

Financial Statements of

STEADYHAND INVESTMENT FUNDS

And Independent Auditors' Report thereon

Years ended December 31, 2019 and 2018



KPMG LLP
PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada
Telephone (604) 691-3000
Fax (604) 691-3031

INDEPENDENT AUDITORS' REPORT

To the Unitholders of:

Steadyhand Savings Fund
Steadyhand Income Fund
Steadyhand Founders Fund
Steadyhand Builders Fund
Steadyhand Equity Fund
Steadyhand Global Equity Fund
Steadyhand Small-Cap Equity Fund
Steadyhand Global Small-Cap Equity Fund
(collectively, the "Funds")

Opinion

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

- the statements of financial position as at December 31, 2019 and December 31, 2018 (for the Steadyhand Builders Fund and the Steadyhand Global Small-Cap Equity Fund as at December 31, 2019 only)
- the statements of comprehensive income for the years then ended (for the Steadyhand Builders Fund and the Steadyhand Global Small-Cap Equity Fund for the period from inception on January 23, 2019 to December 31, 2019 only)
- the statements of changes in net assets attributable to holders of redeemable units for the years then ended (for the Steadyhand Builders Fund and the Steadyhand Global Small-Cap Equity Fund for the period from inception on January 23, 2019 to December 31, 2019 only)
- the statements of cash flows for the years then ended (for the Steadyhand Builders Fund and the Steadyhand Global Small-Cap Equity Fund for the period from inception on January 23, 2019 to December 31, 2019 only)
- and notes to the financial statements, including a summary of significant 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 Funds as at December 31, 2019 and December 31, 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").



Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “***Auditors’ Responsibilities for the Audit of the Financial Statements***” section of our auditors’ report.

We are independent of the Funds in accordance with the ethical requirements that are relevant to our audits 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 on Fund Performance for each of the Funds 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 audits 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’s Report on Fund Performance for each of the Funds filed with the relevant Canadian Securities Commissions as at the date of this auditors’ 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 auditors’ 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 International Financial Reporting Standards (“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.

In preparing these financial statements, management is responsible for assessing the Funds’ 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 Funds or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Funds’ financial reporting process.



Auditors' 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 auditors' 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 audits 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 Funds' 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 Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Funds 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.

KPMG LLP

Chartered Professional Accountants

Vancouver, Canada
February 20, 2020

STEADYHAND SAVINGS FUND

Statements of Financial Position

December 31, 2019 and 2018

	Note	2019	2018
Assets			
Cash		\$ 47,474	\$ -
Subscriptions receivable		54,000	914,111
Interest and dividends receivable		257,227	181,548
Investments		88,843,616	65,730,622
		<u>89,202,317</u>	<u>66,826,281</u>
Liabilities			
Bank indebtedness		-	316,746
Redemptions payable		989,741	2,064,817
Management fees payable	4	5,787	5,801
Distribution payable		440	6,564
		<u>995,968</u>	<u>2,393,928</u>
Net assets attributable to holders of redeemable units		<u>\$ 88,206,349</u>	<u>\$ 64,432,353</u>
Represented by:			
Series A		\$ 33,259,607	\$ 37,050,100
Series O		54,946,742	27,382,253
		<u>\$ 88,206,349</u>	<u>\$ 64,432,353</u>
Number of units outstanding:			
Series A	5	3,325,969	3,705,019
Series O		5,494,685	2,738,234
Net assets attributable to holders of redeemable units per unit:			
Series A		\$ 10.00	\$ 10.00
Series O		10.00	10.00

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

Approved on behalf of Steadyhand Investment Management Ltd.,
in its capacity as Manager:

“Tom Bradley”

Director

“Neil Jensen”

Director

STEADYHAND SAVINGS FUND

Statements of Comprehensive Income

Years ended December 31, 2019 and 2018

	Note	2019	2018
Revenue:			
Interest income		\$ 1,530,981	\$ 1,462,268
Total revenue		1,530,981	1,462,268
Expenses:			
Management fees	4	63,859	60,534
Independent review committee fees		3,074	4,103
Total operating expenses		66,933	64,637
Management fee reductions		(20,524)	(19,647)
Expenses waived or absorbed by Manager		(3,074)	(4,103)
		(23,598)	(23,750)
Net operating expenses		43,335	40,887
Increase in net assets attributable to holders of redeemable units from operations excluding distributions			
		1,487,646	1,421,381
Distributions to holders of redeemable units:			
From net investment income		(1,467,122)	(1,401,734)
Management fee reductions		(20,524)	(19,647)
		(1,487,646)	(1,421,381)
Increase in net assets attributable to holders of redeemable units			
		\$ -	\$ -
Increase in net assets attributable to holders of redeemable units:			
Series A		\$ -	\$ -
Series O		-	-
		\$ -	\$ -
Increase in net assets attributable to holders of redeemable units (excluding distributions):			
Series A		\$ 584,472	\$ 483,560
Series O		903,174	937,821
		\$ 1,487,646	\$ 1,421,381
Increase in net assets attributable to holders of redeemable units per unit (excluding distributions):			
Series A		\$ 0.18	\$ 0.16
Series O		0.19	0.17

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

STEADYHAND SAVINGS FUND

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

Years ended December 31, 2019 and 2018

Series A	Note	2019	2018
Balance, beginning of year		\$ 37,050,100	\$ 30,120,056
Increase in net assets attributable to holders of redeemable units		-	-
Redeemable unit transactions:			
Issue of redeemable units		32,289,490	34,317,243
Reinvestments of distributions		557,927	461,177
Redemption of redeemable units		(36,637,910)	(27,848,376)
Net increase (decrease) from redeemable unit transactions		(3,790,493)	6,930,044
Balance, end of year		\$ 33,259,607	\$ 37,050,100

Series O	Note	2019	2018
Balance, beginning of year		\$ 27,382,253	\$ 64,404,558
Increase in net assets attributable to holders of redeemable units		-	-
Redeemable unit transactions:			
Issue of redeemable units		55,482,019	19,549,480
Reinvestment of distributions		903,229	937,776
Redemption of redeemable units		(28,820,759)	(57,509,561)
Net increase (decrease) from redeemable unit transactions		27,564,489	(37,022,305)
Balance, end of year		\$ 54,946,742	\$ 27,382,253

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

STEADYHAND SAVINGS FUND

Statements of Cash Flows

Years ended December 31, 2019 and 2018

	Note	2019	2018
Cash provided by (used in):			
Operating activities:			
Proceeds from sale of investments		\$ 312,418,797	\$ 440,210,687
Purchases of investments		(335,531,791)	(411,705,096)
Interest and dividends received		1,455,302	1,449,905
Management fees paid		(43,349)	(39,907)
		(21,701,041)	29,915,589
Financing activities:			
Proceeds from issue of redeemable units		88,631,620	53,073,112
Payments on redemption of redeemable units		(66,533,745)	(83,326,835)
Cash distributions paid to holders of redeemable units		(32,614)	(18,523)
		22,065,261	(30,272,246)
Increase (decrease) in cash		364,220	(356,657)
Cash (bank indebtedness), beginning of year		(316,746)	39,911
Cash (bank indebtedness), end of year		\$ 47,474	\$ (316,746)

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

STEADYHAND SAVINGS FUND

Schedule of Investment Portfolio

As at December 31, 2019

	Coupon rate	Maturity or expiry date	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
Short-Term Investments - Treasury Bills:						
Province of Newfoundland and Labrador	1.767%	02/06/2020	\$ 1,880,000	\$ 1,872,636	\$ 1,872,636	
Province of Newfoundland and Labrador	1.808%	01/22/2020	1,660,000	1,653,823	1,653,823	
Province of Ontario	1.771%	03/04/2020	6,655,000	6,625,822	6,625,822	
Total short-term investments - Treasury Bills				10,152,281	10,152,281	11.5
Short-Term Investments - Bankers' Acceptance:						
Bank of Montreal BA	1.878%	01/10/2020	2,320,000	2,315,595	2,315,595	
Bank of Montreal BA	1.974%	02/04/2020	4,310,000	4,300,001	4,300,001	
Bank of Nova Scotia BA	1.951%	01/28/2020	3,100,000	3,093,552	3,093,552	
Bank of Nova Scotia BA	1.929%	02/28/2020	1,865,000	1,857,044	1,857,044	
Bank of Nova Scotia BA	1.978%	03/20/2020	1,245,000	1,239,199	1,239,199	
Canadian Imperial Bank of Commerce BA	1.843%	01/22/2020	4,865,000	4,845,366	4,845,366	
Canadian Imperial Bank of Commerce BA	1.820%	03/30/2020	2,910,000	2,878,427	2,878,427	
HSBC Bank Canada BA	1.900%	02/03/2020	3,110,000	3,095,399	3,095,399	
National Bank of Canada BA	1.841%	03/02/2020	5,085,000	5,062,016	5,062,016	
Royal Bank of Canada BA	1.842%	01/21/2020	4,220,000	4,201,292	4,201,292	
Royal Bank of Canada BA	1.872%	01/23/2020	680,000	677,740	677,740	
Royal Bank of Canada BA	1.870%	07/31/2020	2,625,000	2,575,134	2,575,134	
Toronto-Dominion Bank of Canada BA	1.868%	01/16/2020	2,540,000	2,535,199	2,535,199	
Total short-term investments - Bankers' Acceptance				38,675,964	38,675,964	43.8
Short-Term Investments - Bearer Deposit Notes:						
Manulife Bank of Canada BDN	1.900%	07/15/2020	1,050,000	1,030,953	1,030,953	
Toronto-Dominion Bank of Canada BDN	1.890%	08/07/2020	1,355,000	1,329,933	1,329,933	
Total short-term investments - Bearer Deposit Notes				2,360,886	2,360,886	2.7
Short-Term Investments - Discount Commercial Paper:						
Enbridge Pipelines Inc. CP	2.054%	01/15/2020	2,700,000	2,694,843	2,694,843	
Honda Canada Finance Inc. CP	1.879%	03/26/2020	3,580,000	3,547,673	3,547,673	
Suncor Energy Inc. CP	1.928%	01/21/2020	3,000,000	2,985,960	2,985,960	
TransCanada Pipelines Limited CP	1.928%	01/17/2020	3,000,000	2,987,220	2,987,220	
Total short-term investments - Discount Commercial Paper				12,215,696	12,215,696	13.8
Short-Term Investments - Promissory Notes:						
Province of Alberta PN	1.769%	01/02/2020	8,035,000	8,000,913	8,000,913	
Province of British Columbia PN	1.769%	02/03/2020	2,385,000	2,376,247	2,376,247	
Province of Prince Edward Island PN	1.882%	03/18/2020	1,500,000	1,493,626	1,493,626	
Total short-term investments - Promissory Notes				11,870,786	11,870,786	13.5
Total short-term investments				75,275,613	75,275,613	85.3
Bonds						
Provincial Bonds:						
Province of New Brunswick	4.500%	06/02/2020	5,000,000	5,055,703	5,055,703	
Total short-term investments - Bearer Deposit Notes				5,055,703	5,055,703	5.7
Corporate Bonds:						
BMW Canada Inc. FRN CP	2.071%	02/06/2020	2,500,000	2,500,000	2,500,000	
Toronto-Dominion Bank FRN CP	2.563%	06/24/2020	3,000,000	3,009,394	3,009,394	
Toyota Credit Canada FRN CP	2.086%	07/24/2020	1,000,000	1,000,000	1,000,000	
Toyota Credit Canada FRN CP	2.279%	10/13/2020	2,000,000	2,002,906	2,002,906	
Total corporate bonds				8,512,300	8,512,300	9.7
Total Bonds				13,568,003	13,568,003	15.4
Total Investment Portfolio				\$ 88,843,616	88,843,616	100.7
Other Net Assets					(637,267)	(0.7)
Total Net Assets				\$ 88,206,349		100.0

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

STEADYHAND SAVINGS FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2019 and 2018

1. Financial risk management:

The Fund is exposed to various types of financial risks that are associated with its investment strategies, financial instruments and market in which it invests. These include credit risk, liquidity risk and market risk which consists of currency risk, interest rate risk and other price risk. For a comprehensive discussion of the risks applicable to the Funds refer to note 9.

The Fund's objective is to provide a reasonably stable level of current income, while also preserving capital, through investing in short-term debt instruments.

Capital preservation is key. The Fund invests in a number of short-term debt instruments, including treasury bills, high-grade short-term corporate bonds, banker's acceptances and commercial paper. The manager seeks to add value by employing a combination of relatively conservative strategies to enhance the Fund's yield. The Fund is Canada-focused: the portfolio manager invests primarily in money market instruments issued by Canadian governments and corporations.

Financial risks applicable to the Steadyhand Savings Fund are discussed in more detail below.

(a) Credit risk:

The majority of the credit risk to which the Fund is exposed is concentrated in debt securities. Credit risk arising from other financial instruments is not considered significant. At December 31, 2019 and 2018, the Fund was invested in debt securities with the following credit quality:

	December 31		December 31	
	2019	2018	2019	2018
Rating:				
AAA	\$ 42,225,641	\$ 18,503,017	47.9%	28.7%
AA	39,062,272	43,727,605	44.3%	67.9%
A	7,555,703	3,500,000	8.6%	5.4%
Total	\$ 88,843,616	\$ 65,730,622	100.8%	102.0%

(b) Liquidity risk:

The Fund's redeemable units are due on demand. The Fund's remaining non-derivative liabilities are due within twelve months of the year-end of the Fund. As at December 31, 2019 and 2018, the Fund had no derivative liabilities.

STEADYHAND SAVINGS FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2019 and 2018

1. Financial risk management (continued):

(c) Market risk:

(i) Interest rate risk:

The majority of interest rate risk arises from debt securities held in the Fund's investment portfolio. A summary of the Fund's interest rate exposure analyzed by the earlier of contractual re-pricing or maturity date is as follows.

