

ScotiaFunds®

Annual Report

December 31, 2018

1832 AM Canadian Dividend LP
1832 AM Canadian Growth LP
1832 AM Canadian Preferred Share LP
1832 AM Global Completion LP
1832 AM North American Preferred Share LP
1832 AM Tactical Asset Allocation LP
Scotia Global Low Volatility Equity LP
Scotia Total Return Bond LP
Scotia U.S. Dividend Growers LP
Scotia U.S. Low Volatility Equity LP

Table of Contents

Financial Statements

1	1832 AM Canadian Dividend LP
6	1832 AM Canadian Growth LP
10	1832 AM Canadian Preferred Share LP
16	1832 AM Global Completion LP
20	1832 AM North American Preferred Share LP
26	1832 AM Tactical Asset Allocation LP
30	Scotia Global Low Volatility Equity LP
35	Scotia Total Return Bond LP
41	Scotia U.S. Dividend Growers LP
45	Scotia U.S. Low Volatility Equity LP
50	Notes to the Financial Statements
59	Management's Responsibility for Financial Reporting
60	Independent Auditor's Report

1832 AM Canadian Dividend LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	550,120,034	580,313,799
Derivatives	73,840	1,002,964
Cash	50,789,148	19,283,701
Accrued investment income and other	1,980,743	1,637,978
	<u>602,963,765</u>	<u>602,238,442</u>
LIABILITIES		
Current liabilities		
Financial liabilities at fair value through profit or loss (note 2)		
Derivatives	1,910,581	—
Redemptions payable	—	74,300
Accrued expenses	—	44
	<u>1,910,581</u>	<u>74,344</u>
Net assets attributable to holders of redeemable units	<u>601,053,184</u>	<u>602,164,098</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	601,053,184	602,164,098
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	9.69	10.61

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	16,698,833	15,213,601
Interest for distribution purposes	1,663,614	366,429
Net realized gain (loss) on non-derivative financial assets	(5,696,178)	(25,461,148)
Change in unrealized gain (loss) on non-derivative financial assets	(61,318,108)	29,634,506
Net realized gain (loss) on derivatives	(1,961,053)	(513,147)
Change in unrealized gain (loss) on derivatives	(2,839,705)	1,073,745
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	(53,452,597)	20,313,986
Securities lending (note 11)	20,763	3,191
Net realized and unrealized foreign currency translation gain (loss)	323,336	(497,155)
Total income (loss), net	<u>(53,108,498)</u>	<u>19,820,022</u>
EXPENSES		
Fixed administration fees (note 6)	238,784	233,234
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	1,437	138
Foreign withholding taxes/tax reclaims	287,820	113,568
Harmonized Sales Tax/Goods and Services Tax	31,042	30,320
Transaction costs	453,192	1,059,819
Total expenses	<u>1,013,524</u>	<u>1,438,214</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(54,122,022)</u>	<u>18,381,808</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	(54,122,022)	18,381,808
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†		
Series I	(0.94)	0.32
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	57,657,162	56,878,045

† The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	602,164,098	574,992,740
	<u>602,164,098</u>	<u>574,992,740</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	(54,122,022)	18,381,808
	<u>(54,122,022)</u>	<u>18,381,808</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	128,258,997	31,370,050
Payments on redemption		
Series I	(75,247,889)	(22,580,500)
	<u>53,011,108</u>	<u>8,789,550</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	(1,110,914)	27,171,358
	<u>(1,110,914)</u>	<u>27,171,358</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	601,053,184	602,164,098
	<u>601,053,184</u>	<u>602,164,098</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(54,122,022)	18,381,808
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	5,696,178	25,461,148
Change in unrealized (gain) loss on non-derivative financial assets	61,318,108	(29,634,506)
Change in unrealized (gain) loss on derivatives	2,839,705	(1,073,745)
Unrealized foreign currency translation (gain) loss	67,634	(38,282)
Purchases of non-derivative financial assets and liabilities	(312,295,238)	(599,944,530)
Proceeds from sale of non-derivative financial assets and liabilities	275,474,717	560,384,623
Accrued investment income and other	(342,765)	(523,963)
Accrued expenses and other payables	(44)	(666)
Net cash provided by (used in) operating activities	<u>(21,363,727)</u>	<u>(26,988,113)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	128,258,997	31,370,050
Amounts paid on redemption of redeemable units	<u>(75,322,189)</u>	<u>(22,506,200)</u>
Net cash provided by (used in) financing activities	52,936,808	8,863,850
Unrealized foreign currency translation gain (loss)	(67,634)	38,282
Net increase (decrease) in cash	31,573,081	(18,124,263)
Cash (bank overdraft), beginning of period	19,283,701	37,369,682
CASH (BANK OVERDRAFT), END OF PERIOD	<u>50,789,148</u>	<u>19,283,701</u>
Interest paid ⁽¹⁾	1,437	138
Interest received, net of withholding taxes ⁽¹⁾	1,663,614	380,593
Dividends received, net of withholding taxes ⁽¹⁾	16,068,249	14,561,904

⁽¹⁾ Classified as operating items.

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

1832 AM Canadian Dividend LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 91.7%				EQUITIES (cont'd)			
Communication Services – 8.8%				Health Care – 3.9%			
Activision Blizzard Inc.	108,800	9,186,879	6,911,682	Anthem, Inc.	32,000	10,057,318	11,464,179
Comcast Corporation, Class A	240,100	10,652,616	11,152,132	Novartis AG	100,400	9,886,701	11,731,141
Rogers Communications, Inc., Class B	206,500	11,278,408	14,446,740			19,944,019	23,195,320
Shaw Communications, Inc., Class B	825,400	22,167,335	20,395,634				
		53,285,238	52,906,188	Industrials – 10.8%			
Consumer Discretionary – 1.9%				Ag Growth International Inc.	149,800	9,118,306	7,010,640
Uni-Select Inc.	588,000	16,565,641	11,413,080	Canadian National Railway Company	88,700	8,283,621	8,968,457
Consumer Staples – 5.7%				Canadian Pacific Railway Limited	33,136	6,633,316	8,026,865
Alimentation Couche-Tard Inc., Class B	162,400	9,686,251	11,028,584	Morneau Shepell, Inc.	484,500	8,596,460	12,131,880
George Weston Limited	23,827	2,461,773	2,145,621	Parker-Hannifin Corporation	45,100	9,489,011	9,175,280
Loblaws Companies Limited	184,900	10,362,745	11,299,239	Toromont Industries Ltd.	149,900	8,555,167	8,133,574
Unilever NV – ADR	129,500	9,352,644	9,503,874	United Parcel Service, Inc., Class B	85,000	12,778,715	11,308,520
		31,863,413	33,977,318			63,454,596	64,755,216
Energy – 12.9%				Information Technology – 3.3%			
ARC Resources Ltd.	1,014,000	14,593,225	8,213,400	Accenture PLC, Class A	45,400	8,969,662	8,732,818
Canadian Natural Resources Ltd.	320,500	11,868,844	10,557,270	Microsoft Corporation	80,700	7,864,005	11,181,179
Enbridge Inc.	233,400	10,710,719	9,898,494			16,833,667	19,913,997
EnCana Corporation	677,000	10,812,853	5,334,760	Materials – 7.5%			
Enerflex Ltd.	554,600	8,418,996	8,862,508	Agnico-Eagle Mines Limited	290,600	14,854,369	16,012,060
Pembina Pipeline Corporation	302,600	12,363,936	12,258,326	Barrick Gold Corporation	843,700	12,563,381	15,549,391
PrairieSky Royalty Ltd.	794,700	20,273,444	14,042,349	Chemtrade Logistics Income Fund	918,900	15,353,910	9,630,072
TransCanada Corporation	171,000	8,545,966	8,336,250	Teck Resources Ltd., Class B	128,000	3,515,386	3,761,920
		97,587,983	77,503,357			46,287,046	44,953,443
Financials – 31.3%				Real Estate – 3.8%			
Bank of America Corporation	240,400	8,663,592	8,080,231	Brookfield Property Partners LP	626,100	16,044,652	13,786,722
Bank of Nova Scotia, The†	316,500	22,464,753	21,537,825	Granite Real Estate Investment Trust	169,200	8,538,114	9,003,132
Brookfield Asset Management Inc., Class A	204,500	10,259,532	10,699,440			24,582,766	22,789,854
Canadian Imperial Bank of Commerce	178,168	19,229,340	18,116,122	Utilities – 1.8%			
Fairfax Financial Holdings Limited	32,400	22,096,731	19,471,753	Northland Power Inc.	495,700	11,212,615	10,756,690
Industrial Alliance Insurance and Financial Services Inc.	259,200	13,468,601	11,293,344	Transaction Costs		(500,801)	
Manulife Financial Corporation	562,900	12,243,303	10,903,373	TOTAL INVESTMENT PORTFOLIO		577,819,152	550,120,034
Power Financial Corporation	872,100	28,833,537	22,526,343				
Royal Bank of Canada	286,300	25,031,198	26,751,872	Unrealized Gain (Loss) on Derivatives – (0.3%)			(1,836,741)
Thomson Reuters Corporation	197,367	11,061,113	13,012,406	OTHER ASSETS, LESS LIABILITIES – 8.6%			52,769,891
Toronto-Dominion Bank, The	376,700	23,351,269	25,562,862	NET ASSETS – 100.0%			601,053,184
		196,702,969	187,955,571				

† Investment in related party (note 10)

SCHEDULE OF DERIVATIVE INSTRUMENTS

UNREALIZED GAIN ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Gain (\$)
Royal Bank of Canada	A-1+	Jan. 16, 2019	US Dollar	300,000	Canadian Dollar	401,219	1.337	1.364	7,976
Royal Bank of Canada	A-1+	Jan. 16, 2019	US Dollar	800,000	Canadian Dollar	1,067,207	1.334	1.364	23,979
Royal Bank of Canada	A-1+	Jan. 16, 2019	US Dollar	200,000	Canadian Dollar	267,701	1.339	1.364	5,095
Toronto-Dominion Bank, The	A-1+	Jan. 16, 2019	US Dollar	800,000	Canadian Dollar	1,077,240	1.347	1.364	13,945
Canadian Imperial Bank of Commerce	A-1	Mar. 15, 2019	Swiss Franc	400,000	Canadian Dollar	544,458	1.361	1.397	14,260
State Street Bank & Trust Company	A-1+	Mar. 15, 2019	Swiss Franc	600,000	Canadian Dollar	829,577	1.383	1.397	8,585
									73,840

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

1832 AM Canadian Dividend LP (Continued)

SCHEDULE OF DERIVATIVE INSTRUMENTS

UNREALIZED LOSS ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Loss (\$)
Canadian Imperial Bank of Commerce	A-1	Jan. 16, 2019	Canadian Dollar	1,170,995	US Dollar	900,000	0.769	0.733	(56,585)
Royal Bank of Canada	A-1+	Jan. 16, 2019	Canadian Dollar	6,245,616	US Dollar	4,800,000	0.769	0.733	(301,475)
Bank of Nova Scotia, The	A-1	Jan. 16, 2019	Canadian Dollar	520,418	US Dollar	400,000	0.769	0.733	(25,173)
Bank of Montreal	A-1	Jan. 16, 2019	Canadian Dollar	4,950,260	US Dollar	3,800,000	0.768	0.733	(232,855)
Toronto-Dominion Bank, The	A-1+	Jan. 16, 2019	Canadian Dollar	3,254,025	US Dollar	2,500,000	0.768	0.733	(155,918)
Canadian Imperial Bank of Commerce	A-1	Feb. 20, 2019	Canadian Dollar	1,180,400	US Dollar	900,000	0.762	0.734	(46,544)
Royal Bank of Canada	A-1+	Feb. 20, 2019	Canadian Dollar	6,296,635	US Dollar	4,800,000	0.762	0.734	(247,064)
Bank of Nova Scotia, The	A-1	Feb. 20, 2019	Canadian Dollar	655,793	US Dollar	500,000	0.762	0.734	(25,843)
Toronto-Dominion Bank, The	A-1+	Feb. 20, 2019	Canadian Dollar	3,412,110	US Dollar	2,600,000	0.762	0.734	(132,394)
Bank of Montreal	A-1	Feb. 20, 2019	Canadian Dollar	4,467,260	US Dollar	3,400,000	0.761	0.734	(167,861)
Bank of Montreal	A-1	Mar. 15, 2019	Canadian Dollar	688,480	Swiss Franc	505,000	0.734	0.716	(17,034)
Canadian Imperial Bank of Commerce	A-1	Mar. 15, 2019	Canadian Dollar	5,658,615	Swiss Franc	4,150,000	0.733	0.716	(139,175)
Toronto-Dominion Bank, The	A-1+	Mar. 15, 2019	Canadian Dollar	742,325	Swiss Franc	545,000	0.734	0.716	(19,072)
Bank of Montreal	A-1	Mar. 15, 2019	Canadian Dollar	7,093,043	US Dollar	5,300,000	0.747	0.734	(128,846)
Royal Bank of Canada	A-1+	Mar. 15, 2019	Canadian Dollar	6,420,149	US Dollar	4,800,000	0.748	0.734	(120,430)
Toronto-Dominion Bank, The	A-1+	Mar. 15, 2019	Canadian Dollar	3,345,075	US Dollar	2,500,000	0.747	0.734	(61,476)
Canadian Imperial Bank of Commerce	A-1	Mar. 15, 2019	Canadian Dollar	1,203,647	US Dollar	900,000	0.748	0.734	(22,712)
Bank of Nova Scotia, The	A-1	Mar. 15, 2019	Canadian Dollar	534,924	US Dollar	400,000	0.748	0.734	(10,124)
									<u>(1,910,581)</u>

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

1832 AM Canadian Dividend LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund seeks to provide income and long-term capital growth by investing primarily in equity securities of Canadian business that pay dividend or distribution. The Fund can invest up to 49% of its assets in foreign securities.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2018 and December 31, 2017. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

Currency	December 31, 2018			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	92,388,702	(49,672,019)	42,716,683	7.1
Swiss Franc	11,731,141	(5,899,582)	5,831,559	1.0
	104,119,843	(55,571,601)	48,548,242	8.1

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	119,535,761	(58,254,137)	61,281,624	10.2
	119,535,761	(58,254,137)	61,281,624	10.2

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$4,854,824 or approximately 0.8% of net assets (December 31, 2017 – \$6,128,162 or approximately 1.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying 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) caused by factors specific to a security, its issuer or all factors affecting a market or a

market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 91.7% (December 31, 2017 – 96.5%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$55,012,003 (December 31, 2017 – \$58,031,380). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund did not have significant direct exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2018 or December 31, 2017.

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Communication Services	8.8	–
Consumer Discretionary	1.9	15.4
Consumer Staples	5.7	9.4
Energy	12.9	10.5
Financials	31.3	28.7
Health Care	3.9	4.5
Industrials	10.8	12.5
Information Technology	3.3	3.7
Materials	7.5	5.9
Real Estate	3.8	1.3
Telecommunication Services	–	3.6
Utilities	1.8	1.0

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2018				
Equities	538,388,893	11,731,141	–	550,120,034
Unrealized gain on currency forward contracts	–	73,840	–	73,840
	538,388,893	11,804,981	–	550,193,874
Unrealized loss on currency forward contracts	–	(1,910,581)	–	(1,910,581)
	538,388,893	9,894,400	–	548,283,293

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2017				
Equities	580,313,799	–	–	580,313,799
Unrealized gain on currency forward contracts	–	1,002,964	–	1,002,964
	580,313,799	1,002,964	–	581,316,763

1832 AM Canadian Dividend LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

Below is a summary of offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts, were to arise. No amounts were offset in the financial statements.

December 31, 2018				
Financial assets – by type	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	73,840	(65,255)	–	8,585
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	73,840	(65,255)	–	8,585

Financial liabilities – by type	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	1,910,581	(65,255)	–	1,845,326
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	1,910,581	(65,255)	–	1,845,326

December 31, 2017				
Financial assets – by type	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	1,002,964	–	–	1,002,964
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	1,002,964	–	–	1,002,964

Financial liabilities – by type	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	–	–	–	–
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	–	–	–	–

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

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

1832 AM Canadian Growth LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	209,699,302	243,758,493
Derivatives	4,603	—
Cash	1,594,189	4,549,539
Subscriptions receivable	—	21,000
Accrued investment income and other	472,070	507,048
	<u>211,770,164</u>	<u>248,836,080</u>
LIABILITIES		
Current liabilities		
Financial liabilities at fair value through profit or loss (note 2)		
Derivatives	1,185,532	—
Accrued expenses	—	12
	<u>1,185,532</u>	<u>12</u>
Net assets attributable to holders of redeemable units	<u>210,584,632</u>	<u>248,836,068</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	<u>210,584,632</u>	<u>248,836,068</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	<u>9.41</u>	<u>10.72</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	5,192,281	5,128,214
Interest for distribution purposes	8,559	10,290
Net realized gain (loss) on non-derivative financial assets	(4,443,758)	3,830,744
Change in unrealized gain (loss) on non-derivative financial assets	(25,196,320)	(511,567)
Net realized gain (loss) on derivatives	(3,002,209)	2,030,073
Change in unrealized gain (loss) on derivatives	(1,180,929)	101,379
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	(28,622,376)	10,589,133
Securities lending (note 11)	2,687	30
Net realized and unrealized foreign currency translation gain (loss)	(21,704)	(452,251)
Total income (loss), net	<u>(28,641,393)</u>	<u>10,136,912</u>
EXPENSES		
Fixed administration fees (note 6)	97,204	97,291
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	13,533	17,793
Foreign withholding taxes/tax reclaims	98,044	118,574
Harmonized Sales Tax/Goods and Services Tax	12,636	12,648
Transaction costs	322,025	549,643
Total expenses	<u>544,691</u>	<u>797,084</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(29,186,084)</u>	<u>9,339,828</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	<u>(29,186,084)</u>	<u>9,339,828</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series I	<u>(1.28)</u>	<u>0.40</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	<u>22,841,094</u>	<u>23,482,009</u>

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	248,836,068	246,246,343
	<u>248,836,068</u>	<u>246,246,343</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	(29,186,084)	9,339,828
	<u>(29,186,084)</u>	<u>9,339,828</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	14,863,263	16,853,350
Payments on redemption		
Series I	(23,928,615)	(23,603,453)
	<u>(9,065,352)</u>	<u>(6,750,103)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	(38,251,436)	2,589,725
	<u>(38,251,436)</u>	<u>2,589,725</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	210,584,632	248,836,068
	<u>210,584,632</u>	<u>248,836,068</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(29,186,084)	9,339,828
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	4,443,758	(3,830,744)
Change in unrealized (gain) loss on non-derivative financial assets	25,196,320	511,567
Change in unrealized (gain) loss on derivatives	1,180,929	(101,379)
Unrealized foreign currency translation (gain) loss	3,557	(8,174)
Purchases of non-derivative financial assets and liabilities	(226,967,766)	(285,216,586)
Proceeds from sale of non-derivative financial assets and liabilities	231,386,879	285,717,690
Accrued investment income and other	34,978	(153,073)
Accrued expenses and other payables	(12)	(292)
Net cash provided by (used in) operating activities	<u>6,092,559</u>	<u>6,258,837</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	14,884,263	19,850,950
Amounts paid on redemption of redeemable units	(23,928,615)	(23,621,253)
Net cash provided by (used in) financing activities	<u>(9,044,352)</u>	<u>(3,770,303)</u>
Unrealized foreign currency translation gain (loss)	(3,557)	8,174
Net increase (decrease) in cash	<u>(2,951,793)</u>	<u>2,488,534</u>
Cash (bank overdraft), beginning of period	4,549,539	2,052,831
CASH (BANK OVERDRAFT), END OF PERIOD	<u>1,594,189</u>	<u>4,549,539</u>
Interest paid ⁽¹⁾	13,533	17,793
Interest received, net of withholding taxes ⁽¹⁾	8,559	11,535
Dividends received, net of withholding taxes ⁽¹⁾	5,129,214	4,855,322

⁽¹⁾ Classified as operating items.

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

1832 AM Canadian Growth LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares/ Contracts	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 97.2%				EQUITIES (cont'd)			
Communication Services – 9.4%				Health Care – 5.3%			
Alphabet Inc., Class C	6,700	6,897,531	9,464,979	Illumina Inc.	14,100	5,729,724	5,768,829
BCE Inc.	79,900	4,243,573	4,309,007	IQVIA Holdings Inc.	34,500	4,618,673	5,467,159
Shaw Communications, Inc., Class B	98,400	2,468,818	2,431,465			10,348,397	11,235,988
TELUS Corporation	78,000	3,474,099	3,529,500				
		17,084,021	19,734,951	Industrials – 5.4%			
Consumer Discretionary – 7.2%				Bombardier Inc., Class B	1,102,100	4,054,120	2,237,263
BRP Inc.	45,900	2,454,192	1,622,106	Canadian National Railway Company	8,300	870,737	839,213
Great Canadian Gaming Corporation	78,500	3,621,343	3,757,795	Raytheon Company	16,100	4,014,934	3,367,893
Restaurant Brands International Inc.	70,900	5,699,620	5,056,588	Waste Connections Inc.	48,250	3,915,428	4,889,173
Spin Master Corp.	122,900	6,259,622	4,718,131			12,855,219	11,333,542
		18,034,777	15,154,620	Information Technology – 19.0%			
Consumer Staples – 3.2%				CGI Group Inc., Class A	79,700	4,611,843	6,654,950
Costco Wholesale Corporation	9,800	2,632,032	2,723,247	Constellation Software Inc.	7,600	7,091,425	6,641,336
Metro Inc., Class A	85,300	3,586,123	4,038,102	MasterCard, Inc., Class A	24,300	6,398,911	6,253,335
		6,218,155	6,761,349	Microsoft Corporation	52,000	3,996,340	7,204,725
Energy – 10.3%				Salesforce.com, Inc.	39,600	6,767,683	7,398,936
Canadian Natural Resources Ltd.	184,300	7,788,190	6,070,842	Worldpay Inc.	55,400	5,615,411	5,775,934
EnCana Corporation	465,000	7,151,888	3,664,200			34,481,613	39,929,216
PrairieSky Royalty Ltd.	273,300	7,991,827	4,829,211	Materials – 6.8%			
Suncor Energy, Inc.	80,700	4,100,877	3,077,091	Barick Gold Corporation	196,500	3,588,313	3,621,495
Vermilion Energy, Inc.	140,200	6,416,040	4,032,152	CCL Industries Inc., Class B	78,100	2,374,945	3,909,686
		33,448,822	21,673,496	Franco-Nevada Corporation	24,800	2,266,212	2,374,104
Financials – 30.6%				Nutrien Ltd.	70,000	4,937,992	4,488,400
Bank of America Corporation	165,100	5,062,126	5,549,277			13,167,462	14,393,685
Bank of Montreal	74,200	7,068,106	6,617,898	INDEX BASED EXCHANGE-TRADED FUNDS – 2.4%			
Bank of Nova Scotia, The†	134,100	10,134,960	9,125,505	iShares S&P/TSX Global Gold Index ETF	432,823	4,811,496	5,064,029
Brookfield Asset Management Inc., Class A	107,200	5,998,980	5,608,704	Transaction Costs		(160,474)	
Intact Financial Corporation	59,600	6,172,992	5,911,724	TOTAL INVESTMENT PORTFOLIO		218,176,328	209,699,302
Manulife Financial Corporation	313,600	7,268,045	6,074,432				
Morgan Stanley	56,800	3,100,850	3,072,134	Unrealized Gain (Loss) on Derivatives – (0.6%)			(1,180,929)
Royal Bank of Canada	138,100	13,664,672	12,904,064	OTHER ASSETS, LESS LIABILITIES – 1.0%			2,066,259
Toronto-Dominion Bank, The	140,800	9,416,109	9,554,688	NET ASSETS – 100.0%			210,584,632
		67,886,840	64,418,426				

† Investment in related party (note 10)

SCHEDULE OF DERIVATIVE INSTRUMENTS

UNREALIZED GAIN ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Gain (\$)
Bank of Montreal	A-1	Jan. 16, 2019	US Dollar	4,400,000	Canadian Dollar	5,996,910	1.363	1.364	4,603
									4,603

UNREALIZED LOSS ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Loss (\$)
Royal Bank of Canada	A-1+	Jan. 16, 2019	Canadian Dollar	390,351	US Dollar	300,000	0.769	0.733	(18,842)
Bank of Montreal	A-1	Jan. 16, 2019	Canadian Dollar	8,597,820	US Dollar	6,600,000	0.768	0.733	(404,430)
Toronto-Dominion Bank, The	A-1+	Jan. 16, 2019	Canadian Dollar	2,993,703	US Dollar	2,300,000	0.768	0.733	(143,445)
Royal Bank of Canada	A-1+	Feb. 20, 2019	Canadian Dollar	524,720	US Dollar	400,000	0.762	0.734	(20,589)
Toronto-Dominion Bank, The	A-1+	Feb. 20, 2019	Canadian Dollar	2,887,170	US Dollar	2,200,000	0.762	0.734	(112,026)
Bank of Montreal	A-1	Feb. 20, 2019	Canadian Dollar	6,963,670	US Dollar	5,300,000	0.761	0.734	(261,665)
Bank of Montreal	A-1	Mar. 15, 2019	Canadian Dollar	8,832,846	US Dollar	6,600,000	0.747	0.734	(160,450)
Royal Bank of Canada	A-1+	Mar. 15, 2019	Canadian Dollar	401,259	US Dollar	300,000	0.748	0.734	(7,527)
Toronto-Dominion Bank, The	A-1+	Mar. 15, 2019	Canadian Dollar	3,077,469	US Dollar	2,300,000	0.747	0.734	(56,558)
									(1,185,532)

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

1832 AM Canadian Growth LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to provide long-term capital growth. It invests primarily in a broad range of Canadian equity securities. The Fund can invest up to 49% of its assets in foreign securities.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2018 and December 31, 2017. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

December 31, 2018				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	62,324,612	(29,857,070)	32,467,542	15.4
	62,324,612	(29,857,070)	32,467,542	15.4

December 31, 2017				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	65,569,385	–	65,569,385	26.4
	65,569,385	–	65,569,385	26.4

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$3,246,754 or approximately 1.5% of net assets (December 31, 2017 – \$6,556,939 or approximately 2.6%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying 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) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 99.6% (December 31, 2017 – 98.0%)

of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$20,969,930 (December 31, 2017 – \$24,375,849). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund did not have significant direct exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2018 or December 31, 2017.

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Communication Services	9.4	–
Consumer Discretionary	7.2	5.9
Consumer Staples	3.2	4.6
Energy	10.3	12.8
Financials	30.6	30.6
Health Care	5.3	6.9
Index Based Exchange-Traded Funds	2.4	–
Industrials	5.4	8.3
Information Technology	19.0	13.3
Materials	6.8	10.8
Telecommunication Services	–	4.8

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2018				
Equities	204,635,273	–	–	204,635,273
Underlying funds	5,064,029	–	–	5,064,029
Unrealized gain on currency forward contracts	–	4,603	–	4,603
	209,699,302	4,603	–	209,703,905
Unrealized loss on currency forward contracts	–	(1,185,532)	–	(1,185,532)
	209,699,302	(1,180,929)	–	208,518,373
December 31, 2017				
Equities	243,758,493	–	–	243,758,493
	243,758,493	–	–	243,758,493

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

1832 AM Canadian Growth LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Reconciliation of Level 3 financial instruments

Below is a summary of the movement in the Fund's Level 3 financial instruments for the periods ended.

	December 31, 2018 (\$)	December 31, 2017 (\$)
Beginning of period	–	409,629
Purchases	–	–
Sales/Return of Capital	–	–
Transfer into Level 3	–	–
Transfers out of Level 3	–	–
Net realized gains (losses)	(1,184,004)	–
Net change in unrealized gain (loss)*	1,184,004	(409,629)
End of period	–	–

* Net change in unrealized gain (loss) for Level 3 financial instruments held as at December 31, 2018 and December 31, 2017 was nil and \$(409,629), respectively.

