

# MACKENZIE CANADIAN LARGE CAP DIVIDEND FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

CANADIAN EQUITY FUND

## MANAGEMENT REPORT

### Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by Mackenzie Financial Corporation, as Manager of Mackenzie Canadian Large Cap Dividend 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 Canadian Large Cap Dividend 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



**MACKENZIE**  
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# MACKENZIE CANADIAN LARGE CAP DIVIDEND FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

CANADIAN EQUITY FUND

## STATEMENTS OF FINANCIAL POSITION

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

	2018	2017		2018	2017
	\$	\$		\$	\$
<b>ASSETS</b>					
<b>Current assets</b>					
Investments at fair value	1,143,941	1,199,642	L Series	44,254	42,793
Cash and cash equivalents	7,212	10,079	L5 Series	245	133
Dividends receivable	2,516	3,476	L8 Series	82	67
Accounts receivable for investments sold	1,723	620	N Series	7,044	5,851
Accounts receivable for securities issued	136	1,065	N5 Series	46	1
Due from manager	23	1	D5 Series	309	388
Unrealized gains on derivative contracts	20	4	D8 Series	791	1,238
<b>Total assets</b>	<b>1,155,571</b>	<b>1,214,887</b>	QF Series	1,450	938
			QF5 Series	10	1
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Accounts payable for investments purchased	661	1,157	<b>Net assets attributable to securityholders</b>		
Accounts payable for securities redeemed	1,892	666	<b>per security (note 3)</b>		
Due to manager	94	–	Series A	22.38	22.88
Unrealized losses on derivative contracts	833	477	Series D	11.35	11.59
<b>Total liabilities</b>	<b>3,480</b>	<b>2,300</b>	Series E	–	13.65
<b>Net assets attributable to securityholders</b>	<b>1,152,091</b>	<b>1,212,587</b>	Series F	18.16	18.53
<b>Net assets attributable to securityholders</b>			Series F8	8.61	9.40
<b>per series (note 3)</b>			Series FB	11.02	11.24
Series A	443,602	548,513	Series FB5	15.14	16.03
Series D	410	364	Series G	13.75	14.04
Series E	–	31	Series I	18.17	18.57
Series F	13,498	13,983	Series J	16.76	17.13
Series F8	197	204	Series O	15.12	15.42
Series FB	458	55	Series O6	15.80	16.71
Series FB5	1	1	Series PW	12.27	12.54
Series G	5,954	6,608	Series PWF	11.19	11.42
Series I	544	553	Series PWF8	13.75	–
Series J	111	190	Series PWF8	9.76	–
Series O	1,969	1,775	Series PWF85	14.18	–
Series O6	2	2	Series PWT6	13.87	–
Series PW	59,277	10,774	Series PWT8	13.57	–
Series PWF	4,998	581	Series PWX	11.85	12.09
Series PWF8	1	–	Series R	11.51	11.74
Series PWF8	298	–	Series S	23.89	24.37
Series PWF85	1	–	Series T6	9.81	10.59
Series PWT6	585	–	Series T8	7.85	8.65
Series PWT8	915	–	Series UM	9.54	–
Series PWX	2,614	2,694	Quadrus Series	22.52	23.03
Series R	331	489	H Series	19.07	19.49
Series S	369,519	364,312	H5 Series	16.47	17.45
Series T6	939	1,991	L Series	14.11	14.42
Series T8	4,810	5,981	L5 Series	15.43	16.46
Series UM	5,535	–	L8 Series	14.34	15.78
Quadrus Series	177,184	197,458	N Series	15.35	15.66
H Series	4,099	4,609	N5 Series	17.26	18.07
H5 Series	8	9	D5 Series	21.38	22.88
			D8 Series	7.45	8.22
			QF Series	10.59	10.81
			QF5 Series	14.74	15.61

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

# MACKENZIE CANADIAN LARGE CAP DIVIDEND FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

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## STATEMENTS OF COMPREHENSIVE INCOME

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

	2018	2017
	\$	\$
<b>Income</b>		
Dividends	35,165	37,753
Interest income	1,021	760
Other changes in fair value of investments		
Net realized gain (loss)	63,961	87,374
Net unrealized gain (loss)	(65,376)	79,503
Securities lending income	45	162
<b>Total income (loss)</b>	<b>34,816</b>	<b>205,552</b>
<b>Expenses (note 6)</b>		
Management fees	16,629	16,769
Management fee rebates	(112)	(3)
Administration fees	2,008	2,042
Administration fee rebates	–	(1)
Interest charges	1	1
Commissions and other portfolio transaction costs	715	1,076
Independent Review Committee fees	5	6
Other	5	3
<b>Expenses before amounts absorbed by Manager</b>	<b>19,251</b>	<b>19,893</b>
Expenses absorbed by Manager	–	–
<b>Net expenses</b>	<b>19,251</b>	<b>19,893</b>
<b>Increase (decrease) in net assets attributable to securityholders from operations before tax</b>	<b>15,565</b>	<b>185,659</b>
Foreign withholding taxes	650	878
Foreign income taxes paid (recovered)	80	–
<b>Increase (decrease) in net assets attributable to securityholders from operations</b>	<b>14,835</b>	<b>184,781</b>
<b>Increase (decrease) in net assets attributable to securityholders from operations per series</b>		
Series A	2,911	79,982
Series D	6	37
Series E	–	5
Series F	153	1,808
Series F8	3	30
Series FB	(5)	1
Series FB5	–	–
Series G	68	1,001
Series I	7	96
Series J	5	44
Series O	53	268
Series O6	–	1
Series PW	293	1,390
Series PWF	57	140
Series PWF8	–	–
Series PWFB	3	–
Series PWFB5	–	–
Series PWT6	7	–
Series PWT8	5	–
Series PWX	74	374
Series R	10	5,165
Series S	9,884	57,529
Series T6	2	313
Series T8	20	878

