

# MACKENZIE GLOBAL EQUITY FUND

(Formerly Mackenzie Global Concentrated Equity Fund)

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

GLOBAL 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 Global Equity 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 Global Equity Fund (Formerly Mackenzie Global Concentrated Equity 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 GLOBAL EQUITY FUND

(Formerly Mackenzie Global Concentrated Equity Fund)

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

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## 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>			<b>Net assets attributable to securityholders</b>		
Investments at fair value	210,899	203,536	per security (note 3)		
Cash and cash equivalents	2,104	1,196	Series A	13.67	11.87
Dividends receivable	598	479	Series D	13.93	11.99
Accounts receivable for investments sold	1	5,316	Series F	8.42	7.23
Accounts receivable for securities issued	7	10	Series FB	12.43	10.67
Due from manager	2	–	Series I	9.43	8.12
Unrealized gains on derivative contracts	1,842	49	Series J	20.46	17.72
<b>Total assets</b>	<b>215,453</b>	<b>210,586</b>	Series O	9.16	7.76
			Series PW	14.87	12.88
			Series PWF	13.96	11.96
<b>LIABILITIES</b>			Series PWFB	11.66	–
<b>Current liabilities</b>			Series PWT6	16.33	–
Accounts payable for investments purchased	2	3,893	Series PWT8	16.75	15.64
Accounts payable for securities redeemed	258	116	Series PWX	14.71	12.46
Due to manager	28	–	Series R	28.44	24.09
Unrealized losses on derivative contracts	1,994	82	Series T6	17.11	15.71
<b>Total liabilities</b>	<b>2,282</b>	<b>4,091</b>			
<b>Net assets attributable to securityholders</b>	<b>213,171</b>	<b>206,495</b>			
<b>Net assets attributable to securityholders</b>					
per series (note 3)					
Series A	181,809	189,713			
Series D	47	50			
Series F	4,459	3,685			
Series FB	198	144			
Series I	851	799			
Series J	135	404			
Series O	5,134	5,128			
Series PW	17,470	4,647			
Series PWF	1,136	303			
Series PWFB	167	–			
Series PWT6	54	–			
Series PWT8	1	1			
Series PWX	122	108			
Series R	1,582	1,460			
Series T6	6	53			

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



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(Formerly Mackenzie Global Concentrated Equity Fund)

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## 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>Increase (decrease) in net assets attributable to securityholders from operations per security</b>		
Dividends	4,585	5,320	Series A	1.79	1.39
Interest income	6	28	Series D	2.44	1.89
Other changes in fair value of investments			Series F	1.18	0.97
Net realized gain (loss)	24,336	22,527	Series FB	1.82	1.56
Net unrealized gain (loss)	6,778	6,446	Series I	1.28	1.05
Securities lending income	58	51	Series J	3.12	2.06
<b>Total income (loss)</b>	<b>35,763</b>	<b>34,372</b>	Series O	1.41	1.07
			Series PW	2.09	1.53
<b>Expenses (note 6)</b>			Series PWF	2.06	1.49
Management fees	4,371	4,352	Series PWFB	0.94	—
Management fee rebates	(9)	(3)	Series PWT6	1.75	—
Administration fees	595	605	Series PWT8	2.34	1.04
Interest charges	3	9	Series PWX	2.26	1.96
Commissions and other portfolio transaction costs	616	813	Series R	4.37	2.63
Independent Review Committee fees	1	1	Series T6	4.24	1.01
Other	4	9			
<b>Expenses before amounts absorbed by Manager</b>	<b>5,581</b>	<b>5,786</b>			
Expenses absorbed by Manager	—	—			
<b>Net expenses</b>	<b>5,581</b>	<b>5,786</b>			
<b>Increase (decrease) in net assets attributable to securityholders from operations before tax</b>	<b>30,182</b>	<b>28,586</b>			
Foreign withholding taxes	553	694			
Foreign income taxes paid (recovered)	—	—			
<b>Increase (decrease) in net assets attributable to securityholders from operations</b>	<b>29,629</b>	<b>27,892</b>			
<b>Increase (decrease) in net assets attributable to securityholders from operations per series</b>					
Series A	25,164	24,044			
Series D	5	6			
Series F	578	410			
Series FB	25	18			
Series I	119	103			
Series J	37	53			
Series O	874	692			
Series PW	2,408	742			
Series PWF	129	38			
Series PWFB	8	—			
Series PWT6	5	—			
Series PWT8	—	—			
Series PWX	20	12			
Series R	254	1,770			
Series T6	3	4			

