

# Counsel U.S. Value

ANNUAL FINANCIAL STATEMENTS

For the year ended March 31, 2024

These Financial Statements do not contain the Management Report of Fund Performance ("MRFP") of the investment fund.

A copy of the Fund's current Simplified Prospectus, Annual Information Form, Management Report of Fund Performance, Fund Fact Sheets, quarterly portfolio disclosures and proxy voting policies and disclosures will be provided, without charge, by: calling toll-free 1-877-625-9885, writing to Counsel Portfolio Services Inc., 5015 Spectrum Way, Suite 300, Mississauga, ON, L4W 0E4, by visiting our website at [www.counselservices.com](http://www.counselservices.com) or by visiting [www.sedarplus.ca](http://www.sedarplus.ca).

# COUNSEL U.S. VALUE

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## MANAGEMENT REPORT

### Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by Counsel Portfolio Services Inc. (the "Manager"), as Manager of Counsel U.S. Value (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 IFRS Accounting 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 Counsel Portfolio Services Inc. is responsible for reviewing and approving the financial statements and overseeing the Manager's performance of its financial reporting responsibilities. The Board 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.

KPMG 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.



Sam Febraro  
President and Chief Executive Officer

Paulette Jervis  
Chief Financial Officer

June 5, 2024

## INDEPENDENT AUDITOR'S REPORT

To the Securityholders of Counsel U.S. Value (the "Fund")

### Opinion

We have audited the financial statements of the Fund, which comprise:

- the statements of financial position as at March 31, 2024 and March 31, 2023
- the statements of comprehensive income for the periods then ended as indicated in note 1
- the statements of changes in financial position for the periods then ended as indicated in note 1
- the statements of cash flows for the periods then ended as indicated in note 1 and
- notes to the financial statements, including a summary of material accounting policies (Hereinafter 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, 2024 and March 31, 2023, and its financial performance and cash flows for the periods then ended as indicated in note 1 in accordance with IFRS Accounting Standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our auditor's 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. Other information comprises:

- the information included in the Annual Management Report of Fund Performance of the Fund filed with the relevant Canadian Securities Commissions.

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 and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in the Annual Management Report of Fund Performance of the Fund filed with the relevant Canadian Securities Commissions as at 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 the auditor's report.

We have nothing to report in this regard.

## INDEPENDENT AUDITOR'S REPORT (cont'd)

### 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 Accounting 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.

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 financial reporting process of the Fund.

### 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 generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.  
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- 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.
- 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, Canada  
June 5, 2024

# COUNSEL U.S. VALUE

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## STATEMENTS OF FINANCIAL POSITION

at March 31 (in \$ 000 except per security amounts)

	2024	2023
<b>ASSETS</b>		
<b>Current assets</b>		
Investments at fair value	127,846	147,259
Cash and cash equivalents	602	1,022
Dividends receivable	72	136
Accounts receivable for investments sold	818	–
Accounts receivable for securities issued	24	3
<b>Total assets</b>	<b>129,362</b>	<b>148,420</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable for investments purchased	–	24
Accounts payable for securities redeemed	374	102
Due to manager	1	–
<b>Total liabilities</b>	<b>375</b>	<b>126</b>
<b>Net assets attributable to securityholders</b>	<b>128,987</b>	<b>148,294</b>

	Net assets attributable to securityholders (note 3)			
	per security		per series	
	2024	2023	2024	2023
Series A	15.92	13.43	3,207	3,252
Series E	16.21	13.68	1,198	1,306
Series F	16.22	13.66	3,684	3,879
Series I	16.34	13.76	1,441	3,324
Series O	15.93	13.41	106,965	128,414
Series Private Wealth	16.31	13.73	12,492	8,119
			<b>128,987</b>	<b>148,294</b>

## STATEMENTS OF COMPREHENSIVE INCOME

for the periods ended March 31 (in \$ 000 except per security amounts)

	2024	2023
<b>Income</b>		
Dividends	2,643	3,939
Interest income for distribution purposes	51	71
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	381	(8,906)
Net unrealized gain (loss)	20,371	(3,319)
Securities lending income	8	7
<b>Total income (loss)</b>	<b>23,454</b>	<b>(8,208)</b>
<b>Expenses (note 6)</b>		
Management fees	122	140
Management fee rebates	(1)	(2)
Administration fees	39	40
Interest charges	1	–
Commissions and other portfolio transaction costs	30	33
Independent Review Committee fees	–	1
<b>Expenses before amounts absorbed by Manager</b>	<b>191</b>	<b>212</b>
Expenses absorbed by Manager	–	–
<b>Net expenses</b>	<b>191</b>	<b>212</b>
<b>Increase (decrease) in net assets attributable to securityholders from operations before tax</b>	<b>23,263</b>	<b>(8,420)</b>
Foreign withholding tax expense (recovery)	390	536
Foreign income tax expense (recovery)	–	–
<b>Increase (decrease) in net assets attributable to securityholders from operations</b>	<b>22,873</b>	<b>(8,956)</b>

