callable 2028	Canada	Corporate - Non Convertible	50,000	50	53
Brookfield Renewable Partners ULC 3.38% 01-15-2030 Callable 2029	Canada	Corporate - Non Convertible	60,000	60	59
Brookfield Residential Properties Inc. 6.25% 09-15-2027 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 20,000	26	25
Bruce Power LP 2.84% 06-23-2021	Canada	Corporate - Non Convertible	850,000	862	850
Bruce Power LP 3.97% 06-23-2026	Canada	Corporate - Non Convertible	40,000	41	41
BWAY Holding Co. 7.25% 04-15-2025 144A	United States	Corporate - Non Convertible	USD 10,000	13	11
C&D Technologies Inc. Term Loan B 1st Lien F/R 12-13-2025	United States	Term Loans	USD 78,950	93	101
Canada Housing Trust F/R 03-15-2024	Canada	Federal Government	26,000,000	25,976	25,757
Canadian Imperial Bank of Commerce 2.43% 06-09-2023	Canada	Corporate - Non Convertible	650,000	650	647
Canadian Imperial Bank of Commerce 2.97% 07-11-2023	Canada	Corporate - Non Convertible	2,670,000	2,676	2,738
Canadian Imperial Bank of Commerce 2.35% 08-28-2024	Canada	Corporate - Non Convertible	570,000	570	561
Canadian Imperial Bank of Commerce 3.30% 05-26-2025	Canada	Corporate - Non Convertible	3,060,000	3,063	3,212
Canadian Imperial Bank of Commerce 3.42% 01-26-2026 Callable 2021	Canada	Corporate - Non Convertible	900,000	924	901
Canadian Imperial Bank of Commerce F/R 06-19-2029 Callable 2024	Canada	Corporate - Non Convertible	560,000	560	547
Canadian National Railway Co. 3.00% 02-08-2029 Callable 2028	Canada	Corporate - Non Convertible	90,000	90	93
Canadian Natural Resources Ltd. 3.55% 06-03-2024	Canada	Corporate - Non Convertible	710,000	715	655
Canadian Pacific Railway Ltd. 3.15% 03-13-2029 Callable 2028	Canada	Corporate - Non Convertible	80,000	80	83
Canadian Western Bank 2.61% 01-30-2025 Callable 2024	Canada	Corporate - Non Convertible	320,000	320	311
Capital Power Corp. 4.28% 09-18-2024 Callable 2024	Canada	Corporate - Non Convertible	1,860,000	1,907	1,892
Capital Power Corp. 4.99% 01-23-2026 Callable 2025	Canada	Corporate - Non Convertible	380,000	380	393
Capital Power Corp. 4.42% 02-08-2030 Callable 2029	Canada	Corporate - Non Convertible	80,000	80	82
CARDS II Trust 2.43% 11-15-2024	Canada	Corporate - Non Convertible	660,000	660	656
CareCentrix Inc. Term Loan 1st Lien F/R 03-22-2025	United States	Term Loans	USD 179,390	231	178
Cascades Inc. 5.13% 01-15-2025 Callable 2022	Canada	Corporate - Non Convertible	30,000	30	29
Cascades Inc. 5.13% 01-15-2026 Callable 2023 144A	Canada	Corporate - Non Convertible	USD 50,000	66	68
CCS-CMGC Holdings Inc. Term Loan 1st Lien F/R 09-25-2025	United States	Term Loans	USD 59,250	76	67
CEVA Logistics Finance BV Term Loan B 1st Lien F/R 08-03-2025	United States	Term Loans	USD 99,250	127	78
Charter Communications Operating LLC F/R 02-01-2024 Callable 2024	United States	Corporate - Non Convertible	USD 2,800,000	3,777	3,920
Charter Communications Operating LLC 5.05% 03-30-2029 Callable 2028	United States	Corporate - Non Convertible	USD 90,000	126	137
Chartwell Retirement Residences 3.79% 12-11-2023 Callable 2023	Canada	Corporate - Non Convertible	810,000	807	840
Chartwell Retirement Residences 4.21% 04-28-2025 Callable 2025	Canada	Corporate - Non Convertible	90,000	90	94
Choice Properties Real Estate Investment Trust 3.55% 01-10-2025 Callable 2024	Canada	Corporate - Non Convertible	30,000	31	30
Choice Properties Real Estate Investment Trust 3.53% 06-11-2029 Callable 2029	Canada	Corporate - Non Convertible	140,000	140	141
Choice Properties Real Estate Investment Trust 2.98% 03-04-2030 Callable 2029	Canada	Corporate - Non Convertible	70,000	70	65
Citadel Securities LP Term Loan B 1st Lien F/R 02-27-2026	United States	Term Loans	USD 266,232	350	342
Colbun SA 4.50% 07-10-2024 Callable 2024	Chile	Corporate - Non Convertible	USD 50,000	69	72
Commonwealth of Bahamas 5.75% 01-16-2024	Bahamas	Foreign Governments	USD 25,000	30	33
Commonwealth of Bahamas 6.95% 11-20-2029	Bahamas	Foreign Governments	USD 26,000	39	34



**MACKENZIE**  
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# MACKENZIE CANADIAN SHORT TERM INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