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## 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 F		Series FB		Series I	
	\$		\$		\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	189,713	193,141	50	33	3,685	2,489	144	96	799	713
Increase (decrease) in net assets from operations	25,164	24,044	5	6	578	410	25	18	119	103
Distributions paid to securityholders:										
Investment income	-	-	-	-	(1)	-	-	-	-	(1)
Capital gains	-	-	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-	-	-
Management fee rebates	-	-	-	-	-	-	-	-	(2)	(1)
Total distributions paid to securityholders	-	-	-	-	(1)	-	-	-	(2)	(2)
Security transactions:										
Proceeds from securities issued	12,905	18,633	50	35	1,465	1,194	92	42	31	31
Proceeds from securities issued on merger	-	3,496	-	1	-	181	-	28	-	-
Reinvested distributions	-	-	-	-	1	-	-	-	2	2
Value of securities redeemed	(45,973)	(49,601)	(58)	(25)	(1,269)	(589)	(63)	(40)	(98)	(48)
Total security transactions	(33,068)	(27,472)	(8)	11	197	786	29	30	(65)	(15)
<b>Total increase (decrease) in net assets</b>	<b>(7,904)</b>	<b>(3,428)</b>	<b>(3)</b>	<b>17</b>	<b>774</b>	<b>1,196</b>	<b>54</b>	<b>48</b>	<b>52</b>	<b>86</b>
<b>End of period</b>	<b>181,809</b>	<b>189,713</b>	<b>47</b>	<b>50</b>	<b>4,459</b>	<b>3,685</b>	<b>198</b>	<b>144</b>	<b>851</b>	<b>799</b>
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	<b>15,984</b>	<b>18,484</b>	<b>4</b>	<b>3</b>	<b>510</b>	<b>396</b>	<b>13</b>	<b>10</b>	<b>98</b>	<b>100</b>
Issued	987	1,676	3	3	187	176	9	4	4	4
Issued on merger	-	315	-	-	-	27	-	3	-	-
Reinvested distributions	-	-	-	-	-	-	-	-	-	-
Redeemed	(3,671)	(4,491)	(4)	(2)	(167)	(89)	(6)	(4)	(12)	(6)
<b>Securities outstanding – end of period</b>	<b>13,300</b>	<b>15,984</b>	<b>3</b>	<b>4</b>	<b>530</b>	<b>510</b>	<b>16</b>	<b>13</b>	<b>90</b>	<b>98</b>
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	<b>404</b>	<b>437</b>	<b>5,128</b>	<b>4,523</b>	<b>4,647</b>	<b>5,699</b>	<b>303</b>	<b>359</b>	-	-
Increase (decrease) in net assets from operations	37	53	874	692	2,408	742	129	38	8	-
Distributions paid to securityholders:										
Investment income	-	-	(3)	-	-	-	(1)	-	-	-
Capital gains	-	-	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-	-	-
Management fee rebates	-	-	-	-	(7)	(2)	-	-	-	-
Total distributions paid to securityholders	-	-	(3)	-	(7)	(2)	(1)	-	-	-
Security transactions:										
Proceeds from securities issued	-	-	494	505	15,710	607	824	35	160	-
Proceeds from securities issued on merger	-	-	-	1,022	-	299	-	24	-	-
Reinvested distributions	-	-	3	-	7	2	1	-	-	-
Value of securities redeemed	(306)	(86)	(1,362)	(1,614)	(5,295)	(2,700)	(120)	(153)	(1)	-
Total security transactions	(306)	(86)	(865)	(87)	10,422	(1,792)	705	(94)	159	-
<b>Total increase (decrease) in net assets</b>	<b>(269)</b>	<b>(33)</b>	<b>6</b>	<b>605</b>	<b>12,823</b>	<b>(1,052)</b>	<b>833</b>	<b>(56)</b>	<b>167</b>	<b>-</b>
<b>End of period</b>	<b>135</b>	<b>404</b>	<b>5,134</b>	<b>5,128</b>	<b>17,470</b>	<b>4,647</b>	<b>1,136</b>	<b>303</b>	<b>167</b>	<b>-</b>
<b>Increase (decrease) in fund securities (note 7):</b>										
<b>Securities outstanding – beginning of period</b>	<b>23</b>	<b>28</b>	<b>661</b>	<b>679</b>	<b>361</b>	<b>504</b>	<b>25</b>	<b>35</b>	-	-
Issued	-	-	57	70	1,195	51	65	2	14	-
Issued on merger	-	-	-	142	-	25	-	2	-	-
Reinvested distributions	-	-	-	-	-	-	-	-	-	-
Redeemed	(16)	(5)	(158)	(230)	(381)	(219)	(9)	(14)	-	-
<b>Securities outstanding – end of period</b>	<b>7</b>	<b>23</b>	<b>560</b>	<b>661</b>	<b>1,175</b>	<b>361</b>	<b>81</b>	<b>25</b>	<b>14</b>	<b>-</b>