	Increase (decrease) in net assets attributable to securityholders from operations (note 3)			
	per security		per series	
	2024	2023	2024	2023
Series A	2.35	(0.92)	513	(238)
Series E	2.33	(0.87)	191	(92)
Series F	2.47	(0.72)	645	(198)
Series I	2.33	(0.30)	434	(75)
Series O	2.52	(0.86)	18,863	(8,035)
Series Private Wealth	3.06	(0.59)	2,227	(318)
			<b>22,873</b>	<b>(8,956)</b>

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

# COUNSEL U.S. VALUE

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## STATEMENTS OF CHANGES IN FINANCIAL POSITION

for the periods ended March 31 (in \$ 000 except per security amounts)

	Total		Series A		Series E		Series F		Series I	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>										
<b>Beginning of period</b>	<b>148,294</b>	<b>177,559</b>	<b>3,252</b>	<b>3,993</b>	<b>1,306</b>	<b>1,659</b>	<b>3,879</b>	<b>3,894</b>	<b>3,324</b>	<b>3,058</b>
Increase (decrease) in net assets from operations	22,873	(8,956)	513	(238)	191	(92)	645	(198)	434	(75)
Distributions paid to securityholders:										
Investment income	(2,598)	(3,257)	(2)	–	(4)	(1)	(39)	(46)	(54)	(76)
Capital gains	–	–	–	–	–	–	–	–	–	–
Management fee rebates	(1)	(2)	–	–	–	–	(1)	(2)	–	–
<b>Total distributions paid to securityholders</b>	<b>(2,599)</b>	<b>(3,259)</b>	<b>(2)</b>	<b>–</b>	<b>(4)</b>	<b>(1)</b>	<b>(40)</b>	<b>(48)</b>	<b>(54)</b>	<b>(76)</b>
Security transactions:										
Proceeds from securities issued	16,991	34,193	172	391	–	–	194	1,169	283	1,453
Reinvested distributions	2,554	3,245	2	–	4	1	40	47	54	76
Payments on redemption of securities	(59,126)	(54,488)	(730)	(894)	(299)	(261)	(1,034)	(985)	(2,600)	(1,112)
<b>Total security transactions</b>	<b>(39,581)</b>	<b>(17,050)</b>	<b>(556)</b>	<b>(503)</b>	<b>(295)</b>	<b>(260)</b>	<b>(800)</b>	<b>231</b>	<b>(2,263)</b>	<b>417</b>
<b>Increase (decrease) in net assets attributable to securityholders</b>	<b>(19,307)</b>	<b>(29,265)</b>	<b>(45)</b>	<b>(741)</b>	<b>(108)</b>	<b>(353)</b>	<b>(195)</b>	<b>(15)</b>	<b>(1,883)</b>	<b>266</b>
<b>End of period</b>	<b>128,987</b>	<b>148,294</b>	<b>3,207</b>	<b>3,252</b>	<b>1,198</b>	<b>1,306</b>	<b>3,684</b>	<b>3,879</b>	<b>1,441</b>	<b>3,324</b>
<b>Increase (decrease) in fund securities (in thousands) (note 7):</b>			<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>	<b>Securities</b>
<b>Securities outstanding – beginning of period</b>			<b>242</b>	<b>278</b>	<b>95</b>	<b>113</b>	<b>284</b>	<b>267</b>	<b>242</b>	<b>208</b>
Issued			13	29	–	–	14	86	20	106
Reinvested distributions			–	–	–	–	3	3	4	6
Redeemed			(53)	(65)	(21)	(18)	(74)	(72)	(178)	(78)
<b>Securities outstanding – end of period</b>			<b>202</b>	<b>242</b>	<b>74</b>	<b>95</b>	<b>227</b>	<b>284</b>	<b>88</b>	<b>242</b>

  