FIXED INCOME FUND

## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
CommScope Technologies Finance LLC 8.25% 03-01-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 10,000	13	14
CommScope Technologies LLC 5.00% 03-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 20,000	23	24
Concrete Pumping Merger Sub Inc. Term Loan 1st Lien F/R 11-14-2025	United States	Term Loans	USD 65,640	84	81
Connect Finco SARM 6.75% 10-01-2026	United Kingdom	Corporate - Non Convertible	USD 40,000	53	48
CoolSys Inc. Delayed Draw Term Loan 1st Lien F/R 12-31-2049	United States	Term Loans	USD 17,455	23	24
CoolSys Inc. Term Loan 1st Lien 12-31-2049	United States	Term Loans	USD 102,289	133	141
CPPIB Capital Inc. 1.95% 09-30-2029	Canada	Corporate - Non Convertible	320,000	319	323
Crown Subsea Communications Holding Inc. Term Loan 1st Lien F/R 11-02-2025	United States	Term Loans	USD 51,579	66	64
Dawn Acquisition LLC Term Loan 1st Lien F/R 10-25-2025	United States	Term Loans	USD 78,926	103	86
Diamond 1 Finance Corp. 4.42% 06-15-2021 Callable 2021 144A	United States	Corporate - Non Convertible	USD 90,000	116	127
DynCorp International Inc. Term Loan B 1st Lien F/R 08-15-2025	United States	Term Loans	USD 181,350	234	220
Eagle Credit Card Trust 2.63% 10-17-2022	Canada	Corporate - Non Convertible	230,000	230	231
Eagle Credit Card Trust 3.04% 07-17-2023	Canada	Corporate - Non Convertible	1,690,000	1,695	1,715
EagleTree-Carbide Acquisition Corp. Term Loan 1st Lien F/R 08-28-2024	United States	Term Loans	USD 125,255	159	147
Edgewell Personal Care Co. Term Loan B 1st Lien F/R 09-20-2026	United States	Term Loans	USD 60,000	79	84
Electrical Components International Inc. Term Loan 1st Lien F/R 06-22-2025	United States	Term Loans	USD 98,250	129	106
Emera Inc. 2.90% 06-16-2023	Canada	Corporate - Non Convertible	500,000	485	503
Enbridge Gas Inc. 2.37% 08-09-2029 Callable 2029	Canada	Corporate - Non Convertible	50,000	50	49
Enbridge Gas Inc. 2.90% 04-01-2030 Callable 2030	Canada	Corporate - Non Convertible	30,000	30	30
Enbridge Inc. 3.19% 12-05-2022	Canada	Corporate - Non Convertible	4,320,000	4,451	4,282
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	Canada	Corporate - Non Convertible	1,200,000	1,202	992
Enbridge Inc. F/R 04-12-2078 Callable 2028	Canada	Corporate - Non Convertible	510,000	523	497
ENMAX Corp. 3.33% 06-02-2025	Canada	Corporate - Non Convertible	40,000	40	41
Ensono LP Term Loan 1st Lien F/R 04-30-2025	United States	Term Loans	USD 58,752	75	70
EnTrans International LLC Term Loan 1st Lien F/R 10-29-2025	United States	Term Loans	USD 82,125	107	100
EPCOR Utilities Inc. 1.95% 07-08-2022	Canada	Corporate - Non Convertible	3,280,000	3,279	3,285
Exela Intermediate LLC 10.00% 07-15-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 20,000	26	8
Fairfax Financial Holdings Ltd. 5.84% 10-14-2022	Canada	Corporate - Non Convertible	90,000	99	96
Fairfax Financial Holdings Ltd. 4.50% 03-22-2023	Canada	Corporate - Non Convertible	710,000	740	728
Fairfax Financial Holdings Ltd. 4.95% 03-03-2025	Canada	Corporate - Non Convertible	120,000	131	125
Fairfax Financial Holdings Ltd. 8.30% 04-15-2026	Canada	Corporate - Non Convertible	USD 450,000	680	761
Fairfax Financial Holdings Ltd. 4.23% 06-14-2029 Callable 2029	Canada	Corporate - Non Convertible	50,000	50	48
Fédération des Caisses Desjardins du Québec 2.39% 08-25-2022	Canada	Corporate - Non Convertible	3,370,000	3,314	3,390
Fédération des Caisses Desjardins du Québec 3.06% 09-11-2023	Canada	Corporate - Non Convertible	1,580,000	1,578	1,622
Fédération des Caisses Desjardins du Québec 2.42% 10-04-2024	Canada	Corporate - Non Convertible	70,000	70	69
First American Payment Systems LP Term Loan B 1st Lien F/R 02-21-2027	United States	Term Loans	USD 90,000	118	112
Forming Machining Industries Holdings LLC Term Loan 1st Lien F/R 10-03-2025	United States	Term Loans	USD 43,970	57	49
Fortified Trust 2.34% 01-23-2023	Canada	Corporate - Non Convertible	770,000	770	769
Fortified Trust 2.56% 03-23-2024	Canada	Corporate - Non Convertible	2,150,000	2,172	2,154
Foundation Building Materials LLC Term Loan B 1st Lien F/R 05-11-2025	United States	Term Loans	USD 49,375	63	61



**MACKENZIE**  
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# MACKENZIE CANADIAN SHORT TERM INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

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## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Foxtrot Escrow Issuer LLC 12.25% 11-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 75,000	96	83
Frontera Generation Holdings LLC Term Loan B 1st Lien F/R 04-25-2025	United States	Term Loans	USD 78,587	100	83
GBT III BV Term Loan 1st Lien F/R 02-27-2027	Netherlands	Term Loans	USD 70,752	93	87
GBT US III LLC Term Loan Delayed Draw 1st Lien F/R 02-27-2027	United States	Term Loans	USD 59,248	78	73
GEMS MENASA (Cayman) Ltd. Term Loan B 1st Lien F/R 07-30-2026	United Arab Emirates	Term Loans	USD 19,651	26	23
GFL Environmental Inc. 5.63% 05-01-2022 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 7,000	9	10
GFL Environmental Inc. 7.00% 06-01-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 12,000	16	17
Gibson Energy Inc. 5.25% 07-15-2024 Callable 2020 REGS	Canada	Corporate - Non Convertible	1,469,000	1,558	1,481
Gibson Energy Inc. 3.60% 09-17-2029 Callable 2029	Canada	Corporate - Non Convertible	90,000	90	80
GLOBALFOUNDRIES Inc. Term Loan B 1st Lien F/R 05-24-2026	United States	Term Loans	USD 228,275	304	277
The Goldman Sachs Group Inc. F/R 07-27-2022 Callable 2021	United States	Corporate - Non Convertible	520,000	517	504
The Goldman Sachs Group Inc. 2.43% 04-26-2023 Callable	United States	Corporate - Non Convertible	1,190,000	1,190	1,176
Government of Bermuda 4.13% 01-03-2023	Bermuda	Foreign Governments	USD 170,000	224	255
Government of Canada 1.25% 06-01-2030	Canada	Federal Government	570,000	562	596
Greater Toronto Airports Authority 2.73% 04-03-2029 Callable 2029	Canada	Corporate - Non Convertible	70,000	72	71
H&R Real Estate Investment Trust 2.92% 05-06-2022	Canada	Corporate - Non Convertible	420,000	420	420
H&R Real Estate Investment Trust 3.42% 01-23-2023 Callable 2022	Canada	Corporate - Non Convertible	340,000	342	343
H&R Real Estate Investment Trust 3.37% 01-30-2024 Callable 2023	Canada	Corporate - Non Convertible	980,000	977	989
Hadrian Merger Sub Inc. 8.50% 05-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 14,000	18	15
Halo Buyer Inc. Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 39,301	51	45
HCA Healthcare Inc. 3.50% 09-01-2030 Callable 2030	United States	Corporate - Non Convertible	USD 70,000	93	90
HCA Inc. 5.88% 02-01-2029 Callable 2028	United States	Corporate - Non Convertible	USD 10,000	15	15
Heathrow Funding Ltd. 3.00% 06-17-2023	United Kingdom	Corporate - Non Convertible	3,690,000	3,722	3,713
Heathrow Funding Ltd. 3.25% 05-21-2025	United Kingdom	Corporate - Non Convertible	350,000	366	359
Heritage Power LLC Term Loan B 1st Lien F/R 07-08-2026	United States	Term Loans	USD 125,370	159	146
HSBC Bank Canada 2.17% 06-29-2022	Canada	Corporate - Non Convertible	2,660,000	2,641	2,647
Hydro One Inc. 2.57% 06-25-2021	Canada	Corporate - Non Convertible	2,790,000	2,798	2,810
Hydro One Inc. 2.54% 04-05-2024 Callable 2024	Canada	Corporate - Non Convertible	1,960,000	1,995	1,984
Hydro One Inc. 2.16% 02-28-2030	Canada	Corporate - Non Convertible	60,000	60	58
II-VI Inc. Term Loan B 1st Lien F/R 05-08-2026	United States	Term Loans	USD 159,200	210	188
INEOS Enterprises Holdings US Finco LLC Term Loan B 1st Lien F/R 09-03-2026	United States	Term Loans	USD 71,124	93	90
Innovative Water Care Global Corp. Term Loan 1st Lien F/R 02-27-2026	United States	Term Loans	USD 108,900	136	84
Institutional Shareholder Services Inc. Term Loan 1st Lien F/R 02-26-2026	United States	Term Loans	USD 99,000	130	117
Inter Pipeline Ltd. 2.73% 04-18-2024 Callable 2024	Canada	Corporate - Non Convertible	610,000	615	570
Inter Pipeline Ltd. 3.17% 03-24-2025 Callable 2024 MTN	Canada	Corporate - Non Convertible	1,140,000	1,153	1,093
Inter Pipeline Ltd. 3.48% 12-16-2026 Callable 2026	Canada	Corporate - Non Convertible	270,000	270	260
Inter Pipeline Ltd. F/R 03-26-2079 Callable 2029	Canada	Corporate - Non Convertible	100,000	100	89
Inter Pipeline Ltd. F/R 11-19-2079 Callable 2029	Canada	Corporate - Non Convertible	190,000	190	160
Intermedia Holdings Inc. Term Loan B 1st Lien F/R 07-13-2025	United States	Term Loans	USD 59,101	77	76
The International Bank for Reconstruction and Development 3.50% 01-22-2021	Supra - National	n/a	NZD 3,670,000	3,394	3,144
International Finance Corp. 3.63% 05-20-2020	Supra - National	n/a	NZD 1,190,000	1,099	1,003
Isagenix International LLC Term Loan 1st Lien F/R 04-26-2025	United States	Term Loans	USD 127,617	163	67