	2018	2017
	\$	\$
Series UM	(205)	–
Quadrus Series	886	28,216
H Series	89	665
H5 Series	–	1
L Series	304	5,796
L5 Series	1	20
L8 Series	–	9
N Series	175	793
N5 Series	1	–
D5 Series	2	35
D8 Series	9	147
QF Series	16	37
QF5 Series	1	–
<b>Increase (decrease) in net assets attributable to securityholders from operations per security</b>		
Series A	0.14	3.21
Series D	0.19	1.67
Series E	(0.03)	2.06
Series F	0.22	2.78
Series F8	0.16	1.53
Series FB	(0.18)	1.15
Series FB5	0.23	2.46
Series G	0.15	2.04
Series I	0.20	2.73
Series J	0.41	2.52
Series O	0.42	2.54
Series O6	0.03	2.66
Series PW	0.07	1.78
Series PWF	0.15	1.78
Series PWF8	0.24	–
Series PWFB	0.13	–
Series PWFB5	0.25	–
Series PWT6	0.16	–
Series PWT8	0.08	–
Series PWX	0.34	1.95
Series R	0.35	1.96
Series S	0.65	3.93
Series T6	0.02	1.56
Series T8	0.03	1.26
Series UM	(0.53)	–
Quadrus Series	0.11	3.19
H Series	0.40	2.92
H5 Series	0.28	2.66
L Series	0.10	2.05
L5 Series	0.09	2.30
L8 Series	0.01	2.43
N Series	0.42	2.55
N5 Series	0.44	2.96
D5 Series	0.17	3.22
D8 Series	0.08	1.18
QF Series	0.12	1.04
QF5 Series	1.34	1.57

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# MACKENZIE CANADIAN LARGE CAP DIVIDEND FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

CANADIAN EQUITY 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 D		Series E		Series F		Series F8	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	548,513	535,944	364	46	31	26	13,983	8,756	204	326
Increase (decrease) in net assets from operations	2,911	79,982	6	37	–	5	153	1,808	3	30
Distributions paid to securityholders:										
Investment income	(3,564)	(4,379)	(5)	(2)	–	–	(204)	(180)	(3)	(3)
Capital gains	(8,958)	(12,962)	(7)	(7)	–	(1)	(264)	(302)	(4)	(4)
Return of capital	–	–	–	–	–	–	–	–	(13)	(11)
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Administration fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(12,522)	(17,341)	(12)	(9)	–	(1)	(468)	(482)	(20)	(18)
Security transactions:										
Proceeds from securities issued	56,631	154,056	92	305	–	–	7,674	6,155	73	83
Reinvested distributions	12,302	17,021	12	8	–	1	323	437	6	8
Value of securities redeemed	(164,233)	(221,149)	(52)	(23)	(31)	–	(8,167)	(2,691)	(69)	(225)
Total security transactions	(95,300)	(50,072)	52	290	(31)	1	(170)	3,901	10	(134)
<b>Total increase (decrease) in net assets</b>	<b>(104,911)</b>	<b>12,569</b>	<b>46</b>	<b>318</b>	<b>(31)</b>	<b>5</b>	<b>(485)</b>	<b>5,227</b>	<b>(7)</b>	<b>(122)</b>
<b>End of period</b>	<b>443,602</b>	<b>548,513</b>	<b>410</b>	<b>364</b>	<b>–</b>	<b>31</b>	<b>13,498</b>	<b>13,983</b>	<b>197</b>	<b>204</b>
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	<b>23,973</b>	<b>26,305</b>	<b>31</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>754</b>	<b>532</b>	<b>22</b>	<b>37</b>
Issued	2,455	6,940	8	28	–	–	410	349	8	9
Reinvested distributions	526	768	1	1	–	–	17	24	1	1
Redeemed	(7,134)	(10,040)	(4)	(2)	(2)	–	(438)	(151)	(8)	(25)
<b>Securities outstanding – end of period</b>	<b>19,820</b>	<b>23,973</b>	<b>36</b>	<b>31</b>	<b>–</b>	<b>2</b>	<b>743</b>	<b>754</b>	<b>23</b>	<b>22</b>
	Series FB		Series FB5		Series G		Series I		Series J	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	55	1	1	1	6,608	6,571	553	623	190	284
Increase (decrease) in net assets from operations	(5)	1	–	–	68	1,001	7	96	5	44
Distributions paid to securityholders:										
Investment income	(4)	–	–	–	(74)	(80)	(7)	(7)	(2)	(3)
Capital gains	(6)	–	–	–	(121)	(158)	(11)	(15)	(4)	(8)
Return of capital	–	–	–	–	–	–	–	–	–	–
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Administration fee rebates	–	–	–	–	–	–	–	(1)	–	–
Total distributions paid to securityholders	(10)	–	–	–	(195)	(238)	(18)	(23)	(6)	(11)
Security transactions:										
Proceeds from securities issued	504	53	–	–	40	41	–	–	–	–
Reinvested distributions	10	–	–	–	191	234	18	23	5	10
Value of securities redeemed	(96)	–	–	–	(758)	(1,001)	(16)	(166)	(83)	(137)
Total security transactions	418	53	–	–	(527)	(726)	2	(143)	(78)	(127)
<b>Total increase (decrease) in net assets</b>	<b>403</b>	<b>54</b>	<b>–</b>	<b>–</b>	<b>(654)</b>	<b>37</b>	<b>(9)</b>	<b>(70)</b>	<b>(79)</b>	<b>(94)</b>
<b>End of period</b>	<b>458</b>	<b>55</b>	<b>1</b>	<b>1</b>	<b>5,954</b>	<b>6,608</b>	<b>544</b>	<b>553</b>	<b>111</b>	<b>190</b>
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	<b>5</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>471</b>	<b>526</b>	<b>30</b>	<b>38</b>	<b>11</b>	<b>19</b>
Issued	45	5	–	–	3	4	–	–	–	–
Reinvested distributions	1	–	–	–	13	17	1	1	–	1
Redeemed	(9)	–	–	–	(54)	(76)	(1)	(9)	(4)	(9)
<b>Securities outstanding – end of period</b>	<b>42</b>	<b>5</b>	<b>–</b>	<b>–</b>	<b>433</b>	<b>471</b>	<b>30</b>	<b>30</b>	<b>7</b>	<b>11</b>