	Series O		Series Private Wealth	
	2024	2023	2024	2023
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>				
<b>Beginning of period</b>	<b>128,414</b>	<b>157,347</b>	<b>8,119</b>	<b>7,608</b>
Increase (decrease) in net assets from operations	18,863	(8,035)	2,227	(318)
Distributions paid to securityholders:				
Investment income	(2,287)	(2,966)	(212)	(168)
Capital gains	–	–	–	–
Management fee rebates	–	–	–	–
<b>Total distributions paid to securityholders</b>	<b>(2,287)</b>	<b>(2,966)</b>	<b>(212)</b>	<b>(168)</b>
Security transactions:				
Proceeds from securities issued	12,330	26,144	4,012	5,036
Reinvested distributions	2,287	2,966	167	155
Payments on redemption of securities	(52,642)	(47,042)	(1,821)	(4,194)
<b>Total security transactions</b>	<b>(38,025)</b>	<b>(17,932)</b>	<b>2,358</b>	<b>997</b>
<b>Increase (decrease) in net assets attributable to securityholders</b>	<b>(21,449)</b>	<b>(28,933)</b>	<b>4,373</b>	<b>511</b>
<b>End of period</b>	<b>106,965</b>	<b>128,414</b>	<b>12,492</b>	<b>8,119</b>
<b>Increase (decrease) in fund securities (in thousands) (note 7):</b>			<b>Securities</b>	<b>Securities</b>
<b>Securities outstanding – beginning of period</b>	<b>9,573</b>	<b>10,969</b>	<b>591</b>	<b>518</b>
Issued	897	1,914	291	357
Reinvested distributions	167	222	12	11
Redeemed	(3,923)	(3,532)	(128)	(295)
<b>Securities outstanding – end of period</b>	<b>6,714</b>	<b>9,573</b>	<b>766</b>	<b>591</b>

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

# COUNSEL U.S. VALUE

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## STATEMENTS OF CASH FLOWS

for the periods ended March 31 (in \$ 000)

	2024	2023
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets attributable to securityholders from operations	22,873	(8,956)
Adjustments for:		
Net realized loss (gain) on investments	173	8,685
Change in net unrealized loss (gain) on investments	(20,371)	3,319
Purchase of investments	(127,493)	(172,840)
Proceeds from sale and maturity of investments	166,261	189,455
(Increase) decrease in accounts receivable and other assets	64	39
Increase (decrease) in accounts payable and other liabilities	1	(1)
<b>Net cash provided by (used in) operating activities</b>	<b>41,508</b>	<b>19,701</b>
<b>Cash flows from financing activities</b>		
Proceeds from securities issued	16,970	34,332
Payments on redemption of securities	(58,854)	(54,435)
Distributions paid net of reinvestments	(45)	(14)
<b>Net cash provided by (used in) financing activities</b>	<b>(41,929)</b>	<b>(20,117)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(421)</b>	<b>(416)</b>
Cash and cash equivalents at beginning of period	1,022	1,437
Effect of exchange rate fluctuations on cash and cash equivalents	1	1
<b>Cash and cash equivalents, end of period</b>	<b>602</b>	<b>1,022</b>
Cash	602	1,022
Cash equivalents	–	–
<b>Cash and cash equivalents, end of period</b>	<b>602</b>	<b>1,022</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	2,707	3,978
Foreign taxes paid	390	536
Interest received	51	71
Interest paid	1	–