Offsetting of financial assets and liabilities (note 2)

Below is a summary of offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts, were to arise. No amounts were offset in the financial statements. As at December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Financial assets – by type	December 31, 2018			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	4,603	(4,603)	–	–
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	4,603	(4,603)	–	–

Financial liabilities – by type	December 31, 2018			
	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	1,185,532	(4,603)	–	1,180,929
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	1,185,532	(4,603)	–	1,180,929

Interest in Underlying Funds (note 2)

Below is a summary of the Underlying Funds owned by the Fund as at December 31, 2018. The Fund did not hold any interest in Underlying Funds as at December 31, 2017.

Underlying Fund	December 31, 2018	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares S&P/TSX Global Gold Index ETF	5,064,029	0.6
	5,064,029	

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

1832 AM Canadian Preferred Share LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	86,177,259	134,188,697
Derivatives	20,597	63,479
Cash	12,642,157	4,324,358
Receivable for securities sold	12,840	40,077
Accrued investment income and other	97,839	308,753
	<u>98,950,692</u>	<u>138,925,364</u>
LIABILITIES		
Current liabilities		
Financial liabilities at fair value through profit or loss (note 2)		
Derivatives	171,473	9,092
Payable for securities purchased	—	171,096
Redemptions payable	—	44,600
Accrued expenses	—	11
	<u>171,473</u>	<u>224,799</u>
Net assets attributable to holders of redeemable units	<u>98,779,219</u>	<u>138,700,565</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	<u>98,779,219</u>	<u>138,700,565</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	<u>10.63</u>	<u>11.64</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	5,552,866	6,114,135
Interest for distribution purposes	237,370	215,413
Net realized gain (loss) on non-derivative financial assets	863,761	(107,430)
Change in unrealized gain (loss) on non-derivative financial assets	(15,596,034)	15,646,467
Net realized gain (loss) on derivatives	(190,682)	204,927
Change in unrealized gain (loss) on derivatives	(205,263)	84,818
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	(9,337,982)	22,158,330
Securities lending (note 11)	116	1,579
Net realized and unrealized foreign currency translation gain (loss)	33,412	(11,613)
Total income (loss), net	<u>(9,304,454)</u>	<u>22,148,296</u>
EXPENSES		
Fixed administration fees (note 6)	90,779	97,099
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	517	38
Harmonized Sales Tax/Goods and Services Tax	11,801	12,623
Transaction costs	52,246	52,112
Total expenses	<u>156,592</u>	<u>163,007</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(9,461,046)</u>	<u>21,985,289</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	<u>(9,461,046)</u>	<u>21,985,289</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series I	<u>(0.86)</u>	<u>1.74</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	<u>10,989,458</u>	<u>12,637,481</u>

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	138,700,565	140,587,716
	<u>138,700,565</u>	<u>140,587,716</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	(9,461,046)	21,985,289
	<u>(9,461,046)</u>	<u>21,985,289</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	245,000	1,211,000
Payments on redemption		
Series I	(30,705,300)	(25,083,440)
	<u>(30,460,300)</u>	<u>(23,872,440)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	(39,921,346)	(1,887,151)
	<u>(39,921,346)</u>	<u>(1,887,151)</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	98,779,219	138,700,565
	<u>98,779,219</u>	<u>138,700,565</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(9,461,046)	21,985,289
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(863,761)	107,430
Change in unrealized (gain) loss on non-derivative financial assets	15,596,034	(15,646,467)
Change in unrealized (gain) loss on derivatives	205,263	(84,818)
Unrealized foreign currency translation (gain) loss	96	(4,655)
Purchases of non-derivative financial assets and liabilities	(25,986,042)	(35,127,238)
Proceeds from sale of non-derivative financial assets and liabilities	59,121,348	52,709,060
Accrued investment income and other	210,914	140,849
Accrued expenses and other payables	(11)	(293)
Net cash provided by (used in) operating activities	<u>38,822,795</u>	<u>24,079,157</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	245,000	1,211,000
Amounts paid on redemption of redeemable units	<u>(30,749,900)</u>	<u>(25,038,840)</u>
Net cash provided by (used in) financing activities	<u>(30,504,900)</u>	<u>(23,827,840)</u>
Unrealized foreign currency translation gain (loss)	(96)	4,655
Net increase (decrease) in cash	8,317,895	251,317
Cash (bank overdraft), beginning of period	4,324,358	4,068,386
CASH (BANK OVERDRAFT), END OF PERIOD	<u>12,642,157</u>	<u>4,324,358</u>
Interest paid ⁽¹⁾	517	38
Interest received, net of withholding taxes ⁽¹⁾	242,763	219,472
Dividends received, net of withholding taxes ⁽¹⁾	5,747,106	5,998,374

⁽¹⁾ Classified as operating items.

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

1832 AM Canadian Preferred Share LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Face Value (\$)/ Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES – 1.2%				EQUITIES (cont'd)			
Corporate Bonds – 1.2%				Energy (cont'd)			
Enbridge Inc. (Floating Rate) 6.63% Apr 12, 2078	130,000	131,950	130,672	TransCanada Corporation, 3.80%, Preferred, Series 11	32,991	675,876	670,707
TransCanada PipeLines Ltd. (Callable) 6.35% May 15, 2067	USD 530,000	479,231	588,323	TransCanada Corporation, 4.00%, Preferred, Series 7	81,730	1,601,457	1,503,832
TransCanada Trust (Callable) 5.30% Mar 15, 2027	USD 352,000	433,761	415,372	TransCanada Corporation, 4.00%, Preferred, Series B	16,350	303,562	221,706
TransCanada Trust (Callable) 5.63% May 20, 2025	USD 60,000	74,119	73,925	TransCanada Corporation, 4.25%, Preferred, Series 9	11,150	269,076	208,728
				TransCanada Corporation, 4.40%, Preferred, Series 5	4,950	106,466	70,191
				TransCanada Corporation, 4.60%, Preferred, Series 1	12,800	253,962	211,968
				TransCanada Corporation, 4.90%, Preferred, Series 15	26,000	649,840	642,720
				TransCanada Corporation, 5.50%, Preferred, Series 13	7,977	199,389	202,696
TOTAL BONDS AND DEBENTURES		1,119,061	1,208,292			23,076,318	19,721,814
EQUITIES – 86.1%				Financials – 42.7%			
Communication Services – 5.9%				Bank of Montreal, 3.80%, Preferred, Series 31 Class B	10,000	235,297	192,700
BCE Inc. (Floating Rate), Preferred, Series AL	11,100	206,656	172,605	Bank of Montreal, 3.80%, Preferred, Series 33	3,000	73,290	64,500
BCE Inc. (Floating Rate), Preferred, Series AN	1,525	29,319	25,010	Bank of Montreal, 3.90%, Preferred, Series 29	18,500	451,530	353,535
BCE Inc., 4.13%, Preferred, Series R	8,500	173,740	140,335	Bank of Montreal, 4.00%, Preferred, Series 27	18,700	399,172	368,764
BCE Inc., 4.15%, Preferred, Series 19	12,900	275,719	211,816	Bank of Nova Scotia, The, 5.50%, Preferred, Series 36 ¹	1,737	45,231	44,328
BCE Inc., 4.15%, Preferred, Series AK	113,100	1,832,425	1,744,000	Brookfield Asset Management Inc. (Floating Rate) 1.89%, Preferred, Series 13	22,300	235,711	307,740
BCE Inc., 4.25%, Preferred, Series AQ	12,600	300,964	266,488	Brookfield Asset Management Inc. (Floating Rate) 1.89%, Preferred, Series 2	7,500	79,230	106,050
BCE Inc., 4.26%, Preferred, Series AO	3,000	73,290	63,780	Brookfield Asset Management Inc. (Floating Rate), Preferred, Series 25	5,500	108,338	98,065
BCE Inc., 4.35%, Preferred, Series 17	11,100	178,058	179,154	Brookfield Asset Management Inc. (Floating Rate), Preferred, Series 4	4,400	47,111	61,600
BCE Inc., 4.50%, Preferred, Series T	2,600	53,829	42,120	Brookfield Asset Management Inc., 4.20%, Preferred, Series 34	24,000	499,690	499,440
BCE Inc., 4.54%, Preferred, Series 16	15,300	311,172	259,335	Brookfield Asset Management Inc., 4.40%, Preferred, Series 38	8,100	200,468	158,436
BCE Inc., 4.85%, Preferred, Series AM	39,100	696,094	627,164	Brookfield Asset Management Inc., 4.50%, Preferred, Series 26	36,300	840,900	651,585
BCE Inc., 5.45%, Preferred, Series AA	42,050	784,669	695,928	Brookfield Asset Management Inc., 4.50%, Preferred, Series 32	24,900	601,585	546,306
BCE Inc., 5.54%, Preferred, Series AC	40,100	830,950	714,983	Brookfield Asset Management Inc., 4.50%, Preferred, Series 40	11,800	298,005	246,620
Shaw Communications, Inc., 4.50%, Preferred, C12 Series A	43,000	711,688	641,990	Brookfield Asset Management Inc., 4.60%, Preferred, Series 28	23,350	482,892	375,702
		6,458,573	5,784,708	Brookfield Asset Management Inc., 4.75%, Preferred, Series 17	4,300	93,341	87,075
				Brookfield Asset Management Inc., 4.75%, Preferred, Series 18	13,500	290,385	273,240
Consumer Staples – 0.4%				Brookfield Asset Management Inc., 4.80%, Preferred, Series 30	18,601	403,092	409,222
Loblaws Companies Limited, 5.30%, Preferred, Series B	17,300	432,993	416,238	Brookfield Asset Management Inc., 4.80%, Preferred, Series 46	33,300	832,465	849,150
Energy – 20.0%				Brookfield Asset Management Inc., 4.85%, Preferred, Series 36	53,400	1,164,963	1,105,380
Enbridge Inc., 4.00%, Preferred, Series 1	17,492	548,056	501,080	Brookfield Asset Management Inc., 4.90%, Preferred, Series 37	18,900	397,728	398,223
Enbridge Inc., 4.00%, Preferred, Series 3	67,700	1,483,483	1,064,921	Brookfield Asset Management Inc., 5.40%, Preferred, Series 24	62,300	1,163,100	1,112,055
Enbridge Inc., 4.00%, Preferred, Series B	48,900	909,022	750,615	Brookfield Properties Corporation, Inc., 5.10%, Preferred, Series R	69,827	1,557,952	1,300,179
Enbridge Inc., 4.00%, Preferred, Series D	44,155	936,413	737,389	Brookfield Properties Corporation, Inc., 6.15%, Preferred, Series N	80,386	1,549,481	1,392,286
Enbridge Inc., 4.00%, Preferred, Series F	23,000	487,885	404,800	Brookfield Renewable Power Preferred Equity Inc., 5.00%, Preferred, Series 5	16,700	350,502	320,640
Enbridge Inc., 4.00%, Preferred, Series H	17,100	347,059	271,719	Canadian Imperial Bank of Commerce, 3.60%, Preferred, Series 43	4,000	97,520	81,840
Enbridge Inc., 4.00%, Preferred, Series J	2,900	89,752	75,558	Canadian Imperial Bank of Commerce, 3.75%, Preferred, Series 41	20,950	389,846	385,899
Enbridge Inc., 4.00%, Preferred, Series L	41,000	1,227,341	1,071,588	Canadian Imperial Bank of Commerce, 3.90%, Preferred, Series 39	31,013	734,960	587,696
Enbridge Inc., 4.00%, Preferred, Series N	49,200	965,042	912,168	Canadian Imperial Bank of Commerce, 4.40%, Preferred, Series 45	51,100	1,278,672	1,134,931
Enbridge Inc., 4.00%, Preferred, Series P	83,100	1,824,761	1,351,206	Fairfax Financial Holdings Limited (Floating Rate), Preferred, Series F	8,300	142,850	132,800
Enbridge Inc., 4.00%, Preferred, Series R	18,300	396,857	296,643	Fairfax Financial Holdings Limited (Floating Rate), Preferred, Series H	11,800	232,814	206,736
Enbridge Inc., 4.40%, Preferred, Series 11	31,000	754,192	516,150	Fairfax Financial Holdings Limited, 4.75%, Preferred, Series E	26,000	494,257	412,100
Enbridge Inc., 4.40%, Preferred, Series 13	16,400	347,914	274,864	Fairfax Financial Holdings Limited, 4.75%, Preferred, Series M	36,700	864,196	857,312
Enbridge Inc., 4.40%, Preferred, Series 5	2,500	74,999	65,955	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series G	26,500	552,721	445,200
Enbridge Inc., 4.40%, Preferred, Series 7	2,200	44,526	37,400	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series I	46,750	893,488	823,268
Enbridge Inc., 4.40%, Preferred, Series 9	26,250	600,611	446,250	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series K	25,000	596,701	511,250
Husky Energy Inc. (Floating Rate), Preferred, Series 2	5,000	88,650	72,750	Fairfax Financial Holdings Limited, 5.75%, Preferred, Series C	16,385	382,908	325,570
Husky Energy Inc., 4.45%, Preferred, Series 1	5,800	88,639	78,184	Fairfax Financial Holdings Ltd. (Floating Rate), Preferred, Series D	3,600	86,373	73,116
Husky Energy Inc., 4.50%, Preferred, Series 3	4,743	91,569	94,860	Great-West Lifeco Inc., 1.81%, Preferred, Series O	5,000	92,103	73,750
Husky Energy Inc., 4.50%, Preferred, Series 5	3,000	59,561	61,290	Great-West Lifeco Inc., 4.50%, Preferred, Series 1	8,300	186,331	165,834
Husky Energy Inc., 4.60%, Preferred, Series G	15,900	331,457	324,519	Great-West Lifeco Inc., 4.80%, Preferred, Series R	23,000	506,630	496,110
Kinder Morgan Canada Ltd., 5.20%, Preferred, Series 3	6,500	159,900	138,450	Great-West Lifeco Inc., 4.85%, Preferred, Series H	10,600	243,694	225,674
Kinder Morgan Canada Ltd., Series A, 5.25%, Preferred, Series 1	32,900	821,117	722,155	Great-West Lifeco Inc., 5.15%, Preferred, Series Q	36,900	895,945	825,084
Pembina Pipeline Corporation, 4.25%, Preferred, Series A	22,900	437,261	414,490	Great-West Lifeco Inc., 5.15%, Preferred, Series T	29,500	732,989	659,325
Pembina Pipeline Corporation, 4.46%, Preferred, Series O	43,500	875,135	833,460	Great-West Lifeco Inc., 5.20%, Preferred, Series G	64,539	1,578,890	1,457,291
Pembina Pipeline Corporation, 4.50%, Preferred, Series 7	25,000	479,194	484,250	Great-West Lifeco Inc., 5.25%, Preferred, Series S	5,300	131,908	124,868
Pembina Pipeline Corporation, 4.70%, Preferred, Series C	16,650	404,048	303,863	Great-West Lifeco Inc., 5.40%, Preferred, Series P	18,900	483,890	440,937
Pembina Pipeline Corporation, 4.75%, Preferred, Series 9	7,600	187,120	169,328	Great-West Lifeco Inc., 5.65%, Preferred, Series L	10,100	261,842	246,945
Pembina Pipeline Corporation, 4.90%, Preferred, Series 21	67,200	1,680,398	1,531,488	Great-West Lifeco Inc., 5.80%, Preferred, Series M	3,700	97,494	93,647
Pembina Pipeline Corporation, 5.00%, Preferred, Series 5	9,300	225,482	195,579	Industrial Alliance Insurance & Financial Services Inc., 4.80%, Preferred, Series I	2,000	49,300	43,880
Pembina Pipeline Corporation, 5.00%, Preferred, Series Q	28,800	685,979	597,600	Industrial Alliance, 4.30%, Preferred, Series G	34,800	866,723	713,400
Pembina Pipeline Corporation, 5.00%, Preferred, Series S-19	6,000	145,335	140,280	Intact Financial Corporation, 4.20%, Preferred, Series 1	57,525	1,216,315	971,022
TransCanada Corporation, 1.78%, Preferred, Series 4	17,900	275,224	249,347				
TransCanada Corporation, 3.43%, Preferred, Series 2	45,975	903,824	767,783				
TransCanada Corporation, 3.52%, Preferred, Series 6	2,200	38,884	31,284				

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

1832 AM Canadian Preferred Share LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
Financials (cont'd)				Utilities – 15.0%			
Intact Financial Corporation, 4.20%, Preferred, Series 3	44,350	973,789	861,721	AltaGas Ltd. (Floating Rate), Preferred, Series B	10,500	216,886	157,500
Intact Financial Corporation, 5.20%, Preferred, Series 5	18,600	456,843	417,756	AltaGas Ltd., 4.40%, Preferred, Series C	15,000	475,605	370,764
Intact Financial Corporation, 5.30%, Preferred, Series 6	17,900	448,529	411,163	AltaGas Ltd., 4.75%, Preferred, Series G	19,000	436,745	327,940
Manulife Financial Corporation, 1.95%, Preferred, Series S4	19,000	312,360	282,910	AltaGas Ltd., 5.00%, Preferred, Series A	38,100	718,545	558,927
Manulife Financial Corporation, 3.80%, Preferred, Series 13	22,000	491,403	427,460	AltaGas Ltd., 5.00%, Preferred, Series E	14,600	341,775	264,406
Manulife Financial Corporation, 3.80%, Preferred, Series 19	15,800	362,676	287,086	AltaGas Ltd., 5.00%, Preferred, Series K	22,400	559,025	421,120
Manulife Financial Corporation, 3.90%, Preferred, Series 15	35,300	882,499	653,050	AltaGas Ltd., 5.25%, Preferred, Series I	500	12,460	10,340
Manulife Financial Corporation, 3.90%, Preferred, Series 17	31,700	653,017	581,695	Brookfield Infrastructure Partners LP, 4.50%, Preferred, Series 1	20,700	428,412	428,076
Manulife Financial Corporation, 4.00%, Preferred, Series 11	1,900	46,927	39,862	Brookfield Infrastructure Partners LP, 5.00%, Preferred, Series 7	3,200	81,268	73,024
Manulife Financial Corporation, 4.20%, Preferred, Series 3	3,500	66,167	52,220	Brookfield Infrastructure Partners LP, 5.10%, Preferred, Series 11	700	17,500	15,645
Manulife Financial Corporation, 4.40%, Preferred, Series 5	43,500	914,845	878,700	Brookfield Infrastructure Partners LP, 5.35%, Preferred, Series 5	19,700	499,140	492,500
Manulife Financial Corporation, 4.40%, Preferred, Series 9	22,100	526,149	458,133	Brookfield Renewable Partners LP, 5.00%, Preferred, Series 11	12,400	310,000	268,708
Manulife Financial Corporation, 4.50%, Preferred, Series 3	24,250	522,876	481,363	Brookfield Renewable Partners LP, 5.00%, Preferred, Series 13	1,500	37,185	31,920
Manulife Financial Corporation, 4.60%, Preferred, Series 1-7	7,900	196,550	172,773	Brookfield Renewable Partners LP, 5.50%, Preferred, Series 7	8,500	211,677	212,075
Manulife Financial Corporation, 4.65%, Preferred, Series B	67,700	1,539,407	1,383,111	Brookfield Renewable Partners LP, 5.75%, Preferred, Series 9	7,600	193,344	189,696
Manulife Financial Corporation, 4.70%, Preferred, Series 25	6,300	154,861	133,938	Brookfield Renewable Partners LP, Preferred, Series 5	56,500	1,165,186	1,158,250
Manulife Financial Corporation, 4.85%, Preferred, Series 23	13,000	325,212	317,330	Brookfield Renewable Power Inc., 1.10%, Preferred, Series 2	3,700	53,639	59,940
Power Corporation of Canada, 5.00%, Preferred, Series D	43,600	1,042,995	940,888	Brookfield Renewable Power Inc., 4.40%, Preferred, Series 3	47,200	1,071,037	849,600
Power Corporation of Canada, 5.36%, Preferred, Series B	11,600	291,975	266,800	Brookfield Renewable Power Inc., 5.00%, Preferred, Series 6	39,950	840,033	769,038
Power Corporation of Canada, 5.60%, Preferred, Series A	700	17,533	16,835	Brookfield Renewable Power Inc., 5.25%, Preferred, Series I	2,000	42,780	32,180
Power Corporation of Canada, 5.60%, Preferred, Series G	4,800	117,594	117,888	Canadian Utilities Limited, 4.00%, Preferred, Series Y	16,600	353,762	305,938
Power Financial Corporation, 0.00%, Preferred, Series A	300	3,794	5,220	Canadian Utilities Limited, 4.50%, Preferred, Series DD	9,500	199,970	191,425
Power Financial Corporation, 2.31%, Preferred, Series P	14,000	218,772	210,140	Canadian Utilities Limited, 4.90%, Preferred, Series BB	11,000	238,980	241,120
Power Financial Corporation, 4.20%, Preferred, Series T	12,950	305,552	247,993	Canadian Utilities Limited, 5.25%, Preferred, Series EE	20,110	477,989	487,668
Power Financial Corporation, 4.80%, Preferred, Series S	9,400	224,900	197,024	Capital Power Corporation, 4.50%, Preferred, Series 5	11,450	260,545	242,969
Power Financial Corporation, 4.95%, Preferred, Series K	14,200	344,769	302,460	Capital Power Corporation, 4.60%, Preferred, Series 1	11,864	214,509	176,655
Power Financial Corporation, 5.10%, Preferred, Series L	8,000	194,827	178,320	CU Inc., 4.60%, Preferred, Series 1	3,500	75,421	72,380
Power Financial Corporation, 5.15%, Preferred, Series V	19,200	458,668	425,664	Emera Inc. (Floating Rate), Preferred, Series B	5,500	105,317	87,175
Power Financial Corporation, 5.25%, Preferred, Series E	3,600	89,357	81,000	Emera Inc., 2.56%, Preferred, Series A	5,000	83,572	78,150
Power Financial Corporation, 5.50%, Preferred, Series D	4,800	120,389	114,864	Emera Inc., 4.10%, Preferred, Series C	12,000	265,625	254,280
Power Financial Corporation, 5.50%, Preferred, Series R	8,000	207,103	190,000	Emera Inc., 4.25%, Preferred, Series F	3,200	80,279	61,952
Royal Bank of Canada, 3.60%, Preferred, Series BD	17,300	418,692	367,625	Emera Inc., 4.50%, Preferred, Series E	4,000	85,720	80,040
Royal Bank of Canada, 3.60%, Preferred, Series BF	23,000	564,276	485,760	Emera Inc., 4.90%, Preferred, Series H	3,000	73,939	73,650
Royal Bank of Canada, 3.90%, Preferred, Series BB	17,700	380,749	348,159	Fortis Inc., 1.92%, Preferred, Series 1	19,620	319,188	296,654
Royal Bank of Canada, 4.00%, Preferred, Series AZ	6,604	132,055	130,693	Fortis Inc., 3.88%, Preferred, Series G	19,218	371,596	363,605
Royal Bank of Canada, 4.45%, Preferred, Series AA	3,000	74,242	74,940	Fortis Inc., 4.00%, Preferred, Series K	14,200	276,682	256,168
Royal Bank of Canada, 4.50%, Preferred, Series AE	2,600	66,974	65,078	Fortis Inc., 4.10%, Preferred, Series M	67,500	1,362,050	1,316,250
Royal Bank of Canada, 4.60%, Preferred, Series AC	3,600	92,461	90,324	Fortis Inc., 4.75%, Preferred, Series J	13,300	298,296	288,876
Sun Life Financial Inc. (Floating Rate), Preferred, Series 11QR	2,500	55,035	45,500	Fortis Inc., 4.90%, Preferred, Series F	6,700	158,171	149,946
Sun Life Financial Inc. (Floating Rate), Preferred, Series 9QR	30,900	638,190	467,826	TransAlta Corporation (Floating Rate), Preferred, Series B	4,200	62,916	55,230
Sun Life Financial Inc., 3.90%, Preferred, Series 10R	30,500	603,594	559,675	TransAlta Corporation, 4.60%, Preferred, Series A	57,909	758,229	686,801
Sun Life Financial Inc., 4.25%, Preferred, Series 12R	18,000	381,071	365,940	TransAlta Corporation, 4.60%, Preferred, Series C	44,000	854,739	629,640
Sun Life Financial Inc., 4.45%, Preferred, Series 3	1,300	28,495	26,130	TransAlta Corporation, 5.00%, Preferred, Series E	51,566	998,194	859,605
Sun Life Financial Inc., 4.45%, Preferred, Series F	10,700	241,106	216,247	TransAlta Corporation, 5.30%, Preferred, Series G	20,380	395,555	368,878
Sun Life Financial Inc., 4.50%, Preferred, Series 5	15,000	345,121	303,600	Valener Inc., 4.35%, Preferred, Series A	9,540	200,390	202,630
Sun Life Financial Inc., 4.75%, Preferred, Series A	31,000	712,664	659,990	Westcoast Energy Inc., 5.60%, Preferred, Series J	11,100	275,467	269,175
Sun Life Financial Inc., 4.80%, Preferred, Series 2	55,100	1,257,967	1,179,140			16,559,343	14,788,509
Toronto-Dominion Bank, The, 3.60%, Preferred, Series 7	15,513	353,792	329,806	TOTAL EQUITIES		96,236,813	84,968,967
Toronto-Dominion Bank, The, 3.70%, Preferred, Series 9	4,100	87,763	89,216	Transaction Costs		(103,904)	
Toronto-Dominion Bank, The, 3.75%, Preferred, Series 5	38,000	783,225	731,500	TOTAL INVESTMENT PORTFOLIO		97,251,970	86,177,259
Toronto-Dominion Bank, The, 3.80%, Preferred, Series 3	32,800	812,532	641,240				
		<u>47,035,161</u>	<u>42,152,062</u>	Unrealized Gain (Loss) on Derivatives – (0.2%)			(150,876)
Real Estate – 2.1%				OTHER ASSETS, LESS LIABILITIES – 12.9%			<u>12,752,836</u>
Brookfield Office Properties Inc., 4.60%, Preferred, Series T	14,900	350,359	298,000	NET ASSETS – 100.0%			<u>98,779,219</u>
Brookfield Office Properties Inc., 4.75%, Preferred, Series AA	23,700	536,164	423,045				
Brookfield Office Properties Inc., 4.85%, Preferred, Series GG	15,600	374,859	307,008				
Brookfield Office Properties Inc., 4.85%, Preferred, Series II	14,100	332,773	262,965				
Brookfield Office Properties Inc., 5.10%, Preferred, Series EE	8,800	220,187	190,520				
Brookfield Office Properties Inc., 5.15%, Preferred, Series SP	36,075	860,083	624,098				
		<u>2,674,425</u>	<u>2,105,636</u>				

* Investment in related party (note 10)

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

1832 AM Canadian Preferred Share LP (Continued)

SCHEDULE OF DERIVATIVE INSTRUMENTS

UNREALIZED GAIN ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Gain (\$)
Canadian Imperial Bank of Commerce	A-1	Jan. 16, 2019	US Dollar	75,000	Canadian Dollar	99,595	1.328	1.364	2,704
Royal Bank of Canada	A-1+	Jan. 16, 2019	US Dollar	450,000	Canadian Dollar	602,327	1.339	1.364	11,465
Toronto-Dominion Bank, The	A-1+	Jan. 16, 2019	US Dollar	20,000	Canadian Dollar	26,931	1.347	1.364	349
State Street Bank & Trust Company	A-1+	Jan. 16, 2019	US Dollar	370,000	Canadian Dollar	498,594	1.348	1.364	6,079
									<u>20,597</u>

UNREALIZED LOSS ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Loss (\$)
Canadian Imperial Bank of Commerce	A-1	Jan. 16, 2019	Canadian Dollar	1,315,634	US Dollar	1,013,000	0.77	0.733	(66,076)
Toronto-Dominion Bank, The	A-1+	Jan. 16, 2019	Canadian Dollar	33,351	US Dollar	25,000	0.75	0.733	(748)
Toronto-Dominion Bank, The	A-1+	Jan. 16, 2019	Canadian Dollar	53,648	US Dollar	40,000	0.746	0.733	(911)
State Street Bank & Trust Company	A-1+	Jan. 16, 2019	Canadian Dollar	68,198	US Dollar	50,000	0.733	0.733	(1)
Toronto-Dominion Bank, The	A-1+	Feb. 20, 2019	Canadian Dollar	1,414,558	US Dollar	1,090,000	0.771	0.734	(71,408)
Canadian Imperial Bank of Commerce	A-1	Mar. 15, 2019	Canadian Dollar	365,800	US Dollar	279,000	0.763	0.734	(14,371)
Canadian Imperial Bank of Commerce	A-1	Apr. 18, 2019	Canadian Dollar	558,634	US Dollar	418,000	0.748	0.734	(10,561)
Toronto-Dominion Bank, The	A-1+	Apr. 18, 2019	Canadian Dollar	401,117	US Dollar	300,000	0.748	0.734	(7,397)
									<u>(171,473)</u>

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

1832 AM Canadian Preferred Share LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to provide income and the potential for modest long term capital growth. It invests primarily in a diversified portfolio of preferred shares of Canadian corporations. The Fund can invest up to 49% of its assets in foreign securities.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

Below is a summary of the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	December 31, 2018 (\$)	December 31, 2017 (\$)
Less than 1 year	—	—
1-3 years	—	—
3-5 years	—	—
5-10 years	—	—
> 10 years	1,208,292	3,947,440
	1,208,292	3,947,440

As at December 31, 2018, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by \$10,073 or approximately 0.0% (December 31, 2017 – \$39,760 or approximately 0.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

Currency	December 31, 2018			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	3,181,732	(3,154,850)	26,882	0.0
	3,181,732	(3,154,850)	26,882	0.0

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	5,218,845	(5,189,434)	29,411	0.0
	5,218,845	(5,189,434)	29,411	0.0

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$2,688 or approximately 0.0% of net assets (December 31, 2017 – \$2,941 or approximately 0.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying 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) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 86.0% (December 31, 2017 – 93.8%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$8,496,897 (December 31, 2017 – \$13,024,126). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

Below is a summary of the credit ratings of bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

Credit ratings	December 31, 2018		December 31, 2017	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
AA	—	—	0.4	0.4
A	14.6	12.8	11.6	11.1
BBB	73.0	63.7	64.3	62.1
BB	12.3	10.7	23.7	23.0
NOT RATED	0.1	0.1	—	—
	100.0	87.3	100.0	96.6

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Communication Services	5.9	—
Consumer Discretionary	—	0.7
Consumer Staples	0.4	0.1
Corporate Bonds	1.2	2.8
Energy	20.0	23.8
Financials	42.7	49.4
Real Estate	2.1	1.9
Telecommunication Services	—	6.0
Utilities	15.0	11.9

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

1832 AM Canadian Preferred Share LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

	Level 1	Level 2	Level 3	Total
December 31, 2018	(\$)	(\$)	(\$)	(\$)
Equities	84,968,967	–	–	84,968,967
Bonds and debentures	–	1,208,292	–	1,208,292
Unrealized gain on currency forward contracts	–	20,597	–	20,597
	84,968,967	1,228,889	–	86,197,856
Unrealized loss on currency forward contracts	–	(171,473)	–	(171,473)
	84,968,967	1,057,416	–	86,026,383

	Level 1	Level 2	Level 3	Total
December 31, 2017	(\$)	(\$)	(\$)	(\$)
Equities	130,241,257	–	–	130,241,257
Bonds and debentures	–	3,947,440	–	3,947,440
Unrealized gain on currency forward contracts	–	63,479	–	63,479
	130,241,257	4,010,919	–	134,252,176
Unrealized loss on currency forward contracts	–	(9,092)	–	(9,092)
	130,241,257	4,001,827	–	134,243,084

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

Below is a summary of offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts, were to arise. No amounts were offset in the financial statements.