December 31, 2019	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Debt securities	\$ 35,991,503	\$ 36,848,091	\$ 16,004,022	\$ -	\$ -	\$ 88,843,616

December 31, 2018	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Debt securities	\$ 26,189,412	\$ 27,354,544	\$ 6,680,050	\$ 5,506,616	\$ -	\$ 65,730,622

The Manager has determined that a fluctuation in interest rates of 25 basis points is reasonably possible, considering the economic environment in which the Fund operates. As at December 31, 2019, had interest rates increased or decreased by 25 basis points, with all other factors remaining constant, net assets attributable to redeemable units would have increased or decreased by approximately \$222,109 (December 31, 2018 - increased or decreased by \$164,327). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

(ii) Currency risk:

The Fund is not exposed to currency risk as its financial assets and liabilities are all denominated in Canadian dollars.

(iii) Other price risk:

There were no significant concentrations of risk to issuers at December 31, 2019 or 2018. The Fund held the following securities which exceeded 5% of the net assets attributable to the holders of redeemable units:

At December 31, 2019:

	Coupon rate	Maturity date	Percentage of net assets
Province of Alberta Promissory Note	1.769%	January 02, 2020	9.1%
Province of Ontario Treasury Bill	1.771%	March 04, 2020	7.5%
National Bank of Canada B/A	1.841%	March 02, 2020	5.7%
Province of New Brunswick Bond	4.500%	June 02, 2020	5.7%
Canadian Imperial Bank of Commerce B/A	1.842%	January 21, 2020	5.5%

At December 31, 2018:

	Coupon rate	Maturity date	Percentage of net assets
Province of New Brunswick Treasury Bill	1.889%	January 17, 2019	10.0%
Province of Manitoba Treasury Bill	1.888%	March 13, 2019	6.8%
Province of Newfoundland and Labrador Treasury Bill	1.850%	January 10, 2019	5.4%

STEADYHAND SAVINGS FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2019 and 2018

1. Financial risk management (continued):

(c) Market risk (continued):

(iii) Other price risk (continued):

All these securities have maturities under a year and are highly liquid short-term paper.

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The investments of the Fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by the Fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Fund's market price risk is managed through diversification of the Fund. The Investment Manager monitors the Fund's overall market positions on a daily basis and positions are maintained within established ranges.

As at December 31, 2019 and 2018, the Fund did not have significant exposure to other price risk.

2. Fair value of financial instruments:

For a general discussion of the Funds fair value measurements, refer to note 10.

(a) Fair value hierarchy - financial instruments measured at fair value:

The table below analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the statement of financial position.

All fair value measurements below are recurring.

December 31, 2019	Level 1	Level 2	Level 3	Total
Investments	\$ -	\$ 88,843,616	\$ -	\$ 88,843,616

December 31, 2018	Level 1	Level 2	Level 3	Total
Investments	\$ -	\$ 65,730,622	\$ -	\$ 65,730,622

There were no transfers between Levels 1, 2 and 3 during the years ended December 31, 2019 and 2018.

STEADYHAND INCOME FUND

Statements of Financial Position

December 31, 2019 and 2018

	Note	2019	2018
Assets			
Cash		\$ 122,339	\$ 894,006
Balances due from brokers		-	2,108,820
Subscriptions receivable		58,603	333,599
Interest and dividends receivable		1,024,891	1,063,866
Derivative assets:			
Forwards		7,836	-
Futures		154,318	82,394
Due from Manager		4,500	-
Investments		262,862,151	242,577,276
		264,234,638	247,059,961
Liabilities			
Balances due to brokers		-	271,968
Redemptions payable		-	3,046,028
Management fees payable	4	78,820	72,005
Derivative liabilities:			
Forwards		-	38,465
		78,820	3,428,466
Net assets attributable to holders of redeemable units		\$ 264,155,818	\$ 243,631,495
Represented by:			
Series A		\$ 85,883,754	\$ 81,126,192
Series O		178,272,064	162,505,303
		\$ 264,155,818	\$ 243,631,495
Number of units outstanding:	5		
Series A		7,848,309	7,771,250
Series O		15,170,139	14,633,038
Net assets attributable to holders of redeemable units per unit:			
Series A		\$ 10.94	\$ 10.44
Series O		11.75	11.11

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

Approved on behalf of Steadyhand Investment Management Ltd.,
in its capacity as Manager:

“Tom Bradley”
Director

“Neil Jensen”
Director

STEADYHAND INCOME FUND

Statements of Comprehensive Income

Years ended December 31, 2019 and 2018

	Note	2019	2018
Revenue:			
Interest income		\$ 5,149,943	\$ 5,385,373
Dividend income		1,653,718	1,787,071
Distributions received from underlying fund		221,569	233,758
Other income		98,456	94,536
Foreign exchange gain		8,983	97,633
Changes in fair value of investments and derivatives:			
Net realized gain (loss)		7,967,905	(1,499,376)
Net change in unrealized appreciation (depreciation)		8,670,110	(6,718,388)
Total revenue		23,770,684	(619,393)
Expenses:			
Management fees	4	890,373	911,313
Transaction costs	7	40,700	46,756
Independent review committee fees		3,074	4,103
Total operating expenses		934,147	962,172
Management fee reductions		(265,539)	(262,733)
Expenses waived or absorbed by Manager		(3,074)	(4,103)
		(268,613)	(266,836)
Net operating expenses		665,534	695,336
Increase (decrease) in net assets attributable to holders of redeemable units from operations excluding distributions			
		23,105,150	(1,314,729)
Distributions to holders of redeemable units:			
From net investment income		(5,436,666)	(6,801,255)
From net realized gain on investment		(4,949,243)	-
Management fee reductions		(265,539)	(262,733)
		(10,651,448)	(7,063,988)
Increase (decrease) in net assets attributable to holders of redeemable units			
		\$ 12,453,702	\$ (8,378,717)
Increase (decrease) in net assets attributable to holders of redeemable units:			
Series A		\$ 3,948,135	\$ (3,386,437)
Series O		8,505,567	(4,992,280)
		\$ 12,453,702	\$ (8,378,717)
Increase (decrease) in net assets attributable to holders of redeemable units (excluding distributions):			
Series A		\$ 7,611,045	\$ (904,892)
Series O		15,494,105	(409,837)
		\$ 23,105,150	\$ (1,314,729)
Increase (decrease) in net assets attributable to holders of redeemable units per unit (excluding distributions):			
Series A		\$ 0.98	\$ (0.11)
Series O		1.12	(0.03)

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

STEADYHAND INCOME FUND

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

Years ended December 31, 2019 and 2018

Series A	Note	2019	2018
Balance, beginning of year		\$ 81,126,192	\$ 91,949,476
Increase (decrease) in net assets attributable to holders of redeemable units		3,948,135	(3,386,437)
Redeemable unit transactions:			
Issue of redeemable units		9,500,741	8,315,980
Reinvestments of distributions		3,447,706	2,334,726
Redemption of redeemable units		(12,139,020)	(18,087,553)
Net increase (decrease) from redeemable unit transactions		809,427	(7,436,847)
Balance, end of year		\$ 85,883,754	\$ 81,126,192

Series O	Note	2019	2018
Balance, beginning of year		\$ 162,505,303	\$ 153,869,267
Increase (decrease) in net assets attributable to holders of redeemable units		8,505,567	(4,992,280)
Redeemable unit transactions:			
Issue of redeemable units		16,787,968	16,045,873
Reinvestment of distributions		6,988,525	4,582,443
Redemption of redeemable units		(16,515,299)	(7,000,000)
Net increase from redeemable unit transactions		7,261,194	13,628,316
Balance, end of year		\$ 178,272,064	\$ 162,505,303

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

STEADYHAND INCOME FUND

Statements of Cash Flows

Years ended December 31, 2019 and 2018

	Note	2019	2018
Cash provided by (used in):			
Operating activities:			
Proceeds from sale of investments		\$ 571,471,004	\$ 651,611,672
Purchase of investments		(574,536,828)	(659,053,566)
Realized gain (loss) on futures		(732,979)	347,413
Realized gain (loss) on forwards		21,876	(71,228)
Interest and dividends received		7,162,661	7,506,378
Balances due from broker		2,108,820	(866,702)
Balances due to broker		(271,968)	(852,824)
Management fees paid		(618,019)	(644,202)
Due from manager		(4,500)	-
		4,600,067	(2,023,059)
Financing activities:			
Proceeds from issue of redeemable units		26,563,705	25,103,702
Payments on redemption of redeemable units		(31,700,347)	(22,068,580)
Cash distributions paid to holders of redeemable units		(215,217)	(146,819)
		(5,351,859)	2,888,303
Increase (decrease) in cash		(751,792)	865,244
Cash (bank indebtedness), beginning of year		894,006	(89,649)
Effect of exchange rate fluctuations on cash		(19,875)	118,411
Cash, end of year		\$ 122,339	\$ 894,006

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

STEADYHAND INCOME FUND

Schedule of Investment Portfolio

As at December 31, 2019

	Coupon rate	Maturity or expiry date	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
Short-Term Investments - Treasury Bills:						
Canada	1.672%	01/09/2020	10,000	\$ 9,959	\$ 9,959	
Canada	1.644%	01/23/2020	10,000	9,958	9,958	
Canada	1.649%	02/20/2020	150,000	149,305	149,305	
Canada	1.651%	04/02/2020	100,000	99,561	99,561	
Total short-term investments - Treasury Bills				268,783	268,783	0.1
Short-Term Investments - Bankers' Acceptance:						
Bank of Montreal BA	1.839%	01/06/2020	35,000	34,933	34,933	
Bank of Montreal BA	1.967%	02/10/2020	545,000	543,594	543,594	
Bank of Nova Scotia BA	1.951%	01/28/2020	30,000	29,938	29,938	
Bank of Nova Scotia BA	1.901%	02/28/2020	155,000	154,389	154,389	
Bank of Nova Scotia BA	1.982%	02/28/2020	160,000	159,454	159,454	
Bank of Nova Scotia BA	1.979%	03/26/2020	555,000	552,214	552,214	
Bank of Nova Scotia BA	1.979%	03/27/2020	40,000	39,804	39,804	
Royal Bank BA	1.872%	02/18/2020	1,250,000	1,244,797	1,244,797	
Royal Bank BA	1.841%	02/18/2020	465,000	462,945	462,945	
Toronto Dominion Bank BA	1.829%	02/18/2020	205,000	204,074	204,074	
Total short-term investments - Bankers' Acceptance				3,426,142	3,426,142	1.3
Total short-term investments				3,694,925	3,694,925	1.4
Federal Bonds:						
Canada	0.500%	03/01/2022	2,602,000	2,527,610	2,536,515	
Canada	1.500%	09/01/2024	829,000	826,231	822,271	
Canada	5.750%	06/01/2033	1,393,000	2,122,493	2,057,382	
Canada	2.750%	12/01/2048	1,320,000	1,651,290	1,614,483	
Canada Real Return Bond	0.525%	12/01/2050	3,587,000	3,976,114	3,938,448	
Canada Housing Trust No.1	0.750%	09/01/2021	333,000	327,629	327,843	
Canada Housing Trust No.1	2.350%	06/15/2023	383,000	393,824	388,651	
Canada Housing Trust No.1	2.550%	12/15/2023	10,426,000	10,710,124	10,665,583	
Total federal bonds				23,195,315	23,048,316	8.7
Provincial Bonds:						
Province of Alberta	2.350%	06/01/2025	2,018,000	1,996,434	2,040,253	
Province of Alberta	2.200%	06/01/2026	178,000	171,782	177,837	
Province of Alberta	2.900%	12/01/2028	1,033,000	1,029,292	1,077,526	
Province of Alberta	3.300%	12/01/2046	527,000	533,130	593,606	
Province of Ontario	2.850%	06/02/2023	5,641,000	5,826,103	5,811,041	
Province of Ontario	3.500%	06/02/2024	8,165,000	8,794,498	8,672,359	
Province of Ontario	2.600%	06/02/2025	4,941,000	4,939,335	5,069,653	
Province of Ontario	2.400%	06/02/2026	4,454,000	4,534,751	4,517,229	
Province of Ontario	2.600%	06/02/2027	2,797,000	2,929,939	2,865,590	
Province of Ontario	2.900%	06/02/2028	308,000	324,244	322,451	
Province of Ontario	2.700%	06/02/2029	561,000	587,171	579,973	
Province of Ontario	5.850%	03/08/2033	1,287,000	1,777,750	1,778,699	
Province of Ontario	4.700%	06/02/2037	5,614,000	7,142,921	7,335,686	
Province of Ontario	4.650%	06/02/2041	1,820,000	2,498,317	2,452,838	
Province of Ontario	3.500%	06/02/2043	1,533,000	1,647,006	1,749,040	
Province of Ontario	3.450%	06/02/2045	263,000	309,604	308,116	
Province of Ontario	2.900%	12/02/2046	755,000	737,881	809,864	
Province of Ontario	2.800%	06/02/2048	4,300,000	4,286,259	4,555,661	
Province of Ontario	2.900%	06/02/2049	791,000	802,878	856,601	
Province of Ontario	2.650%	12/02/2050	2,109,000	2,204,500	2,181,585	
Province of Quebec	3.500%	12/01/2022	14,893,000	15,653,763	15,572,639	
Province of Quebec	3.000%	09/01/2023	464,000	484,741	481,296	
Province of Quebec	3.750%	09/01/2024	1,362,000	1,488,639	1,466,559	
Province of Quebec	2.500%	09/01/2026	1,444,000	1,494,251	1,475,399	
Province of Quebec	2.750%	09/01/2028	826,000	882,055	858,230	
Province of Quebec	3.500%	12/01/2045	2,509,000	3,061,599	2,987,970	
Province of Quebec	3.500%	12/01/2048	12,826,000	14,791,745	15,526,889	
Province of Saskatchewan	2.650%	06/02/2027	1,040,000	1,030,305	1,066,187	
Total provincial bonds				91,960,893	93,235,777	35.4

STEADYHAND INCOME FUND

Schedule of Investment Portfolio (continued)