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

# COUNSEL U.S. VALUE

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## SCHEDULE OF INVESTMENTS

as at March 31, 2024

	Country	Sector	Shares/ Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>EQUITIES</b>					
American Airlines Group Inc.	United States	Industrials	94,300	1,794	1,960
Arch Capital Group Ltd.	United States	Financials	17,868	1,949	2,237
Arthur J. Gallagher & Co.	United States	Financials	5,053	1,681	1,711
Assurant Inc.	United States	Financials	8,486	1,943	2,163
AutoZone Inc.	United States	Consumer Discretionary	460	1,537	1,963
The Bank of New York Mellon Corp.	United States	Financials	29,108	1,960	2,271
BorgWarner Inc.	United States	Consumer Discretionary	27,819	1,523	1,309
Boston Scientific Corp.	United States	Health Care	21,491	1,516	1,993
Broadridge Financial Solutions Inc.	United States	Industrials	6,396	1,674	1,774
Cardinal Health Inc.	United States	Health Care	29,062	3,413	4,404
Cboe Global Markets Inc.	United States	Financials	6,818	1,653	1,696
Celanese Corp. Series A	United States	Materials	10,073	1,946	2,344
Charter Communications Inc. Class A	United States	Communication Services	3,852	1,977	1,516
Cigna Corp.	United States	Health Care	5,306	2,121	2,610
CME Group Inc.	United States	Financials	5,912	1,729	1,724
Comcast Corp. Class A	United States	Communication Services	33,891	1,963	1,990
Copart Inc.	United States	Industrials	25,616	1,699	2,009
Costco Wholesale Corp.	United States	Consumer Staples	2,036	1,726	2,020
DaVita Inc.	United States	Health Care	13,173	1,920	2,463
Delta Air Lines Inc.	United States	Industrials	72,695	3,747	4,713
EQT Corp.	United States	Energy	36,065	1,777	1,811
Everest Re Group Ltd.	United States	Financials	7,367	3,788	3,966
Ford Motor Co.	United States	Consumer Discretionary	253,118	3,874	4,552
General Motors Co.	United States	Consumer Discretionary	40,767	1,800	2,504
The Hartford Financial Services Group Inc.	United States	Financials	37,303	3,727	5,206
HCA Holdings Inc.	United States	Health Care	10,482	3,726	4,735
The Hershey Co.	United States	Consumer Staples	4,333	1,261	1,141
Humana Inc.	United States	Health Care	2,590	1,754	1,216
J.M. Smucker Co.	United States	Consumer Staples	7,701	1,515	1,313
JPMorgan Chase & Co.	United States	Financials	8,988	1,938	2,438
Lamb Weston Holdings Inc.	United States	Consumer Staples	10,301	1,515	1,486
Lennar Corp. Class A	United States	Consumer Discretionary	12,188	1,839	2,839
Loews Corp.	United States	Financials	38,259	3,619	4,056
McDonald's Corp.	United States	Consumer Discretionary	3,993	1,551	1,525
McKesson Corp.	United States	Health Care	3,301	1,772	2,400
MGM Resorts International	United States	Consumer Discretionary	32,676	1,780	2,089
Mondelez International Inc.	United States	Consumer Staples	15,138	1,535	1,435
Monster Beverage Corp.	United States	Consumer Staples	19,386	1,506	1,556
O'Reilly Automotive Inc.	United States	Consumer Discretionary	1,202	1,526	1,838
PACCAR Inc.	United States	Industrials	34,656	3,950	5,815
Phinia Inc.	United States	Consumer Discretionary	5,634	211	293
PulteGroup Inc.	United States	Consumer Discretionary	34,727	3,797	5,673
Republic Services Inc.	United States	Industrials	7,528	1,662	1,952
Roper Technologies Inc.	United States	Information Technology	2,268	1,662	1,723
Synchrony Financial	United States	Financials	40,416	1,956	2,360
Tapestry Inc.	United States	Consumer Discretionary	33,002	1,802	2,122
United Airlines Holdings Inc.	United States	Industrials	62,476	3,693	4,051
United Rentals Inc.	United States	Industrials	6,809	3,846	6,651
Visa Inc. Class A	United States	Financials	4,760	1,662	1,799
Wells Fargo & Co.	United States	Financials	30,967	1,926	2,431
<b>Total equities</b>				<b>107,441</b>	<b>127,846</b>
Transaction costs				(9)	–
<b>Total investments</b>				<b>107,432</b>	<b>127,846</b>
Cash and cash equivalents					602
Other assets less liabilities					539
<b>Net assets attributable to securityholders</b>					<b>128,987</b>

# COUNSEL U.S. VALUE

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## SUMMARY OF INVESTMENT PORTFOLIO

MARCH 31, 2024

ASSET TYPE	% OF NAV
Equities	99.1
Cash and cash equivalents	0.5
Other assets (liabilities)	0.4

SECTOR ALLOCATION	% OF NAV
Financials	26.4
Industrials	22.4
Consumer discretionary	20.7
Health care	15.4
Consumer staples	7.0
Communication services	2.7
Materials	1.8
Energy	1.4
Information technology	1.3
Cash and cash equivalents	0.5
Other assets (liabilities)	0.4

COUNTRY ALLOCATION	% OF NAV
United States	99.1
Cash and cash equivalents	0.5
Other assets (liabilities)	0.4

MARCH 31, 2023

ASSET TYPE	% OF NAV
Equities	99.3
Cash and cash equivalents	0.7

SECTOR ALLOCATION	% OF NAV
Energy	37.8
Financials	17.2
Health care	14.5
Consumer staples	12.1
Materials	9.7
Information technology	5.0
Industrials	1.5
Consumer discretionary	1.5
Cash and cash equivalents	0.7

COUNTRY ALLOCATION	% OF NAV
United States	99.3
Cash and cash equivalents	0.7



## NOTES TO FINANCIAL STATEMENTS

### 1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the years ended or as at March 31, 2024 and 2023 (as applicable). In the year a series is established, 'period' represents the period from inception to the period end of that fiscal period. In a period where a series is terminated the period represents from the beginning of the fiscal year to the termination date. Refer to Note 10 (a) for series inception and termination dates.