	December 31, 2018			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Financial assets – by type				
Currency forward contracts	20,597	(3,054)	–	17,543
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	20,597	(3,054)	–	17,543

	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Financial liabilities – by type				
Currency forward contracts	171,473	(3,054)	–	168,419
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	171,473	(3,054)	–	168,419

	December 31, 2017			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Financial assets – by type				
Currency forward contracts	63,479	(9,092)	–	54,387
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	63,479	(9,092)	–	54,387

	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Financial liabilities – by type				
Currency forward contracts	9,092	(9,092)	–	–
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	9,092	(9,092)	–	–

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

1832 AM Global Completion LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	493,771,494	469,395,595
Cash	59,435,838	4,992,432
Receivable for securities sold	—	1,495,147
Subscriptions receivable	12,000	67,800
Accrued investment income and other	703,469	253,860
	<u>553,922,801</u>	<u>476,204,834</u>
LIABILITIES		
Current liabilities		
Payable for securities purchased	—	3,484,315
Redemptions payable	—	761,250
Accrued expenses	—	11
	<u>—</u>	<u>4,245,576</u>
Net assets attributable to holders of redeemable units	<u>553,922,801</u>	<u>471,959,258</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	<u>553,922,801</u>	<u>471,959,258</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	<u>14.60</u>	<u>15.27</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	15,224,299	13,072,654
Interest for distribution purposes	804,476	(97,464)
Net realized gain (loss) on non-derivative financial assets	15,135,920	4,652,406
Change in unrealized gain (loss) on non-derivative financial assets	(51,856,754)	29,748,758
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	(20,692,059)	47,376,354
Securities lending (note 11)	29,106	101,718
Net realized and unrealized foreign currency translation gain (loss)	(140,292)	(130,956)
Total income (loss), net	<u>(20,803,245)</u>	<u>47,347,116</u>
EXPENSES		
Fixed administration fees (note 6)	338,578	321,408
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	44	506
Foreign withholding taxes/tax reclaims	2,253,205	1,865,113
Harmonized Sales Tax/Goods and Services Tax	44,015	41,783
Transaction costs	54,391	7,293
Total expenses	<u>2,691,482</u>	<u>2,237,238</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(23,494,727)</u>	<u>45,109,878</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	<u>(23,494,727)</u>	<u>45,109,878</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†		
Series I	<u>(0.75)</u>	<u>1.43</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	<u>31,518,834</u>	<u>31,519,780</u>

† The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	471,959,258	433,829,031
	<u>471,959,258</u>	<u>433,829,031</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	(23,494,727)	45,109,878
	<u>(23,494,727)</u>	<u>45,109,878</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	144,484,745	15,707,749
Payments on redemption		
Series I	(39,026,475)	(22,687,400)
	<u>105,458,270</u>	<u>(6,979,651)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	81,963,543	38,130,227
	<u>81,963,543</u>	<u>38,130,227</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	553,922,801	471,959,258
	<u>553,922,801</u>	<u>471,959,258</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(23,494,727)	45,109,878
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(15,135,920)	(4,652,406)
Change in unrealized (gain) loss on non-derivative financial assets	51,856,754	(29,748,758)
Unrealized foreign currency translation (gain) loss	791,184	(77,466)
Purchases of non-derivative financial assets and liabilities	(193,578,222)	(24,487,058)
Proceeds from sale of non-derivative financial assets and liabilities	130,492,321	19,268,416
Accrued investment income and other	(449,609)	54,748
Accrued expenses and other payables	(11)	(927)
Net cash provided by (used in) operating activities	<u>(49,518,230)</u>	<u>5,466,427</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	144,540,545	15,639,949
Amounts paid on redemption of redeemable units	(39,787,725)	(21,926,150)
Net cash provided by (used in) financing activities	<u>104,752,820</u>	<u>(6,286,201)</u>
Unrealized foreign currency translation gain (loss)	(791,184)	77,466
Net increase (decrease) in cash	55,234,590	(819,774)
Cash (bank overdraft), beginning of period	4,992,432	5,734,740
CASH (BANK OVERDRAFT), END OF PERIOD	<u>59,435,838</u>	<u>4,992,432</u>
Interest paid ⁽¹⁾	44	506
Interest received, net of withholding taxes ⁽¹⁾	804,476	75,388
Dividends received, net of withholding taxes ⁽¹⁾	12,455,690	11,327,170

⁽¹⁾ Classified as operating items.

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

1832 AM Global Completion LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 89.1%			
Canada – 10.1%			
iShares Global Agriculture Index ETF	1,195,515	38,443,922	41,627,832
iShares JP Morgan USD Emerging Markets Bond Index ETF CAD-Hedged	738,500	14,455,871	14,267,820
		<u>52,899,793</u>	<u>55,895,652</u>
United States – 79.0%			
iShares Core S&P Mid-Cap ETF	223,920	44,326,973	50,723,189
iShares Core S&P Small-Cap ETF	540,940	46,034,792	51,151,253
iShares Edge MSCI Emerging Markets Minimum Volatility ETF	772,700	53,661,489	58,889,547
iShares Global Infrastructure ETF	1,202,380	58,072,151	64,590,119
iShares JP Morgan USD Emerging Markets Bond ETF	707,120	92,168,511	100,230,315
iShares MSCI EAFE Small-Cap ETF	718,270	45,908,667	50,773,110
SPDR S&P Global Infrastructure ETF	457,874	28,817,651	28,187,720
Vanguard Global ex-U.S. Real Estate ETF	101,900	6,460,265	7,285,124
Vanguard Small-Cap ETF	144,658	29,028,130	26,045,465
		<u>404,478,629</u>	<u>437,875,842</u>
Transaction Costs		<u>(325,669)</u>	
TOTAL INVESTMENT PORTFOLIO		<u>457,052,753</u>	493,771,494
OTHER ASSETS, LESS LIABILITIES – 10.9%			<u>60,151,307</u>
NET ASSETS – 100.0%			<u>553,922,801</u>

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

1832 AM Global Completion LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve long-term capital growth. It invests primarily in a mixed portfolio of equity and/or fixed income exchange-traded funds ("ETFs") but may also invest directly in fixed income securities, equity securities, commodities and cash or cash equivalents. The Fund can invest up to 100% of its assets in foreign securities.

The Fund invests primarily in funds managed by the Manager and/or by the third party investment managers (the "Underlying Funds"). To ensure the Fund's composition meets the investment objectives of the Fund, the portfolio advisor monitors the Underlying Funds on an ongoing basis and rebalances the Fund's assets among the Underlying Funds. In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risk associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2018 and December 31, 2017. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

The Fund did not have significant direct currency risk exposure as at December 31, 2018 or December 31, 2017.

Price risk

Price risk is the risk that the carrying 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) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 89.1% (December 31, 2017 – 99.5%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$49,377,149 (December 31, 2017 – \$46,939,560). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund had no significant direct exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2018 or December 31, 2017.

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset

type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets:

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Canada	10.1	6.3
United States	79.0	93.2

Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2018				
Underlying funds	493,771,494	–	–	493,771,494
	493,771,494	–	–	493,771,494

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2017				
Equities	469,395,595	–	–	469,395,595
	469,395,595	–	–	469,395,595

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

Below is a summary of the Underlying Funds owned by the Fund.

Underlying Fund	December 31, 2018	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares Global Agriculture Index ETF	41,627,832	18.8
iShares JP Morgan USD Emerging Markets Bond Index ETF		
CAD-Hedged	14,267,820	11.2
SPDR S&P Global Infrastructure ETF	28,187,720	7.5
iShares Global Infrastructure ETF	64,590,119	1.9
iShares Edge MSCI Emerging Markets Minimum Volatility ETF	58,889,547	0.9
iShares JP Morgan USD Emerging Markets Bond ETF	100,230,315	0.5
iShares MSCI EAFE Small-Cap ETF	50,773,110	0.4
Vanguard Small-Cap ETF	26,045,465	0.2
iShares Core S&P Mid-Cap ETF	50,723,189	0.1
iShares Core S&P Small-Cap ETF	51,151,253	0.1
Vanguard Global ex-U.S. Real Estate ETF	7,285,124	0.0
	493,771,494	

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

1832 AM Global Completion LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Underlying Fund	December 31, 2017	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares Global Agriculture Index ETF	29,657,394	11.9
iShares Global Infrastructure ETF	72,137,667	2.5
iShares Edge MSCI Emerging Markets Minimum Volatility ETF	54,323,365	0.9
iShares J.P. Morgan USD Emerging Markets Bond ETF	115,855,039	0.8
iShares MSCI EAFE Small-Cap ETF	57,867,251	0.4
Vanguard Global ex-U.S. Real Estate ETF	28,959,824	0.4
iShares Core S&P Mid-Cap ETF	62,239,088	0.1
iShares Core S&P Small-Cap ETF	33,079,118	0.1
Vanguard REIT ETF	15,276,849	0.0
	469,395,595	

Comparison of net asset value and net assets per unit (note 2)

As at December 31, 2018 or December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

1832 AM North American Preferred Share LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	197,196,315	263,132,295
Derivatives	178,538	382,588
Cash	33,900,539	8,578,983
Cash collateral deposited on derivatives	710,000	—
Receivable for securities sold	38,520	82,511
Subscriptions receivable	—	85,500
Accrued investment income and other	382,284	709,753
	<u>232,406,196</u>	<u>272,971,630</u>
LIABILITIES		
Current liabilities		
Financial liabilities at fair value through profit or loss (note 2)		
Derivatives	1,255,923	108,451
Payable for securities purchased	—	361,815
Accrued expenses	—	10
	<u>1,255,923</u>	<u>470,276</u>
Net assets attributable to holders of redeemable units	<u>231,150,273</u>	<u>272,501,354</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	<u>231,150,273</u>	<u>272,501,354</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	<u>11.29</u>	<u>12.34</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	11,089,256	10,589,947
Interest for distribution purposes	1,403,279	1,712,326
Net realized gain (loss) on non-derivative financial assets	2,575,567	3,741,997
Change in unrealized gain (loss) on non-derivative financial assets	(34,056,587)	21,895,638
Net realized gain (loss) on derivatives	(1,266,026)	1,621,714
Change in unrealized gain (loss) on derivatives	(1,351,522)	862,583
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	(21,606,033)	40,424,205
Securities lending (note 11)	198	12,518
Net realized and unrealized foreign currency translation gain (loss)	249,055	(202,184)
Total income (loss), net	<u>(21,356,780)</u>	<u>40,234,539</u>
EXPENSES		
Fixed administration fees (note 6)	191,135	184,889
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	210	45
Foreign withholding taxes/tax reclaims	97,134	138,836
Harmonized Sales Tax/Goods and Services Tax	24,848	24,036
Transaction costs	101,220	91,152
Total expenses	<u>415,796</u>	<u>440,093</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(21,772,576)</u>	<u>39,794,446</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	<u>(21,772,576)</u>	<u>39,794,446</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT*		
Series I	<u>(0.99)</u>	<u>1.76</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	<u>21,948,822</u>	<u>22,666,365</u>

* The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	272,501,354	252,586,870
	<u>272,501,354</u>	<u>252,586,870</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	(21,772,576)	39,794,446
	<u>(21,772,576)</u>	<u>39,794,446</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	40,760,231	20,048,496
Payments on redemption		
Series I	(60,338,736)	(39,928,458)
	<u>(19,578,505)</u>	<u>(19,879,962)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	(41,351,081)	19,914,484
	<u>(41,351,081)</u>	<u>19,914,484</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	231,150,273	272,501,354
	<u>231,150,273</u>	<u>272,501,354</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(21,772,576)	39,794,446
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(2,575,567)	(3,741,997)
Change in unrealized (gain) loss on non-derivative financial assets	34,056,587	(21,895,638)
Change in unrealized (gain) loss on derivatives	1,351,522	(862,583)
Unrealized foreign currency translation (gain) loss	396	(52,586)
Purchases of non-derivative financial assets and liabilities	(63,742,259)	(97,598,888)
Proceeds from sale of non-derivative financial assets and liabilities	97,879,395	107,833,113
Cash collateral deposited on derivatives	(710,000)	—
Margin deposited on derivatives	—	14
Accrued investment income and other	327,469	325,979
Accrued expenses and other payables	(10)	(536)
Net cash provided by (used in) operating activities	<u>44,814,957</u>	<u>23,801,324</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	40,845,731	19,962,996
Amounts paid on redemption of redeemable units	(60,338,736)	(39,928,458)
Net cash provided by (used in) financing activities	<u>(19,493,005)</u>	<u>(19,965,462)</u>
Unrealized foreign currency translation gain (loss)	(396)	52,586
Net increase (decrease) in cash	25,321,952	3,835,862
Cash (bank overdraft), beginning of period	8,578,983	4,690,535
CASH (BANK OVERDRAFT), END OF PERIOD	<u>33,900,539</u>	<u>8,578,983</u>
Interest paid ⁽¹⁾	210	45
Interest received, net of withholding taxes ⁽¹⁾	1,309,654	1,757,276
Dividends received, net of withholding taxes ⁽¹⁾	11,413,215	10,294,116

⁽¹⁾ Classified as operating items.

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

1832 AM North American Preferred Share LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Face Value (\$)/ Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES – 6.7%				EQUITIES (cont'd)			
Corporate Bonds – 6.7%				Energy (cont'd)			
Bank of America Corporation 6.25% Sep 05, 2024	USD 960,000	1,168,270	1,303,343	Pembina Pipeline Corporation, 4.25%, Preferred, Series A	48,500	979,649	877,850
Bank of America Corporation, Perpetual 5.88%	USD 275,000	354,752	345,119	Pembina Pipeline Corporation, 4.46%, Preferred, Series O	94,300	2,047,326	1,806,788
Bank of Nova Scotia, The 4.65% Oct 12, 2022 ¹	USD 1,805,000	2,232,609	2,184,833	Pembina Pipeline Corporation, 4.50%, Preferred, Series 7	70,000	1,377,664	1,355,900
Citigroup Inc. (Callable) 6.25% Aug 15, 2026	USD 895,000	1,256,054	1,172,041	Pembina Pipeline Corporation, 4.70%, Preferred, Series C	31,800	733,417	580,350
Citigroup Inc. 4.40% Jun 10, 2025	USD 180,000	231,521	241,832	Pembina Pipeline Corporation, 4.75%, Preferred, Series 9	14,000	346,422	311,920
Enbridge Inc. (Floating Rate) 6.63% Apr 12, 2078	390,000	395,850	392,017	Pembina Pipeline Corporation, 4.90%, Preferred, Series 21	147,400	3,685,879	3,359,246
Goldman Sachs Group Inc., The (Callable) 5.30% Nov 10, 2026	USD 330,000	423,907	402,326	Pembina Pipeline Corporation, 5.00%, Preferred, Series 5	16,000	388,460	336,480
Goldman Sachs Group Inc., The 4.25% Oct 21, 2025	USD 285,000	362,981	375,675	Pembina Pipeline Corporation, 5.00%, Preferred, Series Q	56,750	1,345,227	1,177,563
JPMorgan Chase & Co. (Callable) 5.15% May 01, 2023	USD 900,000	1,146,744	1,175,520	Pembina Pipeline Corporation, 5.00%, Preferred, Series S-19	10,700	257,465	250,166
JPMorgan Chase & Co. 6.00% Aug 01, 2023	USD 610,000	845,965	815,464	TransCanada Corporation, 1.78%, Preferred, Series 4	31,800	489,054	442,974
Manulife Financial Corporation (Floating Rate) 4.06% Feb 24, 2032	USD 1,000,000	1,238,896	1,289,593	TransCanada Corporation, 3.43%, Preferred, Series 2	100,300	2,103,351	1,675,010
TransCanada PipeLines Ltd. (Callable) 6.35% May 15, 2067	USD 1,570,000	1,425,231	1,742,767	TransCanada Corporation, 3.52%, Preferred, Series 6	3,200	55,811	45,504
TransCanada Trust (Callable) 5.30% Mar 15, 2027	USD 1,032,000	1,268,297	1,217,796	TransCanada Corporation, 3.80%, Preferred, Series 11	63,804	1,339,672	1,297,135
TransCanada Trust (Callable) 5.63% May 20, 2025	USD 150,000	185,298	184,812	TransCanada Corporation, 4.00%, Preferred, Series 7	169,239	3,358,739	3,113,998
TransCanada Trust (Callable) 5.88% Aug 15, 2026	USD 540,000	709,377	689,754	TransCanada Corporation, 4.00%, Preferred, Series 8	35,400	687,693	480,024
USB Realty Corporation (Callable) 2.31% Jan 15, 2022	USD 1,000,000	999,717	1,207,235	TransCanada Corporation, 4.25%, Preferred, Series 9	21,800	459,851	408,096
Wells Fargo & Company 5.90% Jun 15, 2024	USD 510,000	701,438	667,811	TransCanada Corporation, 4.40%, Preferred, Series 5	10,000	190,290	141,800
		14,946,907	15,407,938	TransCanada Corporation, 4.60%, Preferred, Series 1	24,400	478,583	404,064
		14,946,907	15,407,938	TransCanada Corporation, 4.90%, Preferred, Series 15	74,000	1,849,445	1,829,280
				TransCanada Corporation, 5.00%, Preferred, Series 13	18,400	459,911	467,544
TOTAL BONDS AND DEBENTURES						50,545,694	43,212,748
EQUITIES – 78.6%				Financials – 38.6%			
Communication Services – 5.3%				Bank of Montreal, 3.80%, Preferred, Series 31 Class B	28,000	486,030	539,560
BCE Inc. (Floating Rate), Preferred, Series AL	22,150	411,906	344,433	Bank of Montreal, 3.80%, Preferred, Series 33	5,000	122,150	107,500
BCE Inc. (Floating Rate), Preferred, Series AN	3,150	60,555	51,660	Bank of Montreal, 3.90%, Preferred, Series 29	41,000	816,581	783,510
BCE Inc., 4.13%, Preferred, Series R	18,000	367,920	297,180	Bank of Montreal, 4.00%, Preferred, Series 27	42,250	812,094	833,170
BCE Inc., 4.15%, Preferred, Series 19	4,700	99,233	77,174	Bank of Nova Scotia, The, 5.50%, Preferred, Series 36 ¹	4,500	117,180	114,840
BCE Inc., 4.15%, Preferred, Series AK	234,600	3,718,468	3,617,529	Brookfield Asset Management Inc. (Floating Rate) 1.89%, Preferred, Series 13	46,500	491,415	641,700
BCE Inc., 4.25%, Preferred, Series AQ	27,800	642,184	587,970	Brookfield Asset Management Inc. (Floating Rate) 1.89%, Preferred, Series 2	14,000	147,890	197,960
BCE Inc., 4.26%, Preferred, Series AO	4,500	109,935	95,670	Brookfield Asset Management Inc. (Floating Rate), Preferred, Series 25	9,000	175,592	160,470
BCE Inc., 4.35%, Preferred, Series 17	19,600	316,309	316,344	Brookfield Asset Management Inc. (Floating Rate), Preferred, Series 4	8,200	87,344	114,800
BCE Inc., 4.50%, Preferred, Series T	4,000	82,676	64,800	Brookfield Asset Management Inc., 4.20%, Preferred, Series 34	66,000	1,408,656	1,373,460
BCE Inc., 4.54%, Preferred, Series 16	29,400	572,753	498,330	Brookfield Asset Management Inc., 4.40%, Preferred, Series 38	18,700	428,066	365,772
BCE Inc., 4.85%, Preferred, Series AM	109,000	1,908,742	1,748,360	Brookfield Asset Management Inc., 4.50%, Preferred, Series 26	73,900	1,599,073	1,326,505
BCE Inc., 5.45%, Preferred, Series AA	91,100	1,676,225	1,507,705	Brookfield Asset Management Inc., 4.50%, Preferred, Series 32	49,300	1,174,850	1,081,642
BCE Inc., 5.54%, Preferred, Series AC	83,500	1,657,987	1,488,805	Brookfield Asset Management Inc., 4.50%, Preferred, Series 40	25,500	628,562	532,950
Shaw Communications, Inc., 4.50%, Preferred, CI2 Series A	99,000	1,688,822	1,478,070	Brookfield Asset Management Inc., 4.60%, Preferred, Series 28	51,550	1,066,011	829,440
		13,313,715	12,174,030	Brookfield Asset Management Inc., 4.75%, Preferred, Series 17	8,600	173,236	174,150
Consumer Staples – 0.4%				Brookfield Asset Management Inc., 4.75%, Preferred, Series 18	14,700	296,950	297,528
Loblaws Companies Limited, 5.30%, Preferred, Series B	40,300	1,008,729	969,618	Brookfield Asset Management Inc., 4.80%, Preferred, Series 30	34,839	764,747	766,458
Energy – 18.7%				Brookfield Asset Management Inc., 4.80%, Preferred, Series 46	73,900	1,847,414	1,884,450
Enbridge Inc., 4.00%, Preferred, Series 1	42,100	1,115,306	1,206,008	Brookfield Asset Management Inc., 4.85%, Preferred, Series 36	116,000	2,459,801	2,401,200
Enbridge Inc., 4.00%, Preferred, Series 3	147,100	3,307,356	2,313,883	Brookfield Asset Management Inc., 4.90%, Preferred, Series 37	41,100	877,058	865,977
Enbridge Inc., 4.00%, Preferred, Series B	106,350	1,996,158	1,632,473	Brookfield Asset Management Inc., 5.40%, Preferred, Series 24	134,900	2,565,118	2,407,965
Enbridge Inc., 4.00%, Preferred, Series D	96,858	2,101,388	1,617,529	Brookfield Properties Corporation, Inc., 5.10%, Preferred, Series R	142,568	3,170,826	2,654,616
Enbridge Inc., 4.00%, Preferred, Series F	65,000	1,410,864	1,144,000	Brookfield Properties Corporation, Inc., 6.15%, Preferred, Series N	163,425	3,555,817	2,830,521
Enbridge Inc., 4.00%, Preferred, Series H	36,000	758,237	572,040	Brookfield Renewable Power Preferred Equity Inc., 5.00%, Preferred, Series 5	30,900	656,259	593,280
Enbridge Inc., 4.00%, Preferred, Series J	34,600	961,944	901,484	Canadian Imperial Bank of Commerce, 3.60%, Preferred, Series 43	8,000	195,040	163,680
Enbridge Inc., 4.00%, Preferred, Series L	116,400	3,300,926	3,042,266	Canadian Imperial Bank of Commerce, 3.75%, Preferred, Series 41	47,191	883,976	869,258
Enbridge Inc., 4.00%, Preferred, Series N	104,200	2,154,005	1,931,868	Canadian Imperial Bank of Commerce, 3.90%, Preferred, Series 39	70,631	1,422,433	1,338,457
Enbridge Inc., 4.00%, Preferred, Series P	113,600	2,673,678	1,847,136	Canadian Imperial Bank of Commerce, 4.40%, Preferred, Series 45	120,600	3,017,830	2,678,526
Enbridge Inc., 4.00%, Preferred, Series R	40,250	881,534	652,453	Fairfax Financial Holdings Limited (Floating Rate), Preferred, Series F	15,400	267,329	246,400
Enbridge Inc., 4.40%, Preferred, Series 11	87,000	1,967,921	1,448,550	Fairfax Financial Holdings Limited (Floating Rate), Preferred, Series H	22,968	453,974	402,399
Enbridge Inc., 4.40%, Preferred, Series 13	28,200	611,697	472,632	Fairfax Financial Holdings Limited, 4.75%, Preferred, Series E	59,800	1,095,646	947,830
Enbridge Inc., 4.40%, Preferred, Series 5	5,000	143,540	131,909	Fairfax Financial Holdings Limited, 4.75%, Preferred, Series M	79,600	1,894,611	1,859,456
Enbridge Inc., 4.40%, Preferred, Series 7	4,700	95,123	79,900	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series G	44,500	925,876	747,600
Enbridge Inc., 4.40%, Preferred, Series 9	55,400	1,231,385	941,800	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series I	97,350	1,911,933	1,714,334
Husky Energy Inc., 4.45%, Preferred, Series 1	12,100	188,628	163,108	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series K	63,000	1,503,856	1,288,350
Husky Energy Inc., 4.50%, Preferred, Series 3	11,101	228,436	222,020	Fairfax Financial Holdings Limited, 5.75%, Preferred, Series C	38,787	910,810	770,698
Husky Energy Inc., 4.50%, Preferred, Series 5	5,000	97,562	102,150				
Husky Energy Inc., 4.60%, Preferred, Series G	29,675	610,607	605,667				
Kinder Morgan Canada Ltd., 5.20%, Preferred, Series 3	13,000	319,800	276,900				
Kinder Morgan Canada Ltd., Series A, 5.25%, Preferred, Series 1	70,400	1,755,690	1,545,280				