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

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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
	Series PWT6		Series PWT8		Series PWX	
	\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>						
<b>Beginning of period</b>	–	–	1	–	108	63
Increase (decrease) in net assets from operations	5	–	–	–	20	12
Distributions paid to securityholders:						
Investment income	–	–	–	–	–	–
Capital gains	–	–	–	–	–	–
Return of capital	(3)	–	–	–	–	–
Management fee rebates	–	–	–	–	–	–
Total distributions paid to securityholders	(3)	–	–	–	–	–
Security transactions:						
Proceeds from securities issued	49	–	–	–	–	35
Proceeds from securities issued on merger	–	–	–	1	–	1
Reinvested distributions	3	–	–	–	–	–
Value of securities redeemed	–	–	–	–	(6)	(3)
Total security transactions	52	–	–	1	(6)	33
<b>Total increase (decrease) in net assets</b>	<b>54</b>	<b>–</b>	<b>–</b>	<b>1</b>	<b>14</b>	<b>45</b>
<b>End of period</b>	<b>54</b>	<b>–</b>	<b>1</b>	<b>1</b>	<b>122</b>	<b>108</b>
<b>Increase (decrease) in fund securities (note 7):</b>						
<b>Securities outstanding – beginning of period</b>					<b>9</b>	<b>6</b>
Issued	3	–	–	–	–	3
Issued on merger	–	–	–	–	–	–
Reinvested distributions	–	–	–	–	–	–
Redeemed	–	–	–	–	(1)	–
<b>Securities outstanding – end of period</b>	<b>3</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>8</b>	<b>9</b>
	<b>Series R</b>		<b>Series T6</b>		<b>Total</b>	
	\$		\$		\$	
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>						
<b>Beginning of period</b>	1,460	20,764	53	–	206,495	228,317
Increase (decrease) in net assets from operations	254	1,770	3	4	29,629	27,892
Distributions paid to securityholders:						
Investment income	(1)	–	–	–	(6)	(1)
Capital gains	–	–	–	–	–	–
Return of capital	–	–	(1)	(1)	(4)	(1)
Management fee rebates	–	–	–	–	(9)	(3)
Total distributions paid to securityholders	(1)	–	(1)	(1)	(19)	(5)
Security transactions:						
Proceeds from securities issued	2	17	–	43	31,782	21,177
Proceeds from securities issued on merger	–	–	–	49	–	5,102
Reinvested distributions	1	–	1	1	19	5
Value of securities redeemed	(134)	(21,091)	(50)	(43)	(54,735)	(75,993)
Total security transactions	(131)	(21,074)	(49)	50	(22,934)	(49,709)
<b>Total increase (decrease) in net assets</b>	<b>122</b>	<b>(19,304)</b>	<b>(47)</b>	<b>53</b>	<b>6,676</b>	<b>(21,822)</b>
<b>End of period</b>	<b>1,582</b>	<b>1,460</b>	<b>6</b>	<b>53</b>	<b>213,171</b>	<b>206,495</b>
<b>Increase (decrease) in fund securities (note 7):</b>						
<b>Securities outstanding – beginning of period</b>	<b>61</b>	<b>1,004</b>	<b>3</b>	<b>–</b>		
Issued	–	1	–	3		
Issued on merger	–	–	–	3		
Reinvested distributions	–	–	–	–		
Redeemed	(5)	(944)	(3)	(3)		
<b>Securities outstanding – end of period</b>	<b>56</b>	<b>61</b>	<b>–</b>	<b>3</b>		

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## 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	29,629	27,892
Adjustments for:		
Net realized loss (gain) on investments	(24,336)	(22,527)
Change in net unrealized loss (gain) on investments	(6,778)	(6,446)
Purchase of investments	(185,486)	(383,710)
Proceeds from sale and maturity of investments	210,786	419,538
Change in dividends receivable	(119)	(301)
Change in due from manager	(2)	—
Change in due to manager	28	—
<b>Net cash from operating activities</b>	<b>23,722</b>	<b>34,446</b>
<b>Cash flows from financing activities</b>		
Proceeds from redeemable securities issued	14,061	12,824
Payments on redemption of redeemable securities	(36,869)	(62,582)
Distributions paid net of reinvestments	—	—
<b>Net cash from financing activities</b>	<b>(22,808)</b>	<b>(49,758)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>914</b>	<b>(15,312)</b>
Cash and cash equivalents at beginning of period	1,196	16,371
Effect of exchange rate fluctuations on cash and cash equivalents	(6)	137
<b>Cash and cash equivalents at end of period</b>	<b>2,104</b>	<b>1,196</b>
<b>Cash</b>	<b>537</b>	<b>1,196</b>
<b>Cash equivalents</b>	<b>1,567</b>	<b>—</b>
<b>Cash and cash equivalents at end of period</b>	<b>2,104</b>	<b>1,196</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	4,466	5,019
Foreign taxes paid	553	700
Interest received	6	28
Interest paid	3	9

