

# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## MANAGEMENT REPORT

### Management's Responsibility for Financial Reporting

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

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

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

On behalf of Mackenzie Financial Corporation,  
Manager of the Fund



Barry McInerney  
President and Chief Executive Officer



Terry Rountes  
Chief Financial Officer, Funds

June 7, 2018

## INDEPENDENT AUDITOR'S REPORT

To the Securityholders of Mackenzie Ivy Canadian Balanced Fund (the "Fund")

We have audited the accompanying financial statements of the Fund which comprise the statements of financial position as at March 31, 2018 and 2017, and the statements of comprehensive income, statements of changes in financial position and statements of cash flows for the periods then ended, as indicated in Note 1, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2018 and 2017, and its financial performance and its cash flows for the periods then ended, as indicated in Note 1, in accordance with International Financial Reporting Standards.



Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada  
June 7, 2018



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# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## STATEMENTS OF FINANCIAL POSITION

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

	2018	2017		2018	2017
	\$	\$		\$	\$
<b>ASSETS</b>			<b>Net assets attributable to securityholders</b>		
<b>Current assets</b>			<b>per security (note 3)</b>		
Investments at fair value	880,706	1,008,198	Series A	23.87	26.08
Cash and cash equivalents	6,394	7,246	Series AR	9.31	10.17
Accrued interest receivable	1,289	1,396	Series D	9.77	10.69
Dividends receivable	903	1,201	Series F	7.14	7.81
Accounts receivable for investments sold	1,806	15,413	Series F8	6.16	7.24
Accounts receivable for securities issued	50	273	Series FB	9.49	10.37
Due from manager	8	–	Series FB5	12.20	13.91
Margin on futures contracts	910	565	Series G	10.70	11.69
Unrealized gains on derivative contracts	183	249	Series I	7.29	8.00
<b>Total assets</b>	<b>892,249</b>	<b>1,034,541</b>	Series J	11.94	13.03
			Series O	13.25	14.51
			Series O6	11.48	13.12
<b>LIABILITIES</b>			Series PW	10.31	11.27
<b>Current liabilities</b>			Series PWF	9.73	10.64
Accounts payable for investments purchased	7,726	5,719	Series PWF8	12.77	–
Accounts payable for securities redeemed	1,658	823	Series PWFB	9.14	–
Due to manager	96	–	Series PWFB5	13.22	–
Unrealized losses on derivative contracts	1,220	181	Series PWT6	12.98	–
<b>Total liabilities</b>	<b>10,700</b>	<b>6,723</b>	Series PWT8	9.31	11.01
<b>Net assets attributable to securityholders</b>	<b>881,549</b>	<b>1,027,818</b>	Series PWX	8.10	8.88
<b>Net assets attributable to securityholders</b>			Series R	12.21	13.55
<b>per series (note 3)</b>			Series T6	8.90	10.35
Series A	688,257	900,478	Series T8	5.02	5.95
Series AR	2,026	360			
Series D	178	513			
Series F	20,938	29,188			
Series F8	313	1,283			
Series FB	1,057	454			
Series FB5	1	1			
Series G	3,349	4,016			
Series I	7,575	8,223			
Series J	36	935			
Series O	4,413	3,765			
Series O6	49	50			
Series PW	108,160	25,883			
Series PWF	12,483	10,117			
Series PWF8	161	–			
Series PWFB	490	–			
Series PWFB5	1	–			
Series PWT6	342	–			
Series PWT8	3,336	274			
Series PWX	1,838	2,119			
Series R	16,176	21,532			
Series T6	3,264	4,489			
Series T8	7,106	14,138			

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



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# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## STATEMENTS OF COMPREHENSIVE INCOME

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

	2018	2017		2018	2017
	\$	\$		\$	\$
<b>Income</b>			<b>Series PWX</b>	28	251
Dividends	18,707	20,872	<b>Series R</b>	97	1,550
Interest income	7,081	7,428	<b>Series T6</b>	(71)	401
Other changes in fair value of investments			<b>Series T8</b>	(181)	1,426
Net realized gain (loss)	68,207	96,876	<b>Increase (decrease) in net assets attributable to securityholders from operations per security</b>		
Net unrealized gain (loss)	(90,295)	(4,376)	<b>Series A</b>	(0.51)	2.64
Fee rebate income	1	–	<b>Series AR</b>	(0.26)	(0.07)
<b>Total income (loss)</b>	<b>3,701</b>	<b>120,800</b>	<b>Series D</b>	(0.29)	1.23
			<b>Series F</b>	(0.08)	0.88
<b>Expenses (note 6)</b>			<b>Series F8</b>	–	0.75
Management fees	17,165	17,965	<b>Series FB</b>	(0.01)	1.18
Management fee rebates	(59)	(29)	<b>Series FB5</b>	(0.15)	1.59
Administration fees	2,083	2,178	<b>Series G</b>	(0.20)	1.22
Interest charges	3	3	<b>Series I</b>	(0.10)	0.88
Commissions and other portfolio transaction costs	646	971	<b>Series J</b>	(1.28)	1.33
Independent Review Committee fees	4	5	<b>Series O</b>	(0.04)	1.81
Other	9	27	<b>Series O6</b>	0.01	1.69
<b>Expenses before amounts absorbed by Manager</b>	<b>19,851</b>	<b>21,120</b>	<b>Series PW</b>	(0.11)	1.17
Expenses absorbed by Manager	–	–	<b>Series PWF</b>	(0.03)	1.24
<b>Net expenses</b>	<b>19,851</b>	<b>21,120</b>	<b>Series PWF8</b>	0.19	–
<b>Increase (decrease) in net assets attributable to securityholders from operations before tax</b>	<b>(16,150)</b>	<b>99,680</b>	<b>Series PWFB</b>	0.02	–
Foreign withholding taxes	808	925	<b>Series PWFB5</b>	(0.09)	–
Foreign income taxes paid (recovered)	–	–	<b>Series PWT6</b>	(0.18)	–
<b>Increase (decrease) in net assets attributable to securityholders from operations</b>	<b>(16,958)</b>	<b>98,755</b>	<b>Series PWT8</b>	(0.07)	1.30
<b>Increase (decrease) in net assets attributable to securityholders from operations per series</b>			<b>Series PWX</b>	0.10	1.39
Series A	(15,259)	88,265	<b>Series R</b>	0.07	1.62
Series AR	(34)	(1)	<b>Series T6</b>	(0.18)	1.08
Series D	(9)	61	<b>Series T8</b>	(0.12)	0.62
Series F	(248)	2,224			
Series F8	(1)	68			
Series FB	1	32			
Series FB5	–	–			
Series G	(65)	426			
Series I	(100)	860			
Series J	(8)	91			
Series O	(9)	445			
Series O6	–	5			
Series PW	(1,035)	1,788			
Series PWF	(43)	834			
Series PWF8	4	–			
Series PWFB	2	–			
Series PWFB5	–	–			
Series PWT6	(3)	–			
Series PWT8	(24)	29			

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



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# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## STATEMENTS OF CHANGES IN FINANCIAL POSITION

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

	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Series A		Series AR		Series D		Series F		Series F8	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	900,478	836,248	360	–	513	372	29,188	10,517	1,283	293
Increase (decrease) in net assets from operations	(15,259)	88,265	(34)	(1)	(9)	61	(248)	2,224	(1)	68
Distributions paid to securityholders:										
Investment income	(4,687)	(6,722)	(11)	–	(2)	(5)	(164)	(215)	(13)	(9)
Capital gains	(44,936)	(54,768)	(102)	–	(16)	(40)	(1,575)	(1,756)	(22)	(72)
Return of capital	–	–	–	–	–	–	–	–	(29)	(53)
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(49,623)	(61,490)	(113)	–	(18)	(45)	(1,739)	(1,971)	(64)	(134)
Security transactions:										
Proceeds from securities issued	73,545	213,881	1,930	361	110	276	10,419	22,249	111	1,046
Reinvested distributions	49,003	60,725	112	–	17	44	1,518	1,711	33	93
Value of securities redeemed	(269,887)	(237,151)	(229)	–	(435)	(195)	(18,200)	(5,542)	(1,049)	(83)
Total security transactions	(147,339)	37,455	1,813	361	(308)	125	(6,263)	18,418	(905)	1,056
<b>Total increase (decrease) in net assets</b>	<b>(212,221)</b>	<b>64,230</b>	<b>1,666</b>	<b>360</b>	<b>(335)</b>	<b>141</b>	<b>(8,250)</b>	<b>18,671</b>	<b>(970)</b>	<b>990</b>
<b>End of period</b>	<b>688,257</b>	<b>900,478</b>	<b>2,026</b>	<b>360</b>	<b>178</b>	<b>513</b>	<b>20,938</b>	<b>29,188</b>	<b>313</b>	<b>1,283</b>
<b>Increase (decrease) in fund securities (note 7):</b>	<b>Securities</b>		<b>Securities</b>		<b>Securities</b>		<b>Securities</b>		<b>Securities</b>	
<b>Securities outstanding – beginning of period</b>	<b>34,524</b>	<b>33,068</b>	<b>35</b>	<b>–</b>	<b>48</b>	<b>36</b>	<b>3,736</b>	<b>1,384</b>	<b>177</b>	<b>38</b>
Issued	2,881	8,224	194	35	10	26	1,355	2,825	17	137
Reinvested distributions	1,975	2,341	12	–	2	4	205	221	5	13
Redeemed	(10,543)	(9,109)	(23)	–	(42)	(18)	(2,365)	(694)	(148)	(11)
<b>Securities outstanding – end of period</b>	<b>28,837</b>	<b>34,524</b>	<b>218</b>	<b>35</b>	<b>18</b>	<b>48</b>	<b>2,931</b>	<b>3,736</b>	<b>51</b>	<b>177</b>
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>	<b>Series FB</b>		<b>Series FB5</b>		<b>Series G</b>		<b>Series I</b>		<b>Series J</b>	
	\$		\$		\$		\$		\$	
<b>Beginning of period</b>	454	218	1	1	4,016	4,354	8,223	7,804	935	850
Increase (decrease) in net assets from operations	1	32	–	–	(65)	426	(100)	860	(8)	91
Distributions paid to securityholders:										
Investment income	(8)	(3)	–	–	(24)	(32)	(55)	(70)	–	(7)
Capital gains	(77)	(24)	–	–	(226)	(264)	(526)	(567)	(2)	(57)
Return of capital	–	–	–	–	–	–	–	–	–	–
Management fee rebates	–	–	–	–	–	–	(24)	(20)	–	–
Total distributions paid to securityholders	(85)	(27)	–	–	(250)	(296)	(605)	(657)	(2)	(64)
Security transactions:										
Proceeds from securities issued	1,183	233	–	–	56	49	344	412	–	–
Reinvested distributions	84	27	–	–	247	293	605	657	2	58
Value of securities redeemed	(580)	(29)	–	–	(655)	(810)	(892)	(853)	(891)	–
Total security transactions	687	231	–	–	(352)	(468)	57	216	(889)	58
<b>Total increase (decrease) in net assets</b>	<b>603</b>	<b>236</b>	<b>–</b>	<b>–</b>	<b>(667)</b>	<b>(338)</b>	<b>(648)</b>	<b>419</b>	<b>(899)</b>	<b>85</b>
<b>End of period</b>	<b>1,057</b>	<b>454</b>	<b>1</b>	<b>1</b>	<b>3,349</b>	<b>4,016</b>	<b>7,575</b>	<b>8,223</b>	<b>36</b>	<b>935</b>
<b>Increase (decrease) in fund securities (note 7):</b>	<b>Securities</b>		<b>Securities</b>		<b>Securities</b>		<b>Securities</b>		<b>Securities</b>	
<b>Securities outstanding – beginning of period</b>	<b>44</b>	<b>22</b>	<b>–</b>	<b>–</b>	<b>344</b>	<b>383</b>	<b>1,028</b>	<b>999</b>	<b>72</b>	<b>67</b>
Issued	115	22	–	–	5	5	48	54	–	–
Reinvested distributions	9	3	–	–	22	25	77	80	–	5
Redeemed	(57)	(3)	–	–	(58)	(69)	(114)	(105)	(69)	–
<b>Securities outstanding – end of period</b>	<b>111</b>	<b>44</b>	<b>–</b>	<b>–</b>	<b>313</b>	<b>344</b>	<b>1,039</b>	<b>1,028</b>	<b>3</b>	<b>72</b>