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

1832 AM North American Preferred Share LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
Financials (cont'd)				Financials (cont'd)			
Fairfax Financial Holdings Ltd. (Floating Rate), Preferred, Series D	8,100	194,662	164,511	Toronto-Dominion Bank, The, 3.60%, Preferred, Series 7	30,242	696,207	642,945
Great-West Lifeco Inc., 1.81%, Preferred, Series O	10,000	185,178	147,500	Toronto-Dominion Bank, The, 3.70%, Preferred, Series 9	5,300	110,576	115,328
Great-West Lifeco Inc., 4.50%, Preferred, Series 1	19,900	446,588	397,602	Toronto-Dominion Bank, The, 3.75%, Preferred, Series 5	85,200	1,726,111	1,640,100
Great-West Lifeco Inc., 4.80%, Preferred, Series R	44,200	973,647	953,394	Toronto-Dominion Bank, The, 3.80%, Preferred, Series 3	65,000	1,219,955	1,270,750
Great-West Lifeco Inc., 4.85%, Preferred, Series H	19,600	439,678	417,284			<u>97,807,478</u>	<u>89,322,420</u>
Great-West Lifeco Inc., 5.15%, Preferred, Series Q	80,700	1,927,394	1,804,452				
Great-West Lifeco Inc., 5.15%, Preferred, Series T	62,800	1,554,041	1,403,580	Real Estate – 1.9%			
Great-West Lifeco Inc., 5.20%, Preferred, Series G	138,776	3,348,701	3,133,562	Brookfield Office Properties Inc., 4.60%, Preferred, Series T	34,800	797,842	696,000
Great-West Lifeco Inc., 5.25%, Preferred, Series S	13,300	331,037	313,348	Brookfield Office Properties Inc., 4.75%, Preferred, Series AA	47,000	1,078,702	838,950
Great-West Lifeco Inc., 5.40%, Preferred, Series P	38,600	961,060	900,538	Brookfield Office Properties Inc., 4.85%, Preferred, Series GG	30,600	736,294	602,208
Great-West Lifeco Inc., 5.65%, Preferred, Series L	23,000	591,783	562,350	Brookfield Office Properties Inc., 4.85%, Preferred, Series II	30,400	719,532	566,960
Great-West Lifeco Inc., 5.80%, Preferred, Series M	6,800	178,568	172,108	Brookfield Office Properties Inc., 5.10%, Preferred, Series EE	20,300	508,215	439,495
Industrial Alliance Insurance & Financial Services Inc., 4.80%, Preferred, Series I	5,000	123,250	109,700	Brookfield Office Properties Inc., 5.15%, Preferred, Series SP	72,600	1,626,950	1,255,980
Industrial Alliance, 4.30%, Preferred, Series G	75,600	1,757,553	1,549,800			<u>5,467,535</u>	<u>4,399,593</u>
Intact Financial Corporation, 4.20%, Preferred, Series 1	128,400	2,715,806	2,167,392	Utilities – 13.7%			
Intact Financial Corporation, 4.20%, Preferred, Series 3	97,000	2,106,966	1,884,710	AltaGas Ltd. (Floating Rate), Preferred, Series B	23,000	478,101	345,000
Intact Financial Corporation, 5.20%, Preferred, Series 5	39,800	978,164	893,908	AltaGas Ltd., 4.40%, Preferred, Series C	56,000	1,726,100	1,384,187
Intact Financial Corporation, 5.30%, Preferred, Series 6	41,400	1,037,262	950,958	AltaGas Ltd., 4.75%, Preferred, Series G	32,200	721,745	555,772
Manulife Financial Corporation, 1.95%, Preferred, Series S4	41,200	677,328	613,468	AltaGas Ltd., 5.00%, Preferred, Series A	82,700	1,508,880	1,213,209
Manulife Financial Corporation, 3.80%, Preferred, Series 13	46,800	1,120,292	909,324	AltaGas Ltd., 5.00%, Preferred, Series E	31,500	726,081	570,465
Manulife Financial Corporation, 3.80%, Preferred, Series 19	32,200	727,555	585,074	AltaGas Ltd., 5.00%, Preferred, Series K	34,600	864,557	650,480
Manulife Financial Corporation, 3.90%, Preferred, Series 15	75,800	1,843,458	1,402,300	AltaGas Ltd., 5.25%, Preferred, Series I	500	12,460	10,340
Manulife Financial Corporation, 3.90%, Preferred, Series 17	67,200	1,361,923	1,233,120	Brookfield Infrastructure Partners LP, 4.50%, Preferred, Series 1	43,800	920,841	905,784
Manulife Financial Corporation, 4.00%, Preferred, Series 11	5,000	127,445	104,900	Brookfield Infrastructure Partners LP, 5.00%, Preferred, Series 7	7,500	190,712	171,150
Manulife Financial Corporation, 4.20%, Preferred, Series 3	7,500	141,787	111,900	Brookfield Infrastructure Partners LP, 5.10%, Preferred, Series 11	1,200	30,000	26,820
Manulife Financial Corporation, 4.40%, Preferred, Series 5	91,900	1,804,901	1,856,380	Brookfield Infrastructure Partners LP, 5.35%, Preferred, Series 5	44,200	1,120,588	1,105,000
Manulife Financial Corporation, 4.40%, Preferred, Series 9	37,600	923,686	779,448	Brookfield Renewable Partners LP, 5.00%, Preferred, Series 11	22,300	557,500	483,241
Manulife Financial Corporation, 4.50%, Preferred, Series 3	44,100	919,831	875,385	Brookfield Renewable Partners LP, 5.00%, Preferred, Series 13	2,500	61,975	53,200
Manulife Financial Corporation, 4.60%, Preferred, Series 1-7	11,000	273,185	240,570	Brookfield Renewable Partners LP, 5.50%, Preferred, Series 7	20,800	517,985	518,960
Manulife Financial Corporation, 4.65%, Preferred, Series B	141,100	3,110,202	2,882,673	Brookfield Renewable Partners LP, 5.75%, Preferred, Series 9	13,500	343,440	336,960
Manulife Financial Corporation, 4.70%, Preferred, Series 25	15,700	382,908	333,782	Brookfield Renewable Partners LP, Preferred, Series 5	127,200	2,583,538	2,607,600
Manulife Financial Corporation, 4.85%, Preferred, Series 23	37,000	926,399	903,170	Brookfield Renewable Power Inc., 1.10%, Preferred, Series 2	5,700	81,996	92,340
Power Corporation of Canada, 5.00%, Preferred, Series D	76,800	1,820,112	1,657,344	Brookfield Renewable Power Inc., 4.40%, Preferred, Series 3	98,500	2,116,715	1,773,000
Power Corporation of Canada, 5.36%, Preferred, Series B	18,000	451,152	414,000	Brookfield Renewable Power Inc., 5.00%, Preferred, Series 6	83,400	1,704,197	1,605,450
Power Corporation of Canada, 5.60%, Preferred, Series A	1,300	32,581	31,265	Brookfield Renewable Power Inc., 5.25%, Preferred, Series I	4,000	85,560	64,360
Power Corporation of Canada, 5.60%, Preferred, Series G	11,500	282,764	282,440	Canadian Utilities Limited, 4.00%, Preferred, Series Y	38,200	817,827	704,026
Power Financial Corporation, 0.00%, Preferred, Series A	600	7,589	10,440	Canadian Utilities Limited, 4.50%, Preferred, Series DD	20,100	423,521	405,015
Power Financial Corporation, 2.31%, Preferred, Series P	19,200	337,279	288,192	Canadian Utilities Limited, 4.90%, Preferred, Series BB	13,000	292,640	284,960
Power Financial Corporation, 4.20%, Preferred, Series T	27,400	646,497	524,710	Canadian Utilities Limited, 5.25%, Preferred, Series EE	48,445	1,140,186	1,174,791
Power Financial Corporation, 4.80%, Preferred, Series S	16,100	367,206	337,456	Capital Power Corporation, 4.50%, Preferred, Series 5	25,000	566,474	530,500
Power Financial Corporation, 4.95%, Preferred, Series K	29,300	713,465	624,090	Capital Power Corporation, 4.60%, Preferred, Series 1	16,440	301,173	244,792
Power Financial Corporation, 5.10%, Preferred, Series L	22,000	529,396	490,380	CU Inc., 4.60%, Preferred, Series 1	6,400	137,912	132,352
Power Financial Corporation, 5.15%, Preferred, Series V	34,800	836,644	771,516	Emera Inc. (Floating Rate), Preferred, Series B	8,800	168,952	139,480
Power Financial Corporation, 5.25%, Preferred, Series E	6,800	159,392	153,000	Emera Inc., 2.56%, Preferred, Series A	5,400	101,905	84,402
Power Financial Corporation, 5.50%, Preferred, Series D	13,700	338,253	327,841	Emera Inc., 4.10%, Preferred, Series C	32,000	734,801	678,080
Power Financial Corporation, 5.50%, Preferred, Series R	19,300	482,618	458,375	Emera Inc., 4.25%, Preferred, Series F	7,000	157,074	135,520
Royal Bank of Canada, 3.60%, Preferred, Series BD	36,100	774,822	767,125	Emera Inc., 4.50%, Preferred, Series E	8,700	186,441	174,087
Royal Bank of Canada, 3.60%, Preferred, Series BF	54,000	1,262,032	1,140,480	Emera Inc., 4.90%, Preferred, Series H	8,000	197,168	196,400
Royal Bank of Canada, 3.90%, Preferred, Series BB	40,500	750,954	796,635	Fortis Inc., 1.92%, Preferred, Series 1	38,750	648,124	585,900
Royal Bank of Canada, 4.00%, Preferred, Series AZ	15,086	305,828	298,552	Fortis Inc., 3.88%, Preferred, Series G	37,124	678,719	702,386
Royal Bank of Canada, 4.45%, Preferred, Series AA	8,200	206,834	204,836	Fortis Inc., 4.00%, Preferred, Series K	30,700	584,280	553,828
Royal Bank of Canada, 4.50%, Preferred, Series AE	5,400	137,325	135,162	Fortis Inc., 4.10%, Preferred, Series M	127,501	2,625,191	2,486,270
Royal Bank of Canada, 4.60%, Preferred, Series AC	8,700	223,984	218,283	Fortis Inc., 4.75%, Preferred, Series J	25,700	578,739	558,204
Sun Life Financial Inc. (Floating Rate), Preferred, Series 11QR	2,000	43,980	36,400	Fortis Inc., 4.90%, Preferred, Series F	14,600	349,257	326,748
Sun Life Financial Inc. (Floating Rate), Preferred, Series 9QR	48,200	999,993	729,748	TransAlta Corporation (Floating Rate), Preferred, Series B	10,000	149,800	131,500
Sun Life Financial Inc., 3.90%, Preferred, Series 10R	63,200	1,216,096	1,159,720	TransAlta Corporation, 4.60%, Preferred, Series A	131,912	1,693,527	1,564,476
Sun Life Financial Inc., 4.25%, Preferred, Series 12R	34,900	761,546	709,517	TransAlta Corporation, 4.60%, Preferred, Series C	125,000	2,364,290	1,788,750
Sun Life Financial Inc., 4.45%, Preferred, Series 3	7,900	175,030	158,790	TransAlta Corporation, 5.00%, Preferred, Series E	117,103	2,282,218	1,952,107
Sun Life Financial Inc., 4.45%, Preferred, Series F	24,600	522,428	497,166	TransAlta Corporation, 5.30%, Preferred, Series G	38,020	733,910	688,162
Sun Life Financial Inc., 4.50%, Preferred, Series 5	33,900	737,569	686,136				
Sun Life Financial Inc., 4.75%, Preferred, Series A	75,500	1,715,382	1,607,395				
Sun Life Financial Inc., 4.80%, Preferred, Series 2	115,500	2,611,606	2,471,700				

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

1832 AM North American Preferred Share LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
Utilities (cont'd)			
Valener Inc., 4.35%, Preferred, Series A	22,390	474,797	475,564
Westcoast Energy Inc., 5.60%, Preferred, Series J	22,200	552,228	538,350
		<u>35,294,125</u>	<u>31,709,968</u>
TOTAL EQUITIES		<u>203,437,276</u>	<u>181,788,377</u>
Transaction Costs		<u>(243,389)</u>	
TOTAL INVESTMENT PORTFOLIO		<u>218,140,794</u>	197,196,315
Unrealized Gain (Loss) on Derivatives – (0.5%)			(1,077,385)
OTHER ASSETS, LESS LIABILITIES – 15.2%			<u>35,031,343</u>
NET ASSETS – 100.0%			<u>231,150,273</u>

† Investment in related party (note 10)

SCHEDULE OF DERIVATIVE INSTRUMENTS

UNREALIZED GAIN ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Gain (\$)
Canadian Imperial Bank of Commerce	A-1	Jan. 16, 2019	US Dollar	200,000	Canadian Dollar	265,585	1.328	1.364	7,211
Royal Bank of Canada	A-1+	Jan. 16, 2019	US Dollar	5,400,000	Canadian Dollar	7,227,927	1.339	1.364	137,578
Toronto-Dominion Bank, The	A-1+	Jan. 16, 2019	US Dollar	100,000	Canadian Dollar	134,655	1.347	1.364	1,743
State Street Bank & Trust Company	A-1+	Jan. 16, 2019	US Dollar	1,850,000	Canadian Dollar	2,492,971	1.348	1.364	30,395
Toronto-Dominion Bank, The	A-1+	Jan. 16, 2019	US Dollar	150,000	Canadian Dollar	202,986	1.353	1.364	1,611
									<u>178,538</u>

UNREALIZED LOSS ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Loss (\$)
Canadian Imperial Bank of Commerce	A-1	Jan. 16, 2019	Canadian Dollar	8,078,225	US Dollar	6,220,000	0.77	0.733	(405,714)
Toronto-Dominion Bank, The	A-1+	Jan. 16, 2019	Canadian Dollar	133,738	US Dollar	100,000	0.748	0.733	(2,659)
Toronto-Dominion Bank, The	A-1+	Jan. 16, 2019	Canadian Dollar	134,119	US Dollar	100,000	0.746	0.733	(2,279)
State Street Bank & Trust Company	A-1+	Jan. 16, 2019	Canadian Dollar	136,396	US Dollar	100,000	0.733	0.733	(2)
Toronto-Dominion Bank, The	A-1+	Feb. 20, 2019	Canadian Dollar	8,889,656	US Dollar	6,850,000	0.771	0.734	(448,749)
Canadian Imperial Bank of Commerce	A-1	Mar. 15, 2019	Canadian Dollar	6,896,439	US Dollar	5,260,000	0.763	0.734	(270,946)
Canadian Imperial Bank of Commerce	A-1	Apr. 18, 2019	Canadian Dollar	6,642,132	US Dollar	4,970,000	0.748	0.734	(125,574)
									<u>(1,255,923)</u>

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

1832 AM North American Preferred Share LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to provide income and the potential for modest long term capital growth. It invests primarily in a diversified portfolio of preferred shares of North American corporations. The Fund can invest up to 100% of its assets in foreign securities.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

Below is a summary of the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	December 31, 2018 (\$)	December 31, 2017 (\$)
Less than 1 year	—	—
1-3 years	—	—
3-5 years	4,175,817	875,884
5-10 years	2,588,661	10,256,062
> 10 years	8,643,460	10,549,048
	15,407,938	21,680,994

As at December 31, 2018, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by \$160,869 or approximately 0.1% (December 31, 2017 – \$242,616 or approximately 0.1%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

Currency	December 31, 2018			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	21,917,880	(21,841,537)	76,343	0.0
	21,917,880	(21,841,537)	76,343	0.0

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	30,032,448	(29,776,784)	255,664	0.1
	30,032,448	(29,776,784)	255,664	0.1

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$7,634 or approximately 0.0% of net assets (December 31, 2017 – \$25,566 or approximately 0.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying 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) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 78.6% (December 31, 2017 – 88.5%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$18,178,838 (December 31, 2017 – \$24,145,131). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

Below is a summary of the credit ratings of bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

Credit ratings	December 31, 2018		December 31, 2017	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
AA	—	—	0.4	0.4
A	13.8	11.8	10.6	10.2
BBB	73.6	62.7	64.9	62.7
BB	12.5	10.7	24.1	23.3
NOT RATED	0.1	0.1	—	—
	100.0	85.3	100.0	96.6

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Communication Services	5.3	—
Consumer Discretionary	—	0.7
Consumer Staples	0.4	—
Corporate Bonds	6.7	8.0
Energy	18.7	23.3
Financials	38.6	46.2
Real Estate	1.9	1.8
Telecommunication Services	—	5.6
Utilities	13.7	10.9

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

1832 AM North American Preferred Share LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

	Level 1	Level 2	Level 3	Total
December 31, 2018	(\$)	(\$)	(\$)	(\$)
Equities	181,788,377	–	–	181,788,377
Bonds and debentures	–	15,407,938	–	15,407,938
Unrealized gain on currency forward contracts	–	178,538	–	178,538
	181,788,377	15,586,476	–	197,374,853
Unrealized loss on currency forward contracts	–	(1,255,923)	–	(1,255,923)
	181,788,377	14,330,553	–	196,118,930

	Level 1	Level 2	Level 3	Total
December 31, 2017	(\$)	(\$)	(\$)	(\$)
Equities	241,451,301	–	–	241,451,301
Bonds and debentures	–	21,680,994	–	21,680,994
Unrealized gain on currency forward contracts	–	382,588	–	382,588
	241,451,301	22,063,582	–	263,514,883
Unrealized loss on currency forward contracts	–	(108,451)	–	(108,451)
	241,451,301	21,955,131	–	263,406,432

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

Below is a summary of offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts, were to arise. No amounts were offset in the financial statements.

	December 31, 2018			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Financial assets – by type				
Currency forward contracts	178,538	(10,567)	–	167,971
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	178,538	(10,567)	–	167,971

	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Financial liabilities – by type				
Currency forward contracts	1,255,923	(10,567)	(710,000)	535,356
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	1,255,923	(10,567)	(710,000)	535,356

	December 31, 2017			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Financial assets – by type				
Currency forward contracts	382,588	(108,451)	–	274,137
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	382,588	(108,451)	–	274,137

	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Financial liabilities – by type				
Currency forward contracts	108,451	(108,451)	–	–
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	108,451	(108,451)	–	–

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

1832 AM Tactical Asset Allocation LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	78,364,940	191,373,442
Cash	694,384	704,253
	<u>79,059,324</u>	<u>192,077,695</u>
LIABILITIES		
Current liabilities		
Redemptions payable	—	320,000
Accrued expenses	—	13
	<u>—</u>	<u>320,013</u>
Net assets attributable to holders of redeemable units	<u>79,059,324</u>	<u>191,757,682</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	<u>79,059,324</u>	<u>191,757,682</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	<u>12.21</u>	<u>12.15</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	929,902	545,138
Interest for distribution purposes	1,680	4,663
Net realized gain (loss) on non-derivative financial assets	22,134,086	1,087,951
Change in unrealized gain (loss) on non-derivative financial assets	(16,825,088)	14,227,841
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	6,240,580	15,865,593
Securities lending (note 11)	236	—
Net realized and unrealized foreign currency translation gain (loss)	(77,171)	21,105
Total income (loss), net	<u>6,163,645</u>	<u>15,886,698</u>
EXPENSES		
Fixed administration fees (note 6)	68,119	75,320
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	—	988
Foreign withholding taxes/tax reclaims	139,485	81,771
Harmonized Sales Tax/Goods and Services Tax	8,856	9,792
Transaction costs	28,962	4,776
Total expenses	<u>246,671</u>	<u>173,782</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>5,916,974</u>	<u>15,712,916</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	<u>5,916,974</u>	<u>15,712,916</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†		
Series I	<u>0.44</u>	<u>0.97</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	<u>13,381,119</u>	<u>16,274,020</u>

† The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	191,757,682	183,481,416
	<u>191,757,682</u>	<u>183,481,416</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	5,916,974	15,712,916
	<u>5,916,974</u>	<u>15,712,916</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	4,227,368	1,394,700
Payments on redemption		
Series I	(122,842,700)	(8,831,350)
	<u>(118,615,332)</u>	<u>(7,436,650)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	(112,698,358)	8,276,266
	<u>(112,698,358)</u>	<u>8,276,266</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	79,059,324	191,757,682
	<u>79,059,324</u>	<u>191,757,682</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	5,916,974	15,712,916
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(22,134,086)	(1,087,951)
Change in unrealized (gain) loss on non-derivative financial assets	16,825,088	(14,227,841)
Unrealized foreign currency translation (gain) loss	3,342	(2,285)
Purchases of non-derivative financial assets and liabilities	(17,878,701)	(18,168,635)
Proceeds from sale of non-derivative financial assets and liabilities	136,196,201	19,736,907
Accrued investment income and other	—	3,151
Accrued expenses and other payables	(13)	(214)
Net cash provided by (used in) operating activities	<u>118,928,805</u>	<u>1,966,048</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	4,227,368	1,394,700
Amounts paid on redemption of redeemable units	(123,162,700)	(8,511,350)
Net cash provided by (used in) financing activities	<u>(118,935,332)</u>	<u>(7,116,650)</u>
Unrealized foreign currency translation gain (loss)	(3,342)	2,285
Net increase (decrease) in cash	(6,527)	(5,150,602)
Cash (bank overdraft), beginning of period	704,253	5,852,570
CASH (BANK OVERDRAFT), END OF PERIOD	<u>694,384</u>	<u>704,253</u>
Interest paid ⁽¹⁾	—	988
Interest received, net of withholding taxes ⁽¹⁾	1,680	7,814
Dividends received, net of withholding taxes ⁽¹⁾	790,417	463,367

⁽¹⁾ Classified as operating items.

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

1832 AM Tactical Asset Allocation LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Units	Average Cost (\$)	Carrying Value (\$)
Canadian Equity Funds – 36.2%			
Horizons S&P 500 Index Exchange Traded Fund	436,300	20,939,769	28,342,048
U.S. Equity Funds – 63.8%			
Vanguard S&P 500 ETF	159,570	46,674,637	50,022,892
Transaction Costs		(10,414)	
TOTAL INVESTMENT PORTFOLIO		67,603,992	78,364,940
OTHER ASSETS, LESS LIABILITIES – 0.0%			694,384
NET ASSETS – 100.0%			79,059,324

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

1832 AM Tactical Asset Allocation LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to provide total return over the long term by having exposure to and/or investing directly in fixed income and equity securities. The Fund will invest primarily in a mix of fixed income and/or equity exchange-traded funds ("ETFs") listed primarily in North America. The Fund may also invest directly in mutual funds, individual fixed income or equity securities, and cash or cash equivalents. The Fund can invest up to 100% of its assets in foreign securities.

The Fund invests primarily in funds managed by the Manager and/or by the third party investment managers (the "Underlying Funds"). To ensure the Fund's composition meets the investment objectives of the Fund, the portfolio advisor monitors the Underlying Funds on an ongoing basis and rebalances the Fund's assets among the Underlying Funds. In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risk associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2018 and December 31, 2017. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

The Fund did not have significant direct currency risk exposure as at December 31, 2018 or December 31, 2017.

Price risk

Price risk is the risk that the carrying 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) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 99.1% (December 31, 2017 – 99.8%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$7,836,494 (December 31, 2017 – \$19,137,344). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund had no significant direct exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2018 or December 31, 2017.

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets:

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Canadian Equity Funds	35.8	82.3
U.S. Equity Funds	63.3	17.5

Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2018				
Underlying funds	78,364,940	–	–	78,364,940
	78,364,940	–	–	78,364,940

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2017				
Equities	191,373,442	–	–	191,373,442
	191,373,442	–	–	191,373,442

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

Below is a summary of the Underlying Funds owned by the Fund.

Underlying Fund	December 31, 2018	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Horizons S&P 500 Index Exchange Traded Fund	28,342,048	4.1
Vanguard S&P 500 ETF	50,022,892	0.0
	78,364,940	

Underlying Fund	December 31, 2017	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Horizons Canadian Select Universe Bond Exchange Traded Fund	69,392,024	30.4
Horizons S&P 500 Index Exchange Traded Fund	88,421,320	13.4
Vanguard S&P 500 ETF	33,560,098	0.0
	191,373,442	

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

1832 AM Tactical Asset Allocation LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Comparison of net asset value and net assets per unit (note 2)

As at December 31, 2018 or December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia Global Low Volatility Equity LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	716,104,184	1,035,598,026
Cash	3,989,953	2,334,574
Receivable for securities sold	—	2,925,340
Subscriptions receivable	12,300	181,200
Accrued investment income and other	1,445,895	1,801,999
	<u>721,552,332</u>	<u>1,042,841,139</u>
LIABILITIES		
Current liabilities		
Payable for securities purchased	1,786,119	965,491
Redemptions payable	—	1,420,000
	<u>1,786,119</u>	<u>2,385,491</u>
Net assets attributable to holders of redeemable units	<u>719,766,213</u>	<u>1,040,455,648</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	<u>719,766,213</u>	<u>1,040,455,648</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	<u>16.33</u>	<u>15.99</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	29,810,153	29,861,956
Interest for distribution purposes	8,172	13,350
Net realized gain (loss) on non-derivative financial assets	104,340,966	19,505,706
Change in unrealized gain (loss) on non-derivative financial assets	(96,090,846)	35,240,659
Change in unrealized gain (loss) on derivatives	—	(420)
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	38,068,445	84,621,251
Securities lending (note 11)	92,921	28,368
Net realized and unrealized foreign currency translation gain (loss)	(464,179)	55,681
Total income (loss), net	<u>37,697,187</u>	<u>84,705,300</u>
EXPENSES		
Fixed administration fees (note 6)	1,006,325	991,160
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	16,645	7,275
Foreign withholding taxes/tax reclaims	4,352,886	4,240,654
Harmonized Sales Tax/Goods and Services Tax	130,822	128,851
Transaction costs	142,952	81,024
Total expenses	<u>5,650,879</u>	<u>5,450,099</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>32,046,308</u>	<u>79,255,201</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	<u>32,046,308</u>	<u>79,255,201</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series I	<u>0.53</u>	<u>1.22</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	<u>60,902,675</u>	<u>64,742,952</u>

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	1,040,455,648	950,733,626
	<u>1,040,455,648</u>	<u>950,733,626</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	32,046,308	79,255,201
	<u>32,046,308</u>	<u>79,255,201</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	36,181,325	53,075,171
Payments on redemption		
Series I	(388,917,068)	(42,608,350)
	<u>(352,735,743)</u>	<u>10,466,821</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	(320,689,435)	89,722,022
	<u>(320,689,435)</u>	<u>89,722,022</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	719,766,213	1,040,455,648
	<u>719,766,213</u>	<u>1,040,455,648</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	32,046,308	79,255,201
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(104,340,966)	(19,505,706)
Change in unrealized (gain) loss on non-derivative financial assets	96,090,846	(35,240,659)
Change in unrealized (gain) loss on derivatives	—	420
Unrealized foreign currency translation (gain) loss	50,772	(16,829)
Other non-cash transactions	—	(261,044)
Purchases of non-derivative financial assets and liabilities	(140,089,656)	(177,245,154)
Proceeds from sale of non-derivative financial assets and liabilities	471,579,586	140,629,877
Accrued investment income and other	356,104	(56,533)
Accrued expenses and other payables	—	(2,935)
Net cash provided by (used in) operating activities	<u>355,692,994</u>	<u>(12,443,362)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	36,350,225	52,893,971
Amounts paid on redemption of redeemable units	(390,337,068)	(41,188,350)
Net cash provided by (used in) financing activities	<u>(353,986,843)</u>	<u>11,705,621</u>
Unrealized foreign currency translation gain (loss)	(50,772)	16,829
Net increase (decrease) in cash	1,706,151	(737,741)
Cash (bank overdraft), beginning of period	2,334,574	3,055,486
CASH (BANK OVERDRAFT), END OF PERIOD	<u>3,989,953</u>	<u>2,334,574</u>
Interest paid ⁽¹⁾	16,645	7,275
Interest received, net of withholding taxes ⁽¹⁾	8,172	14,653
Dividends received, net of withholding taxes ⁽¹⁾	25,813,378	25,302,424

⁽¹⁾ Classified as operating items.

