

MACKENZIE IVY CANADIAN FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

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 Ivy Canadian 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 3, 2019

INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at March 31, 2019 and 2018, and the statements of comprehensive income, changes in financial position and cash flows for the periods then ended, as indicated in Note 1, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2019 and 2018, and its financial performance and its cash flows for the periods then ended, as indicated in Note 1, in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

Other Information

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

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

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

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

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



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INDEPENDENT AUDITOR'S REPORT (cont'd)

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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



Chartered Professional Accountants
Licensed Public Accountants
Toronto, Ontario
June 3, 2019



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ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

CANADIAN EQUITY FUND

STATEMENTS OF FINANCIAL POSITION

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

	2019	2018
	\$	\$
ASSETS		
Current assets		
Investments at fair value	818,165	861,650
Cash and cash equivalents	103,382	157,722
Accrued interest receivable	–	2
Dividends receivable	1,786	1,098
Accounts receivable for investments sold	3,510	1,905
Accounts receivable for securities issued	78	73
Due from manager	–	12
Unrealized gains on derivative contracts	344	856
Total assets	927,265	1,023,318

LIABILITIES

Current liabilities		
Accounts payable for investments purchased	–	6,006
Accounts payable for securities redeemed	812	1,826
Distribution payable	2	1
Due to manager	–	126
Unrealized losses on derivative contracts	487	1,390
Total liabilities	1,301	9,349
Net assets attributable to securityholders	925,964	1,013,969

Net assets attributable to securityholders per series (note 3)

Series A	546,152	757,654
Series AR	7	–
Series D	1,075	744
Series F	45,995	28,501
Series F5	21	–
Series F8	224	243
Series FB	468	447
Series FB5	1	9
Series G	2,577	2,816
Series I	11,582	11,760
Series J	791	831
Series O	27,192	33,082
Series PW	255,083	122,031
Series PWF	–	16,613
Series PWF8	–	1
Series PWFB	1,483	1,335
Series PWFB5	1	1
Series PWT5	1,307	1,046
Series PWT8	375	271
Series PWX	3,859	4,008
Series PWX8	1	–
Series R	4,660	5,488
Series T5	497	622
Series T8	400	797

Series LB	5,535	16,232
Series LF	302	–
Series LW	16,376	9,437
Net assets attributable to securityholders per security (note 3)		
Series A	34.68	33.19
Series AR	10.19	–
Series D	11.35	10.82
Series F	9.69	9.22
Series F5	14.61	–
Series F8	6.92	7.15
Series FB	9.77	9.31
Series FB5	12.37	12.40
Series G	12.50	11.94
Series I	9.88	9.45
Series J	13.98	13.35
Series O	18.00	17.10
Series PW	11.61	11.09
Series PWF	–	10.48
Series PWF8	–	12.82
Series PWFB	9.76	9.29
Series PWFB5	13.21	13.23
Series PWT5	12.91	13.09
Series PWT8	12.37	12.84
Series PWX	11.50	10.92
Series PWX8	15.09	–
Series R	16.54	15.71
Series T5	9.40	9.54
Series T8	6.94	7.22
Series LB	13.70	13.13
Series LF	10.47	–
Series LW	9.48	9.06

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



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CANADIAN EQUITY FUND

STATEMENTS OF COMPREHENSIVE INCOME

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

	2019	2018
	\$	\$
Income		
Dividends	30,013	22,539
Interest income	1,822	1,874
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	26,623	88,886
Net unrealized gain (loss)	9,979	(110,348)
Total income (loss)	68,437	2,951

Expenses (note 6)

Management fees	19,088	22,512
Management fee rebates	(26)	(85)
Administration fees	2,032	2,455
Interest charges	1	—
Commissions and other portfolio transaction costs	971	576
Independent Review Committee fees	4	4
Other	10	10
Expenses before amounts absorbed by Manager	22,080	25,472
Expenses absorbed by Manager	—	—
Net expenses	22,080	25,472

Increase (decrease) in net assets attributable to securityholders from operations before tax	46,357	(22,521)
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Foreign withholding taxes	922	944
Foreign income taxes paid (recovered)	—	—

Increase (decrease) in net assets attributable to securityholders from operations	45,435	(23,465)
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Increase (decrease) in net assets attributable to securityholders from operations per series		
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Series A	30,107	(20,161)
Series AR	—	—
Series D	56	(16)
Series E	—	—
Series F	2,110	(399)
Series F5	—	—
Series F8	11	(3)
Series FB	30	(12)
Series FB5	—	(1)
Series G	132	(55)
Series I	625	(164)
Series J	38	(17)
Series O	2,055	3
Series PW	7,837	(1,854)
Series PWF	480	(92)
Series PWF8	—	—
Series PWFB	91	(33)
Series PWFB5	—	—
Series PWT5	50	(11)