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

# MACKENZIE CANADIAN LARGE CAP DIVIDEND FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

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## 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>	1,775	1,175	2	1	10,774	7,512	581	725	–	–
Increase (decrease) in net assets from operations	53	268	–	1	293	1,390	57	140	–	–
Distributions paid to securityholders:										
Investment income	(50)	(40)	–	–	(493)	(71)	(77)	(12)	–	–
Capital gains	(42)	(42)	–	–	(1,116)	(238)	(91)	(22)	–	–
Return of capital	–	–	–	–	–	–	–	–	–	–
Management fee rebates	–	–	–	–	(11)	(2)	(1)	–	–	–
Administration fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(92)	(82)	–	–	(1,620)	(311)	(169)	(34)	–	–
Security transactions:										
Proceeds from securities issued	213	405	–	–	58,344	2,845	6,094	289	1	–
Reinvested distributions	91	82	–	–	1,574	307	147	34	–	–
Value of securities redeemed	(71)	(73)	–	–	(10,088)	(969)	(1,712)	(573)	–	–
Total security transactions	233	414	–	–	49,830	2,183	4,529	(250)	1	–
<b>Total increase (decrease) in net assets</b>	<b>194</b>	<b>600</b>	<b>–</b>	<b>1</b>	<b>48,503</b>	<b>3,262</b>	<b>4,417</b>	<b>(144)</b>	<b>1</b>	<b>–</b>
<b>End of period</b>	<b>1,969</b>	<b>1,775</b>	<b>2</b>	<b>2</b>	<b>59,277</b>	<b>10,774</b>	<b>4,998</b>	<b>581</b>	<b>1</b>	<b>–</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</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>
<b>Securities outstanding – beginning of period</b>	115	86	–	–	859	674	51	72	–	–
Issued	14	29	–	–	4,645	240	531	27	–	–
Reinvested distributions	6	5	–	–	123	25	13	3	–	–
Redeemed	(5)	(5)	–	–	(796)	(80)	(148)	(51)	–	–
<b>Securities outstanding – end of period</b>	<b>130</b>	<b>115</b>	<b>–</b>	<b>–</b>	<b>4,831</b>	<b>859</b>	<b>447</b>	<b>51</b>	<b>–</b>	<b>–</b>
	<b>Series PWF8</b>	<b>Series PWF85</b>	<b>Series PWF86</b>	<b>Series PWF87</b>	<b>Series PWF88</b>	<b>Series PWF89</b>	<b>Series PWF90</b>	<b>Series PWF91</b>	<b>Series PWF92</b>	<b>Series PWF93</b>
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Beginning of period</b>	–	–	–	–	–	–	–	–	2,694	1,925
Increase (decrease) in net assets from operations	3	–	–	–	7	–	5	–	74	374
Distributions paid to securityholders:										
Investment income	(3)	–	–	–	(6)	–	(8)	–	(69)	(57)
Capital gains	(6)	–	–	–	(12)	–	(16)	–	(57)	(59)
Return of capital	–	–	–	–	(34)	–	(65)	–	–	–
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Administration fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(9)	–	–	–	(52)	–	(89)	–	(126)	(116)
Security transactions:										
Proceeds from securities issued	309	–	1	–	649	–	975	–	54	552
Reinvested distributions	9	–	–	–	15	–	39	–	126	116
Value of securities redeemed	(14)	–	–	–	(34)	–	(15)	–	(208)	(157)
Total security transactions	304	–	1	–	630	–	999	–	(28)	511
<b>Total increase (decrease) in net assets</b>	<b>298</b>	<b>–</b>	<b>1</b>	<b>–</b>	<b>585</b>	<b>–</b>	<b>915</b>	<b>–</b>	<b>(80)</b>	<b>769</b>
<b>End of period</b>	<b>298</b>	<b>–</b>	<b>1</b>	<b>–</b>	<b>585</b>	<b>–</b>	<b>915</b>	<b>–</b>	<b>2,614</b>	<b>2,694</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</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>
<b>Securities outstanding – beginning of period</b>	–	–	–	–	–	–	–	–	223	179
Issued	31	–	–	–	43	–	65	–	5	48
Reinvested distributions	1	–	–	–	1	–	3	–	10	10
Redeemed	(1)	–	–	–	(2)	–	(1)	–	(17)	(14)
<b>Securities outstanding – end of period</b>	<b>31</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>42</b>	<b>–</b>	<b>67</b>	<b>–</b>	<b>221</b>	<b>223</b>

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



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN LARGE CAP DIVIDEND FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

CANADIAN EQUITY 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 R		Series S		Series T6		Series T8		Series UM	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	489	43,784	364,312	318,737	1,991	2,176	5,981	5,456	–	–
Increase (decrease) in net assets from operations	10	5,165	9,884	57,529	2	313	20	878	(205)	–
Distributions paid to securityholders:										
Investment income	(9)	(843)	(9,472)	(8,678)	(9)	(18)	(38)	(46)	(37)	–
Capital gains	(7)	(12)	(7,924)	(8,876)	(19)	(51)	(95)	(144)	(81)	–
Return of capital	–	–	–	–	(61)	(104)	(379)	(418)	–	–
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Administration fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(16)	(855)	(17,396)	(17,554)	(89)	(173)	(512)	(608)	(118)	–
Security transactions:										
Proceeds from securities issued	8	30	14,390	12,975	278	428	1,193	3,032	6,259	–
Reinvested distributions	8	13	17,397	17,554	44	85	268	326	2	–
Value of securities redeemed	(168)	(47,648)	(19,068)	(24,929)	(1,287)	(838)	(2,140)	(3,103)	(403)	–
Total security transactions	(152)	(47,605)	12,719	5,600	(965)	(325)	(679)	255	5,858	–
<b>Total increase (decrease) in net assets</b>	<b>(158)</b>	<b>(43,295)</b>	<b>5,207</b>	<b>45,575</b>	<b>(1,052)</b>	<b>(185)</b>	<b>(1,171)</b>	<b>525</b>	<b>5,535</b>	<b>–</b>
<b>End of period</b>	<b>331</b>	<b>489</b>	<b>369,519</b>	<b>364,312</b>	<b>939</b>	<b>1,991</b>	<b>4,810</b>	<b>5,981</b>	<b>5,535</b>	<b>–</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>	42	4,202	14,951	14,738	188	219	691	660	–	–
Issued	–	4	581	549	27	41	141	354	621	–
Reinvested distributions	1	1	704	749	4	8	32	38	–	–
Redeemed	(14)	(4,165)	(772)	(1,085)	(123)	(80)	(251)	(361)	(41)	–
<b>Securities outstanding – end of period</b>	<b>29</b>	<b>42</b>	<b>15,464</b>	<b>14,951</b>	<b>96</b>	<b>188</b>	<b>613</b>	<b>691</b>	<b>580</b>	<b>–</b>
	<b>Quadrus Series</b>		<b>H Series</b>		<b>H5 Series</b>		<b>L Series</b>		<b>L5 Series</b>	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	197,458	186,949	4,609	3,768	9	8	42,793	35,168	133	245
Increase (decrease) in net assets from operations	886	28,216	89	665	–	1	304	5,796	1	20
Distributions paid to securityholders:										
Investment income	(1,213)	(1,255)	(70)	(63)	–	–	(411)	(348)	(2)	(2)
Capital gains	(3,526)	(4,604)	(86)	(109)	(1)	–	(878)	(959)	(5)	(3)
Return of capital	–	–	–	–	–	–	–	–	(10)	(5)
Management fee rebates	(90)	(1)	(8)	–	–	–	–	–	–	–
Administration fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(4,829)	(5,860)	(164)	(172)	(1)	–	(1,289)	(1,307)	(17)	(10)
Security transactions:										
Proceeds from securities issued	18,639	24,066	575	872	–	–	9,877	9,336	199	1
Reinvested distributions	4,827	5,854	164	172	–	–	1,288	1,306	10	5
Value of securities redeemed	(39,797)	(41,767)	(1,174)	(696)	–	–	(8,719)	(7,506)	(81)	(128)
Total security transactions	(16,331)	(11,847)	(435)	348	–	–	2,446	3,136	128	(122)
<b>Total increase (decrease) in net assets</b>	<b>(20,274)</b>	<b>10,509</b>	<b>(510)</b>	<b>841</b>	<b>(1)</b>	<b>1</b>	<b>1,461</b>	<b>7,625</b>	<b>112</b>	<b>(112)</b>
<b>End of period</b>	<b>177,184</b>	<b>197,458</b>	<b>4,099</b>	<b>4,609</b>	<b>8</b>	<b>9</b>	<b>44,254</b>	<b>42,793</b>	<b>245</b>	<b>133</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>	8,573	9,114	237	218	–	–	2,968	2,742	8	16
Issued	802	1,098	29	48	–	–	679	678	12	–
Reinvested distributions	205	262	8	9	1	–	87	93	1	–
Redeemed	(1,712)	(1,901)	(59)	(38)	–	–	(598)	(545)	(5)	(8)
<b>Securities outstanding – end of period</b>	<b>7,868</b>	<b>8,573</b>	<b>215</b>	<b>237</b>	<b>1</b>	<b>–</b>	<b>3,136</b>	<b>2,968</b>	<b>16</b>	<b>8</b>