As at December 31, 2019

	Coupon rate	Maturity or expiry date	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
Bonds (continued):						
Municipal Bonds:						
City of Toronto - Canada	3.200%	08/01/2048	603,000	601,499	658,723	
Total municipal bonds				601,499	658,723	0.2
Corporate Bonds:						
407 International Inc. CP	2.470%	09/08/2022	436,000	430,101	438,727	
AltaGas Ltd. CP	4.500%	08/15/2044	170,000	172,294	176,334	
Bank of Montreal CP	1.610%	10/28/2021	4,841,000	4,662,643	4,800,386	
Bank of Montreal CP	2.270%	07/11/2022	363,000	353,787	364,103	
Bank of Montreal CP	2.890%	06/20/2023	3,154,000	3,252,164	3,225,464	
Bank of Montreal CP	2.850%	03/06/2024	2,645,000	2,676,835	2,685,271	
Bank of Montreal CP	2.280%	07/29/2024	2,708,000	2,699,619	2,683,411	
Bank of Nova Scotia CP	1.900%	12/02/2021	839,000	812,857	835,993	
Bank of Nova Scotia CP	2.360%	11/08/2022	420,000	408,572	422,102	
Bank of Nova Scotia CP	2.380%	05/01/2023	1,557,000	1,556,766	1,558,178	
Bank of Nova Scotia CP	2.490%	09/23/2024	1,800,000	1,800,121	1,796,859	
Bank of Nova Scotia CP	4.650%	12/31/2049	312,000	373,043	409,802	
Brookfield Renewable Partners UL CP	4.290%	11/05/2049	204,000	203,667	206,943	
Canadian Imperial Bank CP	2.430%	06/09/2023	1,188,000	1,187,679	1,189,914	
Canadian Imperial Bank CP	3.290%	01/15/2024	739,000	764,924	762,299	
Canadian Imperial Bank CP	2.350%	08/28/2024	2,460,000	2,456,202	2,440,814	
Canadian Imperial Bank CP	3.450%	04/04/2028	741,000	729,863	760,086	
Capital Power Corp. CP	4.986%	01/23/2026	434,000	434,000	465,086	
Capital Power Corp. CP	4.424%	02/08/2030	254,000	253,954	258,329	
Choice Properties REIT CP	4.903%	07/05/2023	710,000	788,762	759,674	
Choice Properties REIT CP	4.293%	02/08/2024	438,000	463,624	462,288	
Choice Properties REIT CP	4.055%	11/24/2025	475,000	484,653	500,780	
Choice Properties REIT CP	4.178%	03/08/2028	840,000	840,000	891,772	
CPPIB Capital Inc. CP	3.000%	06/15/2028	660,000	660,000	697,140	
CU Inc. CP	4.543%	10/24/2041	659,000	750,352	814,448	
CU Inc. CP	3.805%	09/10/2042	134,000	136,475	150,372	
CU Inc. CP	4.722%	09/09/2043	864,000	1,045,730	1,104,877	
CU Inc. CP	4.085%	09/02/2044	574,000	667,243	674,914	
CU Inc. CP	3.950%	11/23/2048	110,000	118,491	128,651	
CU Inc. CP	2.963%	09/07/2049	98,000	95,986	96,410	
Empire Life Insurance CP	3.383%	12/16/2026	309,000	309,000	314,190	
Empire Life Insurance CP	3.664%	03/15/2028	726,000	727,858	748,861	
Enbridge Gas Inc. CP	2.370%	08/09/2029	365,000	364,872	360,091	
Enbridge Gas Inc. CP	4.000%	08/22/2044	362,000	418,486	419,691	
Enbridge Inc. CP	4.240%	08/27/2042	162,000	165,864	169,058	
Enbridge Inc. CP	4.570%	03/11/2044	390,000	426,445	427,344	
Enbridge Inc. CP	5.375%	09/27/2077	1,054,000	1,005,083	1,057,517	
Enbridge Pipelines Inc. CP	4.330%	02/22/2049	488,000	514,214	547,054	
ENMAX Corp. CP	3.331%	06/02/2025	562,000	561,978	569,451	
EPCOR Utilities Inc. CP	3.106%	07/08/2049	289,000	285,488	291,597	
Federation des Caisses Desjardins CP	2.417%	10/04/2024	248,000	248,000	246,674	
Fortis BC Energy Inc. CP	6.000%	10/02/2037	110,000	155,828	155,853	
Fortis BC Energy Inc. CP	3.850%	12/07/2048	108,000	126,580	125,983	
Fortis BC Energy Inc. CP	2.820%	08/09/2049	340,000	339,796	329,539	
Fortis BC Inc. CP	4.000%	10/28/2044	150,000	165,932	173,367	
General Motors Financial of Canada Ltd. CP	3.250%	11/07/2023	515,000	516,396	516,199	
Greater Toronto Airports Authority CP	2.750%	10/17/2039	171,000	170,764	169,728	
Hydro One Inc. CP	3.020%	04/05/2029	495,000	494,272	514,700	
Hydro One Inc. CP	7.350%	06/03/2030	131,000	190,758	184,263	
Hydro One Inc. CP	6.930%	06/01/2032	264,000	363,440	375,307	
Hydro One Inc. CP	6.350%	01/31/2034	384,000	532,745	534,663	
Hydro One Inc. CP	4.390%	09/26/2041	270,000	303,289	326,918	
Hydro One Inc. CP	4.590%	10/09/2043	136,000	157,734	170,765	
Hydro One Inc. CP	3.910%	02/23/2046	451,000	472,372	519,540	
Hydro One Inc. CP	5.000%	10/19/2046	209,000	257,135	283,308	
Hydro One Inc. CP	3.720%	11/18/2047	531,000	581,811	597,021	
iA Financial Corp. Inc. CP	3.072%	09/24/2031	436,000	436,000	438,002	
Intact Financial Corp. CP	2.850%	06/07/2027	358,000	333,083	357,943	
Loblaw Cos Ltd CP	6.500%	01/22/2029	490,000	614,761	609,209	
National Bank of Canada CP	2.545%	07/12/2024	245,000	244,566	245,315	
National Bank of Canada CP	2.580%	02/03/2025	282,000	281,992	282,165	

STEADYHAND INCOME FUND

Schedule of Investment Portfolio (continued)

As at December 31, 2019

	Coupon rate	Maturity or expiry date	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
Corporate Bonds (continued):						
Northern Courier Pipeline LP CP	3.365%	06/30/2042	114,000	114,000	113,817	
Northwestern Hydro Acquisition Co. CP	3.877%	12/31/2036	805,000	822,549	857,261	
Nova Scotia Power Inc. CP	4.500%	07/20/2043	91,000	109,545	110,228	
Nova Scotia Power Inc. CP	3.571%	04/05/2049	507,000	538,904	541,942	
Plenary Properties LTAP LP CP	6.288%	01/31/2044	55,597	70,374	73,674	
RBC Yield Curve Deposit Note Series 23	1.729%	01/16/2020	4,250,000	4,260,625	3,997,384	
RBC Yield Curve Deposit Note Series 24	1.771%	05/11/2020	2,704,000	2,710,760	2,636,142	
Royal Bank of Canada CP	3.296%	09/26/2023	4,350,000	4,347,767	4,488,063	
Royal Bank of Canada CP	2.352%	07/02/2024	1,361,000	1,361,000	1,354,321	
Royal Bank of Canada CP	2.609%	11/01/2024	2,611,000	2,622,472	2,623,055	
Saputo Inc. CP	2.876%	11/19/2024	370,000	370,000	371,713	
Sea to Sky Highway Investment LP CP	2.629%	08/31/2030	203,490	203,722	201,080	
Toronto-Dominion Bank. CP	3.005%	05/30/2023	718,000	739,834	737,162	
Toronto-Dominion Bank. CP	1.909%	07/18/2023	313,000	312,296	310,038	
Toronto-Dominion Bank. CP	2.850%	03/08/2024	597,000	612,366	606,818	
Toronto-Dominion Bank. CP	2.496%	12/02/2024	1,428,000	1,426,581	1,428,414	
TransCanada Pipelines Ltd. CP	3.690%	07/19/2023	572,000	579,402	596,038	
TransCanada Pipelines Ltd. CP	8.050%	02/17/2039	197,000	309,749	307,649	
TransCanada Pipelines Ltd. CP	4.550%	11/15/2041	898,000	948,718	996,210	
TransCanada Pipelines Ltd. CP	4.350%	06/06/2046	762,000	777,383	826,493	
TransCanada Pipelines Ltd. CP	4.180%	07/03/2048	1,330,000	1,370,539	1,410,997	
TransCanada Trust CP	4.650%	05/18/2077	1,361,000	1,304,376	1,322,527	
Total corporate bonds				68,959,911	69,733,769	26.1
Total Bonds				184,057,618	185,979,445	70.4
Equities:						
Equities - Oil and Gas:						
Canadian Natural Resources Ltd.			38,300	1,417,700	1,608,600	
Enbridge Inc.			26,872	1,177,398	1,387,401	
Parkland Fuel Corp.			25,400	1,015,540	1,211,834	
Pembina Pipeline Corp.			52,600	2,342,337	2,531,638	
Suncor Energy Inc.			51,000	2,145,233	2,170,560	
TC Energy Corp.			14,500	896,907	1,002,820	
Total equities - oil and gas				8,995,115	9,912,853	3.8
Equities - Industrial Goods and Services:						
Canadian National Railway Co.			24,900	2,589,800	2,925,003	
Thomson Reuters Corp.			17,569	1,105,117	1,631,984	
Total equities - industrial goods and services				3,694,917	4,556,987	1.7
Equities - Consumer Cyclical:						
Restaurant Brands International Inc.			17,900	1,604,625	1,481,762	
Total equities - consumer cyclical				1,604,625	1,481,762	0.6
Equities - Consumer Products:						
Maple Leaf Foods Inc.			25,700	805,771	665,116	
Premium Brands Holding Corp.			9,900	904,822	900,504	
Saputo Group Inc.			15,900	641,248	639,180	
Total equities - consumer products				2,351,841	2,204,800	0.8
Equities - Health Care:						
Chartwell Retirement Residences			62,062	740,560	862,662	
Total equities - health care				740,560	862,662	0.3

STEADYHAND INCOME FUND

Schedule of Investment Portfolio (continued)

As at December 31, 2019

	Coupon rate	Maturity or expiry date	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
Equities (continued):						
Equities - Financial Services:						
Bank of Nova Scotia			38,800	2,811,133	2,845,980	
Element Fleet Management Corp.			224,800	1,883,993	2,493,032	
iA Financial Corp. Inc.			13,900	853,456	991,487	
Intact Financial Corp.			12,200	1,220,983	1,713,124	
Manulife Financial Corp.			47,700	1,134,170	1,257,372	
Royal Bank of Canada			53,400	5,003,915	5,486,850	
TMX Group Ltd.			8,600	961,821	967,070	
Toronto-Dominion Bank			60,879	3,848,171	4,433,818	
Total equities - financial services				17,717,642	20,188,733	7.6
Equities - Real Estate:						
Allied Property REIT			65,300	2,622,865	3,400,171	
Brookfield Property Partners LP			51,073	1,324,267	1,211,962	
Canadian Apartment Properties REIT			68,200	2,631,328	3,615,282	
First Capital REIT			143,800	2,942,148	2,972,346	
First Capital REIT Installment Receipts			27,900	291,276	292,113	
Granite REIT			25,900	1,666,432	1,708,882	
Riocan REIT			76,800	1,988,771	2,055,168	
Total equities - real estate				13,467,087	15,255,924	5.8
Equities - Retailing:						
Empire Company Ltd. Class A			70,600	2,310,502	2,150,476	
Loblaw Companies Ltd.			4,000	214,789	268,000	
Total equities - retailing				2,525,291	2,418,476	0.9
Equities - Communications and Media:						
BCE Inc.			32,900	1,939,160	1,979,264	
Shaw Communications Inc. Class B			69,900	1,831,965	1,841,865	
TELUS Corp.			22,400	1,070,930	1,126,272	
Total equities - communications and media				4,842,055	4,947,401	1.9
Equities - Utilities and Pipelines:						
Algonquin Power & Utilities Corp.			42,100	540,808	773,377	
Brookfield Infrastructure Partners LP			34,660	1,485,809	2,248,048	
Fortis Inc.			32,100	1,580,534	1,729,549	
Northland Power Inc.			45,300	1,066,268	1,232,160	
Total equities - utilities and pipelines				4,673,419	5,983,134	2.3
Total Equities				\$ 60,612,552	\$ 67,812,732	25.7
Pooled Investment Funds						
CC&L High Yield Bond Fund, Series I			556,464	5,543,095	5,375,049	2.0
Transaction Costs						
				(33,564)		
Total Investment Portfolio				253,874,626	262,862,151	99.5
Derivatives:						
Total unrealized loss on forward contracts (Schedule 1)					7,836	-
Total unrealized gain on futures contracts (Schedule 2)					154,318	0.1
Other Net Assets					1,131,513	0.4
Total Net Assets					\$ 264,155,818	100.0

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

STEADYHAND INCOME FUND

Forward Contracts

Schedule 1

As at December 31, 2019

Description	Maturity date	Currency amount	Contracted amount	Unrealized gain (loss)
US Dollars Forward	March 18, 2020	\$408,394	\$ 416,230	7,836

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

STEADYHAND INCOME FUND

Futures Contracts

Schedule 2

As at December 31, 2019

Description	Maturity date	Number of contracts	Fair value	Unrealized gain (loss)
CBOT 5 Year US T-Note Futures	March 31, 2020	(2)	\$ (307,613)	
Montreal 10 Year Canadian Bond Futures	March 20, 2020	(21)	(4,674,320)	
Margins			5,136,251	
Future contracts				\$ (4,981,933)
Margin requirement				5,136,251
				\$ 154,318

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

STEADYHAND INCOME FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2019 and 2018

1. Financial risk management:

The Fund is exposed to various types of financial risks that are associated with its investment strategies, financial instruments and market in which it invests. These include credit risk, liquidity risk and market risk which consists of currency risk, interest rate risk and other price risk. For a comprehensive discussion of the risks applicable to the Funds refer to note 9.