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## 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>					
3i Group PLC	United Kingdom	Financials	200,549	3,150	3,120
AerCap Holdings NV	Ireland	Industrials	39,711	2,465	2,595
Agricultural Bank of China Ltd. H	China	Financials	4,760,000	2,885	3,526
Allianz SE Reg.	Germany	Financials	7,007	1,845	2,040
Alphabet Inc. Class A	United States	Information Technology	1,681	2,038	2,246
Alphabet Inc. Class C	United States	Information Technology	1,720	2,036	2,286
AmerisourceBergen Corp.	United States	Health Care	24,843	2,645	2,759
Anthem Inc.	United States	Health Care	8,186	1,577	2,317
Apple Inc.	United States	Information Technology	30,383	4,557	6,566
Aristocrat Leisure Ltd.	Australia	Consumer Discretionary	87,902	2,230	2,112
ASML Holding NV	Netherlands	Information Technology	12,230	3,373	3,118
Banco Bradesco SA Pfd.	Brazil	Financials	178,070	1,916	2,745
Bellway PLC	United Kingdom	Consumer Discretionary	78,421	4,498	4,329
The Berkeley Group Holdings PLC	United Kingdom	Consumer Discretionary	55,130	3,691	3,781
Best Buy Co. Inc.	United States	Consumer Discretionary	33,354	2,047	3,007
Cardinal Health Inc.	United States	Health Care	36,845	3,548	2,975
The Chemours Co.	United States	Materials	45,282	3,118	2,841
China Gas Holdings Ltd.	Hong Kong	Utilities	283,200	610	1,338
China Maple Leaf Educational Systems Ltd.	China	Consumer Discretionary	1,872,000	2,789	3,272
Com2uS Corp.	South Korea	Information Technology	10,565	2,226	2,392
ConAgra Brands Inc.	United States	Consumer Staples	59,564	2,763	2,830
Crown Ltd.	Australia	Consumer Discretionary	152,573	1,965	1,928
eBay Inc.	United States	Information Technology	65,534	2,522	3,397
Electrocomponents PLC	United Kingdom	Information Technology	294,110	3,053	3,194
Energizer Holdings Inc.	United States	Consumer Staples	46,874	3,394	3,598
Evercore Partners Inc. Class A	United States	Financials	28,042	2,803	3,150
Everest Re Group Ltd.	United States	Financials	6,881	2,347	2,277
Express Scripts Holding Co.	United States	Health Care	17,295	1,788	1,539
Fevertree Drinks PLC	United Kingdom	Consumer Staples	30,250	885	1,441
Fila Korea Ltd.	South Korea	Consumer Discretionary	20,431	2,091	2,688
Ford Motor Co.	United States	Consumer Discretionary	221,574	3,443	3,163
Formosa Chemicals & Fibre Corp.	Taiwan	Materials	458,000	2,164	2,209
Formosa Plastics Corp.	Taiwan	Materials	647,000	2,693	2,949
Galaxy Entertainment Group Ltd.	Hong Kong	Consumer Discretionary	156,000	1,032	1,842
GATX Corp.	United States	Industrials	26,718	1,928	2,357
Geely Automobile Holdings Ltd.	China	Consumer Discretionary	713,000	1,001	2,683
Gilead Sciences Inc.	United States	Health Care	28,600	2,980	2,778
Halma PLC	United Kingdom	Information Technology	149,773	3,137	3,196
Health Insurance Innovations Inc. Class A	United States	Financials	52,070	2,164	1,939
The Hershey Co.	United States	Consumer Staples	25,643	3,335	3,269
Honda Motor Co. Ltd.	Japan	Consumer Discretionary	73,700	3,329	3,275
Hong Kong Exchanges and Clearing Ltd.	Hong Kong	Financials	46,300	2,207	1,961
Hoya Corp.	Japan	Health Care	30,900	2,054	1,990
Huntsman Corp.	United States	Materials	75,383	2,714	2,841
Industrial and Commercial Bank of China Ltd. H	China	Financials	3,234,000	3,073	3,613
Intel Corp.	United States	Information Technology	44,017	2,175	2,953
Intermediate Capital Group PLC	United Kingdom	Financials	162,374	3,293	2,887
KB Home	United States	Consumer Discretionary	61,874	2,112	2,268