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

# MACKENZIE CANADIAN LARGE CAP DIVIDEND FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

CANADIAN EQUITY 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
	L8 Series		N Series		N5 Series		D5 Series	
	\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>								
<b>Beginning of period</b>	67	41	5,851	3,771	1	1	388	133
Increase (decrease) in net assets from operations	–	9	175	793	1	–	2	35
Distributions paid to securityholders:								
Investment income	(1)	–	(172)	(119)	(1)	–	(2)	(1)
Capital gains	(1)	(2)	(149)	(135)	(1)	–	(6)	(7)
Return of capital	(5)	(4)	–	–	(1)	–	(15)	(11)
Management fee rebates	–	–	–	–	–	–	–	–
Administration fee rebates	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(7)	(6)	(321)	(254)	(3)	–	(23)	(19)
Security transactions:								
Proceeds from securities issued	217	19	2,492	1,694	46	–	32	282
Reinvested distributions	6	5	320	252	1	–	16	13
Value of securities redeemed	(201)	(1)	(1,473)	(405)	–	–	(106)	(56)
Total security transactions	22	23	1,339	1,541	47	–	(58)	239
<b>Total increase (decrease) in net assets</b>	<b>15</b>	<b>26</b>	<b>1,193</b>	<b>2,080</b>	<b>45</b>	<b>–</b>	<b>(79)</b>	<b>255</b>
<b>End of period</b>	<b>82</b>	<b>67</b>	<b>7,044</b>	<b>5,851</b>	<b>46</b>	<b>1</b>	<b>309</b>	<b>388</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</b>	<b>Securities</b>	<b>Securities</b>
<b>Securities outstanding – beginning of period</b>	<b>4</b>	<b>3</b>	<b>374</b>	<b>271</b>	<b>–</b>	<b>–</b>	<b>17</b>	<b>6</b>
Issued	15	1	158	113	3	–	1	13
Reinvested distributions	–	–	20	17	–	–	1	1
Redeemed	(13)	–	(93)	(27)	–	–	(5)	(3)
<b>Securities outstanding – end of period</b>	<b>6</b>	<b>4</b>	<b>459</b>	<b>374</b>	<b>3</b>	<b>–</b>	<b>14</b>	<b>17</b>
	<b>D8 Series</b>		<b>QF Series</b>		<b>QF5 Series</b>		<b>Total</b>	
	\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>								
<b>Beginning of period</b>	1,238	806	938	–	1	–	1,212,587	1,164,959
Increase (decrease) in net assets from operations	9	147	16	37	1	–	14,835	184,781
Distributions paid to securityholders:								
Investment income	(7)	(5)	(21)	(2)	–	–	(16,034)	(16,214)
Capital gains	(18)	(25)	(32)	(11)	–	–	(23,544)	(28,756)
Return of capital	(79)	(74)	–	–	–	–	(662)	(627)
Management fee rebates	(1)	–	(1)	–	–	–	(112)	(3)
Administration fee rebates	–	–	–	–	–	–	–	(1)
Total distributions paid to securityholders	(105)	(104)	(54)	(13)	–	–	(40,352)	(45,601)
Security transactions:								
Proceeds from securities issued	49	521	1,016	964	13	1	186,937	219,005
Reinvested distributions	53	60	53	13	–	–	39,325	43,939
Value of securities redeemed	(453)	(192)	(519)	(63)	(5)	–	(261,241)	(354,496)
Total security transactions	(351)	389	550	914	8	1	(34,979)	(91,552)
<b>Total increase (decrease) in net assets</b>	<b>(447)</b>	<b>432</b>	<b>512</b>	<b>938</b>	<b>9</b>	<b>1</b>	<b>(60,496)</b>	<b>47,628</b>
<b>End of period</b>	<b>791</b>	<b>1,238</b>	<b>1,450</b>	<b>938</b>	<b>10</b>	<b>1</b>	<b>1,152,091</b>	<b>1,212,587</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</b>	<b>Securities</b>	<b>Securities</b>
<b>Securities outstanding – beginning of period</b>	<b>151</b>	<b>102</b>	<b>87</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Issued	5	65	93	92	1	–	–	–
Reinvested distributions	7	7	5	1	–	–	–	–
Redeemed	(57)	(23)	(48)	(6)	–	–	–	–
<b>Securities outstanding – end of period</b>	<b>106</b>	<b>151</b>	<b>137</b>	<b>87</b>	<b>1</b>	<b>–</b>	<b>–</b>	<b>–</b>