The Fund's objective is to provide a reasonably stable level of income and modest capital growth, while also preserving capital, through investing primarily in bonds, with some exposure to REITs and dividend-paying stocks. This Fund is a diversified income product that will provide a combination of current income, modest capital growth and inflation protection over the long-term, and is designed to serve as a core income holding within a portfolio, if applicable.

The Fund is Canada-focused: the portfolio manager invests primarily in fixed income instruments and income-producing securities issued by Canadian governments and corporations. The majority of the Fund's assets are held in bonds. The manager closely monitors the attractiveness of corporate bonds in relation to government-issued bonds, and will concentrate the fixed income portion of the portfolio wherever the best relative value is found. A smaller portion of dividend-paying common shares and REITs are included in the portfolio to enhance the Fund's yield and provide greater capital growth potential and protection from inflation.

Financial risks applicable to the Steadyhand Income Fund are discussed in more detail below.

(a) Credit risk:

The majority of the credit risk to which the Fund is exposed is concentrated in debt securities. Debt securities include short-term investments, bonds and futures contracts. Credit risk arising from other financial instruments is not considered significant. As at December 31, 2019 and 2018, the Fund was invested in debt securities with the following credit quality:

	December 31,		December 31,	
	2019	2018	2019	2018
Rating:				
AAA	\$ 26,751,077	\$ 80,723,836	10.1%	33.1%
AA	67,955,399	25,842,825	25.7%	10.6%
A	90,319,578	59,450,902	34.2%	24.4%
BBB	19,689,191	17,492,081	7.5%	7.2%
Total	\$ 204,715,245	\$ 183,509,644	77.5%	75.3%

(b) Liquidity risk:

The Fund's redeemable units are due on demand. The Fund's remaining non-derivative liabilities are due within twelve months of the year-end of the Fund. As at December 31, 2019 and 2018, the Fund had no derivative liabilities.

STEADYHAND INCOME FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2019 and 2018

1. Financial risk management (continued):

(c) Market risk:

(i) Interest rate risk:

The majority of interest rate risk arises from debt securities held in the Fund's investment portfolio. Debt securities include short-term investments, bonds and futures. Future contracts are not subject to interest rate risks and are excluded from analysis below. A summary of the Fund's interest rate exposure analyzed by the earlier of contractual re-pricing or maturity date is as follows.

	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
December 31, 2019						
Debt securities	\$ 4,082,172	\$ 3,510,575	\$ 2,735,703	\$ 84,694,050	\$ 94,651,870	\$ 189,674,370
December 31, 2018						
Debt securities	\$ 3,885,219	\$ 2,637,755	\$ 2,421,586	\$ 80,567,194	\$ 93,347,373	\$ 182,859,127

The Manager has determined that a fluctuation in interest rates of 25 basis points is reasonably possible, considering the economic environment in which the Fund operates. As at December 31, 2019, had interest rates increased or decreased by 25 basis points, with all other factors remaining constant, net assets attributable to redeemable units would have increased or decreased by approximately \$474,186 (December 31, 2018 - increased or decreased by \$457,148). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

(ii) Currency risk:

At period end, the carrying value of the Fund's net financial assets and financial liabilities held in individual foreign currencies expressed in Canadian dollars and as a percentage of its net assets were as follows:

Currency	December 31, 2019		December 31, 2018	
	Thousands of CAD	% of net assets	Thousands of CAD	% of net assets
United States dollar	\$ 135.7	0.1%	\$ 335.3	0.1%

As at December 31, 2019, had the Canadian dollar strengthened or weakened by 1% in relation to all foreign currencies, with all other factors remaining constant, net assets attributable to redeemable units would have increased or decreased by approximately \$1,357 (December 31, 2018- increased or decreased by approximately \$3,353). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

STEADYHAND INCOME FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2019 and 2018

1. Financial risk management (continued):

(c) Market risk (continued):

(iii) Other price risk:

There were no significant concentrations of risk to issuers at December 31, 2019 and 2018. The Fund held the following securities which exceeded 5% of the net assets attributable to the holders of redeemable units:

At December 31, 2019:

	Coupon rate	Maturity date	Percentage of net assets
Province of Quebec Bond	3.500%	December 01, 2022	5.9%
Province of Quebec Bond	3.500%	December 01, 2048	5.5%

At December 31, 2018: No securities exceeded 5% of net assets

As at period end, had the respective benchmark of the Fund increased or decreased by 5%, with all other variables held constant, net assets attributable to redeemable units would have increased or decreased as follows:

Indexes	December 31, 2019		December 31, 2018	
	5% Increase	5% Decrease	5% Increase	5% Decrease
DEX Universe Bond Index	\$ 9,298,972	\$ (9,298,972)	\$ 8,816,808	\$ (8,816,808)
S&P/TSX Composite Index	3,390,637	(3,390,637)	2,985,907	(2,985,907)
Total	\$ 12,689,609	\$ (12,689,609)	\$ 11,802,715	\$ (11,802,715)

In practice, actual results may differ from this sensitivity analysis and these differences could be material.

STEADYHAND INCOME FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2019 and 2018

2. Fair value of financial instruments:

For a general discussion of the Funds fair value measurements, refer to note 10.

(a) Fair value hierarchy - financial instruments measured at fair value:

The table below analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the statement of financial position.

All fair value measurements below are recurring.

December 31, 2019	Level 1	Level 2	Level 3	Total
Investments	\$ 73,187,780	\$ 189,674,371	\$ -	\$ 262,862,151
Derivative assets	162,154	-	-	162,154
	\$ 73,349,934	\$ 189,674,371	\$ -	\$ 263,024,305

December 31, 2018	Level 1	Level 2	Level 3	Total
Investments	\$ 59,718,419	\$ 182,859,127	\$ -	\$ 242,577,276
Derivative assets	82,394	-	-	82,394
Derivative liabilities	-	(38,465)	-	(38,465)
	\$ 59,800,813	\$ 182,820,662	\$ -	\$ 242,621,205

There were no transfers between Levels 1, 2 and 3 during the periods ended December 31, 2019 and 2018.

STEADYHAND FOUNDERS FUND

Statements of Financial Position

December 31, 2019 and 2018

	Note	2019	2018
Assets			
Cash		\$ 3,252,421	\$ 384,940
Subscriptions receivable		288,433	364,694
Interest and dividends receivable		89,929	54,711
Investments		494,138,398	431,417,530
		<hr/> 497,769,181	<hr/> 432,221,875
Liabilities			
Redemptions payable		1,149,891	1,681,336
Management fees payable	4	584,965	491,967
Distribution payable		-	37
		<hr/> 1,734,856	<hr/> 2,173,340
Net assets attributable to holders of redeemable units		<hr/> \$ 496,034,325	<hr/> \$ 430,048,535
Number of units outstanding	5	<hr/> 37,410,726	<hr/> 35,264,752
Net assets attributable to holders of redeemable units per unit		<hr/> \$ 13.26	<hr/> \$ 12.19

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

Approved on behalf of Steadyhand Investment
Management Ltd., in its capacity as Manager:

“Tom Bradley”

Director

“Neil Jensen”

Director

STEADYHAND FOUNDERS FUND

Statements of Comprehensive Income

Years ended December 31, 2019 and 2018

	Note	2019	2018
Revenue:			
Interest income		\$ 41,858	\$ 23,034
Distributions received from underlying fund		16,126,236	26,354,734
Changes in fair value of investments:			
Net realized gain		6,929,802	93,264
Net change in unrealized appreciation (depreciation)		34,345,117	(42,924,666)
Total revenue		57,443,013	(16,453,634)
Expenses:			
Management fees	4	6,392,206	5,797,948
Independent review committee fees		3,074	4,103
Total operating expenses		6,395,280	5,802,051
Management fee reductions		(1,853,275)	(1,624,395)
Expenses waived or absorbed by Manager		(3,074)	(4,103)
		(1,856,349)	(1,628,498)
Net operating expenses		4,538,931	4,173,553
Increase (decrease) in net assets attributable to holders of redeemable units from operations excluding distributions		52,904,082	(20,627,187)
Distributions to holders of redeemable units:			
From net investment income		(4,936,357)	(4,495,770)
From net realized gain on investment		(8,009,881)	(15,352,024)
Management fee reductions		(1,853,275)	(1,624,395)
		(14,799,513)	(21,472,189)
Increase (decrease) in net assets attributable to holders of redeemable units		\$ 38,104,569	\$ (42,099,376)
Increase (decrease) in net assets attributable to holders of redeemable units (excluding distributions)		\$ 52,904,082	\$ (20,627,187)
Increase (decrease) in net assets attributable to holders of redeemable units per unit (excluding distributions)		\$ 1.45	\$ (0.64)

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

STEADYHAND FOUNDERS FUND

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

Years ended December 31, 2019 and 2018

Series A	Note	2019	2018
Balance, beginning of year		\$ 430,048,535	\$ 399,611,555
Increase (decrease) in net assets attributable to holders of redeemable units		38,104,569	(42,099,376)
Redeemable unit transactions:			
Issue of redeemable units		66,344,818	83,123,946
Reinvestments of distributions		14,278,025	20,465,500
Redemption of redeemable units		(52,741,622)	(31,053,090)
Net increase from redeemable unit transactions		27,881,221	72,536,356
Balance, end of year		\$ 496,034,325	\$ 430,048,535

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

STEADYHAND FOUNDERS FUND

Statements of Cash Flows

Years ended December 31, 2019 and 2018

	Note	2019	2018
Cash provided by (used in):			
Operating activities:			
Proceeds from sale of investments		\$ 83,028,676	\$ 63,734,561
Purchase of investments		(104,474,623)	(140,416,197)
Interest and dividends received		16,132,876	26,385,915
Management fees paid		(4,445,935)	(4,102,989)
Operating expenses paid		(37)	(100)
		(9,759,043)	(54,398,810)
Financing activities:			
Proceeds from issue of redeemable units		66,421,079	84,585,015
Payments on redemption of redeemable units		(53,273,067)	(29,523,758)
Cash distributions paid to holders of redeemable units		(521,488)	(1,006,689)
		12,626,524	54,054,568
Increase (decrease) in cash		2,867,481	(344,242)
Cash, beginning of year		384,940	729,182
Cash, end of year		\$ 3,252,421	\$ 384,940

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

STEADYHAND FOUNDERS FUND

Schedule of Investment Portfolio

As at December 31, 2019

	Number of units	Average cost	Fair value	% of net assets
Pooled Investment Funds:				
Steadyhand Equity Fund, Series O	4,497,187	\$ 67,940,285	\$ 89,737,777	
Steadyhand Global Equity Fund, Series O	12,459,798	115,718,375	110,690,355	
Steadyhand Global Equity Small-Cap Fund Series O	1,413,350	14,633,315	16,777,312	
Steadyhand Income Fund, Series O	15,170,139	172,169,625	178,271,893	
Steadyhand Savings Fund, Series O	5,573,571	55,735,713	55,735,712	
Steadyhand Small-Cap Equity Series O	2,670,350	40,568,179	42,925,349	
Total pooled investment funds		466,765,492	494,138,398	99.6
Total Investment Portfolio		466,765,492	494,138,398	99.6
Other Net Assets			1,895,927	0.4
Total Net Assets			\$ 496,034,325	100.0

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

STEADYHAND FOUNDERS FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2019 and 2018

1. Financial risk management:

The Fund invests in other Steadyhand Funds, the discussion of risks immediately below looks through the Fund's investments and assesses the risks on this basis.

The Fund is exposed to various types of financial risks that are associated with its investment strategies, financial instruments and market in which it invests. These include credit risk, liquidity risk and market risk which consists of currency risk, interest rate risk and other price risk. For a comprehensive discussion of the risks applicable to the Funds refer to note 9.

The Fund's objective is to provide a combination of capital growth and income through investing in a diversified collection of Canadian and foreign companies, bonds and money market securities.

The Fund invests in equities in Canada and abroad, in roughly equal proportions. The geographic allocation of the Fund's equity investments may vary from these parameters; however, based on where the manager is seeing the best value. The fixed income portion of the Fund primarily invests in bonds and income-producing securities issued by Canadian governments and corporations.

Financial risks applicable to the Steadyhand Founders Fund are discussed in more detail below.

(a) Credit risk:

The majority of the credit risk to which the Fund is exposed is concentrated to its holdings in underlying funds with investments in debt securities. Debt securities include short-term investments, bonds and futures contracts. Credit risk arising from other financial instruments is not considered significant. At December 31, 2019 and 2018, the Fund was invested in debt securities with the following credit quality:

	December 31,		December 31,	
	2019	2018	2019	2018
Rating:				
AAA	\$ 45,777,459	\$ 68,379,230	9.2%	15.9%
AA	70,543,950	37,141,269	14.2%	8.6%
A	65,728,622	41,247,727	13.3%	9.6%
BBB	13,287,723	11,667,472	2.7%	2.7%
Total	\$ 195,337,754	\$ 158,435,698	39.4%	36.8%

(b) Liquidity risk:

The Fund's redeemable units are due on demand. The Fund's remaining non-derivative liabilities are due within twelve months of the year-end of the Fund. The Fund has no derivative liabilities as at December 31, 2019 and 2018.

STEADYHAND FOUNDERS FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2019 and 2018

1. Financial risk management (continued):

(c) Market risk:

(i) Interest rate risk:

The majority of interest rate risk arises from debt securities held in the Fund's investment portfolio. Futures contracts are not subject to interest rate risks and are excluded from analysis below. A summary of the Fund's interest rate exposure analyzed by the earlier of contractual re-pricing or maturity date is as follows.