	2019	2018
	\$	\$
Series PWT8	14	(1)
Series PWX	276	21
Series PWX8	—	—
Series R	354	6
Series T5	26	(30)
Series T8	28	(27)
Series LB	211	(136)
Series LF	6	—
Series LW	898	(483)

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

Series A	1.68	(0.84)
Series AR	1.14	—
Series D	0.69	(0.22)
Series E	—	(0.15)
Series F	0.46	(0.13)
Series F5	0.62	—
Series F8	0.32	(0.06)
Series FB	0.72	(0.33)
Series FB5	(1.25)	(2.45)
Series G	0.59	(0.24)
Series I	0.52	(0.13)
Series J	0.68	(0.29)
Series O	1.20	—
Series PW	0.38	(0.18)
Series PWF	0.30	(0.06)
Series PWF8	0.37	(0.09)
Series PWFB	0.57	(0.43)
Series PWFB5	0.81	(0.09)
Series PWT5	0.55	(0.17)
Series PWT8	0.48	(0.06)
Series PWX	0.78	0.05
Series PWX8	0.83	—
Series R	1.11	0.02
Series T5	0.46	(0.26)
Series T8	0.40	(0.20)
Series LB	0.23	(0.08)
Series LF	0.76	—
Series LW	0.71	(0.50)

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STATEMENTS OF CHANGES IN FINANCIAL POSITION

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

	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Series A		Series AR		Series D		Series E		Series F	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	757,654	979,031	–	–	744	576	–	36	28,501	33,677
Increase (decrease) in net assets from operations	30,107	(20,161)	–	–	56	(16)	–	–	2,110	(399)
Distributions paid to securityholders:										
Investment income	–	(3,855)	–	–	(1)	(4)	–	–	(72)	(172)
Capital gains	–	(36,466)	–	–	(4)	(42)	–	–	(288)	(1,626)
Return of capital	–	–	–	–	–	–	–	–	–	–
Management fee rebates	–	–	–	–	–	–	–	–	(1)	–
Total distributions paid to securityholders	–	(40,321)	–	–	(5)	(46)	–	–	(361)	(1,798)
Security transactions:										
Proceeds from securities issued	36,154	57,804	7	–	428	355	–	–	27,489	11,335
Reinvested distributions	–	40,141	–	–	4	44	–	–	327	1,643
Payments on redemption of securities	(277,763)	(258,840)	–	–	(152)	(169)	–	(36)	(12,071)	(15,957)
Total security transactions	(241,609)	(160,895)	7	–	280	230	–	(36)	15,745	(2,979)
Total increase (decrease) in net assets	(211,502)	(221,377)	7	–	331	168	–	(36)	17,494	(5,176)
End of period	546,152	757,654	7	–	1,075	744	–	–	45,995	28,501

	Securities		Securities		Securities		Securities		Securities	
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	22,829	27,379	–	–	69	49	–	3	3,090	3,386
Issued	1,070	1,645	1	–	40	31	–	–	2,896	1,153
Reinvested distributions	–	1,155	–	–	–	4	–	–	38	171
Redeemed	(8,151)	(7,350)	–	–	(14)	(15)	–	(3)	(1,277)	(1,620)
Securities outstanding – end of period	15,748	22,829	1	–	95	69	–	–	4,747	3,090

	Series F5		Series F8		Series FB		Series FB5		Series G	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	–	–	243	109	447	796	9	1	2,816	3,154
Increase (decrease) in net assets from operations	–	–	11	(3)	30	(12)	–	(1)	132	(55)
Distributions paid to securityholders:										
Investment income	–	–	–	(1)	(1)	(2)	–	–	(1)	(16)
Capital gains	–	–	(1)	(14)	(2)	(23)	–	–	(6)	(147)
Return of capital	–	–	(21)	(17)	–	–	(1)	–	–	–
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	–	–	(22)	(32)	(3)	(25)	(1)	–	(7)	(163)
Security transactions:										
Proceeds from securities issued	22	–	77	149	567	468	8	9	18	58
Reinvested distributions	–	–	5	21	3	25	1	–	7	159
Payments on redemption of securities	(1)	–	(90)	(1)	(576)	(805)	(16)	–	(389)	(337)
Total security transactions	21	–	(8)	169	(6)	(312)	(7)	9	(364)	(120)
Total increase (decrease) in net assets	21	–	(19)	134	21	(349)	(8)	8	(239)	(338)
End of period	21	–	224	243	468	447	1	9	2,577	2,816