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

# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

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

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

	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Series 0		Series 06		Series PW		Series PWF		Series PWF8	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	3,765	3,436	50	45	25,883	8,247	10,117	1,855	–	–
Increase (decrease) in net assets from operations	(9)	445	–	5	(1,035)	1,788	(43)	834	4	–
Distributions paid to securityholders:										
Investment income	(41)	(42)	(2)	(1)	(757)	(173)	(97)	(84)	(8)	–
Capital gains	(393)	(343)	(3)	(4)	(7,256)	(1,415)	(924)	(682)	(16)	–
Return of capital	–	–	(2)	(2)	–	–	–	–	(18)	–
Management fee rebates	–	–	–	–	(30)	(8)	(4)	(1)	–	–
Total distributions paid to securityholders	(434)	(385)	(7)	(7)	(8,043)	(1,596)	(1,025)	(767)	(42)	–
Security transactions:										
Proceeds from securities issued	2,376	244	–	–	105,800	17,526	10,316	9,737	345	–
Reinvested distributions	325	257	7	7	7,925	1,557	924	706	24	–
Value of securities redeemed	(1,610)	(232)	(1)	–	(22,370)	(1,639)	(7,806)	(2,248)	(170)	–
Total security transactions	1,091	269	6	7	91,355	17,444	3,434	8,195	199	–
<b>Total increase (decrease) in net assets</b>	<b>648</b>	<b>329</b>	<b>(1)</b>	<b>5</b>	<b>82,277</b>	<b>17,636</b>	<b>2,366</b>	<b>8,262</b>	<b>161</b>	<b>–</b>
<b>End of period</b>	<b>4,413</b>	<b>3,765</b>	<b>49</b>	<b>50</b>	<b>108,160</b>	<b>25,883</b>	<b>12,483</b>	<b>10,117</b>	<b>161</b>	<b>–</b>
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	<b>259</b>	<b>241</b>	<b>4</b>	<b>3</b>	<b>2,297</b>	<b>753</b>	<b>951</b>	<b>179</b>	<b>–</b>	<b>–</b>
Issued	168	16	–	–	9,483	1,548	981	908	23	–
Reinvested distributions	24	18	1	1	741	139	92	67	2	–
Redeemed	(118)	(16)	(1)	–	(2,028)	(143)	(741)	(203)	(12)	–
<b>Securities outstanding – end of period</b>	<b>333</b>	<b>259</b>	<b>4</b>	<b>4</b>	<b>10,493</b>	<b>2,297</b>	<b>1,283</b>	<b>951</b>	<b>13</b>	<b>–</b>
	Series PWFB		Series PWFB5		Series PWT6		Series PWT8		Series PWX	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	–	–	–	–	–	–	274	309	2,119	782
Increase (decrease) in net assets from operations	2	–	–	–	(3)	–	(24)	29	28	251
Distributions paid to securityholders:										
Investment income	(4)	–	–	–	(6)	–	(61)	(3)	(22)	(28)
Capital gains	(34)	–	–	–	(21)	–	(220)	(27)	(214)	(229)
Return of capital	–	–	–	–	(16)	–	(253)	(20)	–	–
Management fee rebates	–	–	–	–	–	–	(1)	–	–	–
Total distributions paid to securityholders	(38)	–	–	–	(43)	–	(535)	(50)	(236)	(257)
Security transactions:										
Proceeds from securities issued	553	–	1	–	356	–	3,921	106	597	2,644
Reinvested distributions	37	–	–	–	39	–	450	44	236	257
Value of securities redeemed	(64)	–	–	–	(7)	–	(750)	(164)	(906)	(1,558)
Total security transactions	526	–	1	–	388	–	3,621	(14)	(73)	1,343
<b>Total increase (decrease) in net assets</b>	<b>490</b>	<b>–</b>	<b>1</b>	<b>–</b>	<b>342</b>	<b>–</b>	<b>3,062</b>	<b>(35)</b>	<b>(281)</b>	<b>1,337</b>
<b>End of period</b>	<b>490</b>	<b>–</b>	<b>1</b>	<b>–</b>	<b>342</b>	<b>–</b>	<b>3,336</b>	<b>274</b>	<b>1,838</b>	<b>2,119</b>
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>25</b>	<b>24</b>	<b>239</b>	<b>77</b>
Issued	56	–	–	–	23	–	360	9	67	271
Reinvested distributions	4	–	–	–	3	–	45	4	28	29
Redeemed	(6)	–	–	–	–	–	(72)	(12)	(107)	(138)
<b>Securities outstanding – end of period</b>	<b>54</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>26</b>	<b>–</b>	<b>358</b>	<b>25</b>	<b>227</b>	<b>239</b>

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

# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

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

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

	2018	2017	2018	2017	2018	2017	2018	2017
	Series R		Series T6		Series T8		Total	
	\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>								
<b>Beginning of period</b>	<b>21,532</b>	<b>10,093</b>	<b>4,489</b>	<b>3,040</b>	<b>14,138</b>	<b>12,335</b>	<b>1,027,818</b>	<b>900,799</b>
Increase (decrease) in net assets from operations	97	1,550	(71)	401	(181)	1,426	(16,958)	98,755
Distributions paid to securityholders:								
Investment income	(765)	(283)	(35)	(34)	(72)	(110)	(6,834)	(7,821)
Capital gains	(1,063)	(1,441)	(229)	(277)	(466)	(894)	(58,321)	(62,860)
Return of capital	–	–	(232)	(230)	(658)	(1,104)	(1,208)	(1,409)
Management fee rebates	–	–	–	–	–	–	(59)	(29)
Total distributions paid to securityholders	(1,828)	(1,724)	(496)	(541)	(1,196)	(2,108)	(66,422)	(72,119)
Security transactions:								
Proceeds from securities issued	3,538	11,886	717	2,869	669	5,562	216,887	289,081
Reinvested distributions	1,174	1,618	348	420	830	1,617	63,940	70,091
Value of securities redeemed	(8,337)	(1,891)	(1,723)	(1,700)	(7,154)	(4,694)	(343,716)	(258,789)
Total security transactions	(3,625)	11,613	(658)	1,589	(5,655)	2,485	(62,889)	100,383
<b>Total increase (decrease) in net assets</b>	<b>(5,356)</b>	<b>11,439</b>	<b>(1,225)</b>	<b>1,449</b>	<b>(7,032)</b>	<b>1,803</b>	<b>(146,269)</b>	<b>127,019</b>
<b>End of period</b>	<b>16,176</b>	<b>21,532</b>	<b>3,264</b>	<b>4,489</b>	<b>7,106</b>	<b>14,138</b>	<b>881,549</b>	<b>1,027,818</b>
<b>Increase (decrease) in fund securities (note 7):</b>	<b>Securities</b>		<b>Securities</b>		<b>Securities</b>			
<b>Securities outstanding – beginning of period</b>	<b>1,590</b>	<b>758</b>	<b>434</b>	<b>285</b>	<b>2,374</b>	<b>1,977</b>		
Issued	269	848	71	270	118	901		
Reinvested distributions	93	120	37	40	153	265		
Redeemed	(627)	(136)	(175)	(161)	(1,228)	(769)		
<b>Securities outstanding – end of period</b>	<b>1,325</b>	<b>1,590</b>	<b>367</b>	<b>434</b>	<b>1,417</b>	<b>2,374</b>		

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

# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## STATEMENTS OF CASH FLOWS

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

	2018	2017
	\$	\$
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets attributable to securityholders from operations	(16,958)	98,755
Adjustments for:		
Net realized loss (gain) on investments	(68,207)	(96,876)
Change in net unrealized loss (gain) on investments	90,295	4,376
Distributions received in-kind from underlying funds	(401)	(18)
Purchase of investments	(493,549)	(790,283)
Proceeds from sale and maturity of investments	616,068	741,586
Change in accrued interest receivable	107	310
Change in dividends receivable	298	(261)
Change in due from manager	(8)	–
Change in due to manager	96	–
Change in margin on futures contracts	(345)	(565)
<b>Net cash from operating activities</b>	<b>127,396</b>	<b>(42,976)</b>
<b>Cash flows from financing activities</b>		
Proceeds from redeemable securities issued	83,972	201,381
Payments on redemption of redeemable securities	(209,743)	(170,943)
Distributions paid net of reinvestments	(2,482)	(2,031)
<b>Net cash from financing activities</b>	<b>(128,253)</b>	<b>28,407</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(857)</b>	<b>(14,569)</b>
Cash and cash equivalents at beginning of period	7,246	21,786
Effect of exchange rate fluctuations on cash and cash equivalents	5	29
<b>Cash and cash equivalents at end of period</b>	<b>6,394</b>	<b>7,246</b>
Cash	957	462
Cash equivalents	5,437	6,784
<b>Cash and cash equivalents at end of period</b>	<b>6,394</b>	<b>7,246</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	18,995	20,611
Foreign taxes paid	808	925
Interest received	7,060	7,720
Interest paid	3	3