**MACKENZIE**  
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# MACKENZIE GLOBAL EQUITY FUND

(Formerly Mackenzie Global Concentrated Equity Fund)

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GLOBAL EQUITY 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 (cont'd)</b>					
LG Electronics Inc.	South Korea	Consumer Discretionary	27,665	2,719	3,674
Mallinckrodt PLC	United States	Health Care	132,057	3,635	2,463
Manpower Inc.	United States	Industrials	13,671	1,588	2,027
Marathon Petroleum Corp.	United States	Energy	45,622	3,225	4,297
Microsoft Corp.	United States	Information Technology	36,976	3,183	4,348
Nanya Technology Corp.	Taiwan	Information Technology	954,000	3,312	3,896
NRG Yield Inc. Class A	United States	Utilities	110,462	2,475	2,339
Owens Corning Inc.	United States	Industrials	26,353	1,872	2,730
Qantas Airways Ltd.	Australia	Industrials	225,713	1,117	1,308
Quad Graphics Inc.	United States	Industrials	68,271	2,473	2,230
Samsung Electronics Co. Ltd.	South Korea	Information Technology	704	1,382	2,101
Seagate Technology	United States	Information Technology	54,430	2,880	4,103
Sinopec Shanghai Petrochemical Co. Ltd. Class H	China	Materials	2,718,000	2,132	2,141
SK Innovation Co. Ltd.	South Korea	Energy	11,262	2,551	2,882
Swisscom AG Reg.	Switzerland	Telecommunication Services	4,054	2,532	2,590
T. Rowe Price Group Inc.	United States	Financials	15,705	1,699	2,184
Total SA	France	Energy	29,403	2,151	2,153
Toyota Motor Corp.	Japan	Consumer Discretionary	52,100	4,135	4,317
Trinseo SA	United States	Materials	22,470	1,828	2,144
Ulvac Inc.	Japan	Information Technology	28,600	2,007	2,073
Uniper SE	Germany	Utilities	67,668	2,402	2,657
United Continental Holdings Inc.	United States	Industrials	21,018	1,994	1,881
United Rentals Inc.	United States	Industrials	16,916	2,362	3,764
Valero Energy Corp.	United States	Energy	35,249	3,620	4,213
VMware Inc. Class A	United States	Information Technology	21,494	2,221	3,358
Wal-Mart Stores Inc.	United States	Consumer Staples	18,598	1,678	2,132
The Williams Companies Inc.	United States	Energy	103,473	3,850	3,314
<b>Total equities</b>				<b>188,712</b>	<b>210,899</b>
Transaction costs				(363)	—
<b>Total investments</b>				<b>188,349</b>	<b>210,899</b>
Derivative instruments (see schedule of derivative instruments)					(152)
Cash and cash equivalents					2,104
Other assets less liabilities					320
<b>Total net assets</b>					<b>213,171</b>



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# MACKENZIE GLOBAL EQUITY FUND

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## SUMMARY OF INVESTMENT PORTFOLIO

March 31, 2018	
Portfolio Allocation	% of NAV
Equities	98.9
Cash and short-term investments	1.0
Other assets (liabilities)	0.1

Regional Allocation	
	% of NAV
United States	52.1
United Kingdom	10.3
China	7.1
South Korea	6.4
Japan	5.5
Taiwan	4.2
Australia	2.5
Hong Kong	2.4
Germany	2.2
Netherlands	1.5
Brazil	1.3
Ireland	1.2
Switzerland	1.2
France	1.0
Cash and short-term investments	1.0
Other assets (liabilities)	0.1

Sector Allocation	
	% of NAV
Information technology	23.0
Consumer discretionary	19.9
Financials	13.8
Industrials	8.9
Energy	7.9
Health care	7.9
Materials	7.1
Consumer staples	6.2
Utilities	3.0
Telecommunication services	1.2
Cash and short-term investments	1.0
Other assets (liabilities)	0.1

March 31, 2017	
Portfolio Allocation	% of NAV
Equities	98.5
Other assets (liabilities)	0.9
Cash and short-term investments	0.6

Regional Allocation	
	% of NAV
United States	56.9
Japan	7.9
China	5.5
United Kingdom	4.1
Spain	3.5
Taiwan	3.2
France	3.1
Brazil	2.8
Germany	2.7
Canada	2.6
Other	1.9
South Korea	1.5
Italy	1.5
Hong Kong	1.3
Other assets (liabilities)	0.9
Cash and short-term investments	0.6