December 31, 2019	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Debt securities	\$ 25,497,216	\$ 26,695,090	\$ 11,958,855	\$ 57,157,812	\$ 63,878,086	\$ 185,187,059
December 31, 2018	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Debt securities	\$ 14,512,274	\$ 20,323,680	\$ 4,655,827	\$ 56,245,962	\$ 62,264,050	\$ 158,001,793

The Manager has determined that a fluctuation in interest rates of 25 basis points is reasonably possible, considering the economic environment in which the Fund operates. As at December 31, 2019, had interest rates increased or decreased by 25 basis points, with all other factors remaining constant, net assets attributable to redeemable units would have increased or decreased by approximately \$462,968 (December 31, 2018 - increased or decreased by \$395,004). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

(ii) Currency risk:

At period end, the carrying value of the Fund's net financial assets and financial liabilities held in individual foreign currencies expressed in Canadian dollars and as a percentage of its net assets were as follows:

Currency	December 31, 2019		December 31, 2018	
	Thousands of CAD	% of net assets	Thousands of CAD	% of net assets
United States Dollar	\$ 92,216.6	18.6%	\$ 87,876.0	20.4%
Euro	22,982.7	4.6%	12,577.1	2.9%
British Pound	20,804.5	4.2%	16,493.4	3.8%
Japanese Yen	16,432.7	3.3%	11,295.4	2.6%
Norwegian Krone	9,527.1	1.9%	7,543.1	1.8%
Swiss Franc	4,388.4	0.9%	3,653.1	0.9%
Danish Krone	2,429.2	0.5%	6,062.4	1.4%
Hong Kong Dollar	2,041.2	0.4%	1,534.2	0.4%
Korean Won	1,450.6	0.3%	1,898.1	0.4%
Swedish Krone	1,057.1	0.2%	-	-%
Australian Dollar	653.2	0.1%	-	-%
	\$ 173,983.3	35.0%	\$ 148,932.8	34.6%

STEADYHAND FOUNDERS FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2019 and 2018

1. Financial risk management (continued):

(c) Market risk (continued):

(ii) Currency risk (continued):

As at December 31, 2019, had the Canadian dollar strengthened or weakened by 1% in relation to all foreign currencies, with all other factors remaining constant, net assets attributable to redeemable units would have increased or decreased by approximately \$1,739,833 (December 31, 2018 - increased or decreased by approximately \$1,489,334). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

(iii) Other price risk:

There were no significant concentrations of risk to issuers at December 31, 2019 or 2018. No exposure to any individual issuer exceeded 5% of the net assets attributable to the holders of redeemable units either at December 31, 2019 or 2018.

As at period end, had the respective benchmark of the Fund increased or decreased by 5%, with all other variables held constant, net assets attributable to redeemable units would have increased or decreased as follows:

Indexes	December 31, 2019		December 31, 2018	
	5% Increase	5% Decrease	5% Increase	5% Decrease
DEX 90 Day TBill Index	\$ 1,235,346	\$ (1,235,346)	\$ 1,078,544	\$ (1,078,544)
DEX Universe Bond Index	8,647,422	(8,647,422)	7,549,807	(7,549,807)
S&P/TSX Composite Index	8,647,422	(8,647,422)	7,549,807	(7,549,807)
Morningstar Developed Markets Index (\$Cdn)	6,176,730	(6,176,730)	5,392,719	(5,392,719)
Total	\$ 24,706,920	\$ (24,706,920)	\$ 21,570,87	\$ (21,570,877)

In practice, actual results may differ from this sensitivity analysis and these differences could be material.

2. Fair value of financial instruments:

For a general discussion of the Funds fair value measurements, refer to note 10.

(a) Fair value hierarchy - financial instruments measured at fair value:

The table below analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the statement of financial position.

STEADYHAND FOUNDERS FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2019 and 2018

2. Fair value of financial instruments (continued):

(a) Fair value hierarchy - financial instruments measured at fair value (continued):

All fair value measurements below are recurring.

December 31, 2019	Level 1	Level 2	Level 3	Total
Investments	\$ 494,138,398	\$ -	\$ -	\$ 494,138,398

December 31, 2018	Level 1	Level 2	Level 3	Total
Investments	\$ 431,417,530	\$ -	\$ -	\$ 431,417,530

There were no transfers between Levels 1, 2 and 3 during the periods ended December 31, 2019 or 2018.

STEADYHAND BUILDERS FUND

Statements of Financial Position

December 31, 2019

	Note	2019
Assets		
Cash		\$ 659,740
Subscriptions receivable		313,502
Interest and dividends receivable		36
Investments		63,953,391
		<hr/> 64,926,669
Liabilities		
Management fees payable	4	90,069
<hr/>		
Net assets attributable to holders of redeemable units		\$ 64,836,600
<hr/>		
Number of units outstanding	5	6,087,472
<hr/>		
Net assets attributable to holders of redeemable units per unit		\$ 10.65

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

Approved on behalf of Steadyhand Investment Management Ltd., in its capacity as Manager:

“Tom Bradley”
Director

“Neil Jensen”
Director

STEADYHAND BUILDERS FUND

Statements of Comprehensive Income

Period from inception on January 23, 2019 to December 31, 2019

	Note	2019
Revenue:		
Interest income		\$ 4,902
Distributions received from underlying fund		1,923,168
Changes in fair value of investments:		
Net realized gain		160
Net change in unrealized appreciation		2,527,032
Total revenue		4,455,262
Expenses:		
Management fees	4	604,861
Independent review committee fees		3,074
Total operating expenses		607,935
Management fee reductions		(167,406)
Expenses waived or absorbed by Manager		(3,074)
Net operating expenses		(170,480)
Increase in net assets attributable to holders of redeemable units from operations excluding distributions		4,017,807
Distributions to holders of redeemable units:		
From net investment income		(733,823)
From net realized gain on investment		(538,643)
Management fee reductions		(167,406)
		(1,439,872)
Increase in net assets attributable to holders of redeemable units		\$ 2,577,935
Increase in net assets attributable to holders of redeemable units (excluding distributions)		\$ 4,017,807
Increase in net assets attributable to holders of redeemable units per unit (excluding distributions)		\$ 1.05

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

STEADYHAND BUILDERS FUND

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

Period from inception on January 23, 2019 to December 31, 2019

Series A	Note	2019
Balance, beginning of period		\$ -
Increase in net assets attributable to holders of redeemable units		2,577,935
Redeemable unit transactions:		
Issue of redeemable units		63,223,910
Reinvestments of distributions		1,439,872
Redemption of redeemable units		(2,405,117)
Net increase from redeemable unit transactions		62,258,665
Balance, end of period		\$ 64,836,600

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

STEADYHAND BUILDERS FUND

Statements of Cash Flows

Period from inception on January 23, 2019 to December 31, 2019

	Note	2019
Cash provided by (used in):		
Operating activities:		
Proceeds from sale of investments		\$ 9,802
Purchase of investments		(61,436,001)
Interest and dividends received		1,928,034
Management fees paid		(347,386)
Operating expenses paid		-
		<u>(59,845,551)</u>
Financing activities:		
Proceeds from issue of redeemable units		62,910,408
Payments on redemption of redeemable units		(2,405,117)
Cash distributions paid to holders of redeemable units		-
		<u>60,505,291</u>
Increase in cash		659,740
Cash, beginning of period		-
Cash, end of period		<u>\$ 659,740</u>

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

STEADYHAND BUILDERS FUND

Schedule of Investment Portfolio

As at December 31, 2019

	Number of units	Average cost	Fair value	% of net assets
Pooled Investment Funds:				
Steadyhand Equity Fund, Series O	1,120,960	\$ 21,401,406	\$ 22,367,857	
Steadyhand Global Equity Fund, Series O	2,527,746	22,054,779	22,455,991	
Steadyhand Global Small-Cap Equity Fund, Series O	805,502	8,660,019	9,561,789	
Steadyhand Small-Cap Equity Series O	595,202	9,310,155	9,567,754	
Total pooled investment funds		61,426,359	63,953,391	98.6
Total Investment Portfolio		61,426,359	63,953,391	98.6
Other Net Assets			883,209	1.4
Total Net Assets			\$ 64,836,600	100.0

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

STEADYHAND BUILDERS FUND

Discussion of Financial Instruments and Risk Management

Period from inception on January 23, 2019 to December 31, 2019

1. Financial risk management:

The Fund invests in other Steadyhand Funds, the discussion of risks immediately below looks through the Fund's investments and assesses the risks on this basis.

The Fund is exposed to various types of financial risks that are associated with its investment strategies, financial instruments and market in which it invests. These include credit risk, liquidity risk and market risk which consists of currency risk, interest rate risk and other price risk. For a comprehensive discussion of the risks applicable to the Funds refer to note 9.

The Fund's objective is to provide a combination of capital growth and income through investing in a diversified collection of Canadian and foreign companies, bonds and money market securities.

The Fund invests in equities in Canada and abroad, in roughly equal proportions. The geographic allocation of the Fund's equity investments may vary from these parameters; however, based on where the manager is seeing the best value. The fixed income portion of the Fund primarily invests in bonds and income-producing securities issued by Canadian governments and corporations.

Financial risks applicable to the Steadyhand Builders Fund are discussed in more detail below.

(a) Credit risk:

The majority of the credit risk to which the Fund is exposed is concentrated to its holdings in underlying funds with investments in debt securities. Debt securities include short-term investments, bonds and futures contracts. Credit risk arising from other financial instruments is not considered significant. At December 31, 2019, the Fund was invested in debt securities with the following credit quality:

	December 31, 2019	
Rating:		
AAA	\$ 271,785	0.4%
Total	\$ 271,785	0.4%

(b) Liquidity risk:

The Fund's redeemable units are due on demand. The Fund's remaining non-derivative liabilities are due within twelve months of the year-end of the Fund. The Fund has no derivative liabilities as at December 31, 2019.

STEADYHAND BUILDERS FUND

Discussion of Financial Instruments and Risk Management

Period from inception on January 23, 2019 to December 31, 2019

1. Financial risk management (continued):

(c) Market risk:

(i) Interest rate risk:

The majority of interest rate risk arises from debt securities held in the Fund's investment portfolio. Futures contracts are not subject to interest rate risks and are excluded from analysis below. A summary of the Fund's interest rate exposure analyzed by the earlier of contractual re-pricing or maturity date is as follows.

December 31, 2019	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Debt securities	\$ 259,819	\$ -	\$ -	\$ -	\$ -	\$ 259,819

The Manager has determined that a fluctuation in interest rates of 25 basis points is reasonably possible, considering the economic environment in which the Fund operates. As at December 31, 2019, had interest rates increased or decreased by 25 basis points, with all other factors remaining constant, net assets attributable to redeemable units would have increased or decreased by approximately \$650. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

(ii) Currency risk:

At period end, the carrying value of the Fund's net financial assets and financial liabilities held in individual foreign currencies expressed in Canadian dollars and as a percentage of its net assets were as follows:

Currency	December 31, 2019	
	Thousands of CAD	% of net assets
United States Dollar	\$ 19,890.3	47.0%
Euro	4,840.3	11.5%
British Pound	4,534.3	10.7%
Japanese Yen	3,541.2	8.4%
Norwegian Krone	1,932.8	4.6%
Swiss Franc	1,092.0	2.6%
Danish Krone	575.4	1.4%
Hong Kong Dollar	414.1	1.0%
Korean Won	294.3	0.7%
Swedish Krone	214.4	0.5%
Australian Dollar	132.5	0.3%
	\$ 37,461.6	88.7%

STEADYHAND BUILDERS FUND

Discussion of Financial Instruments and Risk Management

Period from inception on January 23, 2019 to December 31, 2019

1. Financial risk management (continued):

(c) Market risk (continued):

(ii) Currency risk (continued):

As at December 31, 2019, had the Canadian dollar strengthened or weakened by 1% in relation to all foreign currencies, with all other factors remaining constant, net assets attributable to redeemable units would have increased or decreased by approximately \$374,616. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

(iii) Other price risk:

There were no significant concentrations of risk to issuers at December 31, 2019. No exposure to any individual issuer exceeded 5% of the net assets attributable to the holders of redeemable units at December 31, 2019.

As at period end, had the respective benchmark of the Fund increased or decreased by 5%, with all other variables held constant, net assets attributable to redeemable units would have increased or decreased as follows:

Indexes	December 31, 2019	
	5% Increase	5% Decrease
FTSE Cdn Universe Bond Index	159,883	(159,883)
S&P/TSX Cdn Composite Index	639,534	(639,534)
S&P/TSX SmallCap Index	319,767	(319,767)
Markets Index (\$Cdn)	1,598,835	(1,598,835)
S&P Global Small Cap Index	479,650	(479,650)
Total	\$ 3,197,669	\$ (3,197,669)

In practice, actual results may differ from this sensitivity analysis and these differences could be material.

2. Fair value of financial instruments:

For a general discussion of the Funds fair value measurements, refer to note 10.

(a) Fair value hierarchy - financial instruments measured at fair value:

The table below analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the statement of financial position.

STEADYHAND BUILDERS FUND

Discussion of Financial Instruments and Risk Management

Period from inception on January 23, 2019 to December 31, 2019

2. Fair value of financial instruments (continued):

(a) Fair value hierarchy - financial instruments measured at fair value (continued):

All fair value measurements below are recurring.

December 31, 2019	Level 1	Level 2	Level 3	Total
Investments	\$ 63,953,391	\$ -	\$ -	\$ 63,953,391

There were no transfers between Levels 1, 2 and 3 during the period ended December 31, 2019.