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



**MACKENZIE**  
Investments

# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## SCHEDULE OF INVESTMENTS

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS</b>					
407 International Inc. 3.43% 06-01-2033 MTN	Canada	Corporate - Non Convertible	660,000	664	675
407 International Inc. 3.60% 05-21-2047 Callable	Canada	Corporate - Non Convertible	460,000	460	466
AerCap Ireland Capital Designated Activity Co. 3.30% 01-23-2023 Callable 2022	Netherlands	Corporate - Non Convertible	USD 220,000	273	276
AIMCo Realty Investors LP 2.27% 06-26-2024 Callable 2024	Canada	Corporate - Non Convertible	390,000	391	377
AIMCo Realty Investors LP 3.04% 06-01-2028 Callable 2028	Canada	Corporate - Non Convertible	220,000	220	219
Algonquin Power & Utilities Corp. 4.65% 02-15-2022	Canada	Corporate - Non Convertible	450,000	463	476
Algonquin Power & Utilities Corp. 4.09% 02-17-2027 Callable	Canada	Corporate - Non Convertible	520,000	520	534
Alibaba Group Holding Ltd. 3.40% 12-06-2027 Callable 2027	China	Corporate - Non Convertible	USD 200,000	256	245
Allied Properties Real Estate Investment Trust 3.75% 03-13-2020	Canada	Corporate - Non Convertible	380,000	382	386
Allied Properties Real Estate Investment Trust 3.93% 11-14-2022	Canada	Corporate - Non Convertible	342,000	344	348
Allied Properties Real Estate Investment Trust 3.64% 04-21-2025 Callable 2025	Canada	Corporate - Non Convertible	530,000	531	518
AltaGas Ltd. 3.98% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	220,000	220	222
AltaLink LP 3.72% 12-03-2046 Callable MTN	Canada	Corporate - Non Convertible	532,000	530	552
Amneal Pharmaceuticals LLC Term loan B 1st Lien F/R 03-23-2025	United States	Term Loans	USD 170,000	218	219
Anheuser-Busch InBev Finance Inc. 3.30% 02-01-2023 Callable 2022	Belgium	Corporate - Non Convertible	USD 570,000	815	735
Anheuser-Busch InBev Finance Inc. 2.60% 05-15-2024 Callable 2024	Belgium	Corporate - Non Convertible	880,000	873	857
APT Pipelines Ltd. 4.20% 03-23-2025 Callable 2024 144A	Australia	Corporate - Non Convertible	USD 560,000	715	729
Arch Merger Sub Inc. 8.50% 09-15-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 280,000	356	334
Artis Real Estate Investment Trust 3.753% 03-27-2019	Canada	Corporate - Non Convertible	350,000	352	353
ASP AMC Merger Sub Inc. 8.00% 05-15-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 320,000	427	387
ATS Consolidated Inc. Term Loan B 1st Lien F/R 02-23-2025	United States	Term Loans	USD 70,000	88	91
Aviva PLC 4.50% 05-10-2021	United Kingdom	Corporate - Non Convertible	440,000	446	459
Bank of America Corp. 3.228% 06-22-2022	United States	Corporate - Non Convertible	250,000	253	254
Bank of America Corp. F/R 03-15-2023 Callable 2022	United States	Corporate - Non Convertible	720,000	720	711
Bank of America Corp. 3.95% 04-21-2025	United States	Corporate - Non Convertible	USD 110,000	134	141
Bank of America Corp. F/R 09-20-2025 Callable 2024	United States	Corporate - Non Convertible	560,000	560	564
Bank of Montreal 2.70% 09-11-2024 DPNT	Canada	Corporate - Non Convertible	480,000	479	476
Bank of Montreal F/R 12-15-2032 Callable 2027	Canada	Corporate - Non Convertible	USD 330,000	424	405
The Bank of Nova Scotia 2.29% 06-28-2024	Canada	Corporate - Non Convertible	1,850,000	1,842	1,793
The Bank of Nova Scotia F/R 04-12-2066 Callable 2022	Canada	Corporate - Non Convertible	USD 470,000	587	576
bcIMC Realty Corp. 3.00% 03-31-2027 Callable 2026	Canada	Corporate - Non Convertible	550,000	559	549
Bell Canada 2.70% 02-27-2024 Callable	Canada	Corporate - Non Convertible	340,000	340	332
Bell Canada 3.60% 09-29-2027 Callable	Canada	Corporate - Non Convertible	670,000	675	676
Bell Canada 4.45% 02-27-2047 Callable	Canada	Corporate - Non Convertible	870,000	866	893
Boardriders Inc. Term Loan B 1st Lien F/R 03-21-2024	United States	Term Loans	USD 210,000	265	268
Brookfield Renewable Energy Partners ULC 3.752% 06-02-2025 Callable 2025	Canada	Corporate - Non Convertible	130,000	135	132
Brookfield Renewable Energy Partners ULC 3.63% 01-15-2027 Callable 2026	Canada	Corporate - Non Convertible	530,000	530	527
Bruce Power LP 2.84% 06-23-2021	Canada	Corporate - Non Convertible	620,000	628	621
Bruce Power LP 3.00% 06-21-2024 Callable 2024	Canada	Corporate - Non Convertible	920,000	934	911
Bruce Power LP 3.97% 06-23-2026	Canada	Corporate - Non Convertible	320,000	329	333
Calpine Corp. 5.25% 06-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 10,000	13	12
Cameco Corp. 5.67% 09-02-2019	Canada	Corporate - Non Convertible	710,000	789	735



**MACKENZIE**  
Investments



# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Camelot Finance LP Term Loan 1st Lien F/R 10-03-2023	United States	Term Loans	USD 243,318	320	316
Can Am Construction Inc./Canada Term Loan B 1st Lien F/R 07-01-2024	Canada	Term Loans	USD 197,508	249	257
Canada Goose Inc. Term Loan 1st Lien F/R 12-22-2021	Canada	Term Loans	USD 230,000	288	293
Canada Housing Trust No. 1 2.35% 06-15-2023	Canada	Federal Government	950,000	949	952
Canada Housing Trust No. 1 2.65% 03-15-2028	Canada	Federal Government	120,000	119	122
Canadian Commercial Mortgage Origination Trust 1 2.768% 11-12-2018	Canada	Mortgage Backed	215,042	215	215
Canadian Imperial Bank of Commerce 2.47% 12-05-2022	Canada	Corporate - Non Convertible	870,000	871	862
Canadian Imperial Bank of Commerce F/R 04-04-2028 Callable 2023	Canada	Corporate - Non Convertible	310,000	310	311
Canadian National Railway Co. 3.60% 08-01-2047 Callable 2047	Canada	Corporate - Non Convertible	170,000	169	171
Canadian Real Estate Investment Trust 2.95% 01-18-2023 Callable 2022	Canada	Corporate - Non Convertible	330,000	330	326
Canadian Western Bank 2.74% 06-16-2022 DPNT	Canada	Corporate - Non Convertible	210,000	210	208
Canadian Western Bank 2.92% 12-15-2022	Canada	Corporate - Non Convertible	360,000	360	358
Capital Power Corp. 4.28% 09-18-2024 Callable 2024	Canada	Corporate - Non Convertible	700,000	701	709
Careerbuilder LLC Term Loan 1st Lien F/R 07-31-2023	United States	Term Loans	USD 253,500	309	326
Central 1 Credit Union F/R 02-05-2021	Canada	Corporate - Non Convertible	150,000	150	150
Central 1 Credit Union 2.60% 11-07-2022	Canada	Corporate - Non Convertible	270,000	270	265
Chartwell Retirement Residences 3.79% 12-11-2023 Callable 2023	Canada	Corporate - Non Convertible	530,000	528	531
Chassis Inc. Term Loan B 1st Lien F/R 11-10-2023	United States	Term Loans	USD 169,575	211	220
CHIP Mortgage Trust 2.98% 11-15-2021	Canada	Corporate - Non Convertible	230,000	230	225
Choice Properties Real Estate Investment Trust 3.01% 03-21-2022 Callable 2022	Canada	Corporate - Non Convertible	130,000	130	130
Choice Properties Real Estate Investment Trust 3.56% 09-09-2024 Callable 2024	Canada	Corporate - Non Convertible	120,000	120	121
Choice Properties Real Estate Investment Trust 3.55% 01-10-2025 Callable 2024	Canada	Corporate - Non Convertible	230,000	230	230
Choice Properties Real Estate Investment Trust 4.055% 11-24-2025 Callable	Canada	Corporate - Non Convertible	1,210,000	1,302	1,241
Choice Properties Real Estate Investment Trust 4.18% 03-08-2028 Callable 2027	Canada	Corporate - Non Convertible	440,000	440	447
Citigroup Inc. 3.39% 11-18-2021	United States	Corporate - Non Convertible	580,000	599	593
Citigroup Inc. 4.09% 06-09-2025	United States	Corporate - Non Convertible	450,000	450	463
Comber Wind Financial Corp. 5.132% 11-15-2030	Canada	Corporate - Non Convertible	808,461	838	869
Comfort Holding LLC Term Loan 1st Lien F/R 02-05-2024	United States	Term Loans	USD 277,200	357	347
Commonwealth of Bahamas 5.75% 01-16-2024	Bahamas	Foreign Governments	USD 65,000	80	87
Commonwealth of Bahamas 6.00% 11-21-2028 Callable 2028	Bahamas	Foreign Governments	USD 270,000	344	363
Commonwealth of Bahamas 6.95% 11-20-2029	Bahamas	Foreign Governments	USD 180,000	270	254
Communications Sales & Leasing Inc. Term Loan B 1st Lien F/R 10-24-2022	United States	Term Loans	USD 260,787	315	325
ConvergeOne Holdings Corp. Term Loan B 1st Lien F/R 06-20-2024	United States	Term Loans	USD 30,768	40	40
Coronado Australian Holdings Pty Ltd. Term Loan B 1st Lien F/R 03-21-2025	United States	Term Loans	USD 102,143	128	130
Coronado Australian Holdings Pty Ltd. Term Loan C 1st Lien F/R 03-21-2025	United States	Term Loans	USD 27,857	35	36
Crosslinx Transit Solutions General Partnership 4.651% 09-30-2046	Canada	Corporate - Non Convertible	620,000	618	647