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

# MACKENZIE CANADIAN LARGE CAP DIVIDEND FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

CANADIAN EQUITY 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	14,835	184,781
Adjustments for:		
Net realized loss (gain) on investments	(63,961)	(87,374)
Change in net unrealized loss (gain) on investments	65,376	(79,503)
Distributions received in-kind from underlying funds	(40)	–
Purchase of investments	(417,670)	(484,416)
Proceeds from sale and maturity of investments	470,742	591,722
Change in dividends receivable	960	(321)
Change in due from manager	(22)	(1)
Change in due to manager	94	–
<b>Net cash from operating activities</b>	<b>70,314</b>	<b>124,888</b>
<b>Cash flows from financing activities</b>		
Proceeds from redeemable securities issued	96,175	102,087
Payments on redemption of redeemable securities	(168,324)	(238,640)
Distributions paid net of reinvestments	(1,027)	(1,662)
<b>Net cash from financing activities</b>	<b>(73,176)</b>	<b>(138,215)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(2,862)</b>	<b>(13,327)</b>
Cash and cash equivalents at beginning of period	10,079	23,399
Effect of exchange rate fluctuations on cash and cash equivalents	(5)	7
<b>Cash and cash equivalents at end of period</b>	<b>7,212</b>	<b>10,079</b>
Cash	423	2,935
Cash equivalents	6,789	7,144
<b>Cash and cash equivalents at end of period</b>	<b>7,212</b>	<b>10,079</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	36,125	37,432
Foreign taxes paid	730	881
Interest received	1,020	760
Interest paid	1	1

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



**MACKENZIE**  
Investments



# MACKENZIE CANADIAN LARGE CAP DIVIDEND FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

CANADIAN EQUITY FUND

## SCHEDULE OF INVESTMENTS

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES</b>					
AbbVie Inc.	United States	Health Care	18,400	1,509	2,244
Admiral Group PLC	United Kingdom	Financials	83,100	2,118	2,773
Aena SA	Spain	Industrials	14,200	3,611	3,687
Air Liquide SA	France	Materials	33,177	4,460	5,242
Alimentation Couche-Tard Inc. Class B Sub. voting	Canada	Consumer Staples	360,300	13,936	20,779
Allergan PLC	United States	Health Care	22,800	5,767	4,943
Allied Properties Real Estate Investment Trust	Canada	Real Estate	272,700	9,133	11,061
Altria Group Inc.	United States	Consumer Staples	38,635	2,171	3,102
Apple Inc.	United States	Information Technology	14,400	1,561	3,112
ARC Resources Ltd.	Canada	Energy	1,180,069	22,973	16,568
Atlantia SPA	Italy	Industrials	97,800	3,010	3,907
Atlas Copco AB A	Sweden	Industrials	56,600	1,932	3,160
B3 SA- Brasil Bolsa Balcao	Brazil	Financials	280,311	2,362	2,920
Bank of Montreal	Canada	Financials	476,696	32,388	46,391
The Bank of Nova Scotia	Canada	Financials	949,099	51,663	75,319
Bayer AG	Germany	Health Care	31,700	4,476	4,618
Becton, Dickinson and Co.	United States	Health Care	19,924	3,005	5,562
Brenntag AG	Germany	Industrials	33,900	2,342	2,599
British American Tobacco PLC	United Kingdom	Consumer Staples	60,300	3,849	4,510
Broadcom Ltd.	United States	Information Technology	17,300	3,622	5,252
Brookfield Asset Management Inc. Class A limited voting	Canada	Financials	484,121	15,919	24,313
Canadian National Railway Co.	Canada	Industrials	155,200	15,731	14,614
Canadian Natural Resources Ltd.	Canada	Energy	858,266	32,333	34,760
Canadian Pacific Railway Ltd.	Canada	Industrials	146,119	28,185	33,198
Chemtrade Logistics Income Fund	Canada	Materials	809,087	14,689	12,452
China Mobile Ltd.	China	Telecommunication Services	190,300	2,580	2,243
Cielo SA	Brazil	Information Technology	170,625	1,919	1,378
Cisco Systems Inc.	United States	Information Technology	60,400	2,877	3,337
CME Group Inc.	United States	Financials	22,300	2,490	4,646
Compagnie Financiere Richemont SA	Switzerland	Consumer Discretionary	27,400	2,865	3,171
Crescent Point Energy Corp.	Canada	Energy	1,489,972	28,851	13,052
Deutsche Boerse AG	Germany	Financials	34,500	3,368	6,055
Diageo PLC	United Kingdom	Consumer Staples	43,700	1,321	1,905
Emera Inc.	Canada	Utilities	554,056	25,598	22,583
Enbridge Inc.	Canada	Energy	803,336	39,711	32,551
Equifax Inc.	United States	Industrials	20,600	2,502	3,126
Fanuc Corp.	Japan	Industrials	9,000	2,072	2,946
Fortis Inc.	Canada	Utilities	535,690	19,839	23,297
General Electric Co.	United States	Industrials	130,800	4,150	2,271
Goldcorp Inc.	Canada	Materials	546,224	12,990	9,717
The Goldman Sachs Group Inc.	United States	Financials	8,200	2,727	2,661
H&R Real Estate Investment Trust	Canada	Real Estate	420,900	9,266	8,852
Harley-Davidson Inc.	United States	Consumer Discretionary	45,700	2,899	2,524
Heineken Holding NV A	Netherlands	Consumer Staples	29,600	3,174	3,933
Honeywell International Inc.	United States	Industrials	15,400	1,738	2,867
HSBC Holdings PLC	United Kingdom	Financials	329,400	3,744	3,967
Industrial Alliance Insurance and Financial Services Inc.	Canada	Financials	264,496	14,031	14,018
Intact Financial Corp.	Canada	Financials	138,013	11,455	13,361