	Securities		Securities		Securities		Securities		Securities	
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	–	–	34	13	48	79	1	–	236	245
Issued	1	–	10	18	60	47	–	1	1	4
Reinvested distributions	–	–	1	3	–	3	–	–	1	13
Redeemed	–	–	(13)	–	(60)	(81)	(1)	–	(32)	(26)
Securities outstanding – end of period	1	–	32	34	48	48	–	1	206	236

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

	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Series I		Series J		Series O		Series PW		Series PWF	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	11,760	13,099	831	905	33,082	30,096	122,031	37,581	16,613	9,643
Increase (decrease) in net assets from operations	625	(164)	38	(17)	2,055	3	7,837	(1,854)	480	(92)
Distributions paid to securityholders:										
Investment income	(14)	(70)	–	(4)	(87)	(225)	(66)	(619)	–	(101)
Capital gains	(57)	(663)	(1)	(42)	(349)	(2,131)	(263)	(5,860)	–	(950)
Return of capital	–	–	–	–	–	–	–	–	–	–
Management fee rebates	–	(38)	–	–	–	–	(15)	(37)	(3)	(7)
Total distributions paid to securityholders	(71)	(771)	(1)	(46)	(436)	(2,356)	(344)	(6,516)	(3)	(1,058)
Security transactions:										
Proceeds from securities issued	374	343	–	–	3,831	9,700	168,081	105,962	605	12,466
Reinvested distributions	71	769	1	46	436	2,355	332	6,399	1	955
Payments on redemption of securities	(1,177)	(1,516)	(78)	(57)	(11,776)	(6,716)	(42,854)	(19,541)	(17,696)	(5,301)
Total security transactions	(732)	(404)	(77)	(11)	(7,509)	5,339	125,559	92,820	(17,090)	8,120
Total increase (decrease) in net assets	(178)	(1,339)	(40)	(74)	(5,890)	2,986	133,052	84,450	(16,613)	6,970
End of period	11,582	11,760	791	831	27,192	33,082	255,083	122,031	–	16,613

	Securities		Securities		Securities		Securities		Securities	
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	1,245	1,282	62	63	1,934	1,630	11,005	3,145	1,586	853
Issued	40	39	–	–	217	537	14,706	8,973	56	1,120
Reinvested distributions	8	74	–	3	27	132	32	552	–	87
Redeemed	(121)	(150)	(5)	(4)	(668)	(365)	(3,773)	(1,665)	(1,642)	(474)
Securities outstanding – end of period	1,172	1,245	57	62	1,510	1,934	21,970	11,005	–	1,586

	Series PWF8		Series PWFB		Series PWF85		Series PWT5		Series PWT8	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	1	–	1,335	–	1	–	1,046	–	271	–
Increase (decrease) in net assets from operations	–	–	91	(33)	–	–	50	(11)	14	(1)
Distributions paid to securityholders:										
Investment income	–	–	(2)	(7)	–	–	–	(5)	–	(1)
Capital gains	–	–	(10)	(59)	–	–	(2)	(50)	–	(13)
Return of capital	–	–	–	–	–	–	(72)	(68)	(31)	(18)
Management fee rebates	–	–	(1)	(1)	–	–	(2)	(2)	–	–
Total distributions paid to securityholders	–	–	(13)	(67)	–	–	(76)	(125)	(31)	(32)
Security transactions:										
Proceeds from securities issued	–	1	1,011	1,616	–	1	286	1,661	154	286
Reinvested distributions	–	–	12	66	–	–	6	59	12	22
Payments on redemption of securities	(1)	–	(953)	(247)	–	–	(5)	(538)	(45)	(4)
Total security transactions	(1)	1	70	1,435	–	1	287	1,182	121	304
Total increase (decrease) in net assets	(1)	1	148	1,335	–	1	261	1,046	104	271
End of period	–	1	1,483	1,335	1	1	1,307	1,046	375	271

	Securities		Securities		Securities		Securities		Securities	
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	–	–	144	–	–	–	80	–	21	–
Issued	–	–	107	162	–	–	21	115	12	19
Reinvested distributions	–	–	1	7	–	–	–	4	1	2
Redeemed	–	–	(100)	(25)	–	–	–	(39)	(4)	–
Securities outstanding – end of period	–	–	152	144	–	–	101	80	30	21