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# MACKENZIE CANADIAN SHORT TERM INCOME FUND

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## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Ivanhoe Cambridge II Inc. 2.91% 06-27-2023 Callable 2023	Canada	Corporate - Non Convertible	1,420,000	1,418	1,452
Ivanhoe Cambridge II Inc. 2.30% 12-12-2024 Callable 2024	Canada	Corporate - Non Convertible	50,000	50	50
JPMorgan Chase & Co. 3.19% 03-05-2021	United States	Corporate - Non Convertible	3,280,000	3,327	3,308
Keane Group Holdings LLC Term Loan B 1st Lien F/R 05-18-2025	United States	Term Loans	USD 68,775	88	65
Kestrel Acquisition LLC Term Loan B 1st Lien F/R 05-02-2025	United States	Term Loans	USD 29,475	38	25
Kestrel Bidco Inc. Term Loan 1st Lien F/R 08-07-2026	Canada	Term Loans	USD 129,675	170	144
Keyera Corp. F/R 06-13-2079 Callable 2029	Canada	Corporate - Non Convertible	120,000	120	107
Kruger Products LP 6.00% 04-24-2025 Callable 2021	Canada	Corporate - Non Convertible	7,000	7	6
LABL Escrow Issuer LLC 6.75% 07-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 32,000	43	43
LABL Escrow Issuer LLC 10.50% 07-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 31,000	41	41
Laurentian Bank of Canada 2.55% 06-20-2022	Canada	Corporate - Non Convertible	650,000	649	645
LifeScan Global Corp. Term Loan 1st Lien F/R 06-19-2024	United States	Term Loans	USD 204,600	260	232
The Manufacturers Life Insurance Co. 2.39% 01-05-2026 Callable 2021	Canada	Corporate - Non Convertible	1,190,000	1,192	1,189
Manulife Bank of Canada 2.84% 01-12-2023	Canada	Corporate - Non Convertible	770,000	763	779
Manulife Bank of Canada 2.38% 11-19-2024	Canada	Corporate - Non Convertible	900,000	903	892
Manulife Financial Corp. F/R 05-09-2028 Callable 2023	Canada	Corporate - Non Convertible	1,240,000	1,244	1,246
Manulife Financial Corp. F/R 08-20-2029 Callable 2024	Canada	Corporate - Non Convertible	950,000	950	940
Matterhorn Merger Sub LLC 8.50% 06-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 8,000	10	9
McDonald's Corp. 3.13% 03-04-2025 Callable 2025	United States	Corporate - Non Convertible	940,000	950	954
Metro Inc. 2.68% 12-05-2022 Callable 2022	Canada	Corporate - Non Convertible	600,000	599	599
Metronet Systems Holding LLC Term Loan 1st Lien F/R 12-31-2049	United States	Term Loans	USD 75,620	99	102
Minotaur Acquisition Inc. Term Loan 1st Lien F/R 02-27-2026	United States	Term Loans	USD 108,850	140	130
Morgan Stanley 3.00% 02-07-2024	United States	Corporate - Non Convertible	2,130,000	2,152	2,136
Multi-Color Corp. Term Loan B 1st Lien F/R 06-17-2026	United States	Term Loans	USD 96,515	128	115
MyNEXUS Inc. Term Loan 1st Lien F/R 06-19-2024	United States	Term Loans	USD 82,325	106	111
National Australia Bank Ltd. F/R 06-12-2030 Callable 2025	Australia	Corporate - Non Convertible	250,000	250	242
National Bank of Canada 2.98% 03-04-2024	Canada	Corporate - Non Convertible	1,650,000	1,686	1,667
National Bank of Canada 2.55% 07-12-2024	Canada	Corporate - Non Convertible	4,550,000	4,592	4,521
National Bank of Canada 2.58% 02-03-2025	Canada	Corporate - Non Convertible	1,240,000	1,251	1,230
New Red Finance Inc. 5.00% 10-15-2025 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 5,500	7	7
Nexstar Escrow Inc. 5.63% 07-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 29,000	39	40
Norbord Inc. 5.75% 07-15-2027 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 26,000	35	34
North Battleford Power LP 4.96% 12-31-2032	Canada	Corporate - Non Convertible	237,531	238	276
Office Depot Inc. Term Loan B 1st Lien F/R 11-08-2022	United States	Term Loans	USD 1,458	2	2
Omega Healthcare Investors Inc. 4.50% 01-15-2025 Callable 2024	United States	Corporate - Non Convertible	USD 200,000	216	273
OMERS Finance Trust 2.60% 05-14-2029	Canada	Corporate - Non Convertible	140,000	140	147
OMERS Realty Corp. 3.24% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	2,090,000	2,082	2,191
OMERS Realty Corp. 3.63% 06-05-2030 Callable 2030	Canada	Corporate - Non Convertible	60,000	60	65
Ontario Electricity Financial Corp. 0% 11-27-2020	Canada	Provincial Governments	1,740,000	1,721	1,731
Ontario Power Generation Inc. 2.98% 09-13-2029	Canada	Corporate - Non Convertible	80,000	80	80
Ontario Power Generation Inc. 4.25% 01-18-2049 Callable 2048	Canada	Corporate - Non Convertible	5,000	5	5
Parkland Fuel Corp. 6.00% 04-01-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 8,000	10	11
PayPal Holdings Inc. 2.20% 09-26-2022	United States	Corporate - Non Convertible	USD 620,000	821	862
Paypal Holdings Inc. 2.40% 10-01-2024 Callable 2024	United States	Corporate - Non Convertible	USD 390,000	517	546
Pembina Pipeline Corp. 3.54% 02-03-2025 Callable	Canada	Corporate - Non Convertible	400,000	397	392