Sector Allocation	
	% of NAV
Information technology	22.0
Consumer discretionary	18.0
Industrials	16.1
Financials	15.8
Health care	11.1
Consumer staples	4.8
Utilities	4.5
Energy	3.1
Materials	1.9
Telecommunication services	1.2
Other assets (liabilities)	0.9
Cash and short-term investments	0.6



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## 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	478	U.S. dollar	(609)	Canadian dollar	Apr. 6, 2018	615	615	6
AA	10,889	Canadian dollar	(8,453)	U.S. dollar	Apr. 6, 2018	(10,888)	(10,888)	1
AA	1,642	U.S. dollar	(2,044)	Canadian dollar	Apr. 13, 2018	2,114	2,114	70
AA	2,112	Canadian dollar	(1,632)	U.S. dollar	Apr. 13, 2018	(2,102)	(2,102)	10
AA	8,358	Euro	(12,545)	Canadian dollar	Apr. 20, 2018	13,264	13,264	719
AA	4,462	Canadian dollar	(2,778)	Euro	Apr. 20, 2018	(4,408)	(4,408)	54
AA	315	British pound	(548)	Canadian dollar	Apr. 25, 2018	569	569	21
AA	373	British pound	(661)	Canadian dollar	Apr. 25, 2018	674	674	13
AA	2,535	British pound	(4,547)	Canadian dollar	Apr. 25, 2018	4,584	4,584	37
AA	1,130	Canadian dollar	(617)	British pound	Apr. 25, 2018	(1,116)	(1,116)	14
AA	118,390	Japanese yen	(1,392)	Canadian dollar	Apr. 25, 2018	1,439	1,439	47
AA	5,069	Canadian dollar	(3,893)	U.S. dollar	Apr. 27, 2018	(5,013)	(5,013)	56
AA	1,966	Euro	(3,023)	Canadian dollar	May 11, 2018	3,123	3,123	100
AA	5,287	Euro	(8,317)	Canadian dollar	May 11, 2018	8,399	8,399	82
AA	649	Euro	(1,017)	Canadian dollar	May 11, 2018	1,031	1,031	14
AA	720	Canadian dollar	(450)	Euro	May 11, 2018	(716)	(716)	4
AA	4,577	British pound	(8,034)	Canadian dollar	May 16, 2018	8,282	8,282	248
AA	30,015	Japanese yen	(361)	Canadian dollar	May 16, 2018	365	365	4
AA	772,987	Japanese yen	(9,224)	Canadian dollar	May 16, 2018	9,405	9,405	181
AA	72,220	Japanese yen	(861)	Canadian dollar	Jun. 6, 2018	879	879	18
AA	6,743	Canadian dollar	(549,681)	Japanese yen	Jun. 6, 2018	(6,694)	(6,694)	49
AA	7,982	Canadian dollar	(6,184)	U.S. dollar	Jun. 8, 2018	(7,957)	(7,957)	25
A	2,071	U.S. dollar	(2,654)	Canadian dollar	Jun. 15, 2018	2,665	2,665	11
A	10,876	Canadian dollar	(8,453)	U.S. dollar	Jun. 15, 2018	(10,874)	(10,874)	2
AA	5,064	Canadian dollar	(3,893)	U.S. dollar	Jun. 22, 2018	(5,008)	(5,008)	56
<b>Unrealized Gains</b>								<b>1,842</b>
AA	4,311	Canadian dollar	(3,444)	U.S. dollar	Apr. 6, 2018	(4,435)	(4,435)	(124)
AA	2,898	Canadian dollar	(2,317)	U.S. dollar	Apr. 13, 2018	(2,984)	(2,984)	(86)
AA	471	British pound	(851)	Canadian dollar	Apr. 25, 2018	850	850	(1)
AA	1,911	Canadian dollar	(1,081)	British pound	Apr. 25, 2018	(1,955)	(1,955)	(44)
AA	137,207	Japanese yen	(1,674)	Canadian dollar	Apr. 25, 2018	1,668	1,668	(6)
AA	128	Canadian dollar	(11,340)	Japanese yen	Apr. 25, 2018	(138)	(138)	(10)
AA	5,801	Canadian dollar	(4,658)	U.S. dollar	Apr. 27, 2018	(5,998)	(5,998)	(197)
AA	1,307	Canadian dollar	(1,038)	U.S. dollar	Apr. 27, 2018	(1,336)	(1,336)	(29)
AA	715,792	Japanese yen	(8,723)	Canadian dollar	May 9, 2018	8,706	8,706	(17)
AA	2,110	Canadian dollar	(185,616)	Japanese yen	May 9, 2018	(2,258)	(2,258)	(148)
AA	8,771	Canadian dollar	(4,946)	British pound	May 16, 2018	(8,949)	(8,949)	(178)
AA	3,231	Canadian dollar	(283,026)	Japanese yen	May 16, 2018	(3,443)	(3,443)	(212)
AA	2,375	U.S. dollar	(3,102)	Canadian dollar	May 18, 2018	3,057	3,057	(45)
AA	9,140	Canadian dollar	(7,450)	U.S. dollar	May 18, 2018	(9,589)	(9,589)	(449)