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 5015 Spectrum Way, Suite 300, Mississauga, 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 and/or exempt distribution options.

Counsel Portfolio Services Inc. (the "Manager" or "Counsel") acts as the Fund's manager and trustee.

### 2. Basis of Preparation and Presentation

These annual financial statements ("financial statements") have been prepared in accordance with IFRS Accounting Standards ("IFRS"). A summary of the Fund's material accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the Fund's functional currency, and are 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 through profit or loss ("FVTPL").

These financial statements were authorized for issue by Counsel's Board of Directors on June 5, 2024.

### 3. Material Accounting Policies

The Fund adopted Disclosure of Accounting Policies Amendments to IAS 1 and IFRS Policy Statements 2 from April 1, 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements. The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies. The Manager reviewed the accounting policies and made updates to the information disclosure in certain instances in line with the amendments.

#### (a) Financial instruments

Financial instruments include financial assets and liabilities such as debt and equity securities, investment funds, and derivatives. The Fund classifies and measures financial instruments in accordance with IFRS 9 *Financial Instruments*. Upon initial recognition, financial instruments are classified as FVTPL. All financial instruments are recognized in the Statements 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. Financial liabilities are derecognized when the Fund has transferred substantially all risks and rewards of ownership. Investment purchase and sale transactions are recorded as of the trade date.

Financial instruments are designated on initial recognition as FVTPL with changes in fair value recognized in the Statements of Comprehensive Income – Net unrealized gain (loss).

Realized and unrealized gains and losses on investments are calculated based on average cost of investments and exclude commissions and other portfolio transaction costs, which are separately reported in the Statements 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 Statements of Comprehensive Income for the period in which they arise.

The Fund accounts for its holdings in investment funds at FVTPL.

The Fund's redeemable securities contain multiple dissimilar contractual obligations and entitle securityholders to the right to redeem their interest in the Fund for cash equal to their proportionate share of the net asset value of the Fund 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 period-end.

#### (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, including exchange traded funds, 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, Counsel determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. 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 Counsel's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by Counsel 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.

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 amortized cost which closely approximates their fair value 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 Statements of Financial Position.

## NOTES TO FINANCIAL STATEMENTS (cont'd)

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

#### (b) Fair Value Measurement (cont'd)

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 Counsel or the Fund's sub-advisor(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 Statements of Comprehensive Income – Net unrealized gain (loss).

The Fund categorizes the fair value of its assets and liabilities into three categories, which are differentiated based on the observable nature of the inputs and extent of estimation required.

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. Examples of Level 2 valuations include quoted prices for similar securities, quoted prices on inactive markets and from recognized investment dealers, and the application of factors derived from observable data to non-North American quoted prices in order to estimate the impact of differences in market closing times.

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. The estimated fair values for these securities may be different from the values that would have been used had a ready market for the investment existed; 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.

See Note 10 (e) for the fair value classifications of the Fund.

#### (c) Income recognition

Interest income for distribution purposes represents the coupon interest received by the Fund which is accounted for on an accrual basis.

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, and unrealized gains or losses are calculated on an average cost basis.

The Fund may invest in ETFs managed by Mackenzie Investments (an affiliate of Counsel) which are indicated in the Schedule of Investments. The Fund receives Fee rebate income in respect of management fees paid indirectly to Mackenzie which offset the management fees indirectly borne in the return of these Underlying Funds.

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, exchanges, brokers, dealers and other intermediaries. The total brokerage commissions incurred by the Fund in connection with portfolio transactions for the periods, together with other transaction charges, is disclosed in the Statements of Comprehensive Income. Brokerage business is allocated to brokers based on the best net result for the Fund. Subject to this criteria, 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 10. 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.

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 Statements of Comprehensive Income and recognized when earned. Securities lending transactions are administered by the 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.

Note 10 summarizes the details of securities loaned and collateral received, as well as a reconciliation of securities lending income, if applicable. Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments, and financial institutions.

#### (f) 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 Statements of Comprehensive Income – Net realized gain (loss).

## NOTES TO FINANCIAL STATEMENTS (cont'd)

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

(f) Foreign currency (cont'd)

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.

(g) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position when there is a legally enforceable right to set-off 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 Statements 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 10 summarizes the details of such offsetting, if applicable, subject to master netting arrangements or other similar agreements and the net impact to the Statements of Financial Position if all such rights were exercised.