STEADYHAND EQUITY FUND

Statements of Financial Position

December 31, 2019 and 2018

	Note	2019	2018
Assets			
Cash		\$ -	\$ 440,181
Subscriptions receivable		371,956	232,606
Interest and dividends receivable		630,475	319,298
Investments		210,995,620	204,721,393
		<u>211,998,051</u>	<u>205,713,478</u>
Liabilities			
Bank indebtedness		66,331	-
Balances due to brokers		352,501	-
Redemptions payable		16,000	30,509
Management fees payable	4	124,271	125,763
		<u>559,103</u>	<u>156,272</u>
Net assets attributable to holders of redeemable units			
		<u>\$ 211,438,948</u>	<u>\$ 205,557,206</u>
Represented by:			
Series A		\$ 99,180,789	\$ 103,720,328
Series O		112,258,159	101,836,878
		<u>\$ 211,438,948</u>	<u>\$ 205,557,206</u>
Number of units outstanding:			
Series A	5	5,147,441	6,205,195
Series O		5,625,804	5,905,735
Net assets attributable to holders of redeemable units per unit:			
Series A		\$ 19.27	\$ 16.72
Series O		19.95	17.24

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

Approved on behalf of Steadyhand Investment Management Ltd., in its capacity as Manager:

“Tom Bradley”
Director

“Neil Jensen”
Director

STEADYHAND EQUITY FUND

Statements of Comprehensive Income

Years ended December 31, 2019 and 2018

	Note	2019	2018
Revenue:			
Interest income		\$ 169,027	\$ 133,009
Dividend income		4,480,376	3,918,307
Foreign exchange gain (loss)		(12,349)	7,456
Change in fair value of investments:			
Net realized gain		14,199,080	3,863,294
Net change in unrealized appreciation (depreciation)		18,159,685	(12,402,156)
Total revenue		36,995,819	(4,480,090)
Expenses:			
Management fees	4	1,459,364	1,535,333
Withholding taxes	6	217,040	133,107
Transaction costs	7	105,157	61,565
Independent review committee fees		3,074	4,103
Total operating expenses		1,784,635	1,734,108
Management fee reductions		(447,901)	(455,345)
Expenses waived or absorbed by Manager		(3,074)	(4,103)
		(450,975)	(459,448)
Net operating expenses		1,333,660	1,274,660
Increase (decrease) in net assets attributable to holders of redeemable units from operations excluding distributions			
		35,662,159	(5,754,750)
Distributions to holders of redeemable units:			
From net investment income		(3,956,368)	(2,314,609)
From net realized gain on investment		(173,849)	(2,408,542)
Management fee reductions		(447,901)	(455,345)
		(4,578,118)	(5,178,496)
Increase (decrease) in net assets attributable to holders of redeemable units \$			
		31,084,041	\$ (10,933,246)
Increase (decrease) in net assets attributable to holders of redeemable units:			
Series A		\$ 14,951,538	\$ (6,181,684)
Series O		16,132,503	(4,751,562)
		\$ 31,084,041	\$ (10,933,246)
Increase (decrease) in net assets attributable to holders of redeemable units (excluding distributions):			
Series A		\$ 16,810,071	\$ (3,750,994)
Series O		18,852,088	(2,003,756)
		\$ 35,662,159	\$ (5,754,750)
Increase (decrease) in net assets attributable to holders of redeemable units (excluding distributions):			
Series A		\$ 3.02	\$ (0.62)
Series O		3.21	(0.44)

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

STEADYHAND EQUITY FUND

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

Years ended December 31, 2019 and 2018

Series A	Note	2019	2018
Balance, beginning of year		\$ 103,720,328	\$ 102,077,265
Increase (decrease) in net assets attributable to holders of redeemable units		14,951,538	(6,181,684)
Redeemable unit transactions:			
Issue of redeemable units		5,811,094	14,066,410
Reinvestments of distributions		1,741,215	2,293,723
Redemption of redeemable units		(27,043,386)	(8,535,386)
Net increase (decrease) from redeemable unit transactions		(19,491,077)	7,824,747
Balance, end of year		\$ 99,180,789	\$ 103,720,328

Series O	Note	2019	2018
Balance, beginning of year		\$ 101,836,878	\$ 70,225,322
Increase (decrease) in net assets attributable to holders of redeemable units		16,132,503	(4,751,562)
Redeemable unit transactions:			
Issue of redeemable units		21,021,135	33,690,314
Reinvestment of distributions		2,719,584	2,747,804
Redemption of redeemable units		(29,451,941)	(75,000)
Net increase (decrease) from redeemable unit transactions		(5,711,222)	36,363,118
Balance, end of year		\$ 112,258,159	\$ 101,836,878

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

STEADYHAND EQUITY FUND

Statements of Cash Flows

Years ended December 31, 2019 and 2018

	Note	2019	2018
Cash provided by (used in):			
Operating activities:			
Proceeds from sale of investments		\$ 171,464,459	\$ 108,700,241
Purchase of investments		(145,483,769)	(150,141,847)
Interest and dividends received		4,338,226	4,003,946
Balances due to broker		352,501	(63,897)
Management fees paid		(1,012,955)	(1,068,934)
Foreign withholding taxes paid		(217,040)	(133,107)
		29,441,422	(38,703,598)
Financing activities:			
Proceeds from issue of redeemable units		26,692,879	47,676,906
Payments on redemption of redeemable units		(56,509,836)	(8,618,662)
Cash distributions paid to holders of redeemable units		(117,319)	(136,969)
		(29,934,276)	38,921,275
Increase (decrease) in cash		(492,854)	217,677
Cash, beginning of year		440,181	210,828
Effect of exchange rate fluctuations on cash		(13,658)	11,676
Cash (bank indebtedness), end of year		\$ (66,331)	\$ 440,181

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

STEADYHAND EQUITY FUND

Schedule of Investment Portfolio
As at December 31, 2019

	Coupon rate	Maturity or expiry date	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
Short-Term Investments - Treasury Bills:						
Canadian Treasury Bill	1.656%	03/05/2020	2,465,000	\$ 2,456,019	\$ 2,456,019	
Total short-term investments - treasury bills				2,456,019	2,456,019	1.2
Equities - Oil and Gas:						
Suncor Energy Inc.			264,250	9,338,775	11,246,480	
Total equities - oil and gas				9,338,775	11,246,480	5.3
Equities - Basic Materials:						
Franco-Nevada Corp.			102,350	7,683,785	13,724,112	
Nutrien Ltd.			136,748	7,220,395	8,501,623	
Total equities - basic materials				14,904,180	22,225,735	10.5
Equities - Industrial Goods and Services:						
CAE Inc.			196,873	3,113,488	6,768,494	
Canadian National Railway Co.			88,400	6,780,798	10,384,348	
CCL Industries Inc.			194,000	8,983,357	10,732,080	
Christian Hansen A/S			40,025	4,853,426	4,127,551	
Croda International PLC			73,000	5,804,518	6,420,669	
Ritchie Bros. Auctioneers Inc.			156,085	5,036,254	8,697,056	
Sika AG			41,989	6,992,228	10,225,242	
Total equities - industrial goods and services				41,564,069	57,355,440	27.0
Equities - Communications and Media:						
TELUS Corp.			143,800	7,060,783	7,230,264	
Total equities - communications and media				7,060,783	7,230,264	3.4
Equities - Consumer Cyclical:						
Magna International Inc.			85,200	4,732,635	6,066,240	
Total equities - consumer cyclical				4,732,635	6,066,240	2.9
Equities - Financial Services:						
CME Group Inc.			43,400	10,086,211	11,296,291	
Experian PLC			217,000	4,415,466	9,513,228	
S&P Global Inc.			12,391	3,815,096	4,387,368	
Toronto-Dominion Bank			177,200	9,923,535	12,905,476	
Visa Inc. Cl.A			54,347	3,964,267	13,242,130	
Total equities - financial services				32,204,575	51,344,493	24.4
Equities - Healthcare:						
Danaher Corp.			28,400	5,027,181	5,652,306	
Koninklijke Philips NV			142,500	7,592,702	9,027,074	
Novartis ADR			72,700	5,483,518	8,926,764	
Total equities - healthcare				18,103,401	23,606,144	11.2
Equities - Retailing:						
CVS Health Corp.			58,633	4,490,534	5,648,433	
Dollarama Inc.			182,000	7,794,604	8,122,660	
Total equities - retailing				12,285,138	13,771,093	6.5
Equities - Technology:						
Keyence Corp.			22,950	8,009,221	10,540,385	
Microsoft Corp.			25,200	4,283,391	5,153,327	
Total equities - technology				12,292,612	15,693,712	7.4
Total Equities				152,486,168	208,539,601	98.6
Transaction costs				(96,586)	-	
Total Investment Portfolio				154,845,601	210,995,620	99.8
Other Net Assets					443,328	0.2
Total Net Assets					\$211,438,948	100.0

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

STEADYHAND EQUITY FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2019 and 2018

1. Financial risk management:

The Fund is exposed to various types of financial risks that are associated with its investment strategies, financial instruments and market in which it invests. These include credit risk, liquidity risk and market risk which consists of currency risk, interest rate risk and other price risk. For a comprehensive discussion of the risks applicable to the Funds refer to note 9.

The Fund's objective is to grow capital at a pace that significantly exceeds inflation through exposure to a focused group of Canadian and foreign companies.

The Fund is North American-focused: the portfolio manager invests a majority of the fund in Canadian stocks, but seeks to enhance returns and minimize risk by also investing in companies and industries that are not available in Canada.

Financial risks applicable to the Steadyhand Equity Fund are discussed in more detail below.

(a) Credit risk:

As at December 31, 2019 and 2018, the Fund does not have significant exposure to credit risk.

(b) Liquidity risk:

The Fund's redeemable units are due on demand. The Fund's remaining non-derivative liabilities are due within twelve months of the year-end of the Fund. The Fund has no derivative liabilities as at December 31, 2019 and 2018.

(c) Market risk:

(i) Interest rate risk:

As at December 31, 2019 and 2018, the Fund does not have significant exposure to interest rate risk.

(ii) Currency risk:

At period end, the carrying value of the Fund's net financial assets and financial liabilities held in individual foreign currencies expressed in Canadian dollars and as a percentage of its net assets were as follows:

Currency	December 31, 2019		December 31, 2018	
	Thousands of CAD	% of net assets	Thousands of CAD	% of net assets
United States Dollar	\$ 54,827.8	25.9%	\$ 57,653.5	28.0%
British Pound	15,933.9	7.5%	8,254.5	4.0%
Japanese Yen	10,540.4	5.0%	7,995.4	3.9%
Swiss Franc	10,248.4	4.8%	7,220.6	3.5%
Euro	9,027.1	4.3%	-	-%
Danish Krone	4,193.7	2.0%	12,236.9	6.0%
	\$ 104,771.3	49.5%	\$ 93,360.9	45.4%

As at December 31, 2019, had the Canadian dollar strengthened or weakened by 1% in relation to all foreign currencies, with all other factors remaining constant, net assets attributable to redeemable units would have increased or decreased by approximately \$1,047,713 (December 31, 2018 - increased or decreased by approximately \$933,609). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

STEADYHAND EQUITY FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2019 and 2018

1. Financial risk management (continued):

(c) Market risk (continued):

(iii) Other price risk:

There were no significant concentrations of risk to issuers at December 31, 2019 and 2018. The Fund held the following securities which exceeded 5% of the net assets attributable to the holders of redeemable units:

At December 31, 2019:

	Percentage of net assets
Franco-Nevada Corp.	6.5%
Visa Inc.	6.3%
Toronto-Dominion Bank	6.1%
CME Group Inc.	5.3%
Suncor Energy Inc.	5.3%
CCL Industries Inc.	5.1%
Keyence Corp.	5.0%

At December 31, 2018:

	Percentage of net assets
Franco-Nevada Corp.	6.2%
Visa Inc.	6.0%
Toronto-Dominion Bank	5.1%
Suncor Energy Inc.	5.0%

As at period end, had the respective benchmark of the Fund increased or decreased by 5%, with all other variables held constant, net assets attributable to redeemable units would have increased or decreased as follows:

Indexes	December 31, 2019		December 31, 2018	
	5% Increase	5% Decrease	5% Increase	5% Decrease
S&P/TSX Composite Index	\$ 6,256,188	\$ (6,256,188)	\$ 5,771,461	\$ (5,771,461)
Morningstar Developed Markets Index (\$Cdn)	4,170,792	(4,170,792)	3,847,641	(3,847,641)
Total	\$ 10,426,980	\$ (10,426,980)	\$ 9,619,102	\$ (9,619,102)

In practice, actual results may differ from this sensitivity analysis and these differences could be material.

STEADYHAND EQUITY FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2019 and 2018

2. Fair value of financial instruments:

For a general discussion of the Funds fair value measurements, refer to note 10.

(a) Fair value hierarchy - financial instruments measured at fair value:

The table below analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the statement of financial position.

All fair value measurements below are recurring.

December 31, 2019	Level 1	Level 2	Level 3	Total
Investments	\$ 199,612,837	\$ 11,382,783	\$ -	\$ 210,995,620

December 31, 2018	Level 1	Level 2	Level 3	Total
Investments	\$ 192,382,026	\$ 12,339,367	\$ -	\$ 204,721,393

There were no transfers between Levels 1, 2 and 3 during the periods ended December 31, 2019 and 2018.