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

Scotia Global Low Volatility Equity LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 99.4%				EQUITIES (cont'd)			
Australia – 5.1%				Japan (cont'd)			
Alumina Ltd.	2,259,453	3,380,134	4,950,605	Lawson Inc.	4,508	386,443	390,549
AusNet Services	953,607	1,330,983	1,426,252	Maruichi Steel Tube Ltd.	189,099	5,996,233	8,120,205
Australian Stock Exchange Ltd.	35,067	1,306,308	2,022,531	McDonald's Holdings Company Japan Ltd.	123,570	3,846,181	7,183,194
BHP Billiton Limited	19,852	615,043	653,688	Mediceo Pallac Holding Company	70,053	1,686,159	2,067,580
Caltex Australia Limited	25,840	813,223	632,902	Mitsubishi Materials Corporation	35,474	1,292,802	1,268,934
Coca-Cola Amatil Ltd.	485,671	4,294,648	3,823,461	Mitsubishi Tanabe Pharma Corporation	95,407	2,544,405	1,870,228
Cochlear Limited	26,980	2,130,810	4,474,430	Nippon Prologis REIT Inc.	618	1,801,072	1,780,010
Computershare Ltd.	123,939	1,774,864	2,047,937	Nippon Steel Corporation	141,269	4,206,746	3,295,974
Goodman Group	120,885	1,031,815	1,234,913	Ryohin Keikaku Co., Ltd.	3,304	1,165,556	1,097,114
GPT Group	72,784	321,397	373,620	Sega Sammy Holdings Inc.	63,782	1,213,031	1,227,191
Newcrest Mining Limited	141,436	3,284,320	2,973,930	Sumitomo Metal Mining Co., Ltd.	10,671	402,701	387,242
Origin Energy Ltd.	55,618	463,345	345,892	Suntory Beverage & Food Ltd.	57,308	2,199,992	3,529,226
SEEK Ltd.	46,627	632,756	758,342	Suzuken Co., Ltd.	35,942	1,575,934	2,516,912
Sonic Healthcare Limited	157,294	2,990,026	3,343,036	Taisho Pharmaceutical Holdings Co., Ltd.	14,325	1,343,093	1,943,196
Stockland	294,693	1,189,790	997,812	Takashimaya Co., Ltd.	126,551	3,288,820	2,194,119
Sydney Airport	296,716	1,967,027	1,919,557	Toho Co Ltd.	9,830	364,861	484,696
Telstra Corporation Limited	521,709	2,807,295	1,429,276	Unicharm Corporation	41,579	1,430,441	1,832,808
Vicinity Centres	443,031	1,108,819	1,107,116	United Urban Investment Corporation	191	310,666	404,091
Woolworths Group Ltd.	74,281	2,019,933	2,100,694	USS Co., Ltd.	65,922	1,798,135	1,501,161
		<u>33,462,536</u>	<u>36,615,994</u>	Yamada Denki Co., Ltd.	122,500	784,163	800,803
						<u>42,596,848</u>	<u>48,682,401</u>
Austria – 0.5%				New Zealand – 2.6%			
Voestalpine AG	92,451	4,662,517	3,772,558	Auckland International Airport Limited	790,229	3,199,868	5,177,255
Belgium – 0.8%				Fisher & Paykel Healthcare Corporation Ltd.	33,858	398,389	400,702
Colruyt SA	62,101	4,148,423	6,035,977	Ryman Healthcare Limited	664,375	5,059,467	6,516,215
France – 0.9%				Spark New Zealand Ltd.	1,666,533	4,056,231	6,317,602
ICADE	11,923	1,304,864	1,236,672			<u>12,713,955</u>	<u>18,411,774</u>
Iliad SA	2,766	851,420	527,435	Norway – 3.0%			
TOTAL SA	55,571	3,774,428	4,005,468	Equinor ASA	141,896	3,104,535	4,129,243
Veolia Environnement SA	34,068	1,090,040	953,443	Norsk Hydro ASA	731,322	4,029,966	4,516,690
		<u>7,020,752</u>	<u>6,723,018</u>	Orkla ASA	550,145	5,997,247	5,903,073
Germany – 0.8%				Telenor ASA	257,849	5,904,695	6,791,990
Deutsche Telekom AG	22,972	622,151	532,411			<u>19,036,443</u>	<u>21,340,996</u>
Fraport AG Frankfurt Airport Services Worldwide	13,134	1,079,296	1,280,885	Singapore – 3.7%			
Fresenius Medical Care AG & Co. KGaA	11,669	1,003,105	1,034,175	Ascendas Real Estate Investment Trust	702,556	1,463,644	1,802,144
Henkel AG & Co KGaA	2,581	416,951	384,546	Capitaland Commercial Trust	740,019	1,024,428	1,293,577
RTL Group SA	25,228	2,658,738	1,842,381	Capitaland Mall Trust	1,901,064	3,325,995	4,291,090
ThyssenKrupp AG	35,897	1,201,889	840,630	Dairy Farm International Holdings Ltd.	100,227	1,144,991	1,234,779
		<u>6,982,130</u>	<u>5,915,028</u>	SATS Ltd.	170,827	836,260	798,645
Hong Kong – 3.3%				Singapore Exchange Limited	72,238	473,721	514,960
Cheung Kong Infrastructure Holdings Limited	367,220	2,822,390	3,781,242	Singapore Press Holdings Ltd.	1,875,260	6,646,564	4,395,806
CLP Holdings Limited	264,414	2,567,559	4,066,045	Singapore Technologies Engineering Ltd.	482,512	1,521,706	1,678,743
Hang Lung Group Ltd.	171,000	631,177	592,638	Singapore Telecommunications Limited	1,436,100	4,561,894	4,202,436
Hang Lung Properties Ltd.	367,000	986,835	954,250	Suntec Real Estate Investment Trust	1,941,525	3,146,227	3,451,159
HK Electric Investments & HK Electric Investments Ltd.	1,083,535	1,301,281	1,489,442	Wilmar International Ltd.	916,216	2,900,856	2,863,696
HKT Trust and HKT Ltd.	2,360,991	4,041,584	4,637,156			<u>27,046,286</u>	<u>26,527,035</u>
Hong Kong and China Gas Company Limited	1,178,738	1,851,293	3,318,542	Sweden – 1.3%			
Hongkong Electric Holdings Limited	103,020	955,525	975,662	Boliden AB	66,050	1,546,675	1,960,823
Hongkong Land Holdings Limited	41,100	355,511	353,428	Millicom International Cellular S.A.	87,753	7,241,608	7,600,567
Hysan Development Company Ltd.	53,906	289,867	348,670			<u>8,788,283</u>	<u>9,561,390</u>
PCCW Limited	2,885,414	1,744,507	2,264,422	Switzerland – 5.8%			
Shangri-La Asia Limited	650,353	960,525	1,307,150	Baloise Holding AG	9,694	1,578,916	1,825,385
		<u>18,508,054</u>	<u>24,088,647</u>	Dufry AG	2,999	481,945	388,568
Israel – 1.6%				Givaudan SA	701	1,258,872	2,218,119
Bank Hapoalim BM	97,717	575,484	845,680	Kuehne + Nagel International AG	24,784	4,195,051	4,358,663
Bank Leumi le-Israel Ltd.	512,868	2,267,079	4,237,532	Lindt & Spruengli AG	574	3,687,927	5,703,224
Bezeq Israeli Telecommunication Corporation Ltd.	928,109	1,935,368	1,238,737	Nestlé S.A.	33,718	2,918,865	3,739,765
Mizrahi Tefahot Bank Ltd.	239,376	3,440,301	5,528,914	Pargesa Holding SA	4,345	361,733	428,204
		<u>8,218,232</u>	<u>11,850,863</u>	Sika AG	6,905	618,529	1,197,220
Japan – 6.8%				Sonova Holdings AG	27,565	4,725,365	6,131,545
Alfresa Holdings Corporation	17,251	302,750	608,944	Swiss Life Holding AG	7,674	2,452,746	4,040,844
Daiwa House Real Estate Investment Trust Investment Corporation	275	957,589	839,911	Swiss Prime Site AG	38,768	3,457,248	4,284,988
Inpex Corporation	123,362	1,483,975	1,502,088	Swisscom AG	11,889	7,522,496	7,761,892
Japan Prime Realty Investment Corporation	230	1,183,098	1,191,685			<u>33,259,693</u>	<u>42,078,417</u>
Kobe Steel Ltd.	68,207	1,092,002	644,540				

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

Scotia Global Low Volatility Equity LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
United Kingdom – 3.2%				United States (cont'd)			
Antofagasta PLC	107,084	1,580,867	1,448,512	Juniper Networks, Inc.	11,050	385,595	405,625
British American Tobacco PLC	14,647	831,999	637,520	Kellogg Company	37,556	2,565,346	2,920,647
Coca-Cola HBC AG	96,387	2,849,415	4,093,557	Kimberly-Clark Corporation	48,804	6,305,909	7,585,431
Compass Group PLC	43,698	902,521	1,252,197	Kimco Realty Corporation	33,736	716,137	674,186
Fresnillo PLC	55,126	1,066,809	822,355	Kinder Morgan Inc.	81,977	1,857,582	1,719,875
Imperial Brands PLC	72,111	3,171,078	2,976,355	Laboratory Corporation of America Holdings	18,447	2,094,750	3,179,684
John Wood Group PLC	84,662	1,038,958	739,870	Liberty Property Trust	74,736	3,697,061	4,269,580
Marks & Spencer Group PLC	574,591	2,865,122	2,471,817	M&T Bank Corporation	30,069	4,827,458	5,870,814
National Grid PLC	155,726	2,661,311	2,055,487	McCormick & Company, Inc.	38,010	3,263,871	7,219,556
RELX PLC	145,066	2,503,699	4,066,728	Mondelez International, Inc.	7,138	423,849	389,772
Royal Mail PLC	144,853	1,327,307	686,385	Motorola Solutions, Inc.	43,319	3,648,267	6,797,918
Whitbread PLC	6,112	479,405	485,622	National-Oilwell Varco Inc.	76,486	4,165,385	2,681,413
Wm Morrison Supermarkets PLC	324,890	1,445,217	1,201,913	Newmont Mining Corporation	103,478	4,111,593	4,891,025
		<u>22,723,708</u>	<u>22,938,318</u>	News Corporation, Class A	59,899	1,265,160	927,394
				NISource Inc.	37,798	1,188,414	1,307,060
United States – 60.0%				Nucor Corporation	80,544	4,573,135	5,692,400
Alliant Energy Corporation	127,881	4,327,954	7,370,236	Occidental Petroleum Corporation	68,416	6,815,497	5,728,398
Altria Group Inc.	79,825	3,981,061	5,378,072	OGE Energy Corporation	101,953	3,938,836	5,450,344
American Capital Agency Corporation	133,046	2,724,900	3,183,318	ONEOK, Inc.	17,774	905,055	1,308,053
American Electric Power Company Inc.	46,689	2,572,096	4,760,102	O'Reilly Automotive, Inc.	15,041	2,743,730	7,064,805
AmerisourceBergen Corporation	49,256	4,540,502	4,998,972	Paychex, Inc.	90,572	6,616,408	8,049,279
Annaly Capital Management Inc.	502,047	5,611,519	6,725,189	People's United Financial Inc.	23,130	396,620	455,293
Arch Capital Group Ltd.	143,337	5,448,559	5,224,484	Philip Morris International Inc.	54,060	5,265,222	4,923,127
Arthur J. Gallagher & Co.	76,482	4,579,877	7,689,097	Phillips 66 Company	34,420	3,902,131	4,044,965
AvalonBay Communities Inc.	22,231	3,598,654	5,278,149	Pinnacle West Capital Corporation	45,617	2,946,844	5,301,698
Baker Hughes, a GE company	35,480	1,719,302	1,040,569	Procter & Gamble Company, The	59,181	5,909,949	7,420,633
Baxter International Inc.	6,636	446,098	595,817	Public Service Enterprise Group Incorporated	8,196	531,098	581,931
Brown-Forman Corporation, Class B	69,374	2,625,864	4,502,667	Public Storage Real Estate Investment Trust	7,118	1,339,995	1,965,344
C.H. Robinson Worldwide, Inc.	11,102	1,114,265	1,273,486	Quest Diagnostics Incorporated	58,613	7,634,354	6,657,806
Camden Property Trust	29,434	2,394,611	3,535,308	Regency Centers Corporation	61,747	3,621,886	4,942,590
Campbell Soup Company	80,802	4,621,501	3,636,244	RenaissanceRe Holdings Ltd.	16,009	2,446,182	2,919,740
CentrePoint Energy, Inc.	167,523	5,810,346	6,451,103	Republic Services, Inc.	72,678	7,464,016	7,147,047
Chevron Corporation	45,736	6,775,041	6,787,280	Ross Stores, Inc.	10,191	486,066	1,156,615
Church & Dwight Co., Inc.	83,589	3,443,357	7,498,244	Schlumberger Limited	90,149	9,114,258	4,436,864
CIGNA Corporation	7,207	1,748,927	1,867,127	Sempra Energy	33,197	3,594,122	4,899,306
Clorox Company, The	41,651	4,702,208	8,757,687	SL Green Realty Corporation	11,348	1,404,598	1,224,150
CMS Energy Corporation	89,290	2,981,544	6,047,428	Southern Company	35,072	1,628,195	2,101,220
Coca-Cola Company, The	24,476	1,394,792	1,580,917	Stryker Corporation	26,260	2,375,416	5,615,015
Colgate-Palmolive Company	71,747	5,415,660	5,825,260	Synopsis Inc.	44,658	2,646,817	5,131,759
Consolidated Edison, Inc.	42,005	2,626,127	4,381,108	Sysco Corporation	49,910	2,335,247	4,266,056
Cooper Companies Inc., The	6,653	1,541,577	2,309,691	Torchmark Corporation	39,501	2,795,736	4,015,946
Costco Wholesale Corporation	13,761	1,876,705	3,823,939	Twenty-First Century Fox Inc., Class B	39,776	2,596,682	2,592,483
Crown Castle International Corporation	5,824	814,608	863,018	UDR Inc.	165,708	5,935,862	8,955,845
DeVita, Inc.	62,502	4,965,576	4,387,451	Varian Medical Systems Inc.	16,640	1,447,424	2,571,995
DENTSPLY SIRONA Inc.	80,897	4,462,386	4,106,206	VeriSign, Inc.	2,003	196,936	405,174
Dollar General Corporation	9,372	627,764	1,381,740	Vornado Realty Trust Real Estate Investment Trust	8,702	981,361	736,325
Dollar Tree Inc.	55,544	3,842,994	6,843,365	W.R. Berkley Corporation	16,203	1,380,677	1,633,606
Dominion Resources, Inc.	20,204	1,939,945	1,969,468	Waste Management, Inc.	27,887	3,470,328	3,385,257
DTE Energy Company	54,297	5,435,421	8,169,585	WEC Energy Group Inc.	82,100	4,449,821	7,756,651
Entergy Corporation	17,529	1,522,178	2,058,058	Western Union Company	125,237	3,246,154	2,914,475
Equity Residential Real Estate Investment Trust	15,662	965,964	1,410,281	Weyerhaeuser Company	61,892	1,928,251	1,845,582
Eversource Energy	49,655	2,504,860	4,405,469	Williams Companies Inc., The	24,380	817,747	733,316
Expeditors International of Washington, Inc.	70,247	4,431,401	6,524,688	Xcel Energy, Inc.	81,190	2,749,369	5,456,746
Exxon Mobil Corporation	34,512	4,004,053	3,210,254	Yum! Brands, Inc.	55,103	6,738,907	6,909,297
F5 Networks, Inc.	4,043	575,764	893,610			<u>343,476,452</u>	<u>431,561,768</u>
Federal Realty Investment Trust	28,752	3,828,978	4,629,626				
Fiserv, Inc.	12,270	1,151,554	1,230,046	Transaction Costs			(157,844)
FMC Technologies, Inc.	165,745	6,597,624	4,426,921	TOTAL INVESTMENT PORTFOLIO		<u>592,486,468</u>	<u>716,104,184</u>
Gartner Inc., Class A	38,408	4,753,544	6,697,876				
Genuine Parts Company	28,751	3,528,764	3,765,852	OTHER ASSETS, LESS LIABILITIES – 0.6%			<u>3,662,029</u>
Halliburton Company	102,988	5,997,828	3,734,137	NET ASSETS – 100.0%			<u>719,766,213</u>
Harris Corporation	7,524	976,804	1,381,986				
Heilemerich & Payne, Inc.	41,138	2,968,233	2,690,233				
Henry Schein Inc.	62,287	4,490,526	6,671,544				
Hormel Foods Corporation	137,950	4,199,830	8,031,465				
Invitation Homes Inc.	69,637	1,919,561	1,907,447				
IQVIA Holdings Inc.	21,074	1,960,809	3,339,563				
J.M. Smucker Company, The	24,485	3,188,843	3,122,582				
Jack Henry & Associates Inc.	22,891	3,310,284	3,950,687				

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

Scotia Global Low Volatility Equity LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve long-term capital growth. It invests primarily in equity securities located around the world. The Fund can invest up to 100% of its assets in foreign securities.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2018 and December 31, 2017. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

December 31, 2018				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	434,906,061	–	434,906,061	60.4
Japanese Yen	48,869,898	–	48,869,898	6.8
Swiss Franc	42,135,263	–	42,135,263	5.9
Australian Dollar	36,760,530	–	36,760,530	5.1
Singapore Dollar	25,556,079	–	25,556,079	3.6
Hong Kong Dollar	23,748,128	–	23,748,128	3.3
British Pound	23,177,620	–	23,177,620	3.2
European Euro	22,515,818	–	22,515,818	3.1
Norwegian Krone	21,392,005	–	21,392,005	3.0
New Zealand Dollar	18,473,580	–	18,473,580	2.6
Israel Shekel	11,915,458	–	11,915,458	1.7
Swedish Krona	9,621,646	–	9,621,646	1.3
Danish Krone	17,126	–	17,126	0.0
	719,089,212	–	719,089,212	100.0

December 31, 2017				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	605,753,740	–	605,753,740	58.2
Japanese Yen	90,529,644	–	90,529,644	8.7
Swiss Franc	58,944,451	–	58,944,451	5.7
Australian Dollar	53,794,043	–	53,794,043	5.2
British Pound	38,123,401	–	38,123,401	3.7
Singapore Dollar	36,133,331	–	36,133,331	3.5
European Euro	34,220,007	–	34,220,007	3.3
Norwegian Krone	33,140,341	–	33,140,341	3.2
Hong Kong Dollar	33,045,014	–	33,045,014	3.2
New Zealand Dollar	24,764,995	–	24,764,995	2.4
Israel Shekel	20,815,536	–	20,815,536	2.0
Swedish Krona	8,298,920	–	8,298,920	0.8
Danish Krone	3,621,681	–	3,621,681	0.3
	1,041,185,104	–	1,041,185,104	100.2

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$71,908,921 or approximately 10.0% of net assets (December 31, 2017 – \$104,118,510 or approximately 10.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying 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) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 99.4% (December 31, 2017 – 99.8%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$71,610,418 (December 31, 2017 – \$103,559,803). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund did not have significant direct exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2018 or December 31, 2017.

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Australia	5.1	5.2
Austria	0.5	0.9
Belgium	0.8	0.3
Denmark	–	0.3
France	0.9	1.2
Germany	0.8	0.9
Hong Kong	3.3	3.2
Israel	1.6	2.0
Japan	6.8	8.7
New Zealand	2.6	2.4
Norway	3.0	3.2
Singapore	3.7	3.5
Sweden	1.3	0.8
Switzerland	5.8	5.7
United Kingdom	3.2	3.6
United States	60.0	57.6

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

Scotia Global Low Volatility Equity LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2018	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	431,561,768	284,542,416	–	716,104,184
	431,561,768	284,542,416	–	716,104,184

December 31, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	601,971,089	433,552,085	–	1,035,523,174
Warrants, rights and options	–	74,852	–	74,852
	601,971,089	433,626,937	–	1,035,598,026

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia Total Return Bond LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	1,249,002,595	999,486,969
Derivatives	624,996	2,853,760
Cash	—	17,489,502
Margin deposited on derivatives	13,545,680	1,998,812
Subscriptions receivable	5,000	269,000
Accrued investment income and other	5,926,675	5,200,663
	<u>1,269,104,946</u>	<u>1,027,298,706</u>
LIABILITIES		
Current liabilities		
Financial liabilities at fair value through profit or loss (note 2)		
Derivatives	4,354,882	932,016
Bank overdraft	2,357,315	—
Redemptions payable	1,500,000	384,100
Accrued expenses	—	10
	<u>8,212,197</u>	<u>1,316,126</u>
Net assets attributable to holders of redeemable units	<u>1,260,892,749</u>	<u>1,025,982,580</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	<u>1,260,892,749</u>	<u>1,025,982,580</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	<u>12.37</u>	<u>12.06</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Interest for distribution purposes	29,446,695	22,426,358
Net realized gain (loss) on non-derivative financial assets	(25,641,043)	(4,674,039)
Change in unrealized gain (loss) on non-derivative financial assets	32,573,963	(1,717,061)
Net realized gain (loss) on derivatives	1,632,270	17,417,054
Change in unrealized gain (loss) on derivatives	(5,651,630)	(149,647)
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	32,360,255	33,302,665
Securities lending (note 11)	92,000	71,151
Net realized and unrealized foreign currency translation gain (loss)	655,991	(308,723)
Total income (loss), net	<u>33,108,246</u>	<u>33,065,093</u>
EXPENSES		
Fixed administration fees (note 6)	322,912	284,563
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	27,828	1,246
Foreign withholding taxes/tax reclaims	64	31,456
Harmonized Sales Tax/Goods and Services Tax	41,979	36,993
Transaction costs	321,660	1,201
Total expenses	<u>715,692</u>	<u>356,594</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>32,392,554</u>	<u>32,708,499</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	<u>32,392,554</u>	<u>32,708,499</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series I	<u>0.36</u>	<u>0.41</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	<u>88,816,183</u>	<u>80,011,899</u>

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	1,025,982,580	893,693,062
	<u>1,025,982,580</u>	<u>893,693,062</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	32,392,554	32,708,499
	<u>32,392,554</u>	<u>32,708,499</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	295,774,492	129,924,580
Payments on redemption		
Series I	(93,256,877)	(30,343,561)
	<u>202,517,615</u>	<u>99,581,019</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	234,910,169	132,289,518
	<u>234,910,169</u>	<u>132,289,518</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	1,260,892,749	1,025,982,580
	<u>1,260,892,749</u>	<u>1,025,982,580</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	32,392,554	32,708,499
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	25,641,043	4,674,039
Change in unrealized (gain) loss on non-derivative financial assets	(32,573,963)	1,717,061
Change in unrealized (gain) loss on derivatives	5,651,630	149,647
Unrealized foreign currency translation (gain) loss	117,507	(17,896)
Other non-cash transactions	(4,576)	—
Purchases of non-derivative financial assets and liabilities	(3,914,186,625)	(1,820,640,725)
Proceeds from sale of non-derivative financial assets and liabilities	3,671,608,495	1,600,208,774
Margin deposited on derivatives	(11,546,868)	(1,998,812)
Accrued investment income and other	(726,012)	336,134
Accrued expenses and other payables	(10)	(818)
Net cash provided by (used in) operating activities	<u>(223,626,825)</u>	<u>(182,864,097)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	296,038,492	129,655,580
Amounts paid on redemption of redeemable units	(92,140,977)	(29,959,461)
Net cash provided by (used in) financing activities	<u>203,897,515</u>	<u>99,696,119</u>
Unrealized foreign currency translation gain (loss)	(117,507)	17,896
Net increase (decrease) in cash	(19,729,310)	(83,167,978)
Cash (bank overdraft), beginning of period	17,489,502	100,639,584
CASH (BANK OVERDRAFT), END OF PERIOD	<u>(2,357,315)</u>	<u>17,489,502</u>
Interest paid ⁽¹⁾	27,828	1,246
Interest received, net of withholding taxes ⁽¹⁾	28,716,042	22,731,036

⁽¹⁾ Classified as operating items.