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

(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

Net asset value per security is determined for the purchase and redemption of securities in accordance with the methods disclosed in the Fund's Simplified Prospectus and Annual Information Form. These methods may vary from valuation principles under IFRS. As at March 31, 2024 and March 31, 2023, there were no such differences.

(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 Statements 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) Future accounting changes

Counsel has determined there are no material implications to the Fund's financial statements arising from IFRS issued but not yet effective.

### 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 holds 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*

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. The Manager has considered the Fund's business model, commitments to securityholders, and the manner in which investments are managed and evaluated as a group and has determined that irrevocable designation of financial instruments as financial assets or financial liabilities at fair value through profit or loss provides the most appropriate measurement and presentation of the Fund's investments and 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.

##### *Interest in unconsolidated structured entities*

In determining whether an ETF in which the Fund invests ("Underlying Funds"), but that it does not consolidate, meets the definition of a structured entity, the Manager is required to make significant judgments about whether these underlying funds have the typical characteristics of a structured entity. These Underlying Funds do meet the definition of a structured entity because:

- I. The voting rights in the Underlying Funds are not dominant factors in deciding who controls them;
- II. The activities of the Underlying Funds are restricted by their offering documents; and
- III. The Underlying Funds have narrow and well-defined investment objective to provide investment opportunities for investors while passing on the associated risks and rewards.

As a result, such investments are accounted for at FVTPL. These investments are shown in the Schedule of Investments and are below 0.5% of each Underlying Fund's NAV.

## NOTES TO FINANCIAL STATEMENTS (cont'd)

### 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. The Fund maintains a December 15 year-end for tax purposes. The Fund may be subject to withholding taxes on foreign income. In general, the Fund treats withholding tax as a charge against income for tax purposes. The Fund will distribute sufficient amounts from net income for tax purposes, as required, so that the Fund will not pay income taxes other than refundable tax on capital gains, if applicable.

Losses of the Fund cannot be allocated to securityholders and are retained in the Fund for use in future years. Non-capital losses incurred may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Net capital losses may be carried forward indefinitely to reduce future realized capital gains. Refer to Note 10 (d) for a summary of the Fund's loss carryforwards.

### 6. Management Fees and Operating Expenses

Counsel is paid a management fee for arranging for the management of 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 securityholders.

Each series of the Fund, excluding Series O, is charged a fixed rate annual administration fee ("Administration Fee"), as applicable, and in return, Counsel bears all of the operating expenses of the Fund, other than certain specified fund costs.

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 Counsel Funds' Independent Review Committee, 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, and any new fees related to external services that were not commonly charged in the Canadian mutual fund industry after the date of the Fund's most recently filed Simplified Prospectus.

Counsel 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 10 (a) for the management fee and Administration Fee rates charged to each series of securities.

### 7. Fund's Capital

The capital of the Fund is divided into different series with each series having an unlimited number of securities. The securities outstanding for the Fund as at March 31, 2024 and 2023 and securities issued, reinvested and redeemed for the periods are presented in the Statements of Changes in Financial Position. Counsel manages the capital of the Fund in accordance with the investment objectives and strategies as discussed in Note 8 (a).

### 8. Financial Instruments Risk

#### (a) 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, grouped by asset type, with geographic and sector information.

The Manager 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 strategies, as disclosed in Note 10 (b), and where applicable, by using derivatives to hedge certain risk exposures. To assist in managing risks, Counsel 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.

#### (b) 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 order to monitor the liquidity of its assets, the Fund utilizes a liquidity risk management program that calculates the number of days to convert the investments held by the Fund into cash using a multi-day liquidation approach. This liquidity risk analysis assesses the Fund's liquidity against pre-determined minimum liquidity percentages, established for different time periods. In addition, the Fund has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions. In order to comply with securities regulations, the Fund must maintain at least 85% of its assets in liquid investments (i.e. investments that can be readily sold).

Other investment funds managed by Counsel ("Top Funds") may invest in Series O securities offered by the Fund on a prospectus-exempt basis in accordance with the investment objectives of those funds. Series Private Wealth securities may also be issued on a prospectus-exempt basis to investors in the IPC Private Wealth program offered by IPC Securities Corporation, an affiliate of Counsel.

From time to time, these holdings may be rebalanced by either reducing an allocation to the Fund or eliminating such investments in the Fund entirely. In either case, depending on the size of the investment by a large investor, this could cause a significant redemption from the Fund. Meeting such a redemption may require the Fund to sell portfolio holdings. This could result in the Fund selling a particular holding before it has achieved the valuation sought by the Manager thus affecting Fund returns. This could also result in the Fund realizing capital gains on its holdings earlier than planned, which could result in capital gains distributed to investors in the Fund (which could result in income tax payable by the investor) that might not have occurred or might have occurred at a later date.