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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Pembina Pipeline Corp. 4.02% 03-27-2028 Callable 2027	Canada	Corporate - Non Convertible	70,000	74	68
Pembina Pipeline Corp. 3.62% 04-03-2029 Callable 2029	Canada	Corporate - Non Convertible	130,000	132	119
Petroleos De Venezuela SA 6.00% 05-16-2024	Venezuela	Corporate - Non Convertible	USD 290,000	93	33
Petroleos Mexicanos 6.50% 03-13-2027	Mexico	Corporate - Non Convertible	USD 40,000	56	42
Pisces Midco Inc. 8.00% 04-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 20,000	25	24
Pluto Acquisition I Inc. Term Loan 1st Lien F/R 06-18-2026	United States	Term Loans	USD 98,258	130	118
Polymer Process Holdings Inc. Term Loan 1st Lien F/R 04-29-2026	United States	Term Loans	USD 99,250	130	127
Prime Securities Mortgage Trust 1.97% 02-15-2023	Canada	Corporate - Non Convertible	420,000	420	414
Project Leopard Holdings Inc. Term Loan 1st Lien F/R 07-07-2023	United States	Term Loans	USD 78,802	102	98
Province of Newfoundland 3.00% 06-02-2026	Canada	Provincial Governments	3,340,000	3,360	3,531
Province of Ontario Generic Coupon Strip 0% 12-02-2023	Canada	Provincial Governments	210,000	187	199
Province of Ontario 0% 07-13-2022	Canada	Provincial Governments	40,000	40	39
Province of Ontario 0% 06-02-2024	Canada	Provincial Governments	2,040,000	1,840	1,912
Province of Ontario 2.30% 09-08-2024	Canada	Provincial Governments	5,830,000	5,908	6,050
Province of Ontario 2.65% 02-05-2025	Canada	Provincial Governments	240,000	243	254
Province of Ontario 1.75% 09-08-2025	Canada	Provincial Governments	810,000	819	819
Province of Ontario 2.05% 06-02-2030	Canada	Provincial Governments	190,000	193	192
Province of Quebec 2.25% 02-22-2024	Canada	Provincial Governments	1,010,000	1,010	1,047
Province of Quebec 0% 04-01-2026 Generic Strip	Canada	Provincial Governments	1,220,000	1,055	1,106
PS HoldCo LLC Term Loan 1st Lien F/R 03-02-2025	United States	Term Loans	USD 49,250	63	64
PSC Industrial Outsourcing LP Term Loan B 1st Lien F/R 10-05-2024	United States	Term Loans	USD 234,600	292	315
PSP Capital Inc. 2.05% 01-15-2030	Canada	Federal Government	360,000	361	365
Rackspace Hosting Inc. 8.63% 11-15-2024 Callable 2020 144A	United States	Corporate - Non Convertible	USD 150,000	189	190
Reliance Intermediate Holdings LP 6.50% 04-01-2023 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 5,000	7	7
Rogers Communications Inc. 3.65% 03-31-2027	Canada	Corporate - Non Convertible	60,000	60	62
Rogers Communications Inc. 3.25% 05-01-2029 Callable 2029	Canada	Corporate - Non Convertible	120,000	120	119
Royal Bank of Canada 2.36% 12-05-2022	Canada	Corporate - Non Convertible	630,000	637	634
Royal Bank of Canada 2.95% 05-01-2023	Canada	Corporate - Non Convertible	6,790,000	6,851	6,950
Royal Bank of Canada 3.30% 09-26-2023	Canada	Corporate - Non Convertible	220,000	220	225
Royal Bank of Canada 2.61% 11-01-2024	Canada	Corporate - Non Convertible	40,000	40	40
Royal Bank of Canada 2.33% 01-28-2027	Canada	Corporate - Non Convertible	190,000	190	183
Royal Bank of Canada F/R 07-25-2029	Canada	Corporate - Non Convertible	250,000	250	243
Royal Bank of Canada F/R 12-23-2029 Callable 2024	Canada	Corporate - Non Convertible	250,000	252	242
Saputo Inc. 2.88% 11-19-2024 Callable 2024	Canada	Corporate - Non Convertible	260,000	260	256
Scotia Capital Inc. 1.74% 01-01-2025	Canada	Mortgage Backed	1,566,689	1,551	1,594
Sea to Sky Highway Investment LP 2.63% 08-31-2030	Canada	Corporate - Non Convertible	724,110	724	747
Shaw Communications Inc. 3.80% 03-01-2027 Callable	Canada	Corporate - Non Convertible	110,000	118	113
Shaw Communications Inc. 4.40% 11-02-2028 Callable 2028	Canada	Corporate - Non Convertible	430,000	443	456
Shields Health Solutions Holdings LLC Term Loan 1st Lien F/R 08-13-2026	United States	Term Loans	USD 81,590	107	101
Sienna Senior Living Inc. 3.47% 02-03-2021	Canada	Corporate - Non Convertible	320,000	325	323
Sienna Senior Living Inc. 3.11% 11-04-2024	Canada	Corporate - Non Convertible	190,000	190	190
Silgan Holdings Inc. 4.13% 02-01-2028 Callable 2022 144A	United States	Corporate - Non Convertible	USD 30,000	39	40
SIRVA Worldwide Inc. Term Loan 1st Lien F/R 07-31-2025	United States	Term Loans	USD 58,597	75	62
SmartCentres Real Estate Investment Trust 3.53% 12-20-2029 Callable 2029	Canada	Corporate - Non Convertible	210,000	215	204
SS&C Technologies Inc. Term Loan B5 1st Lien F/R 04-16-2025	United States	Term Loans	USD 59,091	77	79
St. Joseph Energy Center LLC Term Loan 1st Lien F/R 04-06-2025	United States	Term Loans	USD 27,952	36	35