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

Scotia Total Return Bond LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Units/Face Value (\$)	Average Cost (\$)	Carrying Value (\$)	Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
FIXED INCOME FUNDS – 0.1%				BONDS AND DEBENTURES (cont'd)			
1832 AM Investment Grade U.S. Corporate Bond Pool Series I ¹	57,825	759,140	796,356	Corporate Bonds (cont'd)			
BONDS AND DEBENTURES – 99.0%				JPMorgan Chase & Co. (Callable) 3.20% Mar 15, 2026	USD 2,118,000	2,693,444	2,728,758
Corporate Bonds – 35.3%				Loblaws Companies Limited (Callable) 4.86% Jun 12, 2023	10,320,000	11,258,692	10,901,339
Aetna Inc. (Callable) 2.75% Aug 15, 2022	USD 240,000	295,445	314,065	McDonald's Corporation 3.13% Mar 04, 2025	5,497,000	5,500,112	5,411,897
Algonquin Power & Utilities Corporation 4.82% Feb 15, 2021	4,607,000	4,925,420	4,750,730	Molson Coors International LP 2.75% Sep 18, 2020	8,317,000	8,345,289	8,281,825
Algonquin Power Company (Callable) 4.09% Nov 17, 2026	2,088,000	2,083,351	2,088,655	Morgan Stanley 3.13% Aug 05, 2021	6,877,000	6,961,424	6,887,042
Alimentation Couche-Tard Inc. (Callable) 3.60% Mar 02, 2025	5,638,000	5,613,921	5,562,032	National Hockey League Inc. 3.33% Aug 10, 2024	USD 1,900,000	2,405,398	2,538,249
Allied Properties Real Estate Investment Trust 3.93% Nov 14, 2022	651,000	652,704	657,172	North Battleford Power LP 4.96% Dec 31, 2032	4	4	4
AltaGas Ltd. (Callable) 3.84% Oct 15, 2024	1,692,000	1,696,189	1,668,091	North West Redwater Partnership / NWR Financing Co., Ltd. (Callable) 3.20% Apr 23, 2024	3,409,000	3,483,393	3,399,535
AltaLink L.P. (Callable) 3.40% Mar 06, 2024	1,881,000	1,936,560	1,931,848	OMERS Realty Corporation (Callable) 3.33% Apr 05, 2025	3,032,000	3,030,572	3,080,944
Anheuser-Busch Cos LLC / Anheuser-Busch InBev Worldwide Inc. (Callable) 3.65% Nov 01, 2025	USD 1,860,000	2,533,961	2,399,062	Pembina Pipeline Corporation (Callable) 2.99% Nov 22, 2023	2,276,000	2,217,695	2,213,614
Anheuser-Busch InBev Finance Inc. (Callable) 2.60% Mar 15, 2024	5,898,000	5,755,380	5,603,065	Pembina Pipeline Corporation (Callable) 3.54% Nov 03, 2024	3,976,000	3,949,025	3,933,198
Anheuser-Busch InBev Finance Inc. 3.38% Jan 25, 2023	3,897,000	3,936,405	3,892,257	Royal Bank of Canada (Callable) 3.04% Jul 17, 2019	2,799,000	2,814,484	2,804,420
Apple Inc. 2.51% Aug 19, 2024	5,092,000	4,933,101	4,951,799	Royal Bank of Canada 1.65% Jul 15, 2021	12,880,000	12,473,706	12,540,208
APT Pipelines Ltd. (Callable) 4.20% Dec 23, 2024	USD 4,913,000	6,281,249	6,527,314	Royal Bank of Canada 2.00% Mar 21, 2022	19,534,000	18,901,871	19,052,431
APT Pipelines Ltd. 4.25% Jul 24, 2019	2,214,000	2,305,649	2,233,545	Royal Bank of Canada 2.36% Dec 05, 2022	7,752,000	7,690,692	7,608,815
Bank of America Corporation (Callable) 2.60% Mar 15, 2022	3,139,000	3,072,445	3,077,568	Royal Bank of Canada 2.95% May 01, 2023	12,813,000	12,743,875	12,841,601
Bank of America Corporation (Callable) 3.37% Jan 23, 2025	USD 5,312,000	6,596,955	6,999,264	ServiceMaster Company LLC, The 7.45% Aug 15, 2027	USD 1,257,000	1,661,366	1,770,410
Bank of America Corporation 3.23% Jun 22, 2022	4,576,000	4,682,205	4,586,003	Smart Real Estate Investment Trust 3.99% May 30, 2023	1,319,000	1,318,459	1,334,371
Bank of Montreal (Callable) 3.12% Sep 19, 2019	563,000	570,075	564,340	TELUS Corporation (Callable) 3.63% Dec 01, 2027	811,000	802,476	795,328
Bank of Montreal 1.61% Oct 28, 2021	17,053,000	16,590,576	16,529,667	TELUS Corporation (Callable) 3.75% Oct 17, 2024	4,548,000	4,719,696	4,596,092
Bank of Montreal 2.89% Jun 20, 2023	7,225,000	7,154,792	7,221,028	TMX Group Ltd. 3.00% Dec 11, 2024	3,156,000	3,149,778	3,114,077
Bank of Montreal 3.19% Mar 01, 2028	2,972,000	2,948,315	2,976,337	Toronto-Dominion Bank, The (Callable) 3.59% Sep 14, 2023	5,022,000	5,020,574	5,002,259
Bank of Nova Scotia, The 1.83% Apr 27, 2022 ¹	13,601,000	13,113,324	13,172,960	Toronto-Dominion Bank, The 1.99% Mar 23, 2022	5,894,000	5,723,625	5,753,593
Bank of Nova Scotia, The 2.13% Jun 15, 2020 ¹	16,269,000	16,111,203	16,170,639	Toronto-Dominion Bank, The 3.01% May 30, 2023	18,015,000	17,962,059	18,121,920
Bank of Nova Scotia, The 2.29% Jun 28, 2024 ¹	8,277,000	7,911,035	7,986,544	Toronto-Dominion Bank, The 3.23% Jul 24, 2024	1,899,000	1,944,591	1,926,199
Bank of Nova Scotia, The 2.36% Nov 08, 2022 ¹	6,840,000	6,817,174	6,707,271	United Parcel Service Inc. (Callable) 2.13% Mar 21, 2024	3,882,000	3,767,994	3,702,575
Bank of Nova Scotia, The 2.98% Apr 17, 2023 ¹	11,360,000	11,304,586	11,383,586	Ventas Canada Finance Ltd. (Callable) 2.55% Feb 15, 2023	864,000	840,568	835,899
bdlMC Realty Corporation 2.10% Jun 03, 2021	4,362,000	4,293,731	4,302,337	Ventas Canada Finance Ltd. (Callable) 4.13% Jun 30, 2024	1,132,000	1,177,941	1,161,034
bdlMC Realty Corporation 3.51% Jun 29, 2022	1,705,000	1,771,869	1,745,174	Walt Disney Co, The 2.76% Oct 07, 2024	1,929,000	1,916,389	1,898,688
Bell Canada (Callable) 4.70% Jun 11, 2023	7,514,000	8,044,748	7,915,103	Wells Fargo & Company 2.09% Apr 25, 2022	8,110,000	7,901,590	7,844,019
Bell Canada Inc. (Callable) 3.80% May 21, 2028	4,317,000	4,294,509	4,275,733			447,230,870	445,633,793
Bow Centre Street LP 3.80% Jun 13, 2023	2,533,000	2,472,777	2,483,906	Federal Bonds – 46.0%			
BP Capital Markets PLC 3.47% May 15, 2025	3,349,000	3,352,218	3,355,604	Canada Housing Trust No. 1 2.65% Dec 15, 2028	80,032,000	78,512,126	80,944,182
Brookfield Asset Management Inc. (Callable) 4.82% Oct 28, 2025	1,735,000	1,838,927	1,803,264	Canadian Government Real Return Bond 0.50% Dec 01, 2050	5,597,000	5,350,296	5,347,484
Brookfield Asset Management Inc. (Callable) 5.04% Dec 08, 2023	5,416,000	5,924,659	5,710,595	Canadian Government Real Return Bond 4.00% Dec 01, 2031	10,126,000	21,158,432	20,984,009
Brookfield Infrastructure Finance ULC (Callable) 3.32% Dec 22, 2023	3,053,000	3,016,764	2,985,085	Canadian Government Real Return Bond 4.25% Dec 01, 2026	8,567,000	16,908,629	16,759,051
Brookfield Renewable Energy Partners ULC 4.79% Feb 07, 2022	2,977,000	3,196,875	3,089,698	Government of Canada 2.00% Dec 01, 2051	77,302,000	69,806,528	73,971,303
Canadian Imperial Bank of Commerce 2.30% Jul 11, 2022	9,773,000	9,683,928	9,591,936	Government of Canada 2.00% Jun 01, 2028	73,874,000	71,680,113	74,105,956
Canadian Imperial Bank of Commerce 2.90% Sep 14, 2021	19,881,000	19,869,270	19,947,408	Government of Canada 2.25% Jun 01, 2029	232,848,000	229,313,930	238,751,980
Choice Properties Real Estate Investment Trust (Callable) 3.56% Jul 09, 2024	5,784,000	5,755,791	5,698,310	Government of Canada 2.75% Dec 01, 2048	2,916,000	3,243,723	3,279,146
CI Financial Corporation 2.65% Dec 07, 2020	664,000	663,441	659,466	Government of Canada 5.75% Jun 01, 2033	759,000	1,076,262	1,105,374
CI Financial Corporation 3.90% Sep 27, 2027	3,776,000	3,769,660	3,704,224	Government of Canada Bonds 1.00% Jun 01, 2027	20,754,000	19,075,873	19,239,359
Cominar Real Estate Investment Trust 4.25% Dec 08, 2021	1,044,000	1,052,047	1,038,962	Government of New Zealand 4.50% Apr 15, 2027	NZD 5,178,000	5,044,874	5,238,600
Co-operators Financial Services Ltd. 5.78% Mar 10, 2020	2,427,000	2,695,890	2,501,293	Mexican Bonos 6.50% Jun 10, 2021	MXN 344,901,400	26,276,639	22,915,635
Crown Castle Towers LLC (Callable) 3.22% May 15, 2021	USD 1,285,000	1,671,417	1,744,622	New Zealand Local Government Funding Agency 2.75% Apr 15, 2025	NZD 19,566,000	17,134,928	17,879,276
Daimler Canada Finance Inc. 1.57% May 25, 2020	3,587,000	3,506,677	3,525,908			564,582,353	580,521,355
Daimler Canada Finance Inc. 1.91% Jul 08, 2021	3,160,000	3,110,212	3,075,691	Mortgage-Backed Securities – 0.6%			
Dollarama Inc. 2.34% Jul 22, 2021	1,639,000	1,646,066	1,603,568	Institutional Mortgage Securities Canada Inc. 1.11% Nov 12, 2023	37,454,666	339,856	990,114
Enbridge Inc. (Callable) 3.94% Mar 30, 2023	4,372,000	4,485,042	4,473,215	Institutional Mortgage Securities Canada Inc. 1.28% Feb 12, 2023	19,394,042	–	501,433
Enbridge Inc. (Floating Rate) 6.63% Apr 12, 2078	544,000	557,071	546,813	NHA MBS Canadian Mortgage Pools 2.39% Jul 1, 2023	5,567,000	5,429,055	5,466,109
Enbridge Southern Lights LP 4.01% Jun 30, 2040	1,106,708	1,116,480	1,088,282			5,768,911	6,957,656
Enercare Solutions Inc. 4.60% Feb 03, 2020	5,745,000	6,047,669	5,837,755	Provincial Bonds – 17.1%			
First Capital Realty Inc. 4.32% Jul 31, 2025	2,957,000	3,029,219	3,008,289	Province of Manitoba 3.00% Jun 02, 2028	11,679,000	11,539,902	11,773,682
First Capital Realty Inc. 4.50% Mar 01, 2021	5,345,000	5,875,027	5,494,786	Province of Manitoba 3.40% Sep 05, 2048	14,019,000	14,259,584	14,170,849
Fortis Inc. (Callable) 2.85% Oct 12, 2023	4,102,000	4,104,516	4,045,075	Province of Ontario 2.90% Jun 02, 2028	1,967,000	1,934,714	1,979,904
Heathrow Funding Ltd. 3.00% Jun 17, 2021	6,254,000	6,318,244	6,259,283	Province of Ontario 2.90% Jun 02, 2049	59,517,000	55,477,441	56,372,933
Heathrow Funding Ltd. 3.25% May 21, 2025	3,918,000	3,919,185	3,905,114	Province of Ontario 4.25% Aug 22, 2024	AUD 2,775,000	2,789,746	2,889,761
Intact Financial Corporation (Callable) 3.77% Dec 02, 2025	4,123,000	4,285,834	4,229,424	Province of Quebec 2.75% Sep 01, 2028	47,429,000	46,474,197	47,358,407
Inter Pipeline Ltd. 4.97% Feb 02, 2021	2,064,000	2,210,686	2,139,788	Province of Quebec 3.50% Dec 01, 2048	39,862,000	42,147,699	42,687,584
International Bank for Reconstruction & Development 3.50% Jan 22, 2021	NZD 12,570,000	11,451,619	11,812,896				

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

Scotia Total Return Bond LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)			
Provincial Bonds (cont'd)			
Queensland Treasury Corporation 2.75% Aug 20, 2027	AUD 39,440,000	37,693,982	37,860,315
		212,317,265	215,093,435
TOTAL BONDS AND DEBENTURES		1,229,899,399	1,248,206,239
TOTAL INVESTMENT PORTFOLIO		1,230,658,539	1,249,002,595
Unrealized Gain (Loss) on Derivatives – (0.3%)			(3,729,886)
OTHER ASSETS, LESS LIABILITIES – 1.2%			15,620,040
NET ASSETS – 100.0%			1,260,892,749

* Investment in related party (note 10)

SCHEDULE OF DERIVATIVE INSTRUMENTS

UNREALIZED GAIN ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Gain (\$)
State Street Bank & Trust Company	A-1+	Jan. 16, 2019	US Dollar	300,000	Canadian Dollar	399,624	1.332	1.364	9,571
Royal Bank of Canada	A-1+	Jan. 16, 2019	US Dollar	400,000	Canadian Dollar	534,471	1.336	1.364	11,122
Royal Bank of Canada	A-1+	Mar. 15, 2019	Canadian Dollar	11,167,280	New Zealand Dollar	12,136,000	1.087	1.092	52,200
Bank of Nova Scotia, The	A-1	Mar. 15, 2019	Canadian Dollar	8,701,455	New Zealand Dollar	9,455,000	1.087	1.092	41,841
Canadian Imperial Bank of Commerce	A-1	Mar. 15, 2019	Canadian Dollar	7,948,627	New Zealand Dollar	8,640,000	1.087	1.092	35,452
Toronto-Dominion Bank, The	A-1+	Mar. 15, 2019	Canadian Dollar	6,984,847	New Zealand Dollar	7,594,000	1.087	1.092	29,679
Toronto-Dominion Bank, The	A-1+	Mar. 15, 2019	Canadian Dollar	18,044,344	Australian Dollar	18,761,600	1.04	1.04	9,893
Bank of Nova Scotia, The	A-1	Mar. 15, 2019	Canadian Dollar	9,725,800	Australian Dollar	10,105,000	1.039	1.04	12,442
Royal Bank of Canada	A-1+	Mar. 15, 2019	Canadian Dollar	4,141,789	Australian Dollar	4,307,400	1.04	1.04	1,332
Canadian Imperial Bank of Commerce	A-1	Mar. 15, 2019	Canadian Dollar	350,969	Australian Dollar	365,000	1.04	1.04	116
									203,648

UNREALIZED LOSS ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Loss (\$)
Bank of Nova Scotia, The	A-1	Jan. 16, 2019	Canadian Dollar	7,155,748	US Dollar	5,500,000	0.769	0.733	(346,127)
Canadian Imperial Bank of Commerce	A-1	Jan. 16, 2019	Canadian Dollar	4,293,647	US Dollar	3,300,000	0.769	0.733	(207,479)
Canadian Imperial Bank of Commerce	A-1	Feb. 20, 2019	Canadian Dollar	2,491,955	US Dollar	1,900,000	0.762	0.734	(98,260)
Bank of Nova Scotia, The	A-1	Feb. 20, 2019	Canadian Dollar	7,148,138	US Dollar	5,450,000	0.762	0.734	(281,686)
Royal Bank of Canada	A-1+	Mar. 15, 2019	Canadian Dollar	9,738,982	Australian Dollar	10,141,000	1.041	1.04	(8,980)
Royal Bank of Canada	A-1+	Mar. 15, 2019	Canadian Dollar	912,495	Mexican Peso	14,000,000	15.343	14.586	(47,308)
Royal Bank of Canada	A-1+	Mar. 15, 2019	Canadian Dollar	468,136	US Dollar	350,000	0.748	0.734	(8,781)
Bank of Nova Scotia, The	A-1	Mar. 15, 2019	Canadian Dollar	7,355,205	US Dollar	5,500,000	0.748	0.734	(139,208)
Canadian Imperial Bank of Commerce	A-1	Mar. 15, 2019	Canadian Dollar	2,273,555	US Dollar	1,700,000	0.748	0.734	(42,901)
Canadian Imperial Bank of Commerce	A-1	Mar. 15, 2019	Canadian Dollar	17,593,779	Mexican Peso	269,220,000	15.302	14.586	(863,228)
Canadian Imperial Bank of Commerce	A-1	Mar. 15, 2019	Canadian Dollar	3,006,143	Mexican Peso	46,000,000	15.302	14.586	(147,495)
									(2,191,453)

UNREALIZED GAIN ON FUTURES CONTRACTS

Expiry Date	Number of Contracts	Futures Contracts	Counterparty	Credit Risk	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Unrealized Gain (\$)
BOND FUTURES CONTRACTS							
Mar. 2019	165	CME Ultra Long Term U.S. Treasury Bond Future	RBC Dominion Securities Inc.	A-1+	36,149,554	36,160,148	10,594
Mar. 2019	218	Ultra 10-Year U.S. Treasury Note Future	RBC Dominion Securities Inc.	A-1+	38,448,537	38,682,042	233,505
Mar. 2019	126	U.S. 10 Year Treasury Note Futures	RBC Dominion Securities Inc.	A-1+	20,794,499	20,971,748	177,249
							421,348

UNREALIZED LOSS ON FUTURES CONTRACTS

Expiry Date	Number of Contracts	Futures Contracts	Counterparty	Credit Risk	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Unrealized Loss (\$)
BOND FUTURES CONTRACTS							
Mar. 2019	(2,163)	Canada 10 Year Bond Future	RBC Dominion Securities Inc.	A-1+	(293,670,081)	(295,833,510)	(2,163,429)
							(2,163,429)

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

Scotia Total Return Bond LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to provide income and capital gains from an actively managed diversified portfolio of primarily Canadian fixed income securities. The Fund can invest up to 49% of its assets in foreign securities.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

Below is a summary of the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	December 31, 2018 (\$)	December 31, 2017 (\$)
Less than 1 year	3,860,224	12,611,209
1-3 years	158,019,509	89,315,370
3-5 years	175,607,661	174,992,737
5-10 years	450,671,003	638,728,530
> 10 years	458,305,761	83,630,456
	1,246,464,158	999,278,302

As at December 31, 2018, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by \$26,723,734 or approximately 2.1% (December 31, 2017 – \$17,457,389 or approximately 1.7%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

Currency	December 31, 2018			
	Gross Currency Exposure (\$)	Currency Contracts (\$)	Net Exposure (\$)	Percentage of net assets (%)
US Dollar	34,199,153	(31,376,644)	2,822,509	0.2
Australian Dollar	42,717,490	(41,987,081)	730,409	0.1
British Pound	70	–	70	0.0
Mexican Peso	22,973,626	(22,570,448)	403,178	0.0
New Zealand Dollar	35,259,316	(34,643,037)	616,279	0.0
Total	135,149,655	(130,577,210)	4,572,445	0.3

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
New Zealand Dollar	34,282,224	–	34,282,224	3.3
Mexican Peso	23,011,634	–	23,011,634	2.2
Australian Dollar	46,686,068	(45,040,135)	1,645,933	0.2
US Dollar	102,692,080	(101,186,570)	1,505,510	0.1
British Pound	69	–	69	0.0
	206,672,075	(146,226,705)	60,445,370	5.8

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$457,245 or approximately 0.0% of net assets (December 31, 2017 – \$6,044,537 or approximately 0.6%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying 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) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 0.1% (December 31, 2017 – 0.2%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$79,636 (December 31, 2017 – \$20,867). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

Below is a summary of the credit ratings of bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

Credit ratings	December 31, 2018		December 31, 2017	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
AAA	44.3	43.8	27.4	26.9
AA	22.3	22.1	23.8	23.1
A	22.3	22.1	32.8	31.9
BBB	10.4	10.3	14.8	14.5
BB	0.1	0.1	0.5	0.4
B	0.1	0.1	0.3	0.3
NOT RATED	0.5	0.5	0.4	0.3
	100.0	99.0	100.0	97.4

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset

Scotia Total Return Bond LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Corporate Bonds	35.3	38.8
Federal Bonds	46.0	28.5
Fixed Income Funds	0.1	–
Mortgage-Backed Securities	0.6	2.3
Provincial Bonds	17.1	27.3

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2018	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds and debentures	–	1,248,206,239	–	1,248,206,239
Underlying funds	796,356	–	–	796,356
Unrealized gain on currency forward contracts	–	203,648	–	203,648
Unrealized gain on futures contracts	421,348	–	–	421,348
	1,217,704	1,248,409,887	–	1,249,627,591
Unrealized loss on currency forward contracts	–	(2,191,453)	–	(2,191,453)
Unrealized loss on futures contracts	(2,163,429)	–	–	(2,163,429)
	(945,725)	1,246,218,434	–	1,245,272,709

December 31, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds and debentures	–	997,100,754	2,386,215	999,486,969
Unrealized gain on currency forward contracts	–	2,853,760	–	2,853,760
	–	999,954,514	2,386,215	1,002,340,729
Unrealized loss on currency forward contracts	–	(723,349)	–	(723,349)
Unrealized loss on futures contracts	(208,667)	–	–	(208,667)
	(208,667)	999,231,165	2,386,215	1,001,408,713

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Reconciliation of Level 3 financial instruments

Below is a summary of the movement in the Fund's Level 3 financial instruments for the periods ended.

	December 31, 2018 (\$)	December 31, 2017 (\$)
Beginning of period	2,386,215	–
Purchases	–	2,405,398
Sales/Return of Capital	–	–
Transfer into Level 3	–	–
Transfers out of Level 3	(1,845,660)	–
Net realized gains (losses)	–	–
Net change in unrealized gain (loss)*	(540,555)	(19,183)
End of period	–	2,386,215

* Net change in unrealized gain (loss) for Level 3 financial instruments held as at December 31, 2018 and December 31, 2017 was nil and \$(19,183), respectively.

During the period ended December 31, 2018, investments of approximately \$1,845,660 (December 31, 2017 – nil) were transferred from Level 3 to 2 as the fair value of these securities are now determined using valuation models that required the use of market prices obtained through independent brokers or valuation services.

Level 3 valuation techniques

Below is a summary of the valuation techniques and the significant unobservable inputs used in the fair value measurement of Level 3 financial instruments. The significant unobservable inputs used in valuation of Level 3 financial instruments can vary considerably over time depending on company specific factors and economic or market conditions. The table also illustrates the potential impact on the Fund if the significant unobservable inputs used in the valuation techniques had increased or decreased by 5%, with all other variables held constant. Certain significant unobservable inputs used in the valuation techniques are not reasonably expected to shift and are indicated in the below as "n/a". Securities where the reasonable possible shift in the significant unobservable input did not result in a material impact on the Fund are indicated in the below as nil.

Security	Valuation technique	Significant unobservable input	Carrying value as at December 31, 2017 (\$)	Change in valuation (\$)
Debt	Fair value based on transaction price	Transaction price	2,386,215	n/a
			2,386,215	

Offsetting of financial assets and liabilities (note 2)

Below is a summary of offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts, were to arise. No amounts were offset in the financial statements.

Financial assets – by type	December 31, 2018			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	203,648	(154,505)	–	49,143
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	203,648	(154,505)	–	49,143

Financial liabilities – by type	December 31, 2018			
	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	2,191,453	(154,505)	–	2,036,948
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	2,191,453	(154,505)	–	2,036,948

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

Scotia Total Return Bond LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

	December 31, 2017			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/ received (\$)	Net Amount (\$)
Financial assets – by type				
Currency forward contracts	2,853,760	(723,349)	–	2,130,411
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	2,853,760	(723,349)	–	2,130,411

	December 31, 2018			
	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/ received (\$)	Net Amount (\$)
Financial liabilities – by type				
Currency forward contracts	723,349	(723,349)	–	–
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	723,349	(723,349)	–	–

Interest in Underlying Funds (note 2)

Below is a summary of the Underlying Funds owned by the Fund as at December 31, 2018. The Fund did not hold any interest in Underlying Funds as at December 31, 2017.

	December 31, 2018	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Underlying Fund		
1832 AM Investment Grade U.S. Corporate Bond Pool Series I	796,356	2.7
	796,356	

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia U.S. Dividend Growers LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	567,356,263	601,425,493
Cash	1,373,360	105,616
Receivable for securities sold	—	491,258
Subscriptions receivable	—	250,800
Accrued investment income and other	217,478	461,403
	<u>568,947,101</u>	<u>602,734,570</u>
LIABILITIES		
Current liabilities		
Redemptions payable	2,625	545,000
Accrued expenses	—	8
	<u>2,625</u>	<u>545,008</u>
Net assets attributable to holders of redeemable units	<u>568,944,476</u>	<u>602,189,562</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	<u>568,944,476</u>	<u>602,189,562</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	<u>18.42</u>	<u>16.85</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	10,977,084	8,858,372
Interest for distribution purposes	2,674	12,771
Net realized gain (loss) on non-derivative financial assets	55,072,974	23,112,443
Change in unrealized gain (loss) on non-derivative financial assets	(7,563,033)	37,484,514
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	58,489,699	69,468,100
Securities lending (note 11)	11,519	—
Net realized and unrealized foreign currency translation gain (loss)	56,955	131,223
Total income (loss), net	<u>58,558,173</u>	<u>69,599,323</u>
EXPENSES		
Fixed administration fees (note 6)	426,553	398,562
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	5,728	1,112
Foreign withholding taxes/tax reclaims	1,479,333	1,254,652
Harmonized Sales Tax/Goods and Services Tax	55,452	51,813
Transaction costs	52,862	100,297
Total expenses	<u>2,021,177</u>	<u>1,807,571</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>56,536,996</u>	<u>67,791,752</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	<u>56,536,996</u>	<u>67,791,752</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series I	<u>1.68</u>	<u>1.88</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	<u>33,579,618</u>	<u>36,053,802</u>

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	602,189,562	542,894,212
	<u>602,189,562</u>	<u>542,894,212</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	56,536,996	67,791,752
	<u>56,536,996</u>	<u>67,791,752</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	86,837,627	28,077,948
Payments on redemption		
Series I	(176,619,709)	(36,574,350)
	<u>(89,782,082)</u>	<u>(8,496,402)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	(33,245,086)	59,295,350
	<u>(33,245,086)</u>	<u>59,295,350</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	568,944,476	602,189,562
	<u>568,944,476</u>	<u>602,189,562</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	56,536,996	67,791,752
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(55,072,974)	(23,112,443)
Change in unrealized (gain) loss on non-derivative financial assets	7,563,033	(37,484,514)
Unrealized foreign currency translation (gain) loss	15,533	(778)
Other non-cash transactions	(1,084,369)	—
Purchases of non-derivative financial assets and liabilities	(191,069,908)	(318,181,919)
Proceeds from sale of non-derivative financial assets and liabilities	274,224,706	318,598,679
Accrued investment income and other	243,925	111,437
Accrued expenses and other payables	(8)	(1,165)
Net cash provided by (used in) operating activities	<u>91,356,934</u>	<u>7,721,049</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	87,088,427	27,827,148
Amounts paid on redemption of redeemable units	(177,162,084)	(36,029,350)
Net cash provided by (used in) financing activities	<u>(90,073,657)</u>	<u>(8,202,202)</u>
Unrealized foreign currency translation gain (loss)	(15,533)	778
Net increase (decrease) in cash	1,283,277	(481,153)
Cash (bank overdraft), beginning of period	105,616	585,991
CASH (BANK OVERDRAFT), END OF PERIOD	<u>1,373,360</u>	<u>105,616</u>
Interest paid ⁽¹⁾	5,728	1,112
Interest received, net of withholding taxes ⁽¹⁾	2,674	16,574
Dividends received, net of withholding taxes ⁽¹⁾	8,657,309	7,711,352

⁽¹⁾ Classified as operating items.

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

Scotia U.S. Dividend Growers LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 99.7%			
Communication Services – 4.8%			
Twenty-First Century Fox Inc.	412,762	15,580,022	27,094,052
Consumer Discretionary – 14.2%			
Home Depot Inc., The	113,661	17,510,183	26,639,975
Ross Stores, Inc.	245,303	17,164,689	27,840,358
Starbucks Corporation	302,669	20,976,954	26,589,027
		55,651,826	81,069,360
Consumer Staples – 4.3%			
Estee Lauder Companies Inc., The	137,735	27,775,623	24,443,885
Financials – 13.4%			
Bank of America Corporation	740,280	27,665,396	24,882,004
Bank of New York Mellon Corporation, The	411,854	28,655,840	26,444,546
PNC Financial Services Group, Inc., The	155,207	29,393,983	24,752,074
		85,715,219	76,078,624
Health Care – 9.0%			
Danaher Corporation	189,095	19,776,485	26,599,384
UnitedHealth Group Incorporated	71,614	10,450,518	24,336,334
		30,227,003	50,935,718
Industrials – 26.2%			
Boeing Company, The	57,537	27,667,931	25,311,948
Cintas Corporation	109,472	15,119,064	25,086,213
Honeywell International Inc.	138,708	22,255,228	24,998,774
Ingersoll-Rand PLC	194,624	22,058,132	24,220,477
Roper Technologies Inc.	68,932	18,121,490	25,061,053
Southwest Airlines Company	386,245	21,716,505	24,489,370
		126,938,350	149,167,835
Information Technology – 23.1%			
Broadcom Ltd.	85,614	26,608,305	29,696,524
Cisco Systems, Inc.	418,431	16,326,743	24,732,110
Oracle Corporation	408,063	26,288,988	25,132,379
Texas Instruments Incorporated	205,240	27,452,241	26,457,112
Visa Inc., Class A	142,590	14,340,833	25,663,399
		111,017,110	131,681,524
Real Estate – 4.7%			
American Tower Corporation	124,591	22,994,249	26,885,265
Transaction Costs		(65,124)	
TOTAL INVESTMENT PORTFOLIO		475,834,278	567,356,263
OTHER ASSETS, LESS LIABILITIES – 0.3%			1,588,213
NET ASSETS – 100.0%			568,944,476

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

Scotia U.S. Dividend Growers LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to maximize total investment return by investing primarily in equity securities of U.S. companies listed on U.S. exchanges that have exhibited strong dividend growth and have the potential for long term capital growth. The Fund can invest up to 100% of its assets in foreign securities.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2018 and December 31, 2017. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

Currency	December 31, 2018			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	568,682,061	–	568,682,061	100.0
	568,682,061	–	568,682,061	100.0

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	602,425,015	–	602,425,015	100.0
	602,425,015	–	602,425,015	100.0

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$56,868,206 or approximately 10.0% of net assets (December 31, 2017 – \$60,242,502 or approximately 10.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying 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) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities,

underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 99.7% (December 31, 2017 – 99.9%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$56,735,626 (December 31, 2017 – \$60,142,549). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund did not have significant direct exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2018 or December 31, 2017.