**MACKENZIE**  
Investments

# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
CSP Technologies North America LLC Term Loan B 1st Lien F/R 01-29-2022	United States	Term Loans	USD 452,651	558	586
CU Inc. 3.964% 07-27-2045 Callable	Canada	Corporate - Non Convertible	140,000	150	150
CU Inc. 3.76% 11-19-2046 Callable 2046	Canada	Corporate - Non Convertible	310,000	310	322
Danske Bank AS 2.80% 03-10-2021 144A	Denmark	Corporate - Non Convertible	USD 450,000	597	574
Daseke Inc. Term Loan 1st Lien F/R 02-27-2024	United States	Term Loans	USD 437,366	562	570
Diamond 1 Finance Corp. 4.42% 06-15-2021 Callable 2021 144A	United States	Corporate - Non Convertible	USD 60,000	77	79
Diamond 1 Finance Corp. 5.45% 06-15-2023 Callable 2023 144A	United States	Corporate - Non Convertible	USD 130,000	168	178
Diamond 1 Finance Corp. 6.02% 06-15-2026 Callable 2026 144A	United States	Corporate - Non Convertible	USD 130,000	168	180
Digicert Holdings Inc. Term Loan 1st Lien F/R 09-20-2024	United States	Term Loans	USD 80,000	98	104
Eagle Credit Card Trust 2.63% 10-17-2022	Canada	Corporate - Non Convertible	150,000	150	149
EagleTree-Carbide Acquisition Corp. Term Loan 1st Lien F/R 08-28-2024	United States	Term Loans	USD 288,850	359	376
Enbridge Gas Distribution Inc. 3.51% 11-29-2047 Callable 2047	Canada	Corporate - Non Convertible	410,000	410	407
Enbridge Inc. 3.20% 06-08-2027 Callable 2027	Canada	Corporate - Non Convertible	290,000	290	278
Enbridge Inc. 4.57% 03-11-2044	Canada	Corporate - Non Convertible	1,380,000	1,399	1,383
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	Canada	Corporate - Non Convertible	1,610,000	1,612	1,552
EnerCare Solutions Inc. 3.38% 02-21-2022 Callable 2022	Canada	Corporate - Non Convertible	470,000	470	474
EnerCare Solutions Inc. 3.99% 02-21-2024 Callable 2023	Canada	Corporate - Non Convertible	350,000	350	358
Envigo Holdings Inc. Term Loan B 1st Lien F/R 12-14-2023	United States	Term Loans	USD 160,000	197	203
EPCOR Utilities Inc. 3.55% 11-27-2047 Callable 2047	Canada	Corporate - Non Convertible	280,000	280	280
Exela Intermediate LLC 10.00% 07-15-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 600,000	781	788
Fairfax Financial Holdings Ltd. 5.84% 10-14-2022	Canada	Corporate - Non Convertible	750,000	775	825
Fairfax Financial Holdings Ltd. 8.30% 04-15-2026	Canada	Corporate - Non Convertible	USD 400,000	604	635
The Fédération des Caisses Desjardins du Québec 2.39% 08-25-2022	Canada	Corporate - Non Convertible	640,000	640	632
FXI Holdings Inc. 7.88% 11-01-2024 Callable 2020 144A	United States	Corporate - Non Convertible	USD 120,000	154	151
Garda World Security Corp. Term Loan B 1st Lien F/R 05-26-2024	Canada	Term Loans	USD 152,277	206	198
General Motors Financial of Canada Ltd. 2.60% 06-01-2022	United States	Corporate - Non Convertible	200,000	200	195
Gibson Energy Inc. 5.25% 07-15-2024 Callable 2020 REGS	Canada	Corporate - Non Convertible	280,000	280	282
Glacier Credit Card Trust 2.05% 09-20-2022	Canada	Corporate - Non Convertible	670,000	670	650
The Goldman Sachs Group Inc. 2.43% 04-26-2023 Callable	United States	Corporate - Non Convertible	810,000	810	790
The Goldman Sachs Group Inc. 3.31% F/R 10-31-2025 Callable 2024	United States	Corporate - Non Convertible	1,330,000	1,330	1,319
Government of Bermuda 3.72% 01-25-2027 Callable 2026	Bermuda	Foreign Governments	USD 1,640,000	2,014	2,066
Government of Canada 1.50% 06-01-2023	Canada	Federal Government	470,000	462	459
Government of Canada 2.50% 06-01-2024	Canada	Federal Government	1,260,000	1,289	1,295
Government of Canada 2.25% 06-01-2025	Canada	Federal Government	750,000	750	759
Government of Canada 2.00% 06-01-2028	Canada	Federal Government	17,410,000	16,929	17,237
Government of Canada 1.25% 12-01-2047 Real Return	Canada	Federal Government	4,660,000	5,642	5,970
Government of Canada 2.75% 12-01-2048	Canada	Federal Government	7,260,000	7,753	8,100
Granite REIT Holdings LP 3.87% 11-30-2023 Callable 2023	Canada	Corporate - Non Convertible	165,000	167	166
Green Plains Inc. Term Loan B 1st Lien F/R 08-29-2023	United States	Term Loans	USD 149,250	186	193
Greenhill & Co. Inc. Term Loan B 1st Lien F/R 10-12-2022	United States	Term Loans	USD 88,875	111	116
H&R Real Estate Investment Trust 2.92% 05-06-2022	Canada	Corporate - Non Convertible	300,000	300	296
H&R Real Estate Investment Trust 3.42% 01-23-2023 Callable 2022	Canada	Corporate - Non Convertible	180,000	180	180
H&R Real Estate Investment Trust 3.37% 01-30-2024 Callable 2023	Canada	Corporate - Non Convertible	660,000	658	653
HCN Canadian Holdings-1 LP 3.35% 11-25-2020	United States	Corporate - Non Convertible	410,000	409	417
Heathrow Funding Ltd. 3.25% 05-21-2025	United Kingdom	Corporate - Non Convertible	345,000	353	349



**MACKENZIE**  
Investments

# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Heathrow Funding Ltd. 3.40% 03-08-2028	United Kingdom	Corporate - Non Convertible	410,000	409	416
Hornblower Sub LLC Term Loan 1st Lien F/R 04-28-2025	United States	Term Loans	USD 140,000	180	181
HSBC Bank Canada 2.17% 06-29-2022	Canada	Corporate - Non Convertible	600,000	591	585
HSBC Bank Canada 2.54% 01-31-2023	Canada	Corporate - Non Convertible	450,000	450	443
HSBC Holdings PLC 3.20% 12-05-2023	United Kingdom	Corporate - Non Convertible	750,000	750	753
Hudson River Trading LLC Term Loan 1st Lien F/R 03-20-2025	United States	Term Loans	USD 120,000	155	155
Hydro One Inc. 3.72% 11-18-2047	Canada	Corporate - Non Convertible	1,090,000	1,102	1,114
Hydro One Ltd. Debentures Receipts 4.00% 09-30-2027	Canada	Corporate - Convertible	8,920,000	2,970	2,844
Hydro-Quebec Interest Strip 0% 02-15-2025	Canada	Provincial Governments	640,000	532	530
Hyster-Yale Group Inc. Term Loan B 1st Lien F/R 05-30-2023	United States	Term Loans	USD 177,450	239	231
Inter Pipeline Ltd. 2.73% 04-18-2024 Callable 2024	Canada	Corporate - Non Convertible	940,000	949	908
Inter Pipeline Ltd. 3.48% 12-16-2026 Callable 2026	Canada	Corporate - Non Convertible	610,000	619	600
Interior Logic Group Inc. Term Loan B 1st Lien F/R 03-01-2024	United States	Term Loans	USD 146,949	189	191
The International Bank for Reconstruction and Development 3.50% 01-22-2021	Supra - National	n/a	NZD 1,110,000	1,037	1,059
iQor US Inc. Term Loan B 1st Lien F/R 04-01-2021	United States	Term Loans	USD 451,372	502	584
Itron Inc. 5.00% 01-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 50,000	64	64
Jane Street Group LLC Term Loan B 1st Lien F/R 08-25-2022	United States	Term Loans	USD 247,875	312	322
KEMET Corp. Term Loan B 1st Lien F/R 04-26-2024	United States	Term Loans	USD 356,125	466	468
Lantheus Medical Imaging Inc. Term Loan B 1st Lien F/R 06- 30-2022	United States	Term Loans	USD 217,552	289	282
Laurentian Bank of Canada F/R 10-22-2019	Canada	Corporate - Non Convertible	360,000	360	360
Laurentian Bank of Canada 3.00% 09-12-2022	Canada	Corporate - Non Convertible	610,000	609	605
LBM Borrower LLC Term Loan 1st Lien F/R 08-20-2022	United States	Term Loans	USD 458,547	589	598
LifeMiles Ltd. Term Loan B 1st Lien F/R 08-18-2022	Colombia	Term Loans	USD 176,750	224	233
The Manufacturers Life Insurance Co. 2.389% 01-05-2026 Callable 2021	Canada	Corporate - Non Convertible	780,000	781	774
Manulife Bank of Canada 1.92% 09-01-2021	Canada	Corporate - Non Convertible	630,000	630	615
Manulife Bank of Canada 2.08% 05-26-2022	Canada	Corporate - Non Convertible	600,000	600	584
Manulife Bank of Canada 2.84% 01-12-2023	Canada	Corporate - Non Convertible	270,000	270	270
Manulife Financial Corp. F/R 08-20-2029 Callable 2024	Canada	Corporate - Non Convertible	620,000	620	611
Mattamy Group Corp. 6.50% 10-01-2025 Callable 2020	Canada	Corporate - Non Convertible	100,000	101	102
Mattamy Group Corp. 6.50% 10-01-2025 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 80,000	100	104
McAfee LLC Term Loan B 1st Lien F/R 09-30-2024	United States	Term Loans	USD 268,650	332	350
McDonald's Corp. 3.13% 03-04-2025 Callable 2025	United States	Corporate - Non Convertible	730,000	728	729
Meredith Corp. Term Loan B 1st Lien F/R 01-18-2025	United States	Term Loans	USD 250,000	310	324
Metro Inc. 3.39% 12-06-2027 Callable 2027	Canada	Corporate - Non Convertible	290,000	290	286
Mondelez International Inc. 3.25% 03-07-2025 Callable 2025	United States	Corporate - Non Convertible	350,000	348	349
Morgan Stanley 3.00% 02-07-2024	United States	Corporate - Non Convertible	790,000	790	781
National Bank of Canada 1.96% 06-30-2022	Canada	Corporate - Non Convertible	1,510,000	1,488	1,467
NAV Canada 3.29% 03-30-2048 Callable 2047	Canada	Corporate - Non Convertible	230,000	230	235
Neenah Foundry Co. Term Loan B 1st Lien F/R 12-08-2022	United States	Term Loans	USD 110,000	140	141
New Red Finance Inc. 5.00% 10-15-2025 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 20,000	25	25
Newell Brands Inc. 4.20% 04-01-2026 Callable 2026	United States	Corporate - Non Convertible	USD 150,000	190	192
North Battleford Power LP 4.958% 12-31-2032	Canada	Corporate - Non Convertible	363,454	363	399
North West Redwater Partnership 2.80% 06-01-2027 Callable 2027	Canada	Corporate - Non Convertible	600,000	579	578
North West Redwater Partnership 3.65% 06-01-2035 Callable 2034	Canada	Corporate - Non Convertible	300,000	300	301
Ocean Bidco Inc. Term Loan B 1st Lien F/R 03-02-2025	United States	Term Loans	USD 60,000	77	78
OCI Beaumont LLC Term Loan B 1st Lien F/R 02-16-2025	United States	Term Loans	USD 100,000	125	130