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

	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Series PWX		Series PWX8		Series R		Series T5		Series T8	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	4,008	4,290	–	–	5,488	6,440	622	2,731	797	1,207
Increase (decrease) in net assets from operations	276	21	–	–	354	6	26	(30)	28	(27)
Distributions paid to securityholders:										
Investment income	(12)	(33)	–	–	(15)	(42)	–	(5)	–	(5)
Capital gains	(48)	(308)	–	–	(61)	(394)	–	(46)	–	(49)
Return of capital	–	–	–	–	–	–	(33)	(70)	(41)	(89)
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(60)	(341)	–	–	(76)	(436)	(33)	(121)	(41)	(143)
Security transactions:										
Proceeds from securities issued	227	745	1	–	8	5	114	477	4	369
Reinvested distributions	59	341	–	–	76	436	8	65	19	97
Payments on redemption of securities	(651)	(1,048)	–	–	(1,190)	(963)	(240)	(2,500)	(407)	(706)
Total security transactions	(365)	38	1	–	(1,106)	(522)	(118)	(1,958)	(384)	(240)
Total increase (decrease) in net assets	(149)	(282)	1	–	(828)	(952)	(125)	(2,109)	(397)	(410)
End of period	3,859	4,008	1	–	4,660	5,488	497	622	400	797

	Securities		Securities		Securities		Securities		Securities	
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	367	364	–	–	349	380	65	249	110	143
Issued	21	63	–	–	1	–	12	46	–	46
Reinvested distributions	6	30	–	–	5	27	1	6	3	12
Redeemed	(58)	(90)	–	–	(73)	(58)	(25)	(236)	(55)	(91)
Securities outstanding – end of period	336	367	–	–	282	349	53	65	58	110

	Series LB		Series LF		Series LW		Total	
	\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS								
Beginning of period	16,232	26,497	–	–	9,437	–	1,013,969	1,149,869
Increase (decrease) in net assets from operations	211	(136)	6	–	898	(483)	45,435	(23,465)
Distributions paid to securityholders:								
Investment income	–	(91)	–	–	(1)	(48)	(272)	(5,306)
Capital gains	–	(859)	–	–	(4)	(454)	(1,096)	(50,196)
Return of capital	–	–	–	–	–	–	(199)	(262)
Management fee rebates	–	–	–	–	(4)	–	(26)	(85)
Total distributions paid to securityholders	–	(950)	–	–	(9)	(502)	(1,593)	(55,849)
Security transactions:								
Proceeds from securities issued	1,698	7,917	296	–	9,805	11,342	251,265	223,069
Reinvested distributions	–	949	–	–	8	502	1,388	55,094
Payments on redemption of securities	(12,606)	(18,045)	–	–	(3,763)	(1,422)	(384,500)	(334,749)
Total security transactions	(10,908)	(9,179)	296	–	6,050	10,422	(131,847)	(56,586)
Total increase (decrease) in net assets	(10,697)	(10,265)	302	–	6,939	9,437	(88,005)	(135,900)
End of period	5,535	16,232	302	–	16,376	9,437	925,964	1,013,969

	Securities		Securities		Securities	
Increase (decrease) in fund securities (note 7):						
Securities outstanding – beginning of period	1,236	1,873	–	–	1,042	–
Issued	126	566	29	–	1,088	1,140
Reinvested distributions	–	69	–	–	1	53
Redeemed	(958)	(1,272)	–	–	(403)	(151)
Securities outstanding – end of period	404	1,236	29	–	1,728	1,042

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



MACKENZIE
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MACKENZIE IVY CANADIAN FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