For the amounts held by and the changes thereto during the period pertaining to Series O and/or Series Private Wealth, please refer to the amounts disclosed in the Statements of Financial Position and Statements of Changes in Financial Position.

#### (c) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment into which it has entered with the Fund.

Note 10 (c) summarizes the Fund's exposure, if applicable and significant, to credit risk through fixed income instruments. Where presented, credit ratings and rating categories are based on ratings issued by a designated rating organization.

All transactions in listed securities are executed with approved brokers.

# COUNSEL U.S. VALUE

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## NOTES TO FINANCIAL STATEMENTS (cont'd)

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

#### (c) Credit risk (cont'd)

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 dates of the Statements 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 an approved credit rating equivalent to a Standard & Poor'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.

#### (d) Currency risk

Currency risk is the risk that financial instruments which are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's functional currency, will fluctuate due to changes in exchange rates. Generally, foreign denominated investments increase in value when the value of the Canadian dollar (relative to foreign currencies) falls. Conversely, when the value of the Canadian dollar rises relative to foreign currencies, the values of foreign denominated investments fall.

Note 10 (c) indicates the foreign currencies, if applicable, to which the Fund had significant exposure, in Canadian dollar terms, to the Fund's net assets had the Canadian dollar strengthened or weakened by 5% relative to all foreign currencies, all other variables held constant. In practice, the actual trading results may differ and the difference could be material. Other financial assets and liabilities (including dividends and interest receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not generally expose the Fund to significant currency risk.

#### (e) Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Generally, these securities increase in value when interest rates fall and decrease in value when interest rates rise.

If significant, Note 10 (c) summarizes the Fund's bonds by remaining term to maturity and illustrates the potential impact to the Fund's net assets had prevailing interest rates increased or decreased by 1%, assuming a parallel shift in the yield curve, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

Cash and cash equivalents are short term in nature and are not generally subject to significant amounts of interest rate risk.

#### (f) 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 strategy.

Other price risk typically arises from exposure to equity securities. Note 10 (c) illustrates the potential increase or decrease in the Fund's net assets had the prices on the respective exchanges for these securities increased or decreased by 10%, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

### 9. Foreign currency abbreviations

Currency Code	Description	Currency Code	Description	Currency Code	Description
AUD	Australian dollars	HUG	Hungarian forint	PKR	Pakistani rupee
AED	United Arab Emirates Dirham	IDR	Indonesian rupiah	PLN	Polish zloty
BRL	Brazilian real	ILS	Israeli shekel	QAR	Qatar Rial
CAD	Canadian dollars	INR	Indian rupee	RON	Romanian leu
CHF	Swiss franc	JPY	Japanese yen	RUB	Russian ruble
CLP	Chilean peso	KOR	South Korean won	SAR	Saudi riyal
CNY	Chinese yuan	MXN	Mexican peso	SEK	Swedish krona
CZK	Czech koruna	MYR	Malaysian ringgit	SGD	Singapore dollars
DKK	Danish krone	NGN	Nigerian naira	THB	Thailand baht
EGP	Egyptian pound	NOK	Norwegian krona	TRL	Turkish lira
EUR	Euro	NTD	New Taiwan dollar	USD	United States dollars
GBP	United Kingdom pounds	NXD	New Zealand dollars	VND	Vietnamese dong
GHS	Ghana Cedi	PEN	Peruvian nuevo sol	ZAR	South African rand
HKD	Hong Kong dollars	PHP	Philippine peso	ZMW	Zambian kwacha

# COUNSEL U.S. VALUE

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## NOTES TO FINANCIAL STATEMENTS (cont'd)

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

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

Series	Inception/ Reinstatement Date	Minimum Investment (\$)	Management fee (%) <sup>6</sup>	Administration fee (%) <sup>6</sup>
Series A <sup>1</sup>	January 7, 2009	1,000	1.90	0.25
Series E <sup>7</sup>	January 7, 2009	75,000	1.71	0.29
Series F <sup>2,3</sup>	January 7, 2009	1,000	0.90	0.15
Series I <sup>2,6</sup>	January 7, 2009	1,000	–	0.15
Series O <sup>4</sup>	January 7, 2009	–	–	–
Series Private Wealth <sup>5</sup>	January 7, 2009	–	–	0.15

<sup>1</sup> Series A is the only series subject to sales or redemption charges; these charges are based on purchase option chosen. Securities purchased under the sales charge option may be subject to a negotiated fee of up to 5% at time of initial purchase. Securities previously purchased under the redemption charge purchase option may be subject to a redemption fee of up to 4.0% (based on date of initial purchase); new securities are not available under this option but may be acquired through switching from other Counsel funds. Effective June 15, 2022, this series' administration fee was reduced from 0.29%.