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## 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 (cont'd)</b>					
Japan Exchange Group Inc.	Japan	Financials	149,700	3,006	3,581
Jardine Matheson Holdings Ltd.	Hong Kong	Industrials	25,000	1,764	1,987
Johnson & Johnson	United States	Health Care	25,800	2,913	4,259
Johnson Controls International PLC	United States	Industrials	67,900	3,730	3,083
JPMorgan Chase & Co.	United States	Financials	38,900	3,728	5,511
Kao Corp.	Japan	Consumer Staples	27,000	2,068	2,616
Keyera Corp.	Canada	Energy	263,376	10,032	8,826
Killam Apartment Real Estate Investment Trust	Canada	Real Estate	585,166	7,115	8,122
Kinder Morgan Canada Ltd.	Canada	Energy	70,656	1,220	1,309
Kinder Morgan Inc.	United States	Energy	200,900	5,027	3,898
Koninklijke Philips NV	Netherlands	Health Care	95,547	4,059	4,731
The Kraft Heinz Co.	United States	Consumer Staples	25,300	2,323	2,030
Kweichow Moutai Co. Ltd.	China	Consumer Staples	19,146	642	2,681
Loblaw Companies Ltd.	Canada	Consumer Staples	287,704	15,648	18,727
Lockheed Martin Corp.	United States	Industrials	8,600	1,716	3,744
LogMeIn Inc.	United States	Information Technology	7,100	1,104	1,057
Magna International Inc.	Canada	Consumer Discretionary	132,083	7,018	9,585
Manulife Financial Corp.	Canada	Financials	1,908,832	40,556	45,659
Marine Harvest ASA	Norway	Consumer Staples	105,100	2,442	2,721
McDonald's Corp.	United States	Consumer Discretionary	15,354	1,750	3,093
Micro Focus International PLC	United Kingdom	Information Technology	182,287	5,927	3,286
Microsoft Corp.	United States	Information Technology	54,200	2,953	6,373
Moody's Corp.	United States	Financials	17,800	2,391	3,699
Nasdaq Inc.	United States	Financials	27,800	2,587	3,088
Nestlé SA Reg.	Switzerland	Consumer Staples	52,300	4,482	5,334
New Oriental Education & Technology Group Inc. ADR	China	Consumer Discretionary	16,700	1,805	1,886
Nidec Corp.	Japan	Industrials	10,700	1,618	2,129
Nike Inc. Class B	United States	Consumer Discretionary	29,737	2,067	2,545
Northland Power Inc.	Canada	Utilities	399,672	8,003	9,196
Novo Nordisk AS B	Denmark	Health Care	57,300	2,871	3,633
Nutrien Ltd.	Canada	Materials	207,167	9,922	12,614
Oaktree Capital Group LLC	United States	Financials	68,311	4,193	3,485
Occidental Petroleum Corp.	United States	Energy	41,500	3,676	3,473
Open Text Corp.	Canada	Information Technology	251,516	10,623	11,273
Oracle Corp.	United States	Information Technology	75,000	3,102	4,420
Pembina Pipeline Corp.	Canada	Energy	558,225	19,247	22,441
Pernod Ricard SA	France	Consumer Staples	8,800	1,208	1,889
Philip Morris International Inc.	United States	Consumer Staples	33,900	3,409	4,341
Pure Multi-Family REIT LP	Canada	Real Estate	696,988	6,146	5,618
RioCan Real Estate Investment Trust	Canada	Real Estate	365,501	7,600	8,640
Roche Holding AG Genusscheine	Switzerland	Health Care	11,400	3,467	3,368
Rogers Communications Inc. Class B non-voting	Canada	Telecommunication Services	326,304	11,423	18,776
Royal Bank of Canada	Canada	Financials	611,922	39,039	60,897
Sabre Corp.	United States	Information Technology	178,250	4,788	4,926
Safran SA	France	Industrials	44,300	4,198	6,049
Sands China Ltd.	Hong Kong	Consumer Discretionary	482,281	3,462	3,374
SAP AG	Germany	Information Technology	26,500	2,526	3,573
Schindler Holding AG PC	Switzerland	Industrials	10,900	2,046	3,029



**MACKENZIE**  
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# MACKENZIE CANADIAN LARGE CAP DIVIDEND FUND

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## 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 (cont'd)</b>					
Schlumberger Ltd.	United States	Energy	34,000	2,874	2,837
Shaw Communications Inc. Class B non-voting	Canada	Consumer Discretionary	1,433,971	36,982	35,591
The Sherwin-Williams Co.	United States	Materials	7,000	2,678	3,536
SNC-Lavalin Group Inc.	Canada	Industrials	279,812	13,583	15,829
Starbucks Corp.	United States	Consumer Discretionary	44,500	3,161	3,319
Suncor Energy Inc.	Canada	Energy	231,259	7,872	10,289
Taiwan Semiconductor Manufacturing Co. Ltd.	Taiwan	Information Technology	244,800	2,703	2,643
TELUS Corp.	Canada	Telecommunication Services	377,144	17,352	17,062
Tencent Holdings Ltd.	China	Information Technology	38,000	1,525	2,606
Texas Instruments Inc.	United States	Information Technology	21,600	2,677	2,891
Thomson Reuters Corp.	Canada	Financials	696,763	38,761	34,692
The Toronto-Dominion Bank	Canada	Financials	990,917	39,503	72,445
TransCanada Corp.	Canada	Energy	645,144	35,218	34,373
Unilever NV CVA	United Kingdom	Consumer Staples	43,400	2,065	3,161
Visa Inc. Class A	United States	Information Technology	21,100	1,812	3,252
Wells Fargo & Co.	United States	Financials	67,700	3,749	4,571
<b>Total equities</b>				<b>990,067</b>	<b>1,141,219</b>
<b>MUTUAL FUNDS</b>					
Mackenzie International Dividend Fund Series R	Canada	Mutual Funds	229,391	2,300	2,722
<b>Total mutual funds</b>				<b>2,300</b>	<b>2,722</b>
Transaction costs				(947)	—
<b>Total investments</b>				<b>991,420</b>	<b>1,143,941</b>
Derivative instruments (see schedule of derivative instruments)					(813)
Cash and cash equivalents					7,212
Other assets less liabilities					1,751
<b>Total net assets</b>					<b>1,152,091</b>



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN LARGE CAP DIVIDEND FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

CANADIAN EQUITY FUND

## SUMMARY OF INVESTMENT PORTFOLIO

March 31, 2018	
Portfolio Allocation	% of NAV
Equities	99.1
Cash and short-term investments	0.6
Mutual funds	0.2
Other assets (liabilities)	0.1

Regional Allocation	
Regional Allocation	% of NAV
Canada	77.4
United States	11.2
United Kingdom	1.7
Germany	1.5
Switzerland	1.3
France	1.1
Japan	1.0
China	0.8
Netherlands	0.8
Other	0.7
Cash and short-term investments	0.6
Hong Kong	0.5
Brazil	0.4
Italy	0.3
Spain	0.3
Denmark	0.3
Other assets (liabilities)	0.1

Sector Allocation	
Sector Allocation	% of NAV
Financials	37.7
Energy	16.0
Industrials	9.4
Consumer staples	6.7
Consumer discretionary	5.6
Information technology	5.2
Utilities	4.8
Materials	3.8
Real estate	3.7
Telecommunication services	3.3
Health care	2.9
Cash and short-term investments	0.6
Mutual funds	0.2
Other assets (liabilities)	0.1

March 31, 2017	
Portfolio Allocation	% of NAV
Equities	98.8
Cash and short-term investments	0.8
Other assets (liabilities)	0.2
Mutual funds	0.2

Regional Allocation	
Regional Allocation	% of NAV
Canada	79.9
United States	10.5
United Kingdom	1.5
Germany	1.3
Switzerland	1.2
France	0.9
Cash and short-term investments	0.8
Japan	0.7
China	0.6
Netherlands	0.5
Other	0.5
Hong Kong	0.4
Macau	0.3
Denmark	0.3
Italy	0.2
Other assets (liabilities)	0.2
Sweden	0.2