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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Starfruit US Holdco LLC 8.00% 10-01-2026 Callable 2021 144A	Netherlands	Corporate - Non Convertible	USD 70,000	88	94
Sun Life Financial Inc. F/R 02-19-2026 Callable 2021	Canada	Corporate - Non Convertible	770,000	779	772
Sun Life Financial Inc. F/R 11-23-2027 Callable 2022	Canada	Corporate - Non Convertible	670,000	672	668
Sun Life Financial Inc. F/R 09-19-2028 Callable 2023	Canada	Corporate - Non Convertible	1,300,000	1,297	1,298
Sun Life Financial Inc. F/R 08-13-2029 Callable 2024	Canada	Corporate - Non Convertible	790,000	790	758
Suncor Energy Inc. 3.10% 05-24-2029 Callable 2029	Canada	Corporate - Non Convertible	100,000	100	87
Superior Plus LP 7.00% 07-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 60,000	80	83
Sysco Canada Inc. 3.65% 04-25-2025 Callable 2025	United States	Corporate - Non Convertible	190,000	194	174
Target Corp. 2.25% 04-15-2025 Callable 2025	United States	Corporate - Non Convertible	USD 200,000	280	283
TELUS Corp. 3.35% 04-01-2024 Callable	Canada	Corporate - Non Convertible	2,020,000	2,071	2,048
TELUS Corp. 2.75% 07-08-2026	Canada	Corporate - Non Convertible	100,000	100	98
TELUS Corp. 3.30% 05-02-2029 Callable 2029	Canada	Corporate - Non Convertible	110,000	110	109
TELUS Corp. 3.15% 02-19-2030 Callable 2029	Canada	Corporate - Non Convertible	220,000	222	214
Teneo Holdings LLC Term Loan B 1st Lien F/R 07-12-2025	United States	Term Loans	USD 125,370	157	145
Terrier Media Buyer Inc. Term Loan B 1st Lien F/R 12-12-2026	United States	Term Loans	USD 129,675	170	166
Teva Pharmaceutical Industries Ltd. 2.80% 07-21-2023	Israel	Corporate - Non Convertible	USD 40,000	46	52
Thor Industries Inc. Term Loan B 1st Lien F/R 11-01-2025	United States	Term Loans	USD 114,416	148	140
Titan Sub LLC Term Loan B 1st Lien F/R 09-19-2026	United States	Term Loans	USD 73,815	97	89
TMX Group Ltd. 4.46% 10-03-2023 Callable 2023	Canada	Corporate - Non Convertible	480,000	543	504
TMX Group Ltd. 2.30% 12-11-2024 Callable 2024	Canada	Corporate - Non Convertible	560,000	570	556
TMX Group Ltd. 3.78% 06-05-2028 Callable 2028	Canada	Corporate - Non Convertible	40,000	40	40
The Toronto-Dominion Bank 3.01% 05-30-2023	Canada	Corporate - Non Convertible	410,000	410	421
The Toronto-Dominion Bank 1.91% 07-18-2023 DPNT	Canada	Corporate - Non Convertible	5,420,000	5,317	5,379
The Toronto-Dominion Bank 2.85% 03-08-2024	Canada	Corporate - Non Convertible	630,000	633	635
The Toronto-Dominion Bank 1.94% 03-13-2025	Canada	Corporate - Non Convertible	150,000	150	145
The Toronto-Dominion Bank F/R 07-25-2029 Callable 2024	Canada	Corporate - Non Convertible	420,000	431	415
The Toronto-Dominion Bank 4.86% 03-04-2031 Callable 2026	Canada	Corporate - Non Convertible	150,000	168	159
Toyota Credit Canada Inc. 2.11% 02-26-2025	Canada	Corporate - Non Convertible	20,000	20	19
TransCanada PipeLines Ltd. 3.69% 07-19-2023	Canada	Corporate - Non Convertible	60,000	61	61
TransCanada Pipelines Ltd. 3.00% 09-18-2029 Callable 2029	Canada	Corporate - Non Convertible	260,000	262	247
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate - Non Convertible	720,000	707	573
Transurban Finance Co. Pty. Ltd. 4.56% 11-14-2028 Callable 2028	Australia	Corporate - Non Convertible	240,000	245	265
Trulieve Cannabis Corp. 9.75% 06-18-2024	United States	Corporate - Non Convertible	USD 35,000	46	36
Uber Technologies Inc. 8.00% 11-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 110,000	143	155
Ultra Clean Holdings Inc. Term Loan B 1st Lien F/R 08-27-2025	United States	Term Loans	USD 144,652	186	176
United States Treasury 0.50% 04-15-2024 Inflation Indexed	United States	Foreign Governments	USD 7,220,000	9,932	10,562
United States Treasury 1.50% 10-31-2024	United States	Foreign Governments	USD 110,000	145	163
Ventas Canada Finance Ltd. 2.55% 03-15-2023 Callable 2023	United States	Corporate - Non Convertible	800,000	801	783
Ventas Inc. F/R 11-12-2021	United States	Corporate - Non Convertible	1,420,000	1,412	1,425
Ventas Inc. 2.80% 04-12-2024 Callable 2024	United States	Corporate - Non Convertible	430,000	431	433
VeriFone Systems Inc. Term Loan 1st Lien F/R 08-09-2025	United States	Term Loans	USD 69,125	90	64
Vertex Aerospace Services Corp. Term Loan B 1st Lien F/R 06-14-2025	United States	Term Loans	USD 29,277	38	36
Videotron Ltd. 4.50% 01-15-2030 Callable 2024	Canada	Corporate - Non Convertible	370,000	370	329
Vodafone Group PLC 3.75% 01-16-2024	United Kingdom	Corporate - Non Convertible	USD 1,120,000	1,509	1,645
Vungle Inc. Term Loan B 1st Lien F/R 09-30-2026	United States	Term Loans	USD 119,400	156	150
VVC Holding Corp. Term Loan B 1st Lien F/R 02-07-2026	United States	Term Loans	USD 86,432	113	115
Vyair Medical Inc. Term Loan B 1st Lien F/R 04-06-2025	United States	Term Loans	USD 98,250	119	100
Waste Management of Canada Corp. 2.60% 09-23-2026 Callable 2026	Canada	Corporate - Non Convertible	160,000	160	159