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# MACKENZIE GLOBAL EQUITY FUND

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## SCHEDULE OF DERIVATIVE INSTRUMENTS (cont'd)

As at March 31, 2018

### Schedule of Forward Currency Contracts (cont'd)

Counterparty Credit Rating	Bought (\$ 000s)	Sold (\$ 000s)	Settlement Date	Contract Cost (\$ 000s)	Current Fair Value (\$ 000s)	Unrealized (Losses) (\$ 000s)
AA	700,029 Japanese yen	(8,629) Canadian dollar	Jun. 6, 2018	8,629	8,525	(104)
AA	1,417 Canadian dollar	(805) British pound	Jun. 6, 2018	(1,417)	(1,458)	(41)
AA	407 U.S. dollar	(524) Canadian dollar	Jun. 8, 2018	524	523	(1)
AA	7,205 Euro	(11,591) Canadian dollar	Jun. 15, 2018	11,591	11,469	(122)
AA	7,320 Euro	(11,799) Canadian dollar	Jun. 22, 2018	11,799	11,659	(140)
AA	7,963 Canadian dollar	(6,221) U.S. dollar	Jun. 22, 2018	(7,963)	(8,002)	(39)
AA	407 U.S. dollar	(524) Canadian dollar	Jun. 29, 2018	524	523	(1)
Unrealized (Losses)						(1,994)
<b>Total forward currency contracts</b>						<b>(152)</b>
<b>Total derivative instruments at fair value</b>						<b>(152)</b>



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# MACKENZIE GLOBAL EQUITY FUND

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## 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.



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## 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.



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## 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.

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## 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.



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### 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.

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### 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.



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

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

Date of Formation September 14, 1998

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

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

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

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

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

Series F securities are offered to investors who are enrolled in a dealer-sponsored fee-for-service or wrap program, who are subject to an asset-based fee rather than commissions on each transaction and who invest at least \$500; they are also available to employees of Mackenzie and its subsidiaries, and directors of Mackenzie.

Series FB securities are offered to retail investors investing a minimum of \$500. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor.

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

Series O 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.

Series PW and Series PWT6 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 securities also want to receive a monthly cash flow of 6% per year.

Series PWF 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. Effective June 1, 2018, Series PWF securities were consolidated into Series F securities.

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

Series 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 J securities are no longer available for sale.

Series PWT8 and Series T6 securities were created specifically for the purpose of implementing mergers affecting the Fund and are not 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.



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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	September 17, 1998	2.00%	0.28%	13.69	11.87
Series AR	None issued	2.00%	0.31%	—	—
Series D	February 12, 2014	1.25%	0.20%	13.95	11.99
Series F	December 6, 1999	0.80% <sup>(3)</sup>	0.15% <sup>(6)</sup>	8.43	7.23
Series FB	October 26, 2015	1.00%	0.28%	12.45	10.67
Series I	October 25, 1999	1.35%	0.28%	9.44	8.12
Series J	December 3, 2010	1.75%	0.25%	20.48	17.72
Series O	June 28, 2000	— <sup>(1)</sup>	—*	9.17	7.76
Series PW	October 17, 2013	1.80% <sup>(4)</sup>	0.15%	14.89	12.88
Series PWF	June 2, 2014	0.90%	0.15%	13.98	11.96
Series PWFB	April 3, 2017	0.80% <sup>(5)</sup>	0.15%	11.67	—
Series PWT6	April 3, 2017	1.80% <sup>(4)</sup>	0.15%	16.35	—
Series PWT8	November 25, 2016	1.80% <sup>(4)</sup>	0.15%	16.77	15.64
Series PWX	May 13, 2014	— <sup>(2)</sup>	— <sup>(2)</sup>	14.73	12.46
Series R	December 8, 2008	—*	—*	28.48	24.09
Series T6	November 25, 2016	2.00%	0.28%	17.13	15.71

\* 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 Series F was charged to the Fund at a rate of 1.00%.

(4) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 1.90%.

(5) Prior to June 1, 2018, the management fee for Series PWFB was charged to the Fund at a rate of 0.90%.

(6) Prior to June 1, 2018, the administration fee for Series F was charged to the Fund at a rate of 0.20%.

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

As at March 31, 2018, Mackenzie and other funds managed by Mackenzie had an investment of \$13 and \$1,582 (2017 – \$13 and \$1,460), respectively, in the Fund.