Sector Allocation	
Sector Allocation	% of NAV
Financials	34.7
Energy	16.7
Industrials	9.6
Materials	8.2
Consumer staples	6.3
Consumer discretionary	6.1
Other	6.1
Information technology	4.2
Telecommunication services	3.8
Real estate	3.3
Cash and short-term investments	0.8
Other assets (liabilities)	0.2



**MACKENZIE**  
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# MACKENZIE CANADIAN LARGE CAP DIVIDEND FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

CANADIAN EQUITY FUND

## SCHEDULE OF DERIVATIVE 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)
AA	65	Canadian dollar	(50)	U.S. dollar	Apr. 27, 2018	(65)	(64)	1
AA	6,056	Canadian dollar	(4,700)	U.S. dollar	Jun. 8, 2018	(6,056)	(6,047)	9
AA	65	Canadian dollar	(50)	U.S. dollar	Jun. 22, 2018	(65)	(64)	1
AA	6,054	Canadian dollar	(4,700)	U.S. dollar	Jun. 29, 2018	(6,054)	(6,045)	9
Unrealized Gains								20
AA	10,364	Canadian dollar	(6,905)	Euro	Apr. 20, 2018	(10,364)	(10,958)	(594)
AA	365	British pound	(669)	Canadian dollar	Apr. 25, 2018	669	660	(9)
AA	3,894	Canadian dollar	(2,235)	British pound	Apr. 25, 2018	(3,894)	(4,042)	(148)
AA	2,460	Canadian dollar	(1,600)	Euro	May 11, 2018	(2,460)	(2,542)	(82)
Unrealized (Losses)								(833)
<b>Total forward currency contracts</b>								<b>(813)</b>
<b>Total derivative instruments at fair value</b>								<b>(813)</b>



**MACKENZIE**  
Investments

# MACKENZIE CANADIAN LARGE CAP DIVIDEND FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

CANADIAN EQUITY FUND

## NOTES TO FINANCIAL STATEMENTS

### 1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the periods ended or as at March 31, 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.

# MACKENZIE CANADIAN LARGE CAP DIVIDEND FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

CANADIAN EQUITY FUND

## 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 CANADIAN LARGE CAP DIVIDEND FUND

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CANADIAN EQUITY FUND

## NOTES TO FINANCIAL STATEMENTS

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

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

Date of Formation      October 15, 1986

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

Series UM securities are offered exclusively to National Bank Financial Inc.

Series E, Series I and Series J securities are no longer available for sale.

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

## NOTES TO FINANCIAL STATEMENTS

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

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

**Series Distributed by Quadrus Investment Services Ltd.** *(255 Dufferin Ave., London, Ontario, N6A 4K1; 1-888-532-3322; www.quadrusgroupoffunds.com)*

Quadrus Investment Services Ltd. ("Quadrus") is the principal distributor of the series of securities listed below:

Quadrus Series, D5 Series and D8 Series securities are offered to investors investing a minimum of \$500. Investors in D5 Series and D8 Series securities also want to receive a regular monthly cash flow of 5% or 8% per year, respectively.

H Series and H5 Series securities are offered to investors investing a minimum of \$500, who are enrolled in a Quadrus-sponsored fee-for-service or wrap program and who are subject to an asset-based fee. Investors in H5 Series securities also want to receive a monthly cash flow of 5% per year.

L Series, L5 Series and L8 Series securities are offered to investors investing a minimum of \$100,000 and who have eligible minimum total holdings of \$500,000. Investors in L5 Series and L8 Series securities also want to receive a regular monthly cash flow of 5% or 8% per year, respectively.

N Series and N5 Series securities are offered to investors investing a minimum of \$100,000, who have eligible minimum total holdings of \$500,000, and who have entered into an N type series account agreement with Mackenzie and Quadrus. Investors in N5 Series securities also want to receive a regular monthly cash flow of 5% per year.

QF Series and QF5 Series securities are offered to retail investors investing a minimum of \$500. Investors are required to negotiate their advisor service fee, which cannot exceed 1.25%, with their financial advisor. Investors in QF5 Series securities also want to receive a monthly cash flow of 5% per year.

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



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### 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 15, 1986	1.85%	0.22%	22.39	22.88
Series D	March 19, 2014	1.10%	0.19%	11.35	11.59
Series E	None issued <sup>(4)</sup>	0.80%	0.20%	—	13.65
Series F	August 20, 2002	0.75% <sup>(7)</sup>	0.15% <sup>(10)</sup>	18.16	18.53
Series F8	September 26, 2007	0.75% <sup>(7)</sup>	0.15% <sup>(10)</sup>	8.62	9.40
Series FB	October 26, 2015	0.85%	0.24%	11.02	11.24
Series FB5	October 26, 2015	0.85%	0.24%	15.15	16.03
Series G	April 1, 2005	1.35%	0.22%	13.75	14.04
Series I	January 24, 2003	1.35%	0.24%	18.18	18.57
Series J	October 10, 2008	1.70%	0.20%	16.76	17.13
Series O	February 25, 2004	— <sup>(1)</sup>	—*	15.12	15.42
Series O6	February 23, 2012	— <sup>(1)</sup>	—*	15.80	16.71
Series PW	October 10, 2013	1.75% <sup>(8)</sup>	0.15%	12.27	12.54
Series PWF	April 15, 2014	0.80%	0.15%	11.19	11.42
Series PWF8	April 3, 2017	0.80%	0.15%	13.75	—
Series PWFB	April 3, 2017	0.75% <sup>(9)</sup>	0.15%	9.76	—
Series PWFB5	April 3, 2017	0.75% <sup>(9)</sup>	0.15%	14.19	—
Series PWT6	April 3, 2017	1.75% <sup>(8)</sup>	0.15%	13.87	—
Series PWT8	April 3, 2017	1.75% <sup>(8)</sup>	0.15%	13.57	—
Series PWX	January 15, 2014	— <sup>(2)</sup>	— <sup>(2)</sup>	11.85	12.09
Series R	July 3, 2007	—*	—*	11.51	11.74
Series S	January 1, 2001	— <sup>(1)</sup>	0.025%	23.90	24.37
Series T6	July 31, 2007	1.85%	0.22%	9.81	10.59
Series T8	May 1, 2006	1.85%	0.22%	7.85	8.65
Series UM	October 16, 2017	0.70%	0.15%	9.54	—
Quadrus Series	October 15, 1986	1.85% <sup>(5)</sup>	0.22%	22.52	23.03
H Series	January 8, 2001	0.85% <sup>(6)</sup>	0.19%	19.07	19.49
H5 Series	November 8, 2011	0.85% <sup>(6)</sup>	0.19%	16.48	17.45
L Series	December 16, 2011	1.70%	0.15%	14.12	14.42
L5 Series	September 8, 2015	1.70%	0.15%	15.43	16.46
L8 Series	September 10, 2015 <sup>(3)</sup>	1.70%	0.15%	14.34	15.78
N Series	October 5, 2011	— <sup>(1)</sup>	— <sup>(1)</sup>	15.35	15.66
N5 Series	January 15, 2016	— <sup>(1)</sup>	— <sup>(1)</sup>	17.26	18.07
D5 Series	March 11, 2009	1.85% <sup>(5)</sup>	0.24%	21.38	22.88
D8 Series	July 12, 2007	1.85% <sup>(5)</sup>	0.24%	7.45	8.22
QF Series	July 12, 2016	0.85% <sup>(6)</sup>	0.24%	10.59	10.81
QF5 Series	July 12, 2016	0.85% <sup>(6)</sup>	0.24%	14.75	15.61