**MACKENZIE**  
Investments

# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Odebrecht Finance Ltd. 5.25% 06-27-2029	Brazil	Corporate - Non Convertible	USD 290,000	303	119
Office Depot Inc. Term Loan B 1st Lien F/R 11-08-2022	United States	Term Loans	USD 185,250	229	244
Omega Healthcare Investors Inc. 4.50% 01-15-2025 Callable 2024	United States	Corporate - Non Convertible	USD 220,000	237	278
OMERS Realty Corp. 3.24% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	1,370,000	1,368	1,392
Ontario Hydro 0% 05-26-2025	Canada	Provincial Governments	590,000	485	479
Ontario Power Generation Inc. 3.32% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	440,000	440	445
OPB Finance Trust 2.98% 01-25-2027	Canada	Provincial Governments	450,000	451	453
Osteon Merger Sub Inc. Term Loan B 1st Lien F/R 02-06-2025	United States	Term Loans	USD 70,000	87	91
Parkland Fuel Corp. 6.00% 04-01-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 120,000	157	156
Pembina Pipeline Corp. 2.99% 01-22-2024 Callable 2023	Canada	Corporate - Non Convertible	802,000	807	789
Pembina Pipeline Corp. 4.02% 03-27-2028 Callable 2027	Canada	Corporate - Non Convertible	290,000	290	294
Petroleos De Venezuela SA 6.00% 05-16-2024	Venezuela	Corporate - Non Convertible	USD 365,000	117	128
PetSmart Inc. Term Loan B2 1st Lien F/R 03-10-2022	United States	Term Loans	USD 129,386	139	134
Piscis Midco Inc. Term Loan B 1st Lien F/R 03-29-2025	United States	Term Loans	USD 150,000	192	192
Piscis Midco Inc. 8.00% 04-15-2026 Callable 2021 [144A]	United States	Corporate - Non Convertible	USD 20,000	26	26
PNI Canada Acquireco Corp. Term Loan B 1st Lien F/R 08-23-2022	Canada	Term Loans	USD 109,450	129	141
Prospect Medical Holdings Inc. Term Loan B 1st Lien F/R 02-15-2024	United States	Term Loans	USD 250,000	308	323
Province of Newfoundland 3.70% 10-17-2048	Canada	Provincial Governments	1,480,000	1,634	1,599
Province of Ontario 2.40% 06-02-2026	Canada	Provincial Governments	5,000,000	4,946	4,894
Province of Ontario 2.60% 06-02-2027	Canada	Provincial Governments	4,710,000	4,704	4,654
Province of Ontario 4.60% 06-02-2039	Canada	Provincial Governments	570,000	700	712
Province of Ontario 2.90% 12-02-2046	Canada	Provincial Governments	1,830,000	1,795	1,783
Province of Ontario 2.80% 06-02-2048	Canada	Provincial Governments	1,990,000	1,851	1,902
Province of Quebec 0% 04-01-2026 Generic Strip	Canada	Provincial Governments	370,000	307	293
Province of Quebec 2.50% 09-01-2026	Canada	Provincial Governments	1,230,000	1,216	1,216
Province of Quebec 2.75% 09-01-2027	Canada	Provincial Governments	1,610,000	1,640	1,616
Province of Quebec 3.50% 12-01-2045	Canada	Provincial Governments	7,910,000	7,973	8,663
PS HoldCo LLC Term Loan 1st Lien F/R 03-02-2025	United States	Term Loans	USD 50,000	64	65
PSC Industrial Outsourcing LP Term Loan B 1st Lien F/R 10-05-2024	United States	Term Loans	USD 159,600	199	208
Red Ventures LLC Term Loan B 1st Lien F/R 11-08-2024	United States	Term Loans	USD 199,000	246	259
Reliance Intermediate Holdings LP 6.50% 04-01-2023 Callable 2018 144A	Canada	Corporate - Non Convertible	USD 90,000	121	121
Reliance LP 3.813% 09-15-2020	Canada	Corporate - Non Convertible	350,000	350	357
Reliance LP 3.84% 03-15-2025 Callable 2025	Canada	Corporate - Non Convertible	320,000	320	319
Research Now Group Inc. Term Loan 1st Lien F/R 12-20-2024	United States	Term Loans	USD 279,300	341	358
Royal Bank of Canada 2.00% 03-21-2022	Canada	Corporate - Non Convertible	500,000	500	488
Royal Bank of Canada 2.36% 12-05-2022	Canada	Corporate - Non Convertible	300,000	300	296
Royal Bank of Canada 2.33% 12-05-2023 DPNT	Canada	Corporate - Non Convertible	630,000	630	616
Royal Bank of Canada 4.65% 01-27-2026 GMTN	Canada	Corporate - Non Convertible	USD 260,000	368	346
Sea to Sky Highway Investment LP 2.63% 08-31-2030	Canada	Corporate - Non Convertible	612,192	612	593
Sigma Bidco BV Term Loan B 1st Lien F/R 03-07-2025	Netherlands	Term Loans	EUR 130,000	207	204
Sigma US Corp. Term Loan B 1st Lien F/R 03-06-2025	Netherlands	Term Loans	USD 130,000	167	168
SmartCentres Real Estate Investment Trust 3.83% 12-21-2027 Callable 2027	Canada	Corporate - Non Convertible	100,000	100	98
SNC-Lavalin Group Inc. 2.69% 11-24-2020	Canada	Corporate - Non Convertible	90,000	90	90
SNC-Lavalin Group Inc. 3.24% 03-02-2023 Callable 2023	Canada	Corporate - Non Convertible	220,000	220	221



**MACKENZIE**  
Investments

# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Spy Hill Power LP 4.14% 03-31-2036	Canada	Corporate - Non Convertible	283,347	269	290
Staples Inc. Term Loan 1st Lien F/R 08-15-2024	United States	Term Loans	USD 229,425	292	293
Stepstone Group LP Term Loan B 1st Lien F/R 03-19-2025	United States	Term Loans	USD 60,000	77	78
Sun Life Financial Inc. F/R 02-19-2026 Callable 2021	Canada	Corporate - Non Convertible	790,000	799	797
Sun Life Financial Inc. F/R 11-23-2027 Callable 2022	Canada	Corporate - Non Convertible	270,000	270	268
Sun Life Financial Inc. F/R 09-19-2028 Callable 2023	Canada	Corporate - Non Convertible	940,000	943	940
Sydney Airport Finance Co. Pty. Ltd. 3.625% 04-28-2026 Callable 2026 144A	Australia	Corporate - Non Convertible	USD 700,000	890	882
Talen Energy Supply LLC 10.50% 01-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 20,000	25	22
TELUS Corp. 3.35% 04-01-2024 Callable	Canada	Corporate - Non Convertible	390,000	401	395
TELUS Corp. 3.63% 03-01-2028 Callable 2027	Canada	Corporate - Non Convertible	210,000	209	211
TELUS Corp. 4.70% 03-06-2048 Callable 2047	Canada	Corporate - Non Convertible	610,000	606	632
TerraForm Power Operating LLC 5.00% 01-31-2028 Callable 2027 144A	United States	Corporate - Non Convertible	USD 120,000	154	148
Teva Pharmaceutical Finance Netherlands III BV 3.15% 10-01-2026 Callable	Israel	Corporate - Non Convertible	USD 91,000	95	94
Thomson Reuters Corp. 3.309% 11-12-2021 Callable	Canada	Corporate - Non Convertible	530,000	530	540
Titan Acquisition Ltd. Term Loan 1st Lien F/R 03-16-2025	United Kingdom	Term Loans	USD 150,000	196	193
Titan Acquisition Ltd. 7.75% 04-15-2026 Callable 2021 144A	United Kingdom	Corporate - Non Convertible	USD 110,000	144	142
TMX Group Ltd. 4.46% 10-03-2023 Callable 2023	Canada	Corporate - Non Convertible	610,000	691	655
TMX Group Ltd. 2.30% 12-11-2024 Callable 2024	Canada	Corporate - Non Convertible	280,000	281	278
The Toronto-Dominion Bank 1.91% 07-18-2023 DPNT	Canada	Corporate - Non Convertible	750,000	751	720
The Toronto-Dominion Bank F/R 07-25-2029 Callable 2024	Canada	Corporate - Non Convertible	410,000	412	406
TransCanada Pipelines Ltd. 3.39% 03-15-2028 Callable 2027	Canada	Corporate - Non Convertible	510,000	510	515
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate - Non Convertible	640,000	640	632
Traverse Midstream Partners LLC Term Loan B 1st Lien F/R 09-21-2024	United States	Term Loans	USD 70,000	86	91
Trico Products Corp. Term Loan 1st Lien F/R 02-02-2024	United States	Term Loans	USD 130,000	156	169
Trillium Windpower LP 5.80% 02-15-2033	United States	Corporate - Non Convertible	296,659	297	338
Uber Technologies Inc. Term Loan 1st Lien F/R 03-21-2025	United States	Term Loans	USD 190,000	244	246
Uber Technologies Inc. Term Loan B 1st Lien F/R 07-13-2023	United States	Term Loans	USD 344,199	454	446
Union Gas Ltd. 3.59% 11-22-2047 Callable 2047	Canada	Corporate - Non Convertible	310,000	309	311
United States Treasury Inflation Indexed 0.89% 02-15-2047	United States	Foreign Governments	USD 3,120,000	3,921	4,095
United States Treasury 2.25% 11-15-2027	United States	Foreign Governments	USD 70,000	88	86
United States Treasury 2.75% 02-15-2028	United States	Foreign Governments	USD 390,000	497	504
United States Treasury 3.00% 05-15-2047	United States	Foreign Governments	USD 390,000	550	505
Ventas Canada Finance Ltd. 2.55% 03-15-2023 Callable 2023	United States	Corporate - Non Convertible	280,000	280	274
Ventas Realty LP 4.00% 03-01-2028 Callable 2027	United States	Corporate - Non Convertible	USD 200,000	248	254
Verizon Communications Inc. 2.63% 08-15-2026 Callable 2026	United States	Corporate - Non Convertible	USD 1,010,000	1,329	1,189
Vistage Worldwide Inc. Term Loan 1st Lien F/R 02-01-2025	United States	Term Loans	USD 100,000	125	130
VW Credit Canada Inc. 3.25% 03-29-2023	Germany	Corporate - Non Convertible	190,000	190	191
W/S Packaging Holdings Inc. 9.00% 04-15-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 70,000	90	92
Wells Fargo & Co. 2.98% 05-19-2026	United States	Corporate - Non Convertible	530,000	530	513
Williams Scotsman International Inc. 7.88% 12-15-2022 Callable 2019 144A	United States	Corporate - Non Convertible	USD 120,000	154	160
YRC Worldwide Inc. Term Loan 1st Lien F/R 07-21-2022	United States	Term Loans	USD 167,370	208	218
Zotec Partners LLC Term Loan 1st Lien F/R 02-09-2024	United States	Term Loans	USD 150,000	187	193
<b>Total bonds</b>				<b>165,047</b>	<b>166,341</b>