CANADIAN EQUITY FUND

STATEMENTS OF CASH FLOWS

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

	2019	2018
	\$	\$
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to securityholders from operations	45,435	(23,465)
Adjustments for:		
Net realized loss (gain) on investments	(28,720)	(85,348)
Change in net unrealized loss (gain) on investments	(9,979)	110,348
Purchase of investments	(358,600)	(251,829)
Proceeds from sale and maturity of investments	432,784	383,334
Change in accrued interest receivable	2	(2)
Change in dividends receivable	(688)	345
Change in due from manager	12	(12)
Change in due to manager	(126)	126
Net cash from operating activities	80,120	133,497
Cash flows from financing activities		
Proceeds from securities issued	68,782	87,834
Payments on redemption of securities	(203,036)	(198,347)
Distributions paid net of reinvestments	(204)	(754)
Net cash from financing activities	(134,458)	(111,267)
Net increase (decrease) in cash and cash equivalents	(54,338)	22,230
Cash and cash equivalents at beginning of period	157,722	135,492
Effect of exchange rate fluctuations on cash and cash equivalents	(2)	—
Cash and cash equivalents at end of period	103,382	157,722
Cash	507	1,085
Cash equivalents	102,875	156,637
Cash and cash equivalents at end of period	103,382	157,722
Supplementary disclosures on cash flow from operating activities:		
Dividends received	29,325	22,884
Foreign taxes paid	922	944
Interest received	1,824	1,872
Interest paid	1	—

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



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MACKENZIE IVY CANADIAN FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

CANADIAN EQUITY FUND

SCHEDULE OF INVESTMENTS

As at March 31, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES					
Alimentation Couche-Tard Inc. Class B Sub. voting	Canada	Consumer Staples	407,109	25,055	32,048
Amcor Ltd.	Australia	Materials	2,265,500	31,334	33,078
The Bank of Nova Scotia	Canada	Financials	404,297	16,956	28,762
Brookfield Asset Management Inc. Class A limited voting	Canada	Financials	897,255	22,250	55,862
Brookfield Property Partners LP	United States	Real Estate	594,700	15,205	16,348
Canadian National Railway Co.	Canada	Industrials	167,800	14,024	20,074
Canadian Western Bank	Canada	Financials	275,594	7,549	7,692
CCL Industries Inc. Class B non-voting	Canada	Materials	425,800	22,945	23,036
CGI Inc.	Canada	Information Technology	104,811	7,715	9,629
Covetrus Inc.	United States	Health Care	116,102	6,632	4,941
Dollarama Inc.	Canada	Consumer Discretionary	1,253,620	55,949	44,692
Emera Inc.	Canada	Utilities	373,100	18,880	18,644
EnCana Corp.	Canada	Energy	2,058,600	29,126	19,927
Gildan Activewear Inc.	Canada	Consumer Discretionary	257,992	8,609	12,397
Great-West Lifeco Inc.*	Canada	Financials	423,119	12,242	13,692
Henkel AG & Co. KGaA Pfd.	Germany	Consumer Staples	166,200	27,936	22,674
Hennes & Mauritz AB B	Sweden	Consumer Discretionary	716,783	26,195	15,978
Henry Schein Inc.	United States	Health Care	290,255	25,098	23,312
Johnson & Johnson	United States	Health Care	175,727	26,472	32,822
Manulife Financial Corp.	Canada	Financials	833,540	17,656	18,838
Onex Corp. Sub. voting	Canada	Financials	508,814	40,354	38,354
Oracle Corp.	United States	Information Technology	263,400	13,663	18,903
Pembina Pipeline Corp.	Canada	Energy	914,907	31,779	44,912
PepsiCo Inc.	United States	Consumer Staples	59,300	7,740	9,710
Power Financial Corp.*	Canada	Financials	569,200	19,812	17,770
Premium Brands Holdings Corp.	Canada	Consumer Staples	286,800	26,543	22,084
Reckitt Benckiser Group PLC	United Kingdom	Consumer Staples	219,000	22,587	24,315
Royal Bank of Canada	Canada	Financials	276,297	20,471	27,856
Saputo Inc.	Canada	Consumer Staples	339,200	13,346	15,451
Seven Generations Energy Ltd.	Canada	Energy	1,332,700	21,460	12,861
Shaw Communications Inc. Class B non-voting	Canada	Communication Services	1,358,374	34,638	37,776
TELUS Corp.	Canada	Communication Services	485,100	22,529	23,993
The Toronto-Dominion Bank	Canada	Financials	383,180	13,713	27,788
TransCanada Corp.	Canada	Energy	228,100	12,001	13,691
United Parcel Service Inc. (UPS) Class B	United States	Industrials	67,245	7,380	10,040
W.W. Grainger Inc.	United States	Industrials	45,300	15,624	18,215
Total equities				741,468	818,165
Transaction costs				(874)	—
Total investments				740,594	818,165
Derivative instruments (see schedule of derivative instruments)					(143)
Cash and cash equivalents					103,382
Other assets less liabilities					4,560
Total net assets					925,964

* Related to Mackenzie. See Note 1.