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Communication Services	4.8	–
Consumer Discretionary	14.2	23.2
Consumer Staples	4.3	4.4
Financials	13.4	9.0
Health Care	9.0	13.6
Industrials	26.2	27.3
Information Technology	23.1	18.0
Real Estate	4.7	4.4

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2018	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	567,356,263	–	–	567,356,263
	567,356,263	–	–	567,356,263

December 31, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	601,425,493	–	–	601,425,493
	601,425,493	–	–	601,425,493

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Scotia U.S. Dividend Growers LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia U.S. Low Volatility Equity LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	674,989,170	987,558,122
Cash	8,894,860	3,501,418
Receivable for securities sold	4,773,538	16,789,499
Subscriptions receivable	—	125,440
Accrued investment income and other	1,339,055	1,729,263
	<u>689,996,623</u>	<u>1,009,703,742</u>
LIABILITIES		
Current liabilities		
Financial liabilities at fair value through profit or loss (note 2)		
Derivatives	—	1,939
Payable for securities purchased	9,343,862	9,406,081
Redemptions payable	226,000	833,000
	<u>9,569,862</u>	<u>10,241,020</u>
Net assets attributable to holders of redeemable units	<u>680,426,761</u>	<u>999,462,722</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	<u>680,426,761</u>	<u>999,462,722</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	<u>16.22</u>	<u>15.04</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	27,381,588	28,293,966
Interest for distribution purposes	72,584	43,950
Net realized gain (loss) on non-derivative financial assets	86,145,166	26,847,591
Change in unrealized gain (loss) on non-derivative financial assets	(26,896,672)	5,462,787
Change in unrealized gain (loss) on derivatives	1,939	(1,939)
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	86,704,605	60,646,355
Securities lending (note 11)	18,358	29,139
Net realized and unrealized foreign currency translation gain (loss)	478,556	(151,197)
Total income (loss), net	<u>87,201,519</u>	<u>60,524,297</u>
EXPENSES		
Fixed administration fees (note 6)	669,342	675,458
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	15,083	6,398
Foreign withholding taxes/tax reclaims	3,931,125	4,222,631
Harmonized Sales Tax/Goods and Services Tax	87,014	87,810
Transaction costs	112,718	55,392
Total expenses	<u>4,816,531</u>	<u>5,048,824</u>
Expenses absorbed by the Manager	—	(10)
Net expenses	<u>4,816,531</u>	<u>5,048,814</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>82,384,988</u>	<u>55,475,483</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	<u>82,384,988</u>	<u>55,475,483</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series I	<u>1.38</u>	<u>0.82</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	<u>59,836,727</u>	<u>67,363,289</u>

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	999,462,722	948,892,024
	<u>999,462,722</u>	<u>948,892,024</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	82,384,988	55,475,483
	<u>82,384,988</u>	<u>55,475,483</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	27,075,100	34,115,365
Payments on redemption		
Series I	(428,496,049)	(39,020,150)
	<u>(401,420,949)</u>	<u>(4,904,785)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	(319,035,961)	50,570,698
	<u>(319,035,961)</u>	<u>50,570,698</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	680,426,761	999,462,722
	<u>680,426,761</u>	<u>999,462,722</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	82,384,988	55,475,483
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(86,145,166)	(26,847,591)
Change in unrealized (gain) loss on non-derivative financial assets	26,896,672	(5,462,787)
Change in unrealized (gain) loss on derivatives	(1,939)	1,939
Unrealized foreign currency translation (gain) loss	116,230	(59,794)
Other non-cash transactions	—	(1,009,701)
Purchases of non-derivative financial assets and liabilities	(217,939,563)	(218,724,762)
Proceeds from sale of non-derivative financial assets and liabilities	601,710,751	202,226,642
Accrued investment income and other	390,208	(92,899)
Accrued expenses and other payables	—	(2,051)
Net cash provided by (used in) operating activities	<u>407,412,181</u>	<u>5,504,479</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	27,200,540	33,989,925
Amounts paid on redemption of redeemable units	(429,103,049)	(38,317,150)
Net cash provided by (used in) financing activities	<u>(401,902,509)</u>	<u>(4,327,225)</u>
Unrealized foreign currency translation gain (loss)	(116,230)	59,794
Net increase (decrease) in cash	5,509,672	1,177,254
Cash (bank overdraft), beginning of period	3,501,418	2,264,370
CASH (BANK OVERDRAFT), END OF PERIOD	<u>8,894,860</u>	<u>3,501,418</u>
Interest paid ⁽¹⁾	15,083	6,398
Interest received, net of withholding taxes ⁽¹⁾	72,584	45,914
Dividends received, net of withholding taxes ⁽¹⁾	23,840,672	22,966,771

⁽¹⁾ Classified as operating items.

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

Scotia U.S. Low Volatility Equity LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 99.3%				EQUITIES (cont'd)			
Communication Services – 8.9%				Financials (cont'd)			
AT&T Inc.	272,100	12,887,621	10,593,297	Two Harbors Investment Corporation	145,300	3,355,434	2,544,950
China Mobile Ltd. – ADR	50,500	3,275,695	3,306,597			92,563,622	106,584,840
Comcast Corporation, Class A	112,800	4,894,432	5,239,320				
Nippon Telegraph and Telephone Corporation – Sponsored ADR	118,700	6,140,561	6,580,411	Health Care – 16.5%			
NTT DoCoMo Inc. – ADR	98,800	2,262,820	2,998,718	AbbVie Inc.	46,700	4,335,273	5,872,856
Omnicom Group Inc.	52,000	4,697,939	5,195,177	Amgen Inc.	18,000	4,191,522	4,779,915
SK Telecom Co., Ltd. – ADR	104,500	3,209,045	3,820,320	CIGNA Corporation	11,391	2,764,260	2,951,081
Verizon Communications Inc.	224,400	13,861,206	17,209,265	CVS Health Corporation	46,139	5,356,278	4,123,734
Walt Disney Company, The	36,700	5,531,344	5,489,380	Eli Lilly and Company	32,300	3,294,670	5,098,701
		56,760,663	60,432,485	Gilead Sciences, Inc.	38,100	3,829,074	3,250,880
Consumer Discretionary – 7.0%				GlaxoSmithKline PLC – ADR	168,500	9,005,126	8,782,650
AutoZone, Inc.	8,300	7,987,581	9,491,764	HCA Healthcare Inc.	51,300	5,775,921	8,708,852
Bed Bath & Beyond Inc.	59,600	5,039,408	920,325	Johnson & Johnson	114,000	15,120,617	20,068,342
Brinker International, Inc.	35,200	2,766,990	2,111,770	Merck & Co., Inc.	135,400	10,545,326	14,112,940
Dick's Sporting Goods, Inc.	44,800	3,073,960	1,906,693	Pfizer Inc.	428,900	20,175,309	25,538,120
eBay Inc.	73,900	3,623,128	2,829,666	Sanofi – ADR	154,100	10,461,650	9,125,172
Kohl's Corporation	42,500	3,428,724	3,846,031			94,855,026	112,413,243
Murphy USA Inc.	19,800	1,974,033	2,069,995	Industrials – 5.7%			
Sally Beauty Holdings, Inc.	104,500	4,124,079	2,430,465	Allison Transmission Holdings Inc.	115,400	6,445,294	6,912,225
Target Corporation	165,200	16,559,434	14,893,420	Eaton Corporation	36,900	3,719,282	3,456,040
Toyota Motor Corporation – ADR	43,600	7,216,213	6,903,869	FedEx Corporation	9,200	2,428,751	2,024,658
		55,793,550	47,403,998	Raytheon Company	24,900	5,083,406	5,208,729
Consumer Staples – 11.0%				Republic Services, Inc.	87,600	4,948,052	8,614,454
ConAgra Foods, Inc.	83,700	3,956,870	2,438,795	United Technologies Corporation	33,600	4,617,737	4,880,406
Fresh Del Monte Produce Inc.	5,100	398,602	196,673	Waste Management, Inc.	60,800	5,189,889	7,380,630
Ingredion Inc.	39,100	6,620,117	4,874,966			32,432,411	38,477,142
J.M. Smucker Company, The	76,300	10,473,301	9,730,571	Information Technology – 15.3%			
Kellogg Company	42,900	3,369,321	3,336,238	Amdocs Ltd.	147,100	11,464,146	11,754,676
Kimberly-Clark Corporation	48,100	6,761,008	7,476,011	Apple Inc.	24,100	3,758,945	5,185,701
Kroger Company, The	272,600	12,791,748	10,226,033	Ametek Inc.	84,400	4,625,732	4,156,218
Tyson Foods, Inc.	136,400	7,955,425	9,935,832	Canon Inc. – ADR	185,000	8,720,148	6,965,133
Walgreens Boots Alliance Inc.	159,100	13,712,160	14,829,627	Cisco Systems, Inc.	222,700	8,499,955	13,163,080
Walmart Inc.	90,500	8,696,837	11,499,529	F5 Networks, Inc.	37,700	5,849,754	8,332,694
		74,735,389	74,544,275	Intel Corporation	233,100	10,125,365	14,922,496
Energy – 5.0%				International Business Machines Corporation	45,800	9,648,277	7,101,661
Chevron Corporation	56,100	8,250,495	8,325,311	Juniper Networks, Inc.	54,800	2,087,182	2,011,606
Exxon Mobil Corporation	142,900	15,229,307	13,292,343	KLA-Tencor Corporation	19,700	2,620,154	2,404,858
Phillips 66 Company	41,550	5,742,785	4,882,867	Motorola Solutions, Inc.	45,460	4,762,623	7,133,899
TOTAL SA – ADR	46,200	3,714,172	3,288,476	Oracle Corporation	209,300	11,770,344	12,890,674
Valero Energy Corporation	40,500	3,488,276	4,141,819	Synnex Corporation	15,673	1,796,650	1,728,332
		36,425,035	33,930,816	Western Union Company	281,400	7,160,075	6,548,650
Financials – 15.7%						92,889,350	104,299,678
Aflac, Inc.	99,900	4,240,007	6,208,659	Materials – 2.3%			
Allstate Corporation, The	53,500	5,589,766	6,030,317	Crown Holdings Inc.	30,800	2,352,542	1,746,543
American Financial Group Inc.	55,500	5,143,599	6,853,843	Eastman Chemical Company	56,120	7,731,854	5,596,842
American National Insurance Company	19,400	3,174,179	3,367,240	Schweitzer-Mauduit International Inc.	29,900	1,370,798	1,021,710
Annaly Capital Management Inc.	461,800	6,112,658	6,186,059	Silgan Holdings Inc.	61,400	1,951,559	1,978,322
Arbor Realty Trust Inc.	170,900	2,346,193	2,347,579	SonoCompany Products Company	73,600	4,530,638	5,334,163
Berkshire Hathaway Inc., Class B	65,000	12,244,466	18,104,027			17,937,391	15,677,580
Capital One Financial Corporation	21,000	2,265,294	2,165,371	Real Estate – 3.7%			
CNA Financial Corporation	46,100	2,366,174	2,776,389	Apple Hospitality Real Estate Investment Trust Inc.	204,400	4,904,449	3,976,024
Everest Re Group Ltd.	36,800	8,863,324	10,931,369	Brixmor Property Group Inc.	162,000	3,380,672	3,246,276
First American Financial Corporation	89,200	5,618,061	5,431,724	Gaming and Leisure Properties Inc.	34,800	1,530,287	1,533,786
Ladder Capital Corporation, Class A	35,900	747,412	757,589	Getty Realty Corporation	105,800	3,363,511	4,244,527
MFA Financial Inc.	349,100	3,588,496	3,181,083	Piedmont Office Realty Trust Inc.	148,200	3,510,553	3,444,819
National Health Investors Inc.	29,200	2,734,841	3,008,905	Retail Properties of America Inc.	337,300	6,498,869	4,992,231
Omega Healthcare Investors Inc.	106,300	3,771,561	5,096,913	Senior Housing Properties Trust	249,400	5,957,522	3,987,243
PNC Financial Services Group, Inc., The	29,500	5,333,532	4,704,596			29,145,863	25,424,906
Reinsurance Group of America	25,300	3,731,798	4,839,607	Utilities – 8.2%			
Starwood Property Trust Inc.	188,700	5,399,458	5,073,494	American Electric Power Company Inc.	58,700	4,386,216	5,984,665
Travelers Companies, Inc., The	42,700	5,937,369	6,975,126	Entergy Corporation	97,400	9,001,836	11,435,611

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

Scotia U.S. Low Volatility Equity LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
Utilities (cont'd)			
Exelon Corporation	245,200	10,923,631	15,085,011
FirstEnergy Corporation	228,700	9,842,515	11,714,526
Public Service Enterprise Group Incorporated	163,100	8,851,644	11,580,394
		<u>43,005,842</u>	<u>55,800,207</u>
Transaction Costs		<u>(82,367)</u>	
TOTAL INVESTMENT PORTFOLIO		<u>626,461,775</u>	674,989,170
OTHER ASSETS, LESS LIABILITIES – 0.7%			<u>5,437,591</u>
NET ASSETS – 100.0%			<u>680,426,761</u>

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

Scotia U.S. Low Volatility Equity LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to generate long term capital growth. It may invest directly in, or provide exposure to, investments including, but not limited to, exchange-traded funds ("ETFs") reflecting the primary sectors of the S&P 500, as well as cash and cash equivalents. The Fund can invest up to 100% of its assets in foreign securities.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2018 and December 31, 2017. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

Currency	December 31, 2018			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	680,051,269	–	680,051,269	99.9
	680,051,269	–	680,051,269	99.9

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	999,057,505	–	999,057,505	100.0
	999,057,505	–	999,057,505	100.0

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$68,005,127 or approximately 10.0% of net assets (December 31, 2017 – \$99,905,751 or approximately 10.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying 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) caused by factors specific to a security, its issuer or all factors affecting a market or a

market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 99.3% (December 31, 2017 – 98.8%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$67,498,917 (December 31, 2017 – \$98,755,812). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund did not have significant direct exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2018 or December 31, 2017.

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Communication Services	8.9	–
Consumer Discretionary	7.0	9.6
Consumer Staples	11.0	13.4
Energy	5.0	2.0
Financials	15.7	16.3
Health Care	16.5	16.8
Industrials	5.7	6.2
Information Technology	15.3	15.2
Materials	2.3	3.2
Real Estate	3.7	2.4
Telecommunication Services	–	7.0
Utilities	8.2	6.7

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2018				
Equities	674,989,170	–	–	674,989,170
	674,989,170	–	–	674,989,170

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2017				
Equities	987,558,122	–	–	987,558,122
	987,558,122	–	–	987,558,122
Unrealized loss on currency spot contracts	–	(1,939)	–	(1,939)
	987,558,122	(1,939)	–	987,556,183

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Scotia U.S. Low Volatility Equity LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

NOTES TO THE FINANCIAL STATEMENTS

For the periods indicated in Note 1.

1. The Funds

1832 Asset Management L.P., a wholly owned subsidiary of The Bank of Nova Scotia ("Scotiabank"), is the manager of the funds. In this document, "we", "us", "our", the "Manager", and "1832 Asset Management" refer to 1832 Asset Management L.P. The registered office of the funds is 1 Adelaide Street East, 28th Floor, Toronto, ON, M5C 2V9.

The funds presented in these financial statements are Limited Partnerships. We refer to a Limited Partnership individually as a "Fund" and collectively, as the "Funds".

The Funds are each an open-ended mutual fund organized as a limited partnership governed by the laws of Ontario pursuant to separate limited partnership agreements. Each Fund is divided into one general partner unit, representing the interest in the relevant fund held by its General Partner, and Series I units ("units") representing interests in each Fund held by its limited partner unitholder(s). ScotiaFunds GP Inc., a wholly owned subsidiary of Scotiabank, is the "General Partner" and the initial limited partner of each Fund.

The Statements of Financial Position of each of the Funds are as at December 31, 2018 and 2017, as applicable, and the Statements of Comprehensive Income, Changes in Net Assets Attributable to Holders of Redeemable Units and Cash Flows are for the years ended December 31, 2018 and 2017, as applicable, except for Funds that inceptioned during either period, where the information presented is for the period from the Fund's inception date to December 31, 2018 or 2017, as applicable. The Schedule of Investment Portfolio for each of the Funds is as at December 31, 2018. Throughout this document, reference to the period or periods refers to the reporting periods described above.

These financial statements were approved and authorized for issue on March 08, 2019 by the Board of Directors of the General Partner of the Fund and by the Board of Directors of 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset Management L.P., in its capacity as the Manager of the Funds.

The investment objectives for each of the Funds are provided in the respective Fund's "Fund Specific Notes". The inception date for each Fund is as follows:

Limited Partnerships	Inception Date
1832 AM Canadian Dividend LP	April 6, 2015
1832 AM Canadian Growth LP	April 6, 2015
1832 AM Canadian Preferred Share LP	January 27, 2014
1832 AM Global Completion LP	January 27, 2014
1832 AM North American Preferred Share LP	January 27, 2014
1832 AM Tactical Asset Allocation LP	April 6, 2015
Scotia Global Low Volatility Equity LP	January 27, 2014
Scotia Total Return Bond LP	January 27, 2014
Scotia U.S. Dividend Growers LP	May 26, 2014
Scotia U.S. Low Volatility Equity LP	January 27, 2014

The Funds may offer an unlimited number of units of Series I. Series I units are only available for sale to other Scotia Funds.

2. Summary of Significant Accounting Policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(a) Basis of accounting

These annual financial statements of the Funds have been prepared in compliance with International Financial Reporting Standards ("IFRS").

The preparation of these financial statements in accordance with IFRS requires the use of judgment in applying accounting policies and to make estimates and assumptions concerning the future. Significant accounting judgments and estimates made by the Manager are disclosed in Note 3.

Accounting standards effective January 1, 2018

The Funds have adopted IFRS 9, *Financial Instruments* in the current reporting period commencing January 1, 2018. The adoption of IFRS 9 has been applied retrospectively and does not result in a change to the classification or measurement of financial instruments.

Previously under IAS 39, the Funds classified investments, including derivatives, as financial assets or financial liabilities at fair value through profit or loss. This category had two sub categories: financial assets and financial liabilities as either held for trading or designated at fair value through profit or loss at inception.

Financial assets or financial liabilities held for trading were those acquired principally for the purpose of selling or repurchasing in the near future or on initial recognition as part of an identical portfolio of financial instruments that were managed together for which there was evidence of actual short-term profit taking. Derivatives and short positions were included in this category.

Financial assets and financial liabilities at fair value through profit or loss at inception were financial instruments that were not classified as held for trading but were managed and their performance was evaluated on a fair value basis in accordance with the respective Fund's investment strategy.

On adoption of IFRS 9, all investments and derivatives are classified as fair value through profit or loss.

(b) Financial instruments

Classification

The Funds classify investments, including derivatives and short positions, at fair value through profit or loss. Investment classification is based on both the Funds' business model for managing those investments and their contractual cash flow characteristics. The portfolio of investments is managed and performance is evaluated on a fair value basis. The Funds are primarily focused on fair value information and use that

information to assess performance and to make decisions. The contractual cash flows of the Funds' debt securities are generally principal and interest, however, the collection of contractual cash flows is only incidental to achieving the Funds' business model's objective. Consequently, all investments are measured at fair value through profit or loss.

The Funds may sell securities short, in which a borrowed security is sold in anticipation of a decline in the market value of that security. Short sales are held for trading and are consequently classified as financial liabilities at fair value through profit or loss.

Derivatives include warrants, swaps, options, futures and forward currency contracts. Derivative contracts that have a negative fair value are classified as financial liabilities at fair value through profit or loss.

As such, the Funds classify all investments and derivatives as financial assets or liabilities at fair value through profit or loss.

The Funds' obligations for net assets attributable to holders of redeemable units are presented at the redemption amount.

Receivable for securities sold, subscription receivable, and accrued investment income and other are measured at amortized cost.

All other financial liabilities, other than those classified as fair value through profit or loss are measured at amortized cost.

Recognition and measurement

Regular purchases and sales of investments are recognized on the date on which the Funds commit to purchase or sell investments at fair value. Transaction costs are expensed as incurred in the Statements of Comprehensive Income. Financial assets and liabilities at fair value through profit or loss are measured at fair value as presented below. Gains and losses arising from changes in their fair value are included in the Statements of Comprehensive Income for the periods in which they arise.

(c) Fair value measurement and hierarchy of financial instruments

Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). Fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) is based on quoted market prices at the close of trading on the reporting date. The Funds use the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Funds use a variety of methods and make assumptions that are based on

market conditions existing at each reporting date. Valuation techniques include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other techniques commonly used by market participants which make the maximum use of observable inputs.

IFRS 13, *Fair value measurement*, requires the use and disclosure of a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value of financial instruments. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets and the lowest priority to unobservable inputs. The three level hierarchy based on inputs levels are defined as follows:

- Level 1: Fair value is based on unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: Fair value is based on inputs other than unadjusted quoted prices included in level 1 that are observable for the assets or liabilities, either directly or indirectly; and
- Level 3: Fair value is based on at least one significant non-observable input that is not supported by market data for the financial assets or liabilities.

Changes in valuation methodology may result in transfer in and out of a level. The Funds' policy is to recognize these transfers as of the date of the event or circumstance giving rise to the transfer. The three level fair value hierarchy, transfers between levels and a reconciliation of level 3 financial instruments, as applicable, are disclosed in the respective Fund's "Fund Specific Notes".

The Manager is responsible for performing the fair value measurements included in the financial statements of the Funds, including level 3 measurements. The Manager obtains pricing from a third party pricing vendor, which is monitored and reviewed by the valuation team daily. At each financial reporting date, the Manager reviews and approves all level 3 fair value measurements. The Manager also has a Valuation Committee which includes members of the finance team, as well as members of the investment council and compliance teams. The committee meets quarterly to perform detailed reviews of the valuations of investments held by the Funds.

Financial instruments are valued at their fair value as summarized below:

- (i) North American equities, including exchange traded funds and closed end funds, are valued at the closing market price recorded by the security exchange on which the security is principally traded. Non-North American equities are valued at fair value based on information provided by an independent pricing source.
- (ii) Fixed income securities, including bonds and mortgage-backed securities, are valued using quotations received from an independent pricing source.
- (iii) Short-term debt instruments are carried at amortized cost, which approximates fair value.

- (iv) Investments in underlying mutual funds are valued based on the net asset value per unit provided by the underlying mutual funds' manager at the end of each valuation date.
- (v) Unlisted warrants are valued using the Black-Scholes option valuation model. The model factors in the time value of money and the volatility inputs significant to such valuation. For purposes of determining Net Asset Value as defined below, unlisted warrants are valued at their intrinsic value.
- (vi) Options contracts are valued at their mid-price as reported by the principal exchange or the over the counter market on which the contract is traded. All transactions in over the counter options are valued using quotations received from independent pricing sources. Options on futures are valued using settlement price determined by the exchange (if available); if no settlement price is available, the last reported closing sale price on the valuation date; or, if no closing sale price is available, the last reported settlement price.
- (vii) Futures contracts are valued at their settlement prices on each valuation date.
- (viii) Open forward currency contracts are valued at the gain or loss that would arise as a result of closing the position on the valuation date.
- (ix) Over-the-counter swap contracts are valued at the amount that the Funds would receive or pay to terminate the swap, based on the current value of the underlying interest on the valuation date; centrally cleared swaps listed or traded on a multilateral or trade facility platform, such as a registered exchange, are valued at the daily settlement price determined by the respective exchange (if available).

(d) Net Assets versus Net Asset Value

The Funds' accounting policies for measuring the fair value of their investments and derivatives are identical to those used in measuring their net asset value for transactions with unitholders in accordance with Part 14 of National Instrument 81-106 Investment Funds for Continuous Disclosure ("NI 81-106"), except where the last traded market price for financial assets and liabilities are not within the bid-ask spread or the Fund holds unlisted warrants as described above. A comparison of the net assets per unit in accordance to IFRS ("Net Assets per unit") and the net asset value per unit calculated in accordance to NI 81-106 ("Net Asset Value per unit") is presented in the "Fund Specific Notes" for each Fund, as applicable.

(e) Income recognition

Gains and losses arising from changes in fair value of non-derivative financial assets are shown in the Statements of Comprehensive Income as "Change in unrealized gain (loss) on non-derivative financial assets", and as "Net realized gain (loss) on non-derivative financial assets" when positions are sold.

Gains and losses arising from changes in fair value of securities sold short are shown in the Statements of Comprehensive Income as "Change in unrealized gain (loss) on non-derivative financial

liabilities", and as "Net realized gain (loss) on non-derivative financial liabilities" when positions are closed out, where applicable.

Gains and losses arising from changes in fair value of derivatives are shown in the Statements of Comprehensive Income as "Change in unrealized gain (loss) on derivatives", and as "Net realized gain (loss) on derivatives" when positions are closed out or have expired, where applicable.

The premium received or paid on options purchased or written are included in the cost of the options. Any difference resulting from revaluation at the reporting date is treated as "Change in unrealized gain (loss) on derivatives", while the gains and losses realized when the position is closed is included in the Statements of Comprehensive Income as "Net realized gain (loss) on derivatives".

Dividend income and distributions from Underlying Funds are recognized on the ex-dividend date. Where applicable, interest and dividends on investments sold short are accrued as earned and are reported as a liability in the Statements of Financial Position in "Payable for interest and dividends on securities sold short" and in the Statements of Comprehensive Income in "Dividend and interest expense on securities sold short". Distributions received from income trusts are recognized based on the nature of the underlying components such as dividend income, interest income, capital gains, and return of capital by applying previous year characterizations reported by the trust as current year characterizations are not available until the following year. The interest income component of the distributions received from Underlying Funds are included as part of "Interest for distribution purposes" in the Statements of Comprehensive Income.

Interest for distribution purposes represents the coupon interest received by the Funds, recognized on an accrual basis. The Funds do not amortize premiums paid or discounts received on the purchase of fixed income securities. Realized gains or losses on the sale of short-term debt instruments are recorded as an adjustment to interest for distribution purposes.

(f) Functional and presentation currency and foreign exchange translation

The functional and reporting currency for all Funds is the Canadian dollar. The functional currency is the currency of the primary economic environment in which the Funds operate, or where mixed indicators exist in the primary environment, the currency in which they primarily raise capital. Any currency other than functional currency represents foreign currency to the Funds. Amounts denominated in foreign currencies are converted into the functional currency as follows:

- (i) The fair values of investments, derivative contracts and monetary and non-monetary assets and liabilities at the rates of exchange prevailing as at the valuation date;
- (ii) Foreign income and expenses at the rates of exchange applicable on the respective dates of such transactions; and

- (iii) Purchase or sale of investments and investment income at the rate of exchange prevailing on the respective dates of such transactions.

Gains and losses on foreign exchange incurred in the Funds from monetary or non-monetary assets and liabilities other than investments and derivatives are shown in the Statements of Comprehensive Income as “Net realized and unrealized foreign currency translation gain (loss)”.

(g) Investments in unconsolidated structured entities

Certain Funds may invest in mutual funds, exchange-traded funds, or closed-ended funds managed by the Manager or third party investment managers. The relevant Funds consider all investments in such instruments (“Underlying Funds”) to be investments in unconsolidated structured entities based on the fact that the decisions made by these Underlying Funds are not governed by voting rights or any other similar rights held by the Funds. The Funds account for these unconsolidated structured entities at fair value.

The Underlying Funds each have their own objectives and investment strategies which assist the Funds in achieving their investment objectives. The Underlying Funds primarily finance their operations by issuing redeemable units or shares which are puttable at the holder's option in the case of mutual funds and exchange-traded funds or through issuing non-redeemable units or partnership interests in the case of closed end funds. The Underlying Funds entitle the holder to a proportional stake in the respective fund's net assets. The Funds hold units, shares or partnership interests in each of their Underlying Funds. These investments are included in “Non derivative financial assets” in the Statements of Financial Position. The change in fair value of each Underlying Fund is included in the Statements of Comprehensive Income in “Change in unrealized gain (loss) on non-derivative financial assets”. The exposure to investments in Underlying Funds at fair value is disclosed in the Funds’ “Fund Specific Notes”. The Funds’ maximum exposure to loss from their interests in Underlying Funds is equal to the total carrying value of their investments in Underlying Funds.