**MACKENZIE**  
Investments

# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES</b>					
Alimentation Couche-Tard Inc. Class B Sub. voting	Canada	Consumer Staples	606,033	37,446	34,949
AltaGas Ltd. Pfd. Series K	Canada	Energy	6,849	171	174
Ancor Ltd.	Australia	Materials	1,561,200	21,754	22,075
The Bank of Nova Scotia	Canada	Financials	271,493	13,754	21,546
Brookfield Asset Management Inc. Class A limited voting	Canada	Financials	804,386	25,448	40,395
Brookfield Asset Management Inc. Pfd. Series 46	Canada	Real Estate	8,823	221	228
Brookfield Asset Management Inc. Pfd. Series 48	Canada	Real Estate	5,550	139	141
Brookfield Renewable Partners LP Pfd. Series 11	Canada	Utilities	13,452	336	339
Canadian National Railway Co.	Canada	Industrials	136,300	11,689	12,834
Canadian Western Bank	Canada	Financials	223,895	6,073	7,400
CGI Group Inc. Class A Sub. voting	Canada	Information Technology	257,100	17,952	19,103
Crescent Point Energy Corp.	Canada	Energy	1,558,441	28,910	13,652
Dollarama Inc.	Canada	Consumer Discretionary	53,052	6,761	8,307
Enerplus Corp.	Canada	Energy	751,795	7,980	10,894
Gildan Activewear Inc.	Canada	Consumer Discretionary	431,196	14,573	16,045
Great-West Lifeco Inc.*	Canada	Financials	377,182	11,273	12,402
Henkel AG & Co. KGaA Pfd.	Germany	Consumer Staples	139,000	23,416	23,551
Hennes & Mauritz AB B	Sweden	Consumer Discretionary	1,220,864	43,487	23,599
Henry Schein Inc.	United States	Health Care	307,989	28,722	26,666
Hydro One Inc.	Canada	Utilities	403,000	8,485	8,431
Johnson & Johnson	United States	Health Care	141,881	22,130	23,423
Loblaw Companies Ltd.	Canada	Consumer Staples	393,385	23,047	25,604
Manulife Financial Corp.	Canada	Financials	518,632	10,245	12,406
Omnicom Group Inc.	United States	Consumer Discretionary	294,968	24,743	27,613
Onex Corp. Sub. voting	Canada	Financials	367,505	29,227	34,148
Oracle Corp.	United States	Information Technology	450,400	23,871	26,544
Pembina Pipeline Corp.	Canada	Energy	984,574	34,961	39,579
Power Financial Corp.*	Canada	Financials	525,400	17,911	16,949
Raging River Exploration Inc.	Canada	Energy	3,430,539	32,181	21,407
Royal Bank of Canada	Canada	Financials	224,500	17,153	22,342
Saputo Inc.	Canada	Consumer Staples	477,069	19,143	19,727
Seven Generations Energy Ltd.	Canada	Energy	193,089	3,068	3,089
Shaw Communications Inc. Class B non-voting	Canada	Consumer Discretionary	1,103,403	28,646	27,385
Spartan Energy Corp.	Canada	Energy	3,512,820	19,276	20,164
TELUS Corp.	Canada	Telecommunication Services	415,826	19,432	18,812
The Toronto-Dominion Bank	Canada	Financials	311,288	13,815	22,758
TransAlta Corp. Pfd. Series A	Canada	Utilities	16,473	219	245
TransCanada Corp. Pfd. Series 15	Canada	Energy	18,452	462	481
United Parcel Service Inc. (UPS) Class B	United States	Industrials	56,237	7,050	7,582
W.W. Grainger Inc.	United States	Industrials	65,400	17,927	23,782
<b>Total equities</b>				<b>673,097</b>	<b>696,771</b>
<b>OPTIONS</b>					
Options purchased (see schedule of options purchased)				1,228	310
<b>Total options</b>				<b>1,228</b>	<b>310</b>



**MACKENZIE**  
Investments

# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EXCHANGE-TRADED FUNDS/NOTES</b>					
Mackenzie US Investment Grade Corporate Bond Index ETF (CAD-Hedged)	Canada	Exchange-Traded Funds/Notes	33,233	3,305	3,266
<b>Total exchange-traded funds/notes</b>				<b>3,305</b>	<b>3,266</b>
<b>MUTUAL FUNDS</b>					
Mackenzie Global Credit Opportunities Fund Series R	Canada	Mutual Funds	1,280,631	12,792	12,216
Mackenzie Unconstrained Fixed Income Fund Series R	Canada	Mutual Funds	179,545	1,777	1,802
<b>Total mutual funds</b>				<b>14,569</b>	<b>14,018</b>
Transaction costs				(832)	—
<b>Total investments</b>				<b>856,414</b>	<b>880,706</b>
Derivative instruments (see schedule of derivative instruments)					(1,037)
Cash and cash equivalents					6,394
Other assets less liabilities					(4,514)
<b>Total net assets</b>					<b>881,549</b>

\* Related to Mackenzie. See Note 1.



**MACKENZIE**  
Investments

# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## SUMMARY OF INVESTMENT PORTFOLIO

March 31, 2018		March 31, 2017	
Portfolio Allocation	% of NAV	Portfolio Allocation	% of NAV
Equities	79.1	Equities	78.0
Bonds	18.8	Bonds	19.9
<i>Bonds</i>	<i>18.9</i>	<i>Bonds</i>	<i>19.9</i>
<i>Purchased options</i>	<i>0.0</i>	<i>Purchased options</i>	<i>0.0</i>
<i>Short futures</i>	<i>(0.1)</i>	<i>Short futures</i>	<i>(0.0)</i>
Mutual funds	1.6	Other assets (liabilities)	1.2
Cash and short-term investments	0.7	Cash and short-term investments	0.7
Exchange-traded funds/notes	0.4	Mutual funds	0.2
Other assets (liabilities)	(0.6)		
Regional Allocation	% of NAV	Regional Allocation	% of NAV
Canada	71.8	Canada	69.4
United States	18.9	United States	20.8
Germany	2.7	Sweden	3.1
Australia	2.7	Australia	2.6
Sweden	2.7	Other assets (liabilities)	1.2
Cash and short-term investments	0.7	Other	0.9
Other	0.6	Cash and short-term investments	0.7
United Kingdom	0.3	Switzerland	0.7
Bermuda	0.2	Denmark	0.3
Other assets (liabilities)	(0.6)	United Kingdom	0.3
Sector Allocation	% of NAV	Sector Allocation	% of NAV
Financials	21.6	Financials	22.6
Energy	12.4	Energy	15.5
Consumer staples	11.8	Consumer discretionary	15.1
Consumer discretionary	11.7	Corporate bonds	11.2
Corporate bonds	9.0	Consumer staples	10.2
Other	7.7	Industrials	5.5
Health care	5.7	Other	5.0
Information technology	5.2	Health care	4.0
Industrials	5.0	Provincial bonds	3.9
Federal bonds	4.0	Information technology	2.7
Provincial bonds	3.3	Materials	2.4
Materials	2.5	Other assets (liabilities)	1.2
Cash and short-term investments	0.7	Cash and short-term investments	0.7
Other assets (liabilities)	(0.6)		



**MACKENZIE**  
Investments



# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## SCHEDULE OF OPTIONS PURCHASED

As at March 31, 2018

<b>Underlying Interest</b>	<b>Number of Contracts</b>	<b>Option Type</b>	<b>Expiration Date</b>	<b>Strike Price \$</b>	<b>Premium Paid (\$ 000s)</b>	<b>Fair Value (\$ 000s)</b>
US 10-year Treasury Note Future	1,388	Put	May 18, 2018	USD 119.00	1,069	224
iShares iBoxx \$ High Yield Corporate Bond ETF	263	Put	Jun. 15, 2018	USD 85.00	92	38
iShares iBoxx \$ High Yield Corporate Bond ETF	151	Put	Sep. 21, 2018	USD 83.00	38	27
iShares iBoxx \$ High Yield Corporate Bond ETF	79	Put	Sep. 21, 2018	USD 85.00	29	21
<b>Total options</b>					<b>1,228</b>	<b>310</b>



**MACKENZIE**  
Investments

# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## SCHEDULE OF DERIVATIVE INSTRUMENTS

As at March 31, 2018

### Schedule of Futures Contracts

Number of Contracts	Type of Contract	Expiration Date	Average Rate of Contracts (\$)	Notional Value* (\$ 000s)	Unrealized (Losses) (\$ 000s)
(188)	10 Year United States Treasury Note Futures June 2018	June 20, 2018	119.74 USD	(29,339)	(340)
(40)	CME Ultra Term United States Treasury Bond Futures June 2018	June 20, 2018	154.63 USD	(8,269)	(301)
Unrealized (Losses)				(37,608)	(641)
<b>Total futures contracts</b>				<b>(37,608)</b>	<b>(641)</b>

\*Notional value represents the exposure to the underlying instruments as at March 31, 2018

### Schedule of Forward Currency Contracts

Counterparty Credit Rating	Bought (\$ 000s)	Sold (\$ 000s)	Settlement Date	Contract Cost (\$ 000s)	Current Fair Value (\$ 000s)	Unrealized Gains (Losses) (\$ 000s)	
A	20,380	Mexican peso	(1,347) Canadian dollar	Apr. 6, 2018	1,347	1,443	96
AA	1,210	U.S. dollar	(1,558) Canadian dollar	Apr. 20, 2018	1,558	1,558	–
AA	509	Canadian dollar	(390) U.S. dollar	May 11, 2018	(509)	(502)	7
AA	509	Canadian dollar	(390) U.S. dollar	May 18, 2018	(509)	(502)	7
AA	1,064	Canadian dollar	(1,140) New Zealand dollar	Jun. 13, 2018	(1,064)	(1,060)	4
AA	1,456	Canadian dollar	(1,130) U.S. dollar	Jun. 22, 2018	(1,456)	(1,454)	2
AA	509	Canadian dollar	(390) U.S. dollar	Jun. 29, 2018	(509)	(502)	7
AA	5,179	Canadian dollar	(3,980) U.S. dollar	Jun. 29, 2018	(5,179)	(5,119)	60
Unrealized Gains						183	
A	1,337	Canadian dollar	(20,380) Mexican peso	Apr. 6, 2018	(1,337)	(1,443)	(106)
AA	5,018	Canadian dollar	(4,010) U.S. dollar	Apr. 20, 2018	(5,018)	(5,164)	(146)
AA	776	Canadian dollar	(610) U.S. dollar	Apr. 20, 2018	(776)	(785)	(9)
A	1,286	Canadian dollar	(1,000) U.S. dollar	Apr. 27, 2018	(1,286)	(1,287)	(1)
A	984	Canadian dollar	(800) U.S. dollar	Apr. 27, 2018	(984)	(1,030)	(46)
AA	2,122	Canadian dollar	(1,697) U.S. dollar	May 11, 2018	(2,122)	(2,185)	(63)
AA	776	Canadian dollar	(610) U.S. dollar	May 11, 2018	(776)	(786)	(10)
AA	771	Canadian dollar	(600) U.S. dollar	May 18, 2018	(771)	(772)	(1)
AA	901	Canadian dollar	(735) U.S. dollar	May 18, 2018	(901)	(946)	(45)
AA	5,657	Canadian dollar	(4,500) U.S. dollar	Jun. 8, 2018	(5,657)	(5,790)	(133)
AA	771	Canadian dollar	(600) U.S. dollar	Jun. 15, 2018	(771)	(772)	(1)
AA	3,849	Canadian dollar	(3,000) U.S. dollar	Jun. 15, 2018	(3,849)	(3,859)	(10)
AA	771	Canadian dollar	(600) U.S. dollar	Jun. 22, 2018	(771)	(772)	(1)
A	769	Canadian dollar	(600) U.S. dollar	Jul. 13, 2018	(769)	(772)	(3)
AA	770	Canadian dollar	(600) U.S. dollar	Jul. 13, 2018	(770)	(771)	(1)
AA	771	Canadian dollar	(600) U.S. dollar	Jul. 20, 2018	(771)	(772)	(1)
AA	769	Canadian dollar	(600) U.S. dollar	Jul. 27, 2018	(769)	(771)	(2)
Unrealized (Losses)						(579)	
<b>Total forward currency contracts</b>						<b>(396)</b>	
<b>Total derivative instruments at fair value</b>						<b>(1,037)</b>	



**MACKENZIE**  
Investments

## NOTES TO FINANCIAL STATEMENTS

### 1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the periods ended or as at March 31, 2018 and 2017, as applicable. In the year a Fund or series is established or reinstated, 'period' represents the period from inception or reinstatement. Refer to Note 9 for the formation date of the Fund and the inception date of each series.

The Fund is organized as an open-ended mutual fund trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust as amended and restated from time to time. The address of the Fund's registered office is 180 Queen Street West, Toronto, Ontario, Canada. The Fund is authorized to issue an unlimited number of units (referred to as "security" or "securities") of multiple series. Series of the Fund are available for sale under Simplified Prospectus or exempt distribution options.