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MACKENZIE IVY CANADIAN FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

CANADIAN EQUITY FUND

SUMMARY OF INVESTMENT PORTFOLIO

March 31, 2019	
Portfolio Allocation	% of NAV
Equities	88.4
Cash and short-term investments	11.2
Other assets (liabilities)	0.4

Regional Allocation	
Regional Allocation	% of NAV
Canada	63.6
United States	14.5
Cash and short-term investments	11.2
Australia	3.6
United Kingdom	2.6
Germany	2.4
Sweden	1.7
Other assets (liabilities)	0.4

Sector Allocation	
Sector Allocation	% of NAV
Financials	25.5
Consumer staples	13.6
Cash and short-term investments	11.2
Energy	9.9
Consumer discretionary	7.9
Communication services	6.7
Health care	6.6
Materials	6.1
Industrials	5.2
Information technology	3.1
Utilities	2.0
Real estate	1.8
Other assets (liabilities)	0.4

March 31, 2018	
Portfolio Allocation	% of NAV
Equities	84.7
Cash and short-term investments	15.6
Bonds	0.3
Other assets (liabilities)	(0.6)

Regional Allocation	
Regional Allocation	% of NAV
Canada	59.8
United States	16.4
Cash and short-term investments	15.6
Australia	3.2
Sweden	2.8
Germany	2.8
Other assets (liabilities)	(0.6)

Sector Allocation	
Sector Allocation	% of NAV
Financials	23.2
Cash and short-term investments	15.6
Energy	13.2
Consumer staples	12.5
Consumer discretionary	12.3
Health care	6.1
Industrials	5.5
Information technology	5.4
Materials	3.2
Telecommunication services	2.3
Utilities	1.0
Corporate bonds	0.3
Other assets (liabilities)	(0.6)



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MACKENZIE IVY CANADIAN FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

CANADIAN EQUITY FUND

SCHEDULE OF DERIVATIVE INSTRUMENTS

As at March 31, 2019

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	9,893	Canadian dollar	(6,435)	Euro	Apr. 12, 2019	(9,893)	(9,655)	238
AA	25,634	Canadian dollar	(19,140)	U.S. dollar	Jun. 14, 2019	(25,634)	(25,528)	106
Unrealized Gains								344
AA	800	Euro	(1,213)	Canadian dollar	Apr. 12, 2019	1,213	1,200	(13)
AA	19,665	Canadian dollar	(14,905)	U.S. dollar	Apr. 12, 2019	(19,665)	(19,909)	(244)
AA	7,397	Canadian dollar	(7,810)	Australian dollar	May 8, 2019	(7,397)	(7,410)	(13)
AA	2,349	Canadian dollar	(2,500)	Australian dollar	May 8, 2019	(2,349)	(2,372)	(23)
AA	12,705	Canadian dollar	(88,755)	Swedish krona	May 8, 2019	(12,705)	(12,783)	(78)
AA	10,400	Swedish krona	(1,506)	Canadian dollar	May 8, 2019	1,506	1,498	(8)
AA	5,860	Swedish krona	(853)	Canadian dollar	May 8, 2019	853	844	(9)
AA	5,400	Swedish krona	(784)	Canadian dollar	May 8, 2019	784	777	(7)
AA	10,198	Canadian dollar	(7,675)	U.S. dollar	May 10, 2019	(10,198)	(10,246)	(48)
AA	2,119	Canadian dollar	(1,595)	U.S. dollar	Jun. 14, 2019	(2,119)	(2,127)	(8)
AA	12,578	Canadian dollar	(13,300)	Australian dollar	Jun. 19, 2019	(12,578)	(12,614)	(36)
Unrealized (Losses)								(487)
Total forward currency contracts								(143)
Total derivative instruments at fair value								(143)



MACKENZIE
Investments

NOTES TO FINANCIAL STATEMENTS

1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the periods ended or as at March 31, 2019 and 2018, 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 3, 2019.

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 – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

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

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



NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(a) Financial instruments (cont'd)

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

The Fund accounts for its holdings in unlisted open-ended investment funds and exchange-traded funds, if any, at FVTPL. Mackenzie has concluded that any unlisted open-ended investment 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 and other net assets – Net unrealized gain (loss).

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

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

Refer to the Schedule of Derivative Instruments and Schedule of Options Purchased/Written, as applicable, included in the Schedule of Investments for a listing of derivative and options positions as at March 31, 2019.



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 – Other changes in fair value of investments and other net assets – Net realized gain (loss).

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

(h) Net assets attributable to securityholders per security

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

(i) Net asset value per security

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



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, 2019 and 2018 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, 2019, 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.