<sup>2</sup> A negotiable advisory or asset-based fee (plus sales taxes) is payable by investors to their dealer(s) in connection with the securities held in this series. The fee may be collected by Counsel from the investor's account through redemption of securities and remitted to the dealer at the investor's request. Alternatively, the dealer may collect it directly from the investor.

<sup>3</sup> The management fee for this series is 0.90% and is payable directly to Counsel generally through the monthly redemption of securities.

<sup>4</sup> There are no management or administration fees for this series since these securities are designed to facilitate fund-of-fund investing where duplication of management fees is prohibited.

<sup>5</sup> There are no management fees for Series Private Wealth. An investor must enter into an agreement to participate in a discretionary managed program offered by IPC Securities Corporation and agree to pay certain asset-based fees.

<sup>6</sup> Counsel may, at its discretion, waive or lower the management fee (either directly or indirectly) and/or administration fee payable by investors. Individual investors (excluding Series E investors) may be eligible for a management fee reduction subject to meeting certain requirements as discussed in the Fund's Simplified Prospectus.

<sup>7</sup> This series is not available for purchase.

#### (b) Investment Objectives and Strategies

The Fund invests in undervalued companies that exhibit strong fundamentals. It seeks fundamentally strong companies and avoids speculative stocks in a variety of sectors.

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

##### i. Currency Risk

The tables below summarize the Fund's exposure to currency risk.

Currency	March 31, 2024				Impact on net assets			
	Investments (\$)	Cash and Cash Equivalents (\$)	Derivative Instruments (\$)	Net Exposure (\$)	Strengthened by 5%		Weakened by 5%	
					(\$)	%	(\$)	%
USD	127,846	(587)	–	127,259				
Total	127,846	(587)	–	127,259				
% of Net Assets	99.1	(0.5)	–	98.6				
Total currency rate sensitivity					(6,363)	(4.9)	6,363	4.9

Currency	March 31, 2023				Impact on net assets			
	Investments (\$)	Cash and Cash Equivalents (\$)	Derivative Instruments (\$)	Net Exposure (\$)	Strengthened by 5%		Weakened by 5%	
					(\$)	%	(\$)	%
USD	147,259	93	–	147,352				
Total	147,259	93	–	147,352				
% of Net Assets				99.4				
Total currency rate sensitivity					(7,368)	(5.0)	7,368	5.0

The Fund follows a dynamic hedging strategy where it targets a hedge against the U.S. dollar (the largest foreign currency exposure), based on Counsel's expectation of future exchange rates at that time. As at March 31, 2024, the Fund targeted a hedge of 0.0% (2023 – 0.0%) against the USD.



# COUNSEL U.S. VALUE

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## NOTES TO FINANCIAL STATEMENTS (cont'd)

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

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

##### ii. Interest Rate Risk

As at March 31, 2024 and 2023, the Fund did not have a significant exposure to interest rate risk related to fixed income investments.

##### iii. Other Price Risk

Impact on net assets	Increased by 10%		Decreased by 10%	
	(\$)	(%)	(\$)	(%)
March 31, 2024	12,785	9.9	(12,785)	(9.9)
March 31, 2023	14,726	9.9	(14,726)	(9.9)

##### iv. Credit Risk

As at March 31, 2024 and 2023, the Fund did not have a significant exposure to credit risk related to fixed income investments.

#### (d) Loss Carryforwards

Non-Capital Losses carryforward (\$)	Capital Losses carryforward (\$)
–	6,453

#### (e) Fair Value Classification

The table below summarizes the fair value of the Fund's investments using the fair value categories described in Note 3.

	March 31, 2024				March 31, 2023			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	127,846	–	–	127,846	147,259	–	–	147,259
Total	127,846	–	–	127,846	147,259	–	–	147,259

There were no significant transfers between Level 1 and Level 2.

#### (f) Securities Lending

	March 31, 2024	March 31, 2023
	(\$)	(\$)
Value of securities loaned	3,911	8,254
Value of collateral received	4,133	8,688

	March 31, 2024		March 31, 2023	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	10	100.0	8	100.0
Tax withheld	–	–	–	–
Payments to securities lending agent	10	100.0	8	100.0
Securities lending income	(2)	(20.0)	(1)	(12.5)
Securities lending income	8	80.0	7	87.5