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## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Wells Fargo & Co. 3.19% 02-08-2024 Callable 2024	United States	Corporate - Non Convertible	1,110,000	1,113	1,119
Wells Fargo & Co. 2.49% 02-18-2027	United States	Corporate - Non Convertible	180,000	180	169
Welltower Inc. 3.63% 03-15-2024 Callable 2024	United States	Corporate - Non Convertible	USD 300,000	396	422
Williams Scotsman International Inc. 7.88% 12-15-2022 Callable 2020 144A	United States	Corporate - Non Convertible	USD 22,000	28	30
Wolverine World Wide Inc. 8.50% 11-15-2024 Callable 2021 144A	United States	Corporate - Non Convertible	USD 50,000	66	57
Yak Access LLC Term Loan B 1st Lien F/R 06-26-2025	United States	Term Loans	USD 103,282	132	108
Zotec Partners LLC Term Loan Term B 1st Lien F/R 02-14-2024	United States	Term Loans	USD 153,000	191	196
<b>Total bonds</b>				<b>237,372</b>	<b>237,004</b>
<b>EQUITIES</b>					
AltaGas Ltd. Pfd. Series K	Canada	Energy	10,934	273	182
Brookfield Asset Management Inc. Pfd. Series 46	Canada	Real Estate	7,334	184	148
Brookfield Asset Management Inc. Pfd. Series 48	Canada	Real Estate	9,396	237	186
Brookfield Renewable Partners LP Pfd. Series 11	Canada	Utilities	20,372	509	366
Source Energy Services Ltd.	Canada	Energy	4,564	43	—
TC Energy Corp. Pfd. Series 15	Canada	Energy	13,461	337	271
TransAlta Corp. Pfd. Series A	Canada	Utilities	26,221	347	210
Trulieve Cannabis Corp. Purchase Warrants Exp. 06-18-2022	United States	Health Care	760	—	2
<b>Total equities</b>				<b>1,930</b>	<b>1,365</b>
<b>OPTIONS</b>					
Options purchased (see schedule of options purchased)				175	1,374
<b>Total options</b>				<b>175</b>	<b>1,374</b>
<b>EXCHANGE-TRADED FUNDS/NOTES</b>					
Mackenzie Emerging Markets Bond Index ETF (CAD-Hedged)	Canada	Exchange-Traded Funds/Notes	18,327	1,839	1,559
Mackenzie Emerging Markets Local Currency Bond Index ETF	United States	Exchange-Traded Funds/Notes	8,902	909	822
Mackenzie US Investment Grade Corporate Bond Index ETF (CAD-Hedged)	Canada	Exchange-Traded Funds/Notes	26,216	2,607	2,636
<b>Total exchange-traded funds/notes</b>				<b>5,355</b>	<b>5,017</b>
<b>MUTUAL FUNDS</b>					
Mackenzie Credit Absolute Return Fund Series R	Canada	Mutual Funds	513,622	5,166	5,044
Mackenzie Global Credit Opportunities Fund Series R	Canada	Mutual Funds	542,560	5,417	4,594
Mackenzie Global Tactical Bond Fund Series R	Canada	Mutual Funds	439,862	4,388	4,074
Mackenzie Unconstrained Fixed Income Fund Series R	Canada	Mutual Funds	144,574	1,430	1,391
<b>Total mutual funds</b>				<b>16,401</b>	<b>15,103</b>
Transaction costs				(53)	—
<b>Total investments</b>				<b>261,180</b>	<b>259,863</b>
Derivative instruments (see schedule of derivative instruments)					(1,949)
Cash and cash equivalents					1,062
Other assets less liabilities					557
<b>Total net assets</b>					<b>259,533</b>



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## SUMMARY OF INVESTMENT PORTFOLIO

March 31, 2020		March 31, 2019	
<b>Effective Portfolio Allocation</b>	<b>% of NAV</b>	<b>Portfolio Allocation</b>	<b>% of NAV</b>
Bonds	98.9	Bonds	80.3
<i>Bonds</i>	98.4	<i>Bonds</i>	80.2
<i>Purchased options</i>	0.5	<i>Purchased options</i>	0.1
<i>Short futures</i>	0.0	<i>Short futures</i>	(0.0)
Cash and short-term investments	0.9	Cash and short-term investments	12.3
Equities	0.6	Mutual funds	3.8
Exchange-traded funds/notes	0.2	Exchange-traded funds/notes	1.6
Other assets (liabilities)	(0.6)	Other assets (liabilities)	1.5
		Equities	0.5
<b>Effective Regional Allocation</b>	<b>% of NAV</b>	<b>Regional Allocation</b>	<b>% of NAV</b>
Canada	71.1	Canada	72.7
United States	20.9	Cash and short-term investments	12.3
United Kingdom	2.8	United States	10.1
Other	1.4	Other assets (liabilities)	1.5
New Zealand	1.2	United Kingdom	1.5
Cash and short-term investments	0.9	New Zealand	1.1
Belgium	0.6	Ireland	0.5
Ireland	0.4	Luxembourg	0.1
China	0.3	Bermuda	0.1
Australia	0.3	Australia	0.1
Netherlands	0.2		
Mexico	0.2		
Bermuda	0.1		
Germany	0.1		
Brazil	0.1		
Other assets (liabilities)	(0.6)		
<b>Effective Sector Allocation</b>	<b>% of NAV</b>	<b>Sector Allocation</b>	<b>% of NAV</b>
Corporate bonds	69.6	Corporate bonds	52.5
Federal bonds	10.4	Provincial bonds	13.8
Provincial bonds	6.5	Cash and short-term investments	12.3
Foreign government bonds	6.3	Federal bonds	8.2
Term loans	3.4	Mutual funds	3.8
Supra-national bonds	1.6	Term loans	3.4
Cash and short-term investments	0.9	Exchange-traded funds/notes	1.6
Mortgage backed	0.6	Other assets (liabilities)	1.5
Other	0.5	Supra-national bonds	1.4
Utilities	0.3	Foreign government bonds	0.9
Energy	0.2	Utilities	0.2
Exchange-traded funds/notes	0.2	Energy	0.2
Financials	0.1	Financials	0.1
Other assets (liabilities)	(0.6)	Other	0.1

As at March 31, 2020, the effective allocation shows the portfolio, regional or sector exposure of the Fund calculated by combining its direct and indirect investments.

# MACKENZIE CANADIAN SHORT TERM INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

FIXED INCOME FUND

## SCHEDULE OF OPTIONS PURCHASED

As at March 31, 2020

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Paid (\$ 000s)	Fair Value (\$ 000s)
iShares iBoxx \$ High Yield Corporate Bond ETF	371	Put	May 15, 2020	USD 85.00	75	446
iShares iBoxx \$ High Yield Corporate Bond ETF	479	Put	Jun. 19, 2020	USD 86.00	72	681
iShares iBoxx \$ High Yield Corporate Bond ETF	160	Put	Jun. 19, 2020	USD 87.00	28	247
<b>Total options</b>					<b>175</b>	<b>1,374</b>



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# MACKENZIE CANADIAN SHORT TERM INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

FIXED INCOME FUND

## SCHEDULE OF DERIVATIVE INSTRUMENTS

As at March 31, 2020

### Schedule of Futures Contracts

Number of Contracts	Type of Contract	Expiration Date	Average Rate of Contracts (\$)	Notional Value* (\$ 000s)	Unrealized Gains (\$ 000s)
(10)	Euro-BTP Futures June 2020	Jun. 8, 2020	141.98 EUR	(2,196)	9
Unrealized Gains				(2,196)	9
<b>Total futures contracts</b>				<b>(2,196)</b>	<b>9</b>

\* Notional value represents the exposure to the underlying instruments as at March 31, 2020