STEADYHAND GLOBAL EQUITY FUND

Statements of Financial Position

December 31, 2019 and 2018

	Note	2019	2018
Assets			
Cash		\$ 5,659,388	\$ 17,764,663
Balances due from brokers		-	-
Subscriptions receivable		247,857	237,558
Interest and dividends receivable		489,941	540,778
Investments		195,840,012	165,953,804
		202,237,198	184,496,803
Liabilities			
Balances due to brokers		-	3,320,398
Redemptions payable		-	27,591
Management fees payable	4	107,531	123,595
		107,531	3,471,584
Net assets attributable to holders of redeemable units			
		\$ 202,129,667	\$ 181,025,219
Represented by:			
Series A		\$ 68,833,452	\$ 81,102,021
Series O		133,296,215	99,923,198
		\$ 202,129,667	\$ 181,025,219
Number of units outstanding:			
Series A	5	8,074,139	10,349,575
Series O		15,004,429	12,291,525
Net assets attributable to holders of redeemable units per unit:			
Series A		\$ 8.53	\$ 7.84
Series O		8.88	8.13

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

Approved on behalf of the Board of
Steadyhand Investment Management Ltd.,
in its capacity as Manager:

“Tom Bradley”
Director

“Neil Jensen”
Director

STEADYHAND GLOBAL EQUITY FUND

Statements of Comprehensive Income

Years ended December 31, 2019 and 2018

	Note	2019	2018
Revenue:			
Interest income		\$ 134,749	\$ 55,314
Dividend income		5,317,216	5,651,532
Foreign exchange income		42,352	68,462
Changes in fair value of investments:			
Net realized gain		2,512,828	24,622,243
Net change in unrealized appreciation (depreciation)		16,370,533	(48,242,186)
Total revenue		24,377,678	(17,844,635)
Expenses:			
Management fees	4	1,318,935	1,639,073
Withholding taxes	6	517,366	580,267
Transaction costs	7	19,964	385,608
Independent review committee fees		3,074	4,103
Total operating expenses		1,859,339	2,609,051
Management fee reductions		(436,985)	(529,940)
Expenses waived or absorbed by Manager		(3,074)	(4,103)
		(440,059)	(534,043)
Net operating expenses		1,419,280	2,075,008
Increase (decrease) in net assets attributable to holders of redeemable units from operations excluding distributions		22,958,398	(19,919,643)
Distributions to holders of redeemable units:			
From net investment income		(3,423,679)	(3,238,378)
From net realized gain on investment		(2,609,846)	(24,720,772)
Management fee reductions		(436,985)	(529,940)
		(6,470,510)	(28,489,090)
Increase (decrease) in net assets attributable to holders of redeemable units		\$ 16,487,888	\$ (48,408,733)
Increase (decrease) in net assets attributable to holders of redeemable units:			
Series A		\$ 6,663,748	\$ (23,642,129)
Series O		9,824,140	(24,766,604)
		\$ 16,487,888	\$ (48,408,733)
Increase (decrease) in net assets attributable to holders of redeemable units (excluding distributions):			
Series A		\$ 8,577,542	\$ (10,490,011)
Series O		14,380,856	(9,429,632)
		\$ 22,958,398	\$ (19,919,643)
Increase (decrease) in net assets attributable to holders of redeemable units per unit (excluding distributions):			
Series A		\$ 0.96	\$ (1.19)
Series O		1.05	(1.23)

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

STEADYHAND GLOBAL EQUITY FUND

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

Years ended December 31, 2019 and 2018

Series A	Note	2019	2018
Balance, beginning of year		\$ 81,102,021	\$ 86,128,769
Increase (decrease) in net assets attributable to holders of redeemable units		6,663,748	(23,642,129)
Redeemable unit transactions:			
Issue of redeemable units		4,266,747	14,353,798
Reinvestments of distributions		1,839,957	12,233,173
Redemption of redeemable units		(25,039,021)	(7,971,590)
Net increase (decrease) from redeemable unit transactions		(18,932,317)	18,615,381
Balance, end of year		\$ 68,833,452	\$ 81,102,021

Series O	Note	2019	2018
Balance, beginning of year		\$ 99,923,198	\$ 72,825,436
Increase (decrease) in net assets attributable to holders of redeemable units		9,824,140	(24,766,604)
Redeemable unit transactions:			
Issue of redeemable units		23,492,166	37,602,398
Reinvestment of distributions		4,556,711	15,336,968
Redemption of redeemable units		(4,500,000)	(1,075,000)
Net increase from redeemable unit transactions		23,548,877	51,864,366
Balance, end of year		\$ 133,296,215	\$ 99,923,198

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

STEADYHAND GLOBAL EQUITY FUND

Statements of Cash Flows

Years ended December 31, 2019 and 2018

	Note	2019	2018
Cash provided by (used in):			
Operating activities:			
Proceeds from sale of investments		\$ 24,691,827	\$ 219,190,590
Purchase of investments		(35,377,050)	(260,066,310)
Interest and dividends received		5,502,802	5,438,533
Balances due from brokers		-	98,253
Balances due to brokers		(3,320,398)	3,320,398
Management fees paid		(898,014)	(1,106,674)
Foreign withholding taxes paid		(517,366)	(580,267)
		(9,918,199)	(33,705,477)
Financing activities:			
Proceeds from issue of redeemable units		27,748,614	51,767,265
Payments on redemption of redeemable units		(29,566,612)	(9,041,852)
Cash distributions paid to holders of redeemable units		(73,842)	(918,949)
		(1,891,840)	41,806,464
Increase (decrease) in cash		(11,810,039)	8,100,987
Cash, beginning of year		17,764,663	9,348,991
Effect of exchange rate fluctuations on cash		(295,236)	314,685
Cash, end of year		\$ 5,659,388	\$ 17,764,663

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

STEADYHAND GLOBAL EQUITY FUND

Schedule of Investment Portfolio

As at December 31, 2019

	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
Equities - Oil and Gas:				
Cenovus Energy Inc.	179,209	\$ 1,969,593	\$ 2,365,559	
CGG SA	747,706	2,027,481	3,150,813	
Encana Corp.	350,400	4,487,796	2,130,432	
Frank's International NV	582,633	6,423,057	3,906,080	
Halliburton Co.	76,387	3,486,979	2,423,868	
JXTG Holdings Inc.	538,000	4,092,393	3,196,320	
National Oilwell Varco Inc.	44,701	2,591,908	1,452,046	
Northern Drilling Ltd.	524,334	3,718,282	1,597,822	
Royal Dutch Shell PLC	52,229	2,189,581	1,989,187	
Schlumberger NV	78,778	6,166,431	4,106,639	
Total equities - oil and gas		37,153,501	26,318,766	13.0
Equities - Basic Materials:				
Stella-Jones Inc.	68,103	2,586,902	2,555,225	
Total equities - basic materials		2,586,902	2,555,225	1.3
Equities - Industrial Goods and Services:				
Chugoku Mar Paints	440,300	5,570,780	5,490,234	
Elis SA.	101,209	2,724,614	2,725,424	
KCC Corp.	4,030	1,507,919	1,055,165	
Konecranes OYJ	127,812	6,336,857	5,097,597	
Sealed Air Corp.	28,887	1,498,712	1,491,998	
Stericycle Inc.	32,775	2,070,388	2,711,983	
Wabtec Corp.	30,235	2,815,004	3,050,318	
Total equities - industrial goods and services		22,524,274	21,622,719	10.7
Equities - Communications and Media:				
21 ST Century Fox Inc. Class A	113,133	5,541,433	5,438,353	
Discovery Communications Inc.	168,168	6,193,848	7,139,660	
Eutelsat Communications SA	44,928	1,396,763	947,608	
SES SA	40,120	1,056,282	729,985	
Total equities - communications and media		14,188,326	14,255,606	7.0
Equities - Consumer Cyclical:				
Walt Disney Co.	32,936	4,807,457	6,177,102	
William Hill PLC	1,469,114	5,700,544	4,755,970	
Total equities - consumer cyclical		10,508,001	10,933,072	5.4
Equities - Consumer Products:				
Altria Group Inc.	51,864	3,914,665	3,356,673	
Bakkafrost P/F	36,550	2,670,710	3,505,912	
British American Tobacco PLC	84,906	5,220,646	4,713,354	
Grieg Seafood ASA	132,305	1,949,929	2,739,266	
Imperial Brands PLC	94,398	4,360,178	3,030,816	
Mowi ASA	199,237	5,628,793	6,709,435	
Norway Royal Salmon AS	80,595	2,497,183	2,844,917	
Total equities - consumer products		26,242,104	26,900,373	13.3
Equities - Financial Services:				
AIA Group Ltd.	273,800	3,030,061	3,727,390	
Alleghany Corp.	5,875	4,849,050	6,091,439	
Artisan Partners Asset Management Inc.	68,057	2,862,193	2,852,329	
Bankia SA	547,642	2,688,963	1,516,578	
Berkshire Hathaway Inc. Class A	15,268	4,174,636	4,484,416	
BrightSphere Investment Group PLC	243,434	4,023,387	3,226,173	
Burford Capital Ltd.	213,244	5,198,676	2,608,220	
Legg Mason Inc.	93,151	3,812,166	4,337,689	
NN Group NV	78,418	4,333,469	3,860,403	
Total equities - financial services		34,972,601	32,704,637	16.2

STEADYHAND GLOBAL EQUITY FUND

Schedule of Investment Portfolio (continued)

As at December 31, 2019

	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
Equities (continued):				
Equities - Healthcare:				
Allergan PLC	20,255	4,748,975	5,021,200	
Attendo AB	112,358	763,391	839,704	
Bayer AG	68,460	7,191,064	7,255,564	
Johnson & Johnson	3,310	557,849	626,108	
Mediclinic International PLC	506,977	3,731,190	3,584,686	
Medtronic PLC	45,183	5,624,571	6,647,144	
Spire Healthcare Group PLC	1,882,636	4,961,503	4,592,426	
Takeda Pharmaceutical Co. Ltd.	131,244	3,211,423	3,357,856	
Zimmer Biomet Holdings Inc.	42,561	6,866,576	8,260,971	
Total equities - healthcare		37,656,542	40,185,659	19.8
Equities - Technology:				
NCR Corp.	118,035	4,341,361	5,381,647	
Total equities - technology		4,341,361	5,381,647	2.7
Equities - Real Estate:				
Heiwa Real Estate REIT Inc.	196,500	4,409,192	7,034,119	
Total equities - real estate		4,409,192	7,034,119	3.5
Equities - Retailing:				
GS Home Shopping Inc.	4,141	994,768	690,006	
Hyundai Home Shopping Network Corp.	10,012	1,309,456	903,744	
Seven & i Holdings Co. Ltd	53,500	2,816,091	2,555,437	
Total equities - retailing		5,120,315	4,149,187	2.1
Equities - Utilities:				
Vistra Energy Corp.	127,431	3,883,913	3,799,002	
Total equities - utilities		3,883,913	3,799,002	1.9
Total Equities		203,587,032	195,840,012	96.9
Transaction Costs		(198,857)		
Total Investment Portfolio		203,388,175	195,840,012	96.9
Other Net Assets			6,289,655	3.1
Total Net Assets			\$202,129,667	100.0

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

STEADYHAND GLOBAL EQUITY FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2019 and 2018

1. Financial risk management:

The Fund is exposed to various types of financial risks that are associated with its investment strategies, financial instruments and market in which it invests. These include credit risk, liquidity risk and market risk which consists of currency risk, interest rate risk and other price risk. For a comprehensive discussion of the risks applicable to the Funds refer to note 9.

The Fund's objective is to grow capital at a pace that significantly exceeds inflation through exposure to a collection of leading businesses throughout the world.

The Fund invests in equities around the globe. Concentration is focused in the developed world - western Europe, the United States, and Japan in particular. The Fund's geographic allocation may vary considerably based on where the best opportunities lie.

Financial risks applicable to the Steadyhand Global Equity Fund are discussed in more detail below.

(a) Credit risk:

As at December 31, 2019 and 2018, the Fund had no significant exposure to credit risk.

(b) Liquidity risk:

The Fund's redeemable units are due on demand. The Fund's remaining non-derivative liabilities are due within twelve months of the year-end of the Fund. The Fund had no derivative liabilities as at December 31, 2019 and 2018.

(c) Market risk:

(i) Interest rate risk:

As at December 31, 2019 and 2018, the Fund had no significant exposure to interest or credit rate risk.

(ii) Currency risk:

At period end, the carrying value of the Fund's net financial assets and financial liabilities held in individual foreign currencies expressed in Canadian dollars and as a percentage of its net assets were as follows:

Currency	December 31, 2019		December 31, 2018	
	Thousands of CAD	% of net assets	Thousands of CAD	% of net assets
United States Dollar	\$ 100,466.3	49.7%	\$ 93,198.8	51.5%
Euro	27,358.1	13.5%	22,785.4	12.6%
British Pound	23,359.5	11.6%	22,471.7	12.4%
Japanese Yen	18,276.1	9.0%	13,287.3	7.3%
Norwegian Krone	17,397.4	8.9%	13,666.6	7.5%
Hong Kong Dollar	3,727.4	1.8%	2,779.5	1.5%
Korean Won	2,648.9	1.3%	3,438.6	1.9%
Swedish Krone	839.7	0.4%	-	-%
Swiss Franc	70.9	-%	137.4	0.1%
	<u>\$ 194,144.3</u>	<u>95.9%</u>	<u>\$ 171,765.3</u>	<u>94.8%</u>

STEADYHAND GLOBAL EQUITY FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2019 and 2018

1. Financial risk management (continued):

(c) Market risk (continued):

(ii) Currency risk (continued):

As at December 31, 2019, had the Canadian dollar strengthened or weakened by 1% in relation to all foreign currencies, with all other factors remaining constant, net assets attributable to redeemable units would have increased or decreased by approximately \$1,941,443 (December 31, 2018 - increased or decreased by approximately \$1,717,653). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

There were no significant concentrations of risk to issuers at December 31, 2019 or 2018. No exposure to any individual issuer exceeded 5% of the net assets attributable to the holders of redeemable units either at December 31, 2019 or 2018.

As at period end, had the respective benchmark of the Fund increased or decreased by 5%, with all other variables held constant, net assets attributable to redeemable units would have increased or decreased as follows:

Indexes	December 31, 2019		December 31, 2018	
	5% Increase	5% Decrease	5% Increase	5% Decrease
Morningstar Developed Markets Index (\$Cdn)	\$ 9,792,001	\$ (9,792,001)	\$ 8,297,690	\$ (8,297,690)

In practice, actual results may differ from this sensitivity analysis and these differences could be material.

2. Fair value of financial instruments:

For a general discussion of the Funds fair value measurements, refer to note 10.

(a) Fair value hierarchy - financial instruments measured at fair value:

The table below analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the statement of financial position.

All fair value measurements below are recurring.

December 31, 2019	Level 1	Level 2	Level 3	Total
Investments	\$ 195,840,012	\$ -	\$ -	\$ 195,840,012
December 31, 2018	Level 1	Level 2	Level 3	Total
Investments	\$ 165,953,804	\$ -	\$ -	\$ 165,953,804

There were no transfers between Levels 1, 2, and 3 during the periods ended December 31, 2019 or 2018.