NOTES TO FINANCIAL STATEMENTS

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

(a) Fund Formation and Series Information

Date of Formation October 13, 1992

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

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

Series A, Series T5 and Series T8 securities are offered to retail investors investing a minimum of \$500 (\$5,000 for Series T5 and Series T8). Investors in Series T5 and Series T8 securities also want to receive a monthly cash flow of 5% or 8% per year, respectively. Before January 1, 2019, Series T5 securities were known as Series T6.

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, Series F5 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 F5 and Series F8); they are also available to employees of Mackenzie and its subsidiaries, and directors of Mackenzie. Investors in Series F5 and Series F8 securities also want to receive a monthly cash flow of 5% or 8% per year, respectively. Before January 1, 2019, Series F5 securities were known as Series F6.

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

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

Series O securities are offered only to investors investing a minimum of \$500,000 who are enrolled in Mackenzie Portfolio Architecture Service or Open Architecture Service; certain institutional investors; and certain qualifying employees of Mackenzie and its subsidiaries.

Series PW, Series PWT5 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 PWT5 and Series PWT8 securities also want to receive a monthly cash flow of 5% or 8% per year, respectively. Before January 1, 2019, Series PWT5 securities were known as Series PWT6.

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

Series PWX and Series PWX8 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 PWX8 securities also want to receive a monthly cash flow of 8% per year.

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

Series E 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.

Series PWF and Series PWF8 securities are no longer available for sale. Effective June 1, 2018, Series PWF and Series PWF8 securities were consolidated into Series F and Series F8 securities, respectively.

Series Distributed by LBC Financial Services Inc. (1360 René-Lévesque Blvd. West, 13th Floor, Montréal, Québec H3G 0A9; 1-800-522-1846; www.laurentianbank.ca/mackenzie)

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

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



MACKENZIE IVY CANADIAN FUND

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CANADIAN EQUITY FUND

NOTES TO FINANCIAL STATEMENTS

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

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

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

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

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Mar. 31, 2019	Mar. 31, 2018
Series A	October 13, 1992	2.00%	0.22%	34.68	33.19
Series AR	May 9, 2018	2.00%	0.27%	10.19	—
Series D	December 19, 2013	1.25%	0.19%	11.35	10.82
Series E	None issued ⁽³⁾	0.80%	0.20%	—	—
Series F	December 6, 1999	0.75% ⁽⁴⁾	0.15% ⁽⁷⁾	9.69	9.22
Series F5 ⁽¹¹⁾	June 1, 2018	0.75%	0.15%	14.61	—
Series F8	May 16, 2007	0.75% ⁽⁴⁾	0.15% ⁽⁷⁾	6.92	7.15
Series FB	October 26, 2015	1.00%	0.24%	9.77	9.31
Series FB5	October 26, 2015	1.00%	0.24%	12.37	12.40
Series G	April 4, 2005	1.50%	0.22%	12.50	11.94
Series I	October 25, 1999	1.35%	0.24%	9.88	9.45
Series J	February 28, 2011	1.70%	0.20%	13.98	13.35
Series O	January 2, 2001	— ⁽¹⁾	—*	18.00	17.10
Series PW	October 15, 2013	1.75% ⁽⁵⁾	0.15%	11.61	11.09
Series PWF	None issued ⁽⁸⁾	0.85%	0.15%	—	10.48
Series PWF8	None issued ⁽⁹⁾	0.85%	0.15%	—	12.82
Series PWFB	April 3, 2017	0.75% ⁽⁶⁾	0.15%	9.76	9.29
Series PWFB5	April 3, 2017	0.75% ⁽⁶⁾	0.15%	13.21	13.23
Series PWR	None issued	1.75%	0.15%	—	—
Series PWT5 ⁽¹¹⁾	April 3, 2017	1.75% ⁽⁵⁾	0.15%	12.91	13.10
Series PWT8	April 3, 2017	1.75% ⁽⁵⁾	0.15%	12.37	12.84
Series PWX	January 6, 2014	— ⁽²⁾	— ⁽²⁾	11.50	10.92
Series PWX8	October 24, 2018	— ⁽²⁾	— ⁽²⁾	15.09	—
Series R	December 8, 2008	—*	—*	16.54	15.71
Series T5 ⁽¹¹⁾	September 4, 2007	2.00%	0.24%	9.40	9.55
Series T8	April 27, 2007	2.00%	0.24%	6.94	7.23
Series LB	January 20, 2012	2.00%	0.22%	13.70	13.13
Series LF	December 7, 2018	0.75%	0.15%	10.47	—
Series LW	December 1, 2017	1.75% ⁽¹⁰⁾	0.15%	9.48	9.06

* Not applicable.