### Schedule of Forward Currency Contracts

Counterparty Credit Rating	Bought (\$ 000s)	Sold (\$ 000s)	Settlement Date	Contract Cost (\$ 000s)	Current Fair Value (\$ 000s)	Unrealized Gains (Losses) (\$ 000s)
A	1,935 U.S. dollar	(2,573) Canadian dollar	Apr. 3, 2020	2,573	2,729	156
AA	1,120 U.S. dollar	(1,543) Canadian dollar	Apr. 3, 2020	1,543	1,579	36
AA	255 U.S. dollar	(352) Canadian dollar	Apr. 3, 2020	352	359	7
AA	692 U.S. dollar	(971) Canadian dollar	Apr. 3, 2020	971	976	5
A	440 U.S. dollar	(591) Canadian dollar	Apr. 24, 2020	591	619	28
AA	440 U.S. dollar	(591) Canadian dollar	Apr. 24, 2020	591	619	28
AA	177 U.S. dollar	(243) Canadian dollar	Apr. 24, 2020	243	249	6
AA	255 U.S. dollar	(354) Canadian dollar	Apr. 24, 2020	354	359	5
A	440 U.S. dollar	(591) Canadian dollar	May 8, 2020	591	619	28
A	4,311 Canadian dollar	(4,980) New Zealand dollar	May 13, 2020	(4,311)	(4,178)	133
AA	2,639 Canadian dollar	(1,870) U.S. dollar	May 22, 2020	(2,639)	(2,630)	9
A	280 U.S. dollar	(376) Canadian dollar	Jun. 12, 2020	376	394	18
A	177 U.S. dollar	(243) Canadian dollar	Jun. 12, 2020	243	248	5
AA	177 U.S. dollar	(243) Canadian dollar	Jun. 19, 2020	243	248	5
A	255 U.S. dollar	(352) Canadian dollar	Jun. 19, 2020	352	358	6
AA	255 U.S. dollar	(352) Canadian dollar	Jun. 19, 2020	352	358	6
Unrealized Gains						481
A	2,529 Canadian dollar	(1,935) U.S. dollar	Apr. 3, 2020	(2,529)	(2,728)	(199)
AA	2,701 Canadian dollar	(2,067) U.S. dollar	Apr. 3, 2020	(2,701)	(2,914)	(213)
A	3,551 Canadian dollar	(2,729) U.S. dollar	Apr. 17, 2020	(3,551)	(3,842)	(291)
A	5,254 Canadian dollar	(4,029) U.S. dollar	Apr. 24, 2020	(5,254)	(5,670)	(416)
AA	4,852 Canadian dollar	(3,719) U.S. dollar	Apr. 24, 2020	(4,852)	(5,233)	(381)
A	3,589 U.S. dollar	(5,074) Canadian dollar	Apr. 24, 2020	5,074	5,051	(23)
A	4,438 Canadian dollar	(3,395) U.S. dollar	May 8, 2020	(4,438)	(4,776)	(338)
A	2,954 Canadian dollar	(2,260) U.S. dollar	May 8, 2020	(2,954)	(3,179)	(225)
A	163 Canadian dollar	(123) U.S. dollar	Jun. 12, 2020	(163)	(173)	(10)
AA	6,644 Canadian dollar	(4,969) U.S. dollar	Jun. 19, 2020	(6,644)	(6,987)	(343)
Unrealized (Losses)						(2,439)
<b>Total forward currency contracts</b>						<b>(1,958)</b>
<b>Total derivative instruments at fair value</b>						<b>(1,949)</b>



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN SHORT TERM INCOME FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

FIXED INCOME FUND

## NOTES TO FINANCIAL STATEMENTS

### 1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the periods ended or as at March 31, 2020 and 2019, 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 Corporation of Canada. The Canada Life Assurance Company is also a subsidiary of Power Corporation of Canada. 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 audited annual financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). A summary of the Fund's significant accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the Fund's functional 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 July 13, 2020.

### 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 or 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 period-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.

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 funds 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.

## NOTES TO FINANCIAL STATEMENTS

### 3. Significant Accounting Policies (cont'd)

#### (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 derivatives. 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 March 31, 2020.

#### (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.

## NOTES TO FINANCIAL STATEMENTS

### 3. Significant Accounting Policies (cont'd)

(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.

(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.

## NOTES TO FINANCIAL STATEMENTS

### 3. Significant Accounting Policies (cont'd)

#### (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.

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

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

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

#### Use of Estimates

##### *Fair value of securities not quoted in an active market*

The Fund 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.

## NOTES TO FINANCIAL STATEMENTS

### 5. Income Taxes

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

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.

### 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 March 31, 2020 and 2019 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 March 31, 2020, 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.



## NOTES TO FINANCIAL STATEMENTS

### 8. Financial Instruments Risk (cont'd)

#### 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 order to monitor the liquidity of its assets, the Fund utilizes a liquidity risk management program that calculates the number of days to convert the investments held by the Fund into cash using a multi-day liquidation approach. This liquidity risk analysis assesses the Fund's liquidity against predetermined minimum liquidity percentages established for different time periods and is monitored quarterly. In addition, the Fund has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions.

In order to comply with securities regulations, the Fund must maintain at least 90% of its assets in liquid investments (i.e., investments that can be readily sold).

#### 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.

#### 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.

# MACKENZIE CANADIAN SHORT TERM INCOME FUND

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## NOTES TO FINANCIAL STATEMENTS

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

#### (a) Fund Formation and Series Information

Date of Formation January 7, 1994

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](http://www.mackenzieinvestments.com))

Series A securities are offered to retail investors investing a minimum of \$500 under the redemption charge and low-load purchase options.

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 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; they are also available to employees of Mackenzie and its subsidiaries, and directors of Mackenzie.

Series FB 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.

Series I securities are offered to retail investors investing a minimum of \$500 in a qualified group plan with a minimum of \$10,000,000 in assets.

Series O 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; investors in a qualified group plan, and certain qualifying employees of Mackenzie and its subsidiaries.

Series PW securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000.

Series PWFB 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 PWR securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000 in a Registered Disability Savings Plan offered by Mackenzie.

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 SC securities are offered to retail investors investing a minimum of \$500 under the sales charge purchase option.

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 J, Series M and Series PWX8 securities are no longer available for sale.

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

**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](http://www.laurentianbank.ca/mackenzie))

Series LB securities are offered to retail investors investing a minimum of \$500.

Series LF securities are offered to retail investors investing a minimum of \$500, who are enrolled in the LBC Private Banking sponsored fee-for-service program.

Series LW securities are offered through our Preferred Pricing Program to certain high net worth investors who invest a minimum of \$100,000.

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.

# MACKENZIE CANADIAN SHORT TERM INCOME FUND

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FIXED INCOME FUND

## NOTES TO FINANCIAL STATEMENTS

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

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

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Mar. 31, 2020	Mar. 31, 2019
Series A	January 14, 1994	1.25%	0.17%	1.98	2.01
Series AR	May 9, 2018	1.25%	0.20%	9.93	10.07
Series D	March 19, 2014	0.80%	0.15%	9.71	9.85
Series F	December 6, 1999	0.40% <sup>(3)</sup>	0.15%	5.28	5.35
Series FB	October 26, 2015	0.55%	0.17%	9.78	9.92
Series G	November 24, 2006	1.00%	0.17%	10.06	10.21
Series I	October 25, 1999	0.85%	0.17%	5.05	5.13
Series J	November 29, 2011	0.65%	0.15%	9.65	9.78
Series M	November 24, 2006	Up to 0.85%	0.17%	10.03	10.18
Series O	October 30, 2002	— <sup>(1)</sup>	—*	9.69	9.82
Series PW	October 15, 2013	0.90% <sup>(4)</sup>	0.15%	9.81	9.95
Series PWF	None issued <sup>(5)</sup>	0.55%	0.15%	—	—
Series PWFB	April 3, 2017	0.40% <sup>(3)</sup>	0.15%	9.67	9.81
Series PWR	April 1, 2019	0.90%	0.15%	9.87	—
Series PWX	December 20, 2013	— <sup>(2)</sup>	— <sup>(2)</sup>	9.79	9.92
Series PWX8	July 28, 2014	— <sup>(2)</sup>	— <sup>(2)</sup>	10.58	11.33
Series R	None issued <sup>(7)</sup>	—*	—*	—	10.10
Series SC	November 10, 2010	1.05%	0.17%	9.63	9.77
Series LB	January 25, 2012	1.05%	0.17%	9.63	9.77
Series LF	December 7, 2018	0.40%	0.15%	10.02	10.16
Series LW	December 1, 2017	0.90% <sup>(6)</sup>	0.15%	9.79	9.93

\* Not applicable.