Mortgage-backed securities or asset-backed securities are also considered to be unconsolidated structured entities. Mortgage-backed securities are formed by pooling various types of mortgages while asset-backed securities are formed by pooling assets such as auto loans, credit card receivables or student loans. An interest or claim to this future cash flow (interest and principal) is then sold in the form of debt or equity securities, which could be held by the Funds. The Funds account for these unconsolidated structured entities at fair value. The fair value of such securities, as disclosed in the Schedule of Investment Portfolio, if applicable, represents the maximum exposure to losses at that date.

(h) Redeemable units issued by the Funds

The Funds’ outstanding redeemable units qualify as “puttable instruments” as per the International Accounting Standard 32: *Financial Instruments: Presentation* (“IAS 32”) which states that units or shares of an entity that include a contractual obligation

for the issuer to repurchase or redeem them for cash or another financial asset should be classified as financial liabilities.

Each Limited Partnership issues two types of units (general partner unit and Series I unit) that are equally subordinated but have different features. This violates one of the criteria that are required in order for the redeemable units to be presented as equity under IAS 32. Consequently, the Funds’ outstanding redeemable units are classified as financial liabilities in these financial statements.

(i) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is presented in the Statements of Financial Position only if there is an unconditional legal right to offset the amounts and there is an intention either to settle on a net basis or to realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under IFRS, for gains and losses arising from a group of similar transactions, such as gains and losses from financial instruments at fair value through profit or loss. Financial assets and liabilities that are subject to master netting or comparable agreements and the related potential effect of offsetting are disclosed in the respective Fund’s “Fund Specific Notes”.

(j) Increase (decrease) in net assets attributable to holders of redeemable units per unit

“Increase (decrease) in net assets attributable to holders of redeemable units per unit” is disclosed in the Statements of Comprehensive Income and represents the increase or decrease in net assets attributable to holders of redeemable units from operations for the period attributable to the series divided by the weighted average number of units outstanding for the series during the period.

(k) Non-cash transactions

Non-cash transactions on the Statements of Cash Flows include reinvested distributions from the underlying mutual funds and stock dividends from equity investments. These amounts represent non-cash income recognized in the Statements of Comprehensive Income.

(l) Short selling

If a Fund sells a security short, it will borrow that security from a broker to complete the sale. The Fund will incur a loss as a result of a short sale if the price of the borrowed security increases between the date of the short sale and the date on which the Fund closes out its short position by buying that security. There can be no assurance that a Fund will be able to close out a short position at an acceptable time or price. Until the Fund replaces a borrowed security, it will maintain a margin account with the broker containing cash and liquid securities such that the amount deposited as margin will be more than the current market value of the security sold short. The cash held on margin in respect of short sale activity is noted in the Statements of Financial Position in “Deposits with brokers for securities sold short”, if applicable.

(m) Cash

Cash is comprised of cash on deposit and bank overdrafts, as applicable. Short term instruments are disclosed in “Non-derivative financial assets” in the Statements of Financial Position.

(n) Comparative balances

Certain prior year balances have been reclassified in the financial statements in order to conform to the current year’s classification of these financial statement items.

Unrealized gain or loss on currency forward contracts and unrealized gain or loss on futures contracts are now included in “Derivatives” on the Statements of Financial Position. Change in unrealized gain (loss) on forward contracts and change in unrealized gain (loss) on futures contracts are now included in “Change in unrealized gain (loss) on derivatives” in the Statements of Comprehensive Income and the Statements of Cash Flows. Net realized gain (loss) on currency forward contracts and net realized gain (loss) on futures contracts are now included in “Net realized gain (loss) on derivatives” in the Statements of Comprehensive Income.

3. Significant Accounting Judgments and Estimates

The preparation of financial statements requires the Manager to use judgment in applying its accounting policies and to make estimates and assumptions about the future. These estimates are made based on information available as at the date of issuance of the financial statements. Actual results could materially differ from those estimates. The following discusses the most significant accounting judgments and estimates that the Funds have made in preparing the financial statements:

Investment Entities

In accordance with IFRS 10: *Consolidated Financial Statements*, the Manager has determined that the Funds meet the definition of an Investment Entity which requires that the Funds obtain funds from one or more investors for the purpose of providing investment management services, commit to their investors that their business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and measure and evaluate the performance of their investments on a fair value basis. Consequently, the Funds do not consolidate their investment in subsidiaries, if any, but instead measure these at fair value through profit or loss, as required by the accounting standard.

Classification and measurement of financial instruments

In classifying and measuring certain financial instruments held by the Funds, the Manager is required to make significant judgments about whether or not the business model of the Funds is to manage their assets on a fair value basis and to realize those fair values, for the purpose of classifying all financial instruments as fair value through profit or loss under IFRS 9.

Fair value measurement of financial instruments not quoted in an active market

Key areas of estimation, where the Manager has made complex or subjective judgments, include the determination of fair values of financial instruments that are not quoted in an active market. The use of valuation techniques for financial instruments that are not quoted in an active market requires the Manager to make assumptions that are based on market conditions existing as at the date of the financial statements. Changes in these assumptions as a result of changes in market conditions could affect the reported fair value of financial instruments.

4. Discussion of Financial Instrument Risk

Each Fund’s investment activities expose it to a variety of financial risks: market risk (including interest rate risk, currency risk, and other price risk), credit risk and liquidity risk. Each Fund’s investment practices include portfolio monitoring to ensure compliance with stated investment guidelines. The Manager seeks to minimize potential adverse effects of risks on each Fund’s performance by employing and overseeing professional and experienced portfolio advisors that regularly monitor each Fund’s securities and financial market developments. The risks are measured using a method that reflects the expected impact on the results and net assets attributable to unitholders of the Funds from reasonably possible changes in the relevant risk variables.

The Manager maintains a risk management practice that includes monitoring compliance with investment restrictions to ensure that the Funds are being managed in accordance with the Funds’ stated investment objectives, strategies and securities regulations.

Some Funds invest in Underlying Funds. These Funds are indirectly exposed to market risk, credit risk, and liquidity risk in the event that the Underlying Funds invest in financial instruments that are subject to those risks.

A Fund’s exposure to market risk, credit risk and liquidity risk, where applicable, is disclosed in the respective Fund’s “Fund Specific Notes”.

(a) Market risk

(i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the future cash flows or the fair values of interest-bearing financial instruments. Each Fund’s exposure to interest rate risk is concentrated in its investments in debt instruments (such as bonds and debentures) and interest rate sensitive derivative instruments, if any.

(ii) Currency risk

The Funds may invest in monetary and non-monetary assets denominated in currencies other than their functional currency. Currency risk is the risk that the value of foreign instruments will fluctuate due to changes in the foreign exchange rates of those currencies in relation to the Funds’ functional currency. Funds may enter into foreign currency forward contracts, currency futures

contracts and/or foreign currency option contracts for hedging purposes to reduce their foreign currency risk exposure.

(iii) Price risk

Price risk is the risk that the fair value of a Fund's financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, derivatives, Underlying Funds and commodities. The maximum risk resulting from these financial instruments is equivalent to their fair value, except for written options, short sales and short futures contracts, where possible losses can be unlimited.

(b) Credit risk

Credit risk is the risk that the issuer of a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Funds. A Fund's investment in financial instruments such as bonds, debentures, money market instruments, preferred shares and derivatives represents the main concentration of credit risk. The fair value of financial instruments includes consideration of the creditworthiness of the issuer, and accordingly, represents the maximum credit risk exposure to the Funds. All the transactions in listed securities and derivatives are settled or paid upon delivery using approved brokers with an approved credit rating. The risk of default with the counterparty is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is only made on a purchase once the securities have been received by the broker.

The Trade Management Oversight Committee responsible for regulatory evaluation and approval of trade management policies and procedures, when applicable, is also responsible for counterparty selection and oversight. The Committee reviews counterparties regularly to ensure they still meet preapproved credit standards established by the Committee. The counterparty policies and procedures established by the Committee have been reviewed and approved by the Board of Directors of the Manager.

The Funds enter into transactions with approved counterparties with a designated rating in accordance with securities regulations.

The credit ratings reported in the financial statements for issuers of debt instruments, counterparties of derivative transactions, prime brokers and custodians, where applicable, are S&P Global Ratings' credit ratings or S&P Global Ratings equivalent for credit ratings from other approved rating agencies. In instances where the credit rating was to fall below the designated rating, the Manager would take appropriate action.

The Funds can also be exposed to credit risk to the extent that the Funds' custodian may not be able to settle trades for cash. Canadian securities regulations require that the Funds employ a custodian that meets certain capital requirements. These regulations state that, among other things, a fund's custodian be either a bank listed in Schedule I, II, or III of the Bank Act (Canada), or a company incorporated in Canada affiliated with a bank with shareholders' equity of not less than \$10,000,000. The Bank of Nova Scotia and State Street

Trust Company Canada as the custodians of the Funds, meet all Canadian Securities Administrators' requirements to act as custodian.

A Fund may enter into securities lending transactions with counterparties whereby the Fund temporarily exchanges securities for collateral with a commitment by the counterparty to deliver the same securities on a future date. Credit risk associated with these transactions is considered minimal as all counterparties have approved credit rating and the market value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned as at the end of each trading day.

(c) Liquidity risk

The Funds' exposure to liquidity risk arises primarily from the daily cash redemption of units. The Funds primarily invest in securities that are traded in active markets and can be readily disposed of. In addition, each Fund aims to retain sufficient cash and cash equivalent positions to maintain liquidity. The Funds may, from time to time, enter into over-the-counter derivative contracts or invest in securities that are not traded in an active market and may be illiquid. Illiquid securities are identified in the respective Fund's Schedule of Investment Portfolio, as applicable.

(d) Concentration risk

Concentrations of risk arise from financial instruments that have similar characteristics and are affected similarly by changes in economic or other conditions. The identification and disclosure of concentration risk is provided in the respective Fund's "Fund Specific Notes".

5. Management Fees

The Manager is not paid a management fee by the Funds in respect of Series I units. The management fee is negotiable and paid by unitholders directly to the Manager.

6. Fixed Administration Fees and Operating Expenses

The Manager pays certain operating expenses of the Funds ("FAF Funds"). These expenses include regulatory filing fees and other day-to-day operating expenses including, but not limited to, transfer agency and recordkeeping, accounting and fund valuation costs, custody fees, audit and legal fees, administration costs, bank charges, costs of preparing and distributing annual and semi-annual reports, prospectuses, annual information forms, Fund Facts and statements, investor communications and continuous disclosure materials. The Manager is not obligated to pay any other expense, cost or fee, including those arising from new government or regulatory requirements relating to the foregoing expenses, costs and fees. In return, each series of the FAF Funds pays a Fixed Administration Fee to the Manager (the "Fixed Administration Fee").

In addition to the Fixed Administration Fee, each series of the Funds pays certain operating expenses directly, referred to as "Fund Costs". These include the costs and expenses related to the Independent Review Committee ("IRC") of the Funds, costs associated with the change to IFRS and the ongoing audit costs associated with compliance with IFRS, the cost of any government or regulatory

requirements imposed commencing after May 14, 2014, including compliance with Canadian OTC derivatives trade reporting rules, compliance with the Volcker Rule under the *Dodd Frank Wall Street Reform and Consumer Protection Act* and other applicable U.S. regulations, and any new types of costs, expenses or fees not incurred prior to May 14, 2014, including those related to external services that were not commonly charged in the Canadian mutual fund industry as of May 14, 2014, any fee introduced after May 14, 2014 by a securities regulators or other government authority that is based on the assets or other criteria of the Funds, any transaction costs, including all fees and costs related to derivatives, and any borrowing costs, and taxes (including, but not limited to, GST or HST, as applicable). More details about the Fund Costs can be found in the Funds' most recent simplified prospectus.

The Manager has agreed to absorb certain expenses associated with some of the Funds. The absorbed amounts are shown in the Statements of Comprehensive Income as "Expenses absorbed by the Manager", where applicable. Such absorption, where applicable, may be terminated by the Manager at any time without notice.

The Fixed Administration Fee and Fund Costs are accrued daily and paid monthly. The maximum annual rates of the Fixed Administration Fee, which are a percentage of the net asset value for each series of units of each Fund, are as follows:

	% of Net Asset Value
	Series I
1832 AM Canadian Dividend LP	0.04
1832 AM Canadian Growth LP	0.04
1832 AM Canadian Preferred Share LP	0.07
1832 AM Global Completion LP	0.07
1832 AM North American Preferred Share LP	0.07
1832 AM Tactical Asset Allocation LP	0.04

% of Net Asset Value

	Series I
Scotia Global Low Volatility Equity LP	0.10
Scotia Total Return Bond LP	0.03
Scotia U.S. Dividend Growers LP	0.07
Scotia U.S. Low Volatility Equity LP	0.07

7. Redeemable Units

Units issued and outstanding represent the capital of each Fund. Each of the Funds may issue an unlimited number of units. Each unit is redeemable at the option of the unitholder in accordance with the limited partnership agreements, ranks equally with all other units of the Funds and entitles the unitholder to a proportionate undivided interest in the Net Asset Value of the Funds. The Funds' capital is managed in accordance with each of the Funds' investment objectives, policies and restrictions, as outlined in the Funds' prospectus. The Funds have no specific restrictions or specific capital requirements on the subscriptions or redemptions of units, other than minimum subscription requirements.

The units of the Funds are issued and redeemed at their Net Asset Value per unit which is determined as of the close of business on each day that the Toronto Stock Exchange is open for trading. The Net Asset Value per unit is calculated by dividing the Net Asset Value by the total number of outstanding units.

One general partner unit was issued to the General Partner for cash consideration of \$10.00 per unit for each of the Funds under the limited partnership agreement between the General Partner and the limited partners of each Fund. The General Partner is entitled to 0.01% of the net income of each Fund and 0.01% of the net loss of each Fund.

For the periods ended December 31, 2018 and 2017, the following number of units were issued, reinvested and redeemed:

LP Funds	December 2018					December 2017				
	Opening Units	Units Issued	Units Reinvested	Units Redeemed	Ending Units	Opening Units	Units Issued	Units Reinvested	Units Redeemed	Ending Units
1832 AM Canadian Dividend LP										
Series I Units	56,742,022	12,697,093	—	7,417,490	62,021,625	55,861,853	3,044,273	—	2,164,104	56,742,022
1832 AM Canadian Growth LP										
Series I Units	23,211,418	1,492,664	—	2,330,597	22,373,485	23,872,776	1,615,124	—	2,276,482	23,211,418
1832 AM Canadian Preferred Share LP										
Series I Units	11,913,153	20,507	—	2,638,333	9,295,327	14,114,922	110,864	—	2,312,633	11,913,153
1832 AM Global Completion LP										
Series I Units	30,906,523	9,612,897	—	2,567,458	37,951,962	31,327,228	1,097,283	—	1,517,988	30,906,523
1832 AM North American Preferred Share LP										
Series I Units	22,076,388	3,386,849	—	4,985,385	20,477,852	23,809,910	1,724,724	—	3,458,246	22,076,388
1832 AM Tactical Asset Allocation LP										
Series I Units	15,786,970	330,550	—	9,642,942	6,474,578	16,409,807	122,808	—	745,645	15,786,970
Scotia Global Low Volatility Equity LP										
Series I Units	65,081,501	2,231,838	—	23,235,086	44,078,253	64,296,693	3,503,041	—	2,718,233	65,081,501
Scotia Total Return Bond LP										
Series I Units	85,055,419	24,610,112	—	7,707,563	101,957,968	76,671,597	10,915,964	—	2,532,142	85,055,419
Scotia U.S. Dividend Growers LP										
Series I Units	35,744,607	4,749,106	—	9,604,699	30,889,014	36,208,500	1,792,236	—	2,256,129	35,744,607
Scotia U.S. Low Volatility Equity LP										
Series I Units	66,466,569	1,670,972	—	26,175,520	41,962,021	66,765,191	2,379,088	—	2,677,710	66,466,569

8. Income Taxes

No provision for income taxes has been recorded in these financial statements as the earnings or loss of a Fund is allocated to the limited partners and the General Partner, who are responsible for any income taxes applicable thereto.

Withholding taxes

The Funds currently incur withholding taxes imposed by certain countries on investment income and in some cases, capital gains. In addition, certain countries may require capital gains taxes to be determined on a self-assessment basis; therefore, such taxes may not be deducted by the Funds' broker on a "withholding" basis. Accordingly, any uncertain taxes would represent liabilities of the limited partners and General Partner of the Fund.

If applicable, the uncertain tax liabilities recorded by the Funds are shown in the Statements of Financial Position as "Provision for uncertain tax" and in the Statements of Comprehensive Income as "Foreign withholding taxes/tax reclaims". While any such provision represents the Manager's best estimate, the estimated value could differ significantly from the amount ultimately payable.

Such income and capital gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income.

9. Client Brokerage Commissions

Client brokerage commissions are arrangements pursuant to which products or services, other than the execution of portfolio securities transactions, are obtained by a portfolio advisor from or through a broker-dealer in exchange for directing client securities transactions to the broker-dealer. The ascertainable client brokerage commissions paid in connection with investment portfolio transactions for the periods ended December 31, 2018 and 2017 are set out below.

Fund	2018	2017
1832 AM Canadian Dividend LP	\$42,173	\$196,152
1832 AM Canadian Growth LP	49,687	67,351
1832 AM Canadian Preferred Share LP	771	2,433
1832 AM North American Preferred Share LP	874	4,367
Scotia U.S. Dividend Growers LP	—	—

10. Related Party Transactions

The Manager is a wholly owned subsidiary of The Bank of Nova Scotia ("Scotiabank"). Scotiabank also owns, directly or indirectly, 100% of Scotia Securities Inc. and Tangerine Investment Funds Limited, each a mutual fund dealer, and Scotia Capital Inc., (which includes ScotiaMcLeod and Scotia iTRADE), an investment dealer.

The Manager, on behalf of the Funds, may enter into transactions or arrangements with other members of Scotiabank or certain other companies that are related or connected to the Manager (each a "related party"). All transactions between the Funds and the related parties are in the normal course of business and are carried out at arm's length terms.

- (a) The Manager receives a Fixed Administration Fee in exchange for paying certain operating expenses of certain of the Funds as detailed in note 6. In addition, Scotiabank as custodian for

certain Funds during the period earned a fee for providing custody and related services. The Fixed Administration Fees are disclosed in separate line in the Statements of Comprehensive Income.

- (b) Decisions about the purchase and sale of each Fund's portfolio investments are made by appointed Portfolio Managers of each Fund. Provided that the pricing, service and other terms are comparable to those offered by other dealers, a portion of the portfolio transactions may be executed for the Funds, by a related party to the Funds. In such cases, the related party will receive commissions from the Funds. Brokerage fees paid to related parties for the periods ended December 31, 2018 and 2017 are as follows:

Fund	December 31, 2018	December 31, 2017
1832 AM Canadian Dividend LP	40,062	124,259
1832 AM Canadian Growth LP	47,252	27,715
1832 AM Canadian Preferred Share LP	11,099	7,675
1832 AM Global Completion LP	7,360	—
1832 AM North American Preferred Share LP	21,505	12,543
1832 AM Tactical Asset Allocation LP	444	—
Scotia U.S. Dividend Growers LP	10,368	100,297

- (c) The Manager received approval from the Independent Review Committee to invest the Funds' overnight cash with Scotiabank with interest paid by Scotiabank to the Funds based on prevailing market rates. The interest earned by the Funds is included in "Interest for distribution purposes" in the Statements of Comprehensive Income.
- (d) The Funds may invest in investment funds managed by the Manager or a related party, which are disclosed in the Schedule of Investment Portfolio for the respective Funds. These include Scotia Funds, Scotia Private Pools, Pinnacle Portfolios, Scotia ETFs, Dynamic Funds, Marquis Funds and Dynamic Private Investment Pools.
- (e) Units held by the Manager in the Funds as at December 31, 2018 and 2017, were nil.
- (f) The Manager has received approval from the Independent Review Committee for the Funds to purchase securities of related parties, which include investments in related funds as described in (d) above and investments in securities of Scotiabank. Any related party securities held by the Funds are disclosed in the Schedule of Investment Portfolio for the respective Funds. The Funds are also permitted to enter into derivative transactions with Scotiabank as counterparty.
- (g) Distributions received from related party funds are included in "Interest for distribution purposes", "Dividends", or "Net realized gain (loss) on non-derivative financial assets", as applicable, in the Statements of Comprehensive Income.

11. Securities Lending

Some of the Funds may enter into securities lending transactions under a securities lending program with State Street Bank and Trust Company. These transactions involve the temporary exchange of securities for collateral with a commitment to return the same securities to the Fund on a future date. In accordance with security

regulations, the Funds receive minimum collateral of 102%. Collateral is received in the form of debt obligations of the Government of Canada, a Canadian provincial government, the government of the United States of America, certain financial institutions or other qualified securities, and is not included in the Schedule of Investment Portfolio. The Funds do not receive cash collateral from any securities lending transactions. The aggregate market value of all securities loaned by a Fund cannot exceed 50% of the Net Assets of the Fund. The fair value of the securities lent and collateral held is determined on a daily basis. The securities lending arrangement can be terminated by the borrower, the securities lending agent or the Fund at any time.

The income earned from these securities lending transactions is included as part of "Securities lending" in the Statements of Comprehensive Income.

The securities lending agent earns 30% of the gross income generated through any securities lending transactions in the Funds.

The aggregate market value of the securities on loan and the collateral received by the Funds as at December 31, 2018 and 2017 are presented below along with the income earned for the years ended December 31, 2018 and 2017.

	As at December 31, 2018		For the period ended December 31, 2018		
	Market value of securities on loan (\$)	Market value of collateral on loan (\$)	Net amount received by the Fund (\$)	Amount earned by lending agent (\$)	Gross securities lending revenue earned (\$)
1832 AM Canadian Dividend LP	21,899,788	23,001,492	20,763	8,898	29,661
1832 AM Canadian Growth LP	—	—	2,687	1,152	3,839
1832 AM Canadian Preferred Share LP	80,436	84,558	116	50	166
1832 AM Global Completion LP	36,103,454	37,984,528	29,106	12,474	41,580
1832 AM North American Preferred Share LP	—	—	198	85	283
1832 AM Tactical Asset Allocation LP	—	—	236	101	337
Scotia Global Low Volatility Equity LP	22,279,554	23,416,442	92,921	39,823	132,744
Scotia Total Return Bond LP	155,314,491	163,135,778	92,000	39,429	131,429
Scotia U.S. Dividend Growers LP	25,648,546	26,972,391	11,519	4,937	16,456
Scotia U.S. Low Volatility Equity LP	14,663,481	15,430,413	18,358	7,868	26,226

	As at December 31, 2017		For the period ended December 31, 2017		
	Market value of securities on loan (\$)	Market value of collateral on loan (\$)	Net amount received by the Fund (\$)	Amount earned by lending agent (\$)	Gross securities lending revenue earned (\$)
1832 AM Canadian Dividend LP	11,211,378	11,781,894	3,191	1,368	4,559
1832 AM Canadian Growth LP	—	—	30	13	43
1832 AM Canadian Preferred Share LP	—	—	1,579	677	2,256
1832 AM Global Completion LP	198,133	214,338	101,718	43,593	145,311
1832 AM North American Preferred Share LP	—	—	12,518	5,365	17,883
Scotia Global Low Volatility Equity LP	1,858,195	2,010,176	28,368	12,158	40,526
Scotia Total Return Bond LP	240,788,014	251,037,310	71,151	30,493	101,644
Scotia U.S. Low Volatility Equity LP	426,868	448,630	29,139	12,488	41,627

12. Currency Legend

The following is a list of abbreviations that may be used in the Financial Statements:

AUD Australian Dollar	KRW South Korean Won
BMD Bermuda Dollar	MXN Mexican Peso
BRL Brazilian Real	MYR Malaysian Ringgit
CAD Canadian Dollar	NOK Norwegian Krone
CHF Swiss Franc	NZD New Zealand Dollar
DKK Danish Krone	PHP Philippine Peso
EUR Euro	PKR Pakistani Rupee
GBP Pound Sterling	SEK Swedish Krona
HKD Hong Kong Dollar	SGD Singapore Dollar
IDR Indonesian Rupiah	THB Thailand Baht
ILS Israeli Shekel	TWD New Taiwan Dollar
INR Indian Rupee	USD US Dollar
JPY Japanese Yen	ZAR South African Rand

Management Responsibility For Financial Reporting

The accompanying financial statements of the Funds (as defined in Note 1) have been prepared by 1832 Asset Management L.P., in its capacity as manager (the “Manager”) of the Funds, and have been approved by the Board of Directors of the general partner of the Funds and by the Board of Directors of 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset Management L.P. The Board of Directors of the general partner of the Funds and the Board of Directors of 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset Management L.P., are responsible for the information and representations contained in these financial statements and the management report of fund performance.

The Manager maintains appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and include certain amounts that are based on estimates and judgments made by the Manager. The significant accounting policies which the Manager believes are appropriate for the Funds are described in Note 2 to the financial statements.

The Board of Directors of 1832 Asset Management G.P. Inc. has delegated responsibility for oversight of the financial reporting process to the Finance Committee of the Board of Directors of 1832 Asset Management G.P. Inc. (the “Finance Committee”). The Finance Committee is responsible for reviewing the financial statements and the management report of fund performance and recommending them to the Boards of Directors of the general partner of the Funds and 1832 Asset Management G.P. Inc. for approval, in addition to meeting with management, internal auditors and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues.

PricewaterhouseCoopers LLP is the external auditor of the Funds, appointed by the general partner of the Funds. The auditor of the Funds 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. The auditor’s report is set out herein.



Glen Gowland
President
1832 Asset Management L.P.

March 8, 2019



Anil Mohan
Chief Financial Officer
1832 Asset Management L.P.



Independent Auditor's Report

To the Partners of

1832 AM Canadian Dividend LP
1832 AM Canadian Growth LP
1832 AM Canadian Preferred Share LP
1832 AM Global Completion LP
1832 AM North American Preferred Share LP
1832 AM Tactical Asset Allocation LP
Scotia Global Low Volatility Equity LP
Scotia Total Return Bond LP
Scotia U.S. Dividend Growers LP
Scotia U.S. Low Volatility Equity LP

(collectively, the Funds, individually the Fund)

Our opinion

In our opinion, the accompanying December 31, 2018 annual financial statements of each of the Funds present fairly, in all material respects, the financial position of each Fund, its financial performance and its cash flows as at and for the periods indicated in note 1 in accordance with International Financial Reporting Standards (IFRS).

What we have audited

The financial statements of each of the Funds comprise:

- the statements of financial position as at the period-end dates indicated in note 1;
- the statements of comprehensive income for the periods indicated in note 1;
- the statements of changes in net assets attributable to holders of redeemable units for the periods indicated in note 1;
- the statements of cash flows for the periods indicated in note 1; and
- the notes to the financial statements, which include a summary of significant accounting policies.

PricewaterhouseCoopers LLP
18 York Street, Toronto, Ontario, Canada M5J 0B2
T: +1 416 863 1133, F: +1 416 365 8215

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of each of the Funds in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Management is responsible for the other information of each of the Funds. The other information comprises the Annual Management Report of Fund Performance of each of the Funds.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of each of the Funds, 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 of each of the Funds or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 of each of the Funds in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of each of the Funds 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 any of the Funds or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of each of the Funds.

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

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

- Identify and assess the risks of material misstatement of the financial statements of each of the Funds, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of each of the Funds.
- 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 ability of each of the Funds 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 of each of the Funds 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 any of the Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of each of the Funds, 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario

March 8, 2019

HEAD OFFICE – 1832 ASSET MANAGEMENT L.P.
1 Adelaide Street East, 28th Floor
Toronto, Ontario M5C 2V9

® Registered trademarks of The Bank of Nova Scotia, used under licence.