NOTES TO FINANCIAL STATEMENTS

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

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

- (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 March 7, 2012. All securities in the series were redeemed on April 13, 2017.
- (4) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 1.00%.
- (5) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 1.85%.
- (6) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 0.85%.
- (7) Prior to June 1, 2018, the administration fee for this series was charged to the Fund at a rate of 0.19%.
- (8) The series' original start date was March 11, 2014. All securities in the series were consolidated into Series F on June 1, 2018.
- (9) The series' original start date was April 3, 2017. All securities in the series were consolidated into Series F8 on June 1, 2018.
- (10) Prior to September 28, 2018, the management fee for Series LW was charged to the Fund at a rate of 1.85%.
- (11) Before January 1, 2019, Series F5, Series PWT5 and Series T5 securities were known as Series F6, Series PWT6 and Series T6, respectively.

(b) Investments by Mackenzie and Affiliates

As at March 31, 2019, Mackenzie and other funds managed by Mackenzie had an investment of \$612 and \$4,660 (2018 – \$1,426 and \$5,488), 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

As at March 31, 2019 and 2018, the Fund did not have any open securities lending, repurchase or reverse repurchase transactions.

(e) Commissions

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

	(\$)
March 31, 2019	94
March 31, 2018	53

(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, 2019			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	106	(106)	–	–
Unrealized losses on derivative contracts	(186)	106	–	(80)
Liability for options written	–	–	–	–
Total	(80)	–	–	(80)



MACKENZIE IVY CANADIAN FUND

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CANADIAN EQUITY FUND

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, 2018			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	420	(147)	–	273
Unrealized losses on derivative contracts	(282)	147	–	(135)
Liability for options written	–	–	–	–
Total	138	–	–	138

(g) Risks Associated with Financial Instruments

i. Risk exposure and management

The Fund seeks long-term capital growth, while preserving capital, by investing mainly in equities of large Canadian companies. It may invest a large portion of its assets in Canadian and U.S. short-term fixed income securities when market valuations appear high. The Fund may hold up to 49% 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, 2019			
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	117,943	506	(57,809)	60,640
British pound	24,315	–	–	24,315
Euro	22,674	–	(8,455)	14,219
Australian dollar	33,078	–	(22,396)	10,682
Swedish krona	15,978	–	(9,664)	6,314
Total	213,988	506	(98,324)	116,170
% of Net Assets	23.1	0.1	(10.6)	12.6

	March 31, 2018			
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	166,091	191	(83,313)	82,969
Euro	28,160	–	(11,624)	16,536
Swedish krona	28,210	–	(16,562)	11,648
Australian dollar	32,034	587	(25,138)	7,483
Total	254,495	778	(136,637)	118,636
% of Net Assets	25.1	0.1	(13.5)	11.7

* Includes both monetary and non-monetary financial instruments



MACKENZIE
Investments

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)

As at March 31, 2019, 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 \$5,809 or 0.6% of total net assets (2018 – \$5,932 or 0.6%). In practice, the actual trading results may differ and the difference could be material.

iii. Interest rate risk

As at March 31, 2019 and 2018, 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, 2019, 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 \$81,817 or 8.8% of total net assets (2018 – \$85,840 or 8.5%). In practice, the actual trading results may differ and the difference could be material.

v. Credit risk

As at March 31, 2019 and 2018, the Fund did not have a significant exposure to credit risk.

(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, 2019				March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	–	–	–	–	–	3,249	–	3,249
Equities	818,165	–	–	818,165	769,997	88,404	–	858,401
Derivative assets	–	344	–	344	–	856	–	856
Derivative liabilities	–	(487)	–	(487)	–	(1,390)	–	(1,390)
Short-term investments	–	102,875	–	102,875	–	156,637	–	156,637
Total	818,165	102,732	–	920,897	769,997	247,756	–	1,017,753

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, 2019, non-North American equities frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices).

As at March 31, 2019, these securities were classified as Level 1. 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. Other than as described above, there were no significant transfers between Level 1 and Level 2.



NOTES TO FINANCIAL STATEMENTS

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

(h) Fair Value Classification (cont'd)

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

Short-term investments classified as Level 2 investments are valued based on amortized cost plus accrued interest which closely approximates fair value.

(i) Comparative Amounts

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