#### (c) Loss Carryforwards

As at the last taxation year-end, the Fund has capital losses of \$1,910,469 which may be carried forward indefinitely to reduce future realized capital gains. There were no non-capital losses available to carry forward for tax purposes.



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

#### (d) Securities Lending

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

	March 31, 2018	March 31, 2017
	(\$)	(\$)
Value of securities loaned	11,822	19,013
Value of collateral received	12,269	20,414

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	87	100.0	74	100.0
Tax withheld	(10)	(11.5)	(6)	(8.1)
	77	88.5	68	91.9
Payments to Securities Lending Agent	(19)	(21.8)	(17)	(23.0)
Securities lending income	58	66.7	51	68.9

#### (e) Commissions

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

	(\$)
March 31, 2018	31
March 31, 2017	35

#### (f) Name Change

Effective September 29, 2017, the Fund was renamed from Mackenzie Global Concentrated Equity Fund to Mackenzie Global Equity Fund.

#### (g) Change in Investment Objective

Effective November 26, 2016, the Fund's investment objectives were changed from a multi-manager investment strategy to a rules-based investment approach.

#### (h) Fund Merger

At a meeting held on November 21, 2016, investors in Mackenzie Global Concentrated Equity Class (the "Terminating Fund") approved the merger of the Terminating Fund into the Fund. The merger was effective after the close of business on November 25, 2016. The merger was effected by transferring the net assets of the Terminating Fund in exchange for the securities of the Fund at fair market value. Series A, Series D, Series F, Series FB, Series O, Series PW, Series PWF, Series PWT8, Series PWX and Series T6 securityholders of the Terminating Fund were issued 315 Series A securities, 0.1 Series D securities, 27 Series F securities, 3 Series FB securities, 142 Series O securities, 25 Series PW securities, 2 Series PWF securities, 0.1 Series PWT8 securities, 0.1 Series PWX securities and 3 Series T6 securities, respectively, of the Fund in exchange for net assets of \$5,102, which was the fair value on November 25, 2016. The merger has been accounted for as an acquisition of the Terminating Fund.

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

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

#### (i) 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	1,236	(393)	–	843
Unrealized losses on derivative contracts	(682)	393	–	(289)
Liability for options written	–	–	–	–
Total	554	–	–	554

	March 31, 2017			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	2	(2)	–	–
Unrealized losses on derivative contracts	(30)	2	–	(28)
Liability for options written	–	–	–	–
Total	(28)	–	–	(28)

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

##### i. Risk exposure and management

The Fund seeks long-term capital growth by investing primarily in equities of issuers of any size, anywhere in the world.

##### 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* (\$)
Euro	9,968	–	43,821	53,789
U.S. dollar	113,478	17	(64,689)	48,806
Japanese yen	11,655	–	18,454	30,109
British pound	21,948	–	1,481	23,429
Hong Kong dollar	20,376	–	–	20,376
South Korean won	13,737	–	–	13,737
Taiwanese dollar	9,054	–	–	9,054
Australian dollar	5,348	–	–	5,348
Brazilian real	2,745	–	–	2,745
Swiss franc	2,590	–	–	2,590
Total	210,899	17	(933)	209,983
% of Net Assets	98.9	–	(0.4)	98.5



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

#### (j) 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	119,595	1,108	(19,497)	101,206
Euro	22,366	(690)	98	21,774
Japanese yen	16,233	–	2,821	19,054
Hong Kong dollar	11,984	(1,059)	–	10,925
Taiwanese dollar	6,658	–	–	6,658
Brazilian real	5,856	–	–	5,856
British pound	8,429	1,579	(5,184)	4,824
South Korean won	3,130	–	–	3,130
Swedish krona	2,041	–	–	2,041
Swiss franc	1,959	–	–	1,959
Total	198,251	938	(21,762)	177,427
% of Net Assets	96.0	0.5	(10.5)	86.0

\* 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 \$10,499 or 4.9% of total net assets (2017 – \$8,871 or 4.3%). 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. 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 \$21,090 or 9.9% of total net assets (2017 – \$20,354 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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### 9. Fund Specific Information (in '000s, except for (a)) (cont'd)

#### (k) 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	150,669	60,230	–	210,899	203,536	–	–	203,536
Derivative assets	–	1,842	–	1,842	–	49	–	49
Derivative liabilities	–	(1,994)	–	(1,994)	–	(82)	–	(82)
Short-term investments	–	1,567	–	1,567	–	–	–	–
Total	150,669	61,645	–	212,314	203,536	(33)	–	203,503

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.

#### (l) Comparative Amounts

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



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