STEADYHAND SMALL-CAP EQUITY FUND

Statements of Financial Position

December 31, 2019 and 2018

	Note	2019	2018
Assets			
Cash		\$ 843,887	\$ 1,080,898
Balances due from brokers		-	-
Subscriptions receivable		5,750	135,586
Interest and dividends receivable		224,709	242,440
Investments		103,252,031	91,501,114
		<u>104,326,377</u>	<u>92,960,038</u>
Liabilities			
Balances due to brokers		150,239	-
Redemptions payable		120,064	750
Management fees payable	4	79,756	84,216
		<u>350,059</u>	<u>84,966</u>
Net assets attributable to holders of redeemable units		<u>\$ 103,976,318</u>	<u>\$ 92,875,072</u>
Represented by:			
Series A		\$ 51,483,146	\$ 55,050,687
Series O		52,493,172	37,824,385
		<u>\$ 103,976,318</u>	<u>\$ 92,875,072</u>
Number of units outstanding:			
Series A	5	3,360,823	4,152,921
Series O		3,265,552	2,731,433
Net assets attributable to holders of redeemable units per unit:			
Series A		\$ 15.32	\$ 13.26
Series O		16.07	13.85

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

Approved on behalf of Steadyhand Investment
Management Ltd., in its capacity as Manager:

“Tom Bradley”
Director

“Neil Jensen”
Director

STEADYHAND SMALL-CAP EQUITY FUND

Statements of Comprehensive Income

Years ended December 31, 2019 and 2018

	Note	2019	2018
Revenue:			
Interest income		\$ 187,740	\$ 335,106
Dividend income		2,336,058	2,218,909
Foreign exchange gain		45,001	419,698
Change in fair value of investments:			
Net realized gain		2,875,421	4,241,806
Net change in unrealized appreciation (depreciation)		14,008,629	(20,976,487)
Total revenue (loss)		19,452,849	(13,760,968)
Expenses:			
Management fees	4	961,182	1,134,267
Withholding taxes	6	12,362	5,243
Transaction costs	7	107,903	118,213
Independent review committee fees		3,074	4,103
Total operating expenses		1,084,521	1,261,826
Management fee reductions		(304,051)	(344,386)
Expenses waived or absorbed by Manager		(3,074)	(4,103)
		(307,125)	(348,489)
Net operating expenses		777,396	913,337
Increase (decrease) in net assets attributable to holders of redeemable units from operations excluding distributions		18,675,453	(14,674,305)
Distributions to holders of redeemable units:			
From net investment income		(1,378,937)	(1,136,475)
From net realized gain on investment		(2,449,688)	(4,807,240)
Management fee reductions		(304,051)	(344,386)
		(4,132,676)	(6,288,101)
Increase (decrease) in net assets attributable to holders of redeemable units		\$ 14,542,777	\$ (20,962,406)
Increase (decrease) in net assets attributable to holders of redeemable units:			
Series A		\$ 8,249,044	\$ (12,641,311)
Series O		6,293,733	(8,321,095)
		\$ 14,542,777	\$ (20,962,406)
Increase (decrease) in net assets attributable to holders of redeemable units (excluding distributions):			
Series A		\$ 10,125,412	\$ (9,102,969)
Series O		8,550,041	(5,571,336)
		\$ 18,675,453	\$ (14,674,305)
Increase (decrease) in net assets attributable to holders of redeemable units per unit (excluding distributions):			
Series A		\$ 2.66	\$ (2.39)
Series O		3.83	(2.49)

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

STEADYHAND SMALL-CAP EQUITY FUND

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

Years ended December 31, 2019 and 2018

Series A	Note	2019	2018
Balance, beginning of year		\$ 55,050,687	\$ 60,505,628
Increase (decrease) in net assets attributable to holders of redeemable units		8,249,044	(12,641,311)
Redeemable unit transactions:			
Issue of redeemable units		2,002,053	8,159,952
Reinvestments of distributions		1,804,325	3,427,454
Redemption of redeemable units		(15,622,963)	(4,401,036)
Net increase (decrease) from redeemable unit transactions		(11,816,585)	7,186,370
Balance, end of year		\$ 51,483,146	\$ 55,050,687

Series O	Note	2019	2018
Balance, beginning of year		\$ 37,824,385	\$ 37,005,095
Increase (decrease) in net assets attributable to holders of redeemable units		6,293,733	(8,321,095)
Redeemable unit transactions:			
Issue of redeemable units		8,908,547	6,465,625
Reinvestments of distributions		2,256,309	2,749,760
Redemption of redeemable units		(2,789,802)	(75,000)
Net increase from redeemable unit transactions		8,375,054	9,140,385
Balance, end of year		\$ 52,493,172	\$ 37,824,385

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

STEADYHAND SMALL-CAP EQUITY FUND

Statements of Cash Flows

Years ended December 31, 2019 and 2018

	Note	2019	2018
Cash provided by (used in):			
Operating activities:			
Proceeds from sale of investments		\$ 49,171,079	\$ 38,467,144
Purchase of investments		(44,145,412)	(55,066,824)
Interest and dividends received		2,541,529	2,504,087
Balances due from brokers		-	871
Balances due to brokers		150,239	(190,898)
Management fees paid		(661,591)	(788,273)
Foreign withholding taxes paid		(12,362)	(5,243)
		7,043,482	(15,079,136)
Financing activities:			
Proceeds from redeemable units issued		11,040,436	14,495,611
Redemption of redeemable units		(18,293,451)	(4,487,789)
Cash distributions paid to holders of redeemable units		(72,042)	(110,887)
		(7,325,057)	9,896,935
Decrease in cash		(281,575)	(5,182,201)
Cash, beginning of year		1,080,898	5,830,714
Effect of exchange rate fluctuations on cash		44,564	432,385
Cash, end of year		\$ 843,887	\$ 1,080,898

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

STEADYHAND SMALL-CAP EQUITY FUND

Schedule of Investment Portfolio

As at December 31, 2019

	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
Equities - Basic Materials:				
Interfor Corp	290,941	\$ 3,781,432	\$ 4,268,104	
Total equities - basic materials		3,781,432	4,268,104	4.1
Equities - Oil and Gas:				
Cardinal Energy Ltd.	575,900	2,948,406	1,497,340	
Parkland Fuel Corp.	94,814	2,803,206	4,523,576	
Pason Systems Inc.	350,623	5,600,501	4,596,668	
Total equities - oil and gas		11,352,113	10,617,584	10.2
Equities - Industrial Goods and Services:				
AG Growth International Inc.	132,672	6,295,272	6,161,288	
Cargojet Inc.	40,936	1,730,798	4,229,917	
Diversified Royalty Corp.	1,310,900	3,286,740	4,116,226	
Finning International Inc.	174,799	3,838,266	4,422,415	
Fluor Corp.	213,133	4,851,356	5,218,049	
Intertape Polymer Group Inc.	263,005	5,373,772	4,371,143	
Middleby Corp.	18,099	2,720,370	2,570,417	
NFI Group Inc.	190,979	7,092,795	5,089,590	
Oshkosh Corp.	13,541	1,211,764	1,661,984	
SNC-Lavalin Group Inc.	53,475	922,023	1,601,576	
Stantec Inc.	115,108	2,934,810	4,224,464	
Winpak Ltd.	92,655	4,212,191	4,352,932	
Total equities - industrial goods and services		44,470,157	48,020,001	46.2
Equities - Consumer Cyclical:				
Park Lawn Corp.	136,846	2,918,275	4,008,219	
Points International Ltd.	153,254	1,707,375	3,037,494	
Sleep Country Canada Holdings Inc.	201,850	4,021,430	4,079,389	
Spin Master Corp.	125,402	4,417,709	4,958,395	
Total equities - consumer cyclical		13,064,789	16,083,497	15.5
Equities - Consumer Products:				
Maple Leaf Foods Inc.	167,192	3,931,520	4,326,929	
Premium Brands Holdings Corp.	61,938	5,481,911	5,633,880	
Waterloo Brewing Ltd.	1,074,059	3,091,637	3,759,207	
Total equities - consumer products		12,505,068	13,720,016	13.2
Equities - Retailing:				
Alcanna Inc.	524,550	4,797,047	2,334,248	
Total equities - retailing		4,797,047	2,334,248	2.2
Equities - Utilities:				
Northland Power Inc.	136,697	3,000,517	3,718,158	
Total equities - utilities		3,000,517	3,718,158	3.6
Equities - Health Care:				
Henry Schein Inc.	51,901	4,132,904	4,490,423	
Total equities - health care		4,132,904	4,490,423	4.3
Total Equities		97,104,027	103,252,031	99.3
Transaction Costs		(148,990)	-	
Total Investment Portfolio		96,955,037	103,252,031	99.3
Other Net Assets			724,287	0.7
Total Net Assets			\$ 103,976,318	100.0

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

STEADYHAND SMALL-CAP EQUITY FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2019 and 2018

1. Financial risk management:

The Fund is exposed to various types of financial risks that are associated with its investment strategies, financial instruments and market in which it invests. These include credit risk, liquidity risk and market risk which consists of currency risk, interest rate risk and other price risk. For a comprehensive discussion of the risks applicable to the Funds refer to note 9.

The Fund's objective is to grow capital at a pace that significantly exceeds inflation and provide exposure to a collection of smaller companies that think big. This Fund will move in a cycle of its own and will often be out of synch with the overall market.

The Fund looks to the Canadian and U.S. equity markets for small and mid-sized companies and although it typically invests the majority of its assets in Canadian equities, the portfolio manager may invest a significant portion of the fund's assets in U.S. equities in pursuit of opportunities not available in the Canadian market. However, it is not expected that the Fund's U.S. holdings will exceed 40% of its net assets for any prolonged period of time.

Financial risks applicable to the Steadyhand Small-Cap Equity Fund are discussed in more detail below.

(a) Credit risk:

At December 31, 2019 and 2018, the Fund had no significant exposure to credit risk.

(b) Liquidity risk:

The Fund's redeemable units are due on demand. The Fund's remaining non-derivative liabilities are due within twelve months of the year-end of the Fund. The Fund had no derivative liabilities as at December 31, 2019 and 2018.

(c) Market risk:

(i) Interest rate risk:

As at December 31, 2019 and 2018, the Fund had no significant exposure to interest rate risk.

(ii) Currency risk:

At period end, the carrying value of the Fund's net financial assets and financial liabilities held in individual foreign currencies expressed in Canadian dollars and as a percentage of its net assets were as follows:

Currency	December 31, 2019		December 31, 2018	
	Thousands of CAD	% of net assets	Thousands of CAD	% of net assets
United States Dollar	\$ 13,977.9	13.4%	\$ 18,772.1	20.2%

As at December 31, 2019, had the Canadian dollar strengthened or weakened by 1% in relation to all foreign currencies, with all other factors remaining constant, net assets attributable to redeemable units would have increased or decreased by approximately \$139,779 (December 31, 2018 - increased or decreased by approximately \$187,721). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

STEADYHAND SMALL-CAP EQUITY FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2019 and 2018

1. Financial risk management (continued):

(c) Market risk (continued):

(iii) Other price risk:

There were no significant concentrations of risk to issuers at December 31, 2019 and 2018. The Fund held the following securities which exceeded 5% of the net assets attributable to the holders of redeemable units:

At December 31, 2019:

	Percentage of net assets
AG Growth International Inc.	5.9%
Premium Brands Holdings Corp.	5.4%
Fluor Corp.	5.0%

At December 31, 2018:

	Percentage of net assets
WABCO Holdings Inc.	6.2%
Premium Brands Holdings Corp.	5.8%
Park Lawn Corp.	5.5%
Winpark Ltd.	5.5%
NFI Group Inc.	5.2%
AG Growth International Inc.	5.1%
Oshkosh Corp.	5.1%

As at period end, had the respective benchmark of the Fund increased or decreased by 5%, with all other variables held constant, net assets attributable to redeemable units would have increased or decreased as follows:

Index	December 31, 2019		December 31, 2018	
	5% Increase	5% Decrease	5% Increase	5% Decrease
TSX Small-Cap Index	\$ 4,388,211	\$ (4,388,211)	\$ 3,888,797	\$ (3,888,797)
Russell 2000 Index	774,390	(774,390)	686,258	(686,258)
	\$ 5,162,601	\$ (5,162,601)	\$ 4,575,055	\$ (4,575,055)

In practice, actual results may differ from this sensitivity analysis and these differences could be material.

STEADYHAND SMALL-CAP EQUITY FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2019 and 2018

2. Fair value of financial instruments:

For a general discussion of the Funds fair value measurements, refer to note 10.

(a) Fair value hierarchy - financial instruments measured at fair value:

The table below analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the statement of financial position.

All fair value measurements below are recurring.

December 31, 2019	Level 1	Level 2	Level 3	Total
Investments	\$ 103,252,031	\$ -	\$ -	\$ 103,252,031

December 31, 2018	Level 1	Level 2	Level 3	Total
Investments	\$ 91,501,114	\$ -	\$ -	\$ 91,501,114

There were no transfers between Levels 1, 2 and 3 during the periods ended December 31, 2019 and 2018.

STEADYHAND GLOBAL SMALL-CAP EQUITY FUND

Statements of Financial Position

December 31, 2019

	Note	2019
Assets		
Cash		\$ 1,856,633
Subscriptions receivable		63,927
Interest and dividends receivable		34,859
Investments		30,534,752
		<hr/> 32,490,171
Liabilities		
Management fees payable	4	9,315
<hr/>		
Net assets attributable to holders of redeemable units		\$ 32,480,856
<hr/>		
Represented by:		
Series A		\$ 6,141,772
Series O		26,339,084
		<hr/> \$ 32,480,856
<hr/>		
Number of units outstanding:	5	
Series A		522,712
Series O		2,218,852
<hr/>		
Net assets attributable to holders of redeemable units per unit:		
Series A		\$ 11.75
Series O		11.87

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

Approved on behalf of the Board of
Steadyhand Investment Management Ltd.,
in its capacity as Manager:

"Tom Bradley"

Director

"Neil Jensen"

Director

STEADYHAND GLOBAL SMALL-CAP EQUITY FUND

Statement of Comprehensive Income

Period from inception on January 23, 2019 to December 31, 2019

	Note	2019
Revenue:		