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

### 2. Basis of Preparation and Presentation

These audited annual financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). A summary of the Fund's significant accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the Fund's functional and presentation currency, and rounded to the nearest thousand unless otherwise indicated. These financial statements are prepared on a going concern basis using the historical cost basis, except for financial assets and liabilities that have been measured at fair value.

These financial statements were authorized for issue by the Board of Directors of Mackenzie Financial Corporation on June 7, 2018.

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

### 3. Significant Accounting Policies

#### (a) Financial instruments

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

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

The Fund's redeemable securities contain multiple dissimilar contractual obligations and therefore meet the criteria for classification as financial liabilities under IAS 32, *Financial Instruments: Presentation*. The Fund's obligation for net assets attributable to securityholders is presented at the redemption amount.

IAS 7, *Statement of Cash Flows*, requires disclosures related to changes in liabilities and assets, such as the securities of the Fund, arising from financing activities. Changes in securities of the Fund, including both changes from cash flows and non-cash changes, are included in the Statement of Changes in Financial Position. Any changes in the securities not settled in cash as at the end of the period are presented as either Accounts receivable for securities issued or Accounts payable for securities redeemed in the Statement of Financial Position. These accounts receivable and accounts payable amounts typically settle shortly after year-end.

Realized and unrealized gains and losses on investments are calculated based on the weighted average cost of investments and exclude commissions and other portfolio transaction costs, which are separately reported in the Statement of Comprehensive Income – Commissions and other portfolio transaction costs.

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

## NOTES TO FINANCIAL STATEMENTS

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

#### (a) Financial instruments (cont'd)

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

#### (b) Fair value measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Investments listed on a public securities exchange or traded on an over-the-counter market are valued on the basis of the last traded market price or close price recorded by the security exchange on which the security is principally traded, where this price falls within the quoted bid-ask spread for the investment. In circumstances where this price is not within the bid-ask spread, Mackenzie determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Mutual fund securities of an underlying fund are valued on a business day at the price calculated by the manager of such underlying fund in accordance with the constating documents of such underlying fund. Unlisted or non-exchange traded investments, or investments where a last sale or close price is unavailable or investments for which market quotations are, in Mackenzie's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by Mackenzie using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data.

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

Cash and cash equivalents which includes cash on deposit with financial institutions and short term investments that are readily convertible to cash, are subject to an insignificant risk of changes in value, and are used by the Fund in the management of short-term commitments. Cash and cash equivalents are reported at fair value which closely approximates their amortized cost due to their nature of being highly liquid and having short terms to maturity. Bank overdraft positions are presented under current liabilities as bank indebtedness in the Statement of Financial Position.

The Fund may use derivatives (such as written options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio manager(s), provided that the use of the derivative is consistent with the Fund's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the Fund, as applicable. Refer to "Exemptions from National Instrument 81-102" in the Annual Information Form of the Fund for further details, including the complete conditions of these exemptions, as applicable.

Valuations of derivative instruments are carried out daily, using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives.

The value of forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out. The change in value of forward contracts is included in the Statement of Comprehensive Income – Other changes in fair value of investments – Net unrealized gain (loss).

The value of futures contracts or swaps fluctuates daily, and cash settlements made daily, where applicable, by the Fund are equal to the unrealized gains or losses on a "mark to market" basis. These unrealized gains or losses are recorded and reported as such until the Fund closes out the contract or the contract expires. Margin paid or deposited in respect of futures contracts or swaps is reflected as a receivable in the Statement of Financial Position – Margin on futures contracts or swaps. Any change in the variation margin requirement is settled daily.

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

Refer to the Schedule of Derivative Instruments and Schedule of Options Purchased/Written, as applicable, included in the Schedule of Investments for a listing of derivative and options positions as at March 31, 2018.

## NOTES TO FINANCIAL STATEMENTS

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

(c) Income recognition

Interest income from interest bearing investments is recognized using the effective interest method. Dividends are accrued as of the ex-dividend date. Realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, are calculated on an average cost basis. Distributions received from an underlying fund are included in interest income, dividend income, realized gains (losses) on sale of investments or fee rebate income, as appropriate.

Income, realized gains (losses) and unrealized gains (losses) are allocated daily among the series on a pro-rata basis.

(d) Commissions and other portfolio transaction costs

Commissions and other portfolio transaction costs are costs incurred to acquire, issue or dispose of financial assets or liabilities. They include fees and commissions paid to agents, advisers, brokers and dealers. Commissions may be paid to brokerage firms which provide (or pay for) certain services, other than order execution, which may include investment research, analysis and reports, and databases or software in support of these services. Where applicable and ascertainable, the value of third-party services that were paid for by brokers during the periods is disclosed in Note 9. The value of certain proprietary services provided by brokers cannot be reasonably estimated.

(e) Securities lending, repurchase and reverse repurchase transactions

The Fund is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the Fund's Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date.

Securities lending transactions are administered by Canadian Imperial Bank of Commerce (the "Securities Lending Agent"). The value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is included in the Statement of Comprehensive Income – Securities lending income and recognized when earned.

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

(f) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statement of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. Note 9 summarizes the details of such offsetting, if applicable.

Income and expenses are not offset in the Statement of Comprehensive Income unless required or permitted to by an accounting standard, as specifically disclosed in the IFRS policies of the Fund.

(g) Foreign currency

The functional and presentation currency of the Fund is Canadian dollars. Foreign currency purchases and sales of investments and foreign currency dividend and interest income and expenses are translated to Canadian dollars at the rate of exchange prevailing at the time of the transactions.

Foreign exchange gains (losses) on purchases and sales of foreign currencies are included in the Statement of Comprehensive Income – Net realized gain (loss).

The fair value of investments and other assets and liabilities, denominated in foreign currencies, are translated to Canadian dollars at the rate of exchange prevailing on each business day.

(h) Net assets attributable to securityholders per security

Net assets attributable to securityholders per security is computed by dividing the net assets attributable to securityholders of a series of securities on a business day by the total number of securities of the series outstanding on that day.

(i) Net asset value per security

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

## NOTES TO FINANCIAL STATEMENTS

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

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

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

(k) Mergers

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

### 4. Critical Accounting Estimates and Judgments

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

#### Use of Estimates

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

The Fund may hold financial instruments that are not quoted in active markets and are valued using valuation techniques that make use of observable data, to the extent practicable. Various valuation techniques are utilized, depending on a number of factors, including comparison with similar instruments for which observable market prices exist and recent arm's length market transactions. Key inputs and assumptions used are company specific and may include estimated discount rates and expected price volatilities. Changes in key inputs, could affect the reported fair value of these financial instruments held by the Fund.

#### Use of Judgments

##### *Classification and measurement of investments and application of the fair value option*

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

##### *Functional currency*

The Fund's functional and presentation currency is the Canadian dollar, which is the currency considered to best represent the economic effects of the Fund's underlying transactions, events and conditions taking into consideration the manner in which securities are issued and redeemed and how returns and performance by the Fund are measured.

##### *Structured entities and associates*

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

### 5. Income Taxes

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

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

## NOTES TO FINANCIAL STATEMENTS

### 6. Management Fees and Operating Expenses

Mackenzie is paid a management fee for managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements relating to the purchase and sale of the investment portfolio and making arrangements with registered dealers for the purchase and sale of securities of the Fund by investors. The management fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

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

Other fund costs include taxes (including, but not limited to GST/HST and income tax), interest and borrowing costs, all fees and expenses of the Mackenzie Funds' Independent Review Committee (IRC), costs of complying with the regulatory requirement to produce Fund Facts, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the Funds, new fees related to external services that were not commonly charged in the Canadian mutual fund industry and introduced after the date of the most recently filed simplified prospectus, and the costs of complying with any new regulatory requirements, including, without limitation, any new fees introduced after the date of the most recently filed simplified prospectus.

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

Mackenzie may waive or absorb management fees and/or Administration Fees at its discretion and stop waiving or absorbing such fees at any time without notice. Refer to Note 9 for the management fee and Administration Fee rates charged to each series of securities.

### 7. Fund's Capital

The capital of the Fund, which is comprised of the net assets attributable to securityholders, is divided into different series with each series having an unlimited number of securities. The securities outstanding for the Fund as at March 31, 2018 and 2017 and securities issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. Mackenzie manages the capital of the Fund in accordance with the investment objectives as discussed in Note 9.

### 8. Financial Instruments Risk

#### i. Risk exposure and management

The Fund's investment activities expose it to a variety of financial risks, as defined in IFRS 7 *Financial Instruments: Disclosures* ("IFRS 7"). The Fund's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, as at March 31, 2018, grouped by asset type, with geographic and sector information.

Mackenzie seeks to minimize potential adverse effects of financial risks on the Fund's performance by employing professional, experienced portfolio advisors, by monitoring the Fund's positions and market events daily, by diversifying the investment portfolio within the constraints of the Fund's investment objectives, and where applicable, by using derivatives to hedge certain risk exposures. To assist in managing risks, Mackenzie also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy, internal guidelines, and securities regulations.

#### ii. Liquidity risk

Liquidity risk arises when the Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable securities. In accordance with securities regulations, the Fund must maintain at least 90% of its assets in liquid investments (i.e., investments that can be readily sold). In addition, the Fund retains sufficient cash and short-term investment positions to maintain adequate liquidity. The Fund also has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions.

#### iii. Currency risk

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

## NOTES TO FINANCIAL STATEMENTS

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

#### iv. Interest rate risk

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

#### v. Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. This risk is managed through a careful selection of investments and other financial instruments within the parameters of the investment strategies. Except for certain derivative contracts, the maximum risk resulting from financial instruments is equivalent to their fair value. The maximum risk of loss on certain derivative contracts such as forwards, swaps, and futures contracts is equal to their notional values. In the case of written call (put) options and short futures contracts, the loss to the Fund continues to increase, without limit, as the fair value of the underlying interest increases (decreases). However, these instruments are generally used within the overall investment management process to manage the risk from the underlying investments and do not typically increase the overall risk of loss to the Fund. This risk is mitigated by ensuring that the Fund holds a combination of the underlying interest, cash cover and/or margin that is equal to or greater than the value of the derivative contract. Note 9 summarizes the Fund's exposure, if applicable and significant, to other price risk.

#### vi. Credit risk

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

All transactions in listed securities are executed with approved brokers. To minimize the possibility of settlement default, securities are exchanged for payment simultaneously, where market practices permit, through the facilities of a central depository and/or clearing agency where customary.

The carrying amount of investments and other assets represents the maximum credit risk exposure as at the date of the Statement of Financial Position.

The Fund may enter into securities lending transactions with counterparties and it may also be exposed to credit risk from the counterparties to the derivative instruments it may use. Credit risk associated with these transactions is considered minimal as all counterparties have a rating equivalent to a designated rating organization's credit rating of not less than A-1 (low) on their short-term debt and of A on their long-term debt, as applicable.

#### vii. Underlying funds

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



# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## NOTES TO FINANCIAL STATEMENTS

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

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

Date of Formation      October 13, 1992

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

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

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

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

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

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

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

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

Series O and Series O6 securities are offered only to investors investing a minimum of \$500,000 who have an account with Mackenzie Private Wealth Counsel; certain institutional investors; and certain qualifying employees of Mackenzie and its subsidiaries. Investors in Series O6 securities also want to receive a monthly cash flow of 6% per year.