\* 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) The series' original start date was February 27, 2014. All securities in the series were redeemed on August 27, 2015. The series was reinstated at a price of \$15.00 per security on September 10, 2015.

(4) The series' original start date was March 7, 2012. All securities in the series were redeemed on April 13, 2017.

(5) Prior to February 28, 2018, the management fee for this series was charged to the Fund at a rate of 2.00%.

(6) Prior to February 28, 2018, the management fee for this series was charged to the Fund at a rate of 1.00%.

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

(8) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 1.80%.

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

(10) Prior to June 1, 2018, the administration fee for this series was charged to the Fund at a rate of 0.19%.



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

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

As at March 31, 2018, Mackenzie, other funds managed by Mackenzie and Related Insurance Companies had an investment of \$16, \$331 and \$369,519 (2017 – \$14, \$489 and \$364,312), 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.

#### (d) Securities Lending

The value of securities loaned and collateral received from securities lending at March 31, 2018 and 2017 were as follows:

	March 31, 2018	March 31, 2017
	(\$)	(\$)
Value of securities loaned	6,734	13,254
Value of collateral received	7,054	14,271

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

A reconciliation of the gross amount generated from the securities lending transactions to the security lending income to the Fund for the periods ended March 31, 2018 and 2017 is as follows:

	2018		2017	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	61	100.0	219	100.0
Tax withheld	–	–	(3)	(1.4)
	61	100.0	216	98.6
Payments to Securities Lending Agent	(16)	(26.2)	(54)	(24.7)
Securities lending income	45	73.8	162	73.9

#### (e) Commissions

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

	(\$)
March 31, 2018	26
March 31, 2017	48

#### (f) Offsetting of Financial Assets and Liabilities

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

	March 31, 2018			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	18	–	–	18
Unrealized losses on derivative contracts	(675)	–	–	(675)
Liability for options written	–	–	–	–
Total	(657)	–	–	(657)



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## NOTES TO FINANCIAL STATEMENTS

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

#### (f) Offsetting of Financial Assets and Liabilities (cont'd)

	March 31, 2017			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	4	(4)	–	–
Unrealized losses on derivative contracts	(255)	4	–	(251)
Liability for options written	–	–	–	–
<b>Total</b>	<b>(251)</b>	<b>–</b>	<b>–</b>	<b>(251)</b>

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

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

The Fund seeks long-term capital growth and dividend income with below-average risk by investing primarily in Canadian equities. It may hold up to 30% of its assets in foreign investments.

##### *ii. Currency risk*

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

	March 31, 2018			
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	132,951	5,752	(12,220)	126,483
Euro	49,444	–	(13,500)	35,944
Swiss franc	14,902	–	–	14,902
British pound	16,441	–	(3,382)	13,059
Japanese yen	11,272	198	–	11,470
Hong Kong dollar	8,223	–	–	8,223
Brazilian real	4,298	–	–	4,298
Danish krone	3,633	43	–	3,676
Swedish krona	3,160	–	–	3,160
Norwegian krone	2,721	–	–	2,721
Chinese yuan	2,681	–	–	2,681
Taiwanese dollar	2,643	(254)	–	2,389
<b>Total</b>	<b>252,369</b>	<b>5,739</b>	<b>(29,102)</b>	<b>229,006</b>
<b>% of Net Assets</b>	<b>21.9</b>	<b>0.5</b>	<b>(2.5)</b>	<b>19.9</b>



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## NOTES TO FINANCIAL STATEMENTS

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

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

ii. Currency risk (cont'd)

Currency	March 31, 2017			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	129,518	1,302	(23,698)	107,122
Euro	40,032	3	(9,813)	30,222
Swiss franc	14,439	57	–	14,496
British pound	15,505	–	(3,061)	12,444
Hong Kong dollar	12,372	–	–	12,372
Japanese yen	8,637	45	–	8,682
Brazilian real	2,565	1,885	–	4,450
Danish krone	3,044	43	–	3,087
Swedish krona	2,775	–	–	2,775
Chinese yuan	2,228	–	–	2,228
Total	231,115	3,335	(36,572)	197,878
% of Net Assets	19.1	0.3	(3.0)	16.4

\* 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 \$11,450 or 1.0% of total net assets (2017 – \$9,894 or 0.8%). In practice, the actual trading results may differ and the difference could be material.

iii. Interest rate risk

As at March 31, 2018 and 2017, the Fund did not have a significant exposure to interest rate risk.

iv. Other price risk

The Fund's most significant exposure to price risk arises from its investment in equity securities and mutual funds. As at March 31, 2018, had the prices on the respective stock exchanges for these securities increased or decreased by 10%, with all other variables held constant, net assets would have increased or decreased by approximately \$114,394 or 9.9% of total net assets (2017 – \$119,964 or 9.9%). In practice, the actual trading results may differ and the difference could be material.

v. Credit risk

As at March 31, 2018 and 2017, the Fund did not have a significant exposure to credit risk.

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## NOTES TO FINANCIAL STATEMENTS

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

#### (h) Fair Value Classification

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

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

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

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

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

	March 31, 2018				March 31, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	1,040,708	100,511	–	1,141,219	1,197,251	–	–	1,197,251
Mutual funds	2,722	–	–	2,722	2,391	–	–	2,391
Derivative assets	–	20	–	20	–	4	–	4
Derivative liabilities	–	(833)	–	(833)	–	(477)	–	(477)
Short-term investments	–	6,789	–	6,789	–	7,144	–	7,144
Total	1,043,430	106,487	–	1,149,917	1,199,642	6,671	–	1,206,313

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 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.

#### (i) Comparative Amounts

Certain prior period comparative amounts have been reclassified to conform to the current period's presentation.



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