(1) This fee is negotiable and payable directly to Mackenzie by investors in this series.

(2) This fee is payable directly to Mackenzie by investors in this series through redemptions of their securities.

(3) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 0.55%. From June 1 through September 27, 2018, the management fee for this series was charged to the Fund at a rate of 0.45%.

(4) Prior to June 1, 2018, the management fee for Series PW was charged to the Fund at a rate of 1.05%. From June 1 through September 27, 2018, the management fee for Series PW was charged to the Fund at a rate of 0.95%.

(5) The series' original start date was November 1, 2013. All securities in the series were consolidated into Series F on June 1, 2018.

(6) Prior to November 23, 2018, the management fee for Series LW was charged to the Fund at a rate of 1.05%.

(7) The series' original start date was August 3, 2018. All securities in the series were redeemed on February 3, 2020.

#### (b) Investments by Mackenzie and affiliates

As at March 31, 2020, Mackenzie and other funds managed by Mackenzie had an investment of \$8 and \$Nil (2019 – \$7 and \$50,623), respectively, in the Fund.

#### (c) Loss Carryforwards

As at the last taxation year-end, the Fund has capital losses of \$456 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.

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

#### (d) Securities Lending

The value of securities loaned and collateral received from securities lending at March 31, 2020 and 2019, were as follows:

	March 31, 2020	March 31, 2019
	(\$)	(\$)
Value of securities loaned	30,707	38,858
Value of collateral received	32,275	40,897

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 March 31, 2020 and 2019 is as follows:

	2020		2019	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	54	100.0	24	100.0
Tax withheld	(1)	(1.9)	–	–
	53	98.1	24	100.0
Payments to Securities Lending Agent	(12)	(22.2)	(6)	(25.0)
Securities lending income	41	75.9	18	75.0

#### (e) Change in Investment Objective

Following the approval of investors in the Fund, the investment objective of the Fund changed effective July 6, 2018. These changes provide the Fund with additional flexibility to invest in foreign fixed income securities.

#### (f) 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.

	March 31, 2020			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	96	(87)	–	9
Unrealized losses on derivative contracts	(1,501)	87	422	(992)
Liability for options written	–	–	–	–
Total	(1,405)	–	422	(983)

  

	March 31, 2019			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	42	(14)	–	28
Unrealized losses on derivative contracts	(247)	14	758	525
Liability for options written	–	–	–	–
Total	(205)	–	758	553



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## NOTES TO FINANCIAL STATEMENTS

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

#### (g) Risks Associated with Financial Instruments

##### i. Risk exposure and management

The Fund seeks a steady flow of income, while trying to protect capital, by investing mainly in high-quality, short-term fixed income securities issued in Canada by governments, government-related entities and corporations. The Fund may also invest in residential first mortgages insured or guaranteed by Canadian or provincial governments or Crown corporations thereof, either directly or through pooled mortgage investments. It may hold up to 30% of its assets in foreign investments.

##### 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.

Currency	March 31, 2020			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	31,556	303	(23,367)	8,492
Euro	–	–	9	9
New Zealand dollar	4,147	–	(4,178)	(31)
Total	35,703	303	(27,536)	8,470
% of Net Assets	13.8	0.1	(10.6)	3.3

Currency	March 31, 2019			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	26,335	5,864	(32,004)	195
New Zealand dollar	4,543	58	(4,532)	69
Total	30,878	5,922	(36,536)	264
% of Net Assets	9.6	1.8	(11.3)	0.1

\* Includes both monetary and non-monetary financial instruments

As at March 31, 2020, 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 \$571 or 0.2% of total net assets (2019 – decreased or increased by \$48 or 0.0%). In practice, the actual trading results may differ and the difference could be material.

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

#### (g) Risks Associated with Financial Instruments (cont'd)

##### iii. Interest rate risk

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

Term to Maturity	March 31, 2020 (\$)		March 31, 2019 (\$)	
	Bonds	Derivative Instruments	Bonds	Derivative Instruments
Less than 1 year	9,680	(2,196)	23,335	(35,555)
1-5 years	177,340	–	164,130	–
5-10 years	44,645	–	64,092	–
Greater than 10 years	5,339	–	6,913	–
Total	237,004	(2,196)	258,470	(35,555)

As at March 31, 2020, had prevailing interest rates increased by 1%, assuming a parallel shift in the yield curve, with all other variables held constant, net assets would have decreased by approximately \$7,658 or 3.0% (2019 – \$6,772 or 2.1%) of total net assets. Similarly, had prevailing interest rates decreased by 1%, with all other variables held constant, net assets would have increased by approximately \$7,695 or 3.0% (2019 – \$7,068 or 2.2%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

##### iv. Other price risk

As at March 31, 2020 and 2019, the Fund did not have a significant exposure to price risk.

##### v. Credit risk

The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The maximum exposure to any one debt issuer as at March 31, 2020, was 10.3% of the net assets of the Fund (2019 – 11.5%).

As at March 31, 2020 and 2019, debt securities by credit rating are as follows:

Bond Rating*	March 31, 2020	March 31, 2019
	% of Net Assets	% of Net Assets
AAA	12.6	14.7
AA	10.6	12.1
A	25.1	31.0
BBB	24.4	18.6
Less than BBB	3.3	3.3
Unrated	15.3	0.5
Total	91.3	80.2

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

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

#### (h) 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.

	March 31, 2020				March 31, 2019			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	–	237,004	–	237,004	–	258,470	–	258,470
Equities	1,365	–	–	1,365	1,862	–	–	1,862
Options	–	1,374	–	1,374	75	106	–	181
Exchange-traded funds/notes	5,017	–	–	5,017	5,096	–	–	5,096
Mutual funds	15,103	–	–	15,103	12,125	–	–	12,125
Derivative assets	9	481	–	490	14	85	–	99
Derivative liabilities	–	(2,439)	–	(2,439)	(162)	(151)	–	(313)
Short-term investments	–	–	–	–	–	38,926	–	38,926
<b>Total</b>	<b>21,494</b>	<b>236,420</b>	<b>–</b>	<b>257,914</b>	<b>19,010</b>	<b>297,436</b>	<b>–</b>	<b>316,446</b>

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.

During the period, there were no transfers between Level 1 and Level 2.

Financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data and using standard market convention practices. 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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