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

Series PWF and Series PWF8 securities are offered through our Private Wealth Solutions to certain high net worth investors who are enrolled in a dealer-sponsored fee-for-service or wrap program, who are subject to an asset-based fee rather than commissions on each transaction and who invest at least \$100,000. Investors in Series PWF8 securities also want to receive a monthly cash flow of 8% per year. Effective June 1, 2018, Series PWF and Series PWF8 securities were consolidated into Series F and Series F8 securities, respectively.

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

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

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

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

Series J securities are no longer available for sale.

An investor in the Fund may choose among different purchase options that are available under each series. These purchase options are a sales charge purchase option, a redemption charge purchase option and various low-load purchase options. The charges under the sales charge purchase option are negotiated by investors with their dealers. The charges under the redemption charge and low-load purchase options are paid to Mackenzie if an investor redeems securities of the Fund during specific periods. Not all purchase options are available under each series of the Fund, and the charges for each purchase option may vary among the different series. For further details on these purchase options, please refer to the Fund's Simplified Prospectus and Fund Facts.

# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## NOTES TO FINANCIAL STATEMENTS

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

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

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Mar. 31, 2018	Mar. 31, 2017
Series A	October 13, 1992	1.75%	0.21%	23.87	26.08
Series AR	January 18, 2017	1.75%	0.24%	9.31	10.17
Series D	March 19, 2014	1.10%	0.16%	9.77	10.69
Series F	December 6, 1999	0.70% <sup>(3)</sup>	0.15% <sup>(6)</sup>	7.14	7.81
Series F8	December 20, 2005	0.70% <sup>(3)</sup>	0.15% <sup>(6)</sup>	6.16	7.24
Series FB	October 26, 2015	0.85%	0.21%	9.49	10.37
Series FB5	October 26, 2015	0.85%	0.21%	12.20	13.91
Series G	April 1, 2005	1.50%	0.21%	10.70	11.69
Series I	October 25, 1999	1.35%	0.21%	7.29	8.00
Series J	December 1, 2011	1.70%	0.20%	11.94	13.03
Series O	January 2, 2001	— <sup>(1)</sup>	—*	13.25	14.51
Series O6	November 13, 2014	— <sup>(1)</sup>	—*	11.48	13.12
Series PW	December 9, 2013	1.20% <sup>(4)</sup>	0.15%	10.31	11.27
Series PWF	April 15, 2014	0.80%	0.15%	9.73	10.64
Series PWF8	April 3, 2017	0.80%	0.15%	12.77	—
Series PWFB	April 3, 2017	0.70% <sup>(5)</sup>	0.15%	9.14	—
Series PWFB5	April 3, 2017	0.70% <sup>(5)</sup>	0.15%	13.22	—
Series PWT6	April 3, 2017	1.20% <sup>(4)</sup>	0.15%	12.98	—
Series PWT8	May 29, 2014	1.20% <sup>(4)</sup>	0.15%	9.31	11.01
Series PWX	May 22, 2014	— <sup>(2)</sup>	— <sup>(2)</sup>	8.10	8.88
Series R	December 8, 2008	—*	—*	12.21	13.55
Series T6	July 31, 2007	1.75%	0.21%	8.90	10.35
Series T8	March 6, 2002	1.75%	0.21%	5.02	5.95

\* Not applicable.

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

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

(3) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 0.85%.

(4) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 1.30%.

(5) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 0.80%.

(6) Prior to June 1, 2018, the administration fee for this series was charged to the Fund at a rate of 0.16%.

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

As at March 31, 2018, Mackenzie and other funds managed by Mackenzie had an investment of \$7 and \$16,176 (2017 – \$6 and \$21,532), respectively, in the Fund.

#### (c) Loss Carryforwards

As at the last taxation year-end, there were no capital and non-capital losses available to carry forward for tax purposes.

# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## NOTES TO FINANCIAL STATEMENTS

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

(d) Securities Lending

As at March 31, 2018 and 2017, the Fund did not have any open securities lending, repurchase or reverse repurchase transactions.

(e) Commissions

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

	(\$)
March 31, 2018	51
March 31, 2017	42

(f) Unfunded Credit Agreements

The Fund has entered into credit agreements whereby the Fund commits to fund a participation in a senior unsecured credit facility ("Commitment Amount") during an agreed upon period of time ("Commitment Period"). In exchange for providing this potential funding the Fund is entitled to receive a commitment fee ("Commitment Fee") from the issuer equal to a certain percentage of the Commitment Amount at the end of the Commitment Period. The funding requirement and the Commitment Fee are both contingent on whether or not the issuer of the credit agreement completes a contemplated transaction by the end of the Commitment Period. As at March 31, 2018, none of the Commitment Amounts were funded (2017 – \$Nil). The unfunded Commitment Amounts, the Commitment Fee rates and Commitment Period end date are listed below.

	Total Unfunded Commitment Amount (US\$)	Total Number of Commitments	Range of Unfunded Commitment Amounts (US\$)	Range of Commitment Fee Rates (%)	Range of Commitment Period End Date
March 31, 2018	300	3	73 - 127	0.750	June 18, 2018 - August 21, 2018
March 31, 2017	3,680	5	400 - 970	0.375 - 0.500	July 12, 2017 - January 31, 2018

(g) Offsetting of Financial Assets and Liabilities

The table below presents financial assets and financial liabilities that are subject to master netting arrangements or other similar agreements and the net impact on the Fund's Statements of Financial Position if all set-off rights were exercised as part of future events such as bankruptcy or termination of contracts. No amounts were offset in the financial statements.

March 31, 2018				
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	7	(7)	–	–
Unrealized losses on derivative contracts	(699)	7	910	218
Liability for options written	–	–	–	–
Total	(692)	–	910	218

March 31, 2017				
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	6	(6)	–	–
Unrealized losses on derivative contracts	(7)	6	565	564
Liability for options written	–	–	–	–
Total	(1)	–	565	564



**MACKENZIE**  
Investments

# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## NOTES TO FINANCIAL STATEMENTS

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

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

##### *i. Risk exposure and management*

The Fund seeks capital growth and current income by investing primarily in a combination of Canadian equities and fixed income securities. The Fund's asset mix will generally range between 60%–90% equities and 10%–40% fixed income securities, including cash and cash equivalents. It may hold up to 40% of its assets in foreign investments.

##### *ii. Currency risk*

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

Currency	March 31, 2018			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	168,569	3,017	(71,363)	100,223
Euro	23,755	–	–	23,755
Swedish krona	23,599	–	–	23,599
Australian dollar	22,075	404	–	22,479
New Zealand dollar	1,059	–	(1,060)	(1)
Total	239,057	3,421	(72,423)	170,055
% of Net Assets	27.1	0.4	(8.2)	19.3

Currency	March 31, 2017			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	209,795	2,394	(46,863)	165,326
Swedish krona	31,558	–	–	31,558
Australian dollar	24,257	–	–	24,257
Swiss franc	7,024	–	–	7,024
New Zealand dollar	1,051	–	(1,037)	14
Mexican peso	2,022	–	(2,019)	3
Danish krone	2,439	–	(2,465)	(26)
Total	278,146	2,394	(52,384)	228,156
% of Net Assets	27.1	0.2	(5.1)	22.2

\* Includes both monetary and non-monetary financial instruments

As at March 31, 2018, had the Canadian dollar increased or decreased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have decreased or increased by approximately \$8,503 or 1.0% of total net assets (2017 – \$11,408 or 1.1%). In practice, the actual trading results may differ and the difference could be material.

# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## NOTES TO FINANCIAL STATEMENTS

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

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

##### iii. Interest rate risk

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

Term to Maturity	March 31, 2018 (\$)		March 31, 2017 (\$)	
	Bonds	Derivative Instruments	Bonds	Derivative Instruments
Less than 1 year	568	(37,608)	409	(21,961)
1-5 years	25,220	–	64,656	–
5-10 years	72,277	–	68,957	–
Greater than 10 years	68,276	–	70,591	–
Total	166,341	(37,608)	204,613	(21,961)

As at March 31, 2018, had prevailing interest rates increased by 1%, assuming a parallel shift in the yield curve, with all other variables held constant, net assets would have decreased by approximately \$12,696 or 1.4% (2017 – \$12,391 or 1.4%) of total net assets. Similarly, had prevailing interest rates decreased by 1%, with all other variables held constant, net assets would have increased by approximately \$25,443 or 2.9% (2017 – \$12,391 or 1.4%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

##### iv. Other price risk

The Fund's most significant exposure to price risk arises from its investment in equity securities, options, exchange-traded funds/notes and mutual funds. As at March 31, 2018, had the prices on the respective stock exchanges for these securities increased by 10%, with all other variables held constant, net assets would have increased by approximately \$71,406 or 8.1% (2017 – \$80,305 or 7.8%) of total net assets. Similarly, had the prices on the respective stock exchanges for these securities decreased by 10%, with all other variables held constant, net assets would have decreased by approximately \$71,406 or 8.1% (2017 – \$65,234 or 6.3%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

##### v. Credit risk

The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The maximum exposure to any one debt issuer as at March 31, 2018, was 4.0% of the net assets of the Fund (2017 – 2.0%).

As at March 31, 2018 and 2017, debt securities by credit rating are as follows:

Bond Rating*	March 31, 2018	March 31, 2017
	% of Net Assets	% of Net Assets
AAA	4.9	3.9
AA	4.3	4.1
A	3.4	6.1
BBB	3.9	3.7
Less than BBB	1.9	1.7
Unrated	0.5	0.4
Total	18.9	19.9

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

# MACKENZIE IVY CANADIAN BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

BALANCED FUND

## NOTES TO FINANCIAL STATEMENTS

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

#### (i) Fair Value Classification

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

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

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

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

The inputs are considered observable if they are developed using market data, such as publicly available information about actual events or transactions, and that reflect the assumption that market participants would use when pricing the asset or liability.

	March 31, 2018				March 31, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	–	166,341	–	166,341	–	204,613	–	204,613
Equities	627,546	69,225	–	696,771	801,721	–	–	801,721
Options	224	86	–	310	49	–	–	49
Exchange-traded funds/notes	3,266	–	–	3,266	–	–	–	–
Mutual funds	14,018	–	–	14,018	1,815	–	–	1,815
Derivative assets	–	183	–	183	6	243	–	249
Derivative liabilities	(641)	(579)	–	(1,220)	(7)	(174)	–	(181)
Short-term investments	–	5,437	–	5,437	–	6,784	–	6,784
Total	644,413	240,693	–	885,106	803,584	211,466	–	1,015,050

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

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for non-North American equities when North American intraday stock market movements exceed pre-determined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, during the period ended March 31, 2018, non-North American equities frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices).

As at March 31, 2018, fair value adjustments were applied to the majority of securities in non-North American markets (Level 2) that were closed on the last business day. The remaining non-North American securities were classified as Level 1. As at March 31, 2017, all non-North American equities were classified as Level 1. Other than as described above, there were no significant transfers between Level 1 and Level 2.

Other financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data and using standard market convention practices. Short-term investments classified as Level 2 investments are valued based on amortized cost plus accrued interest which closely approximates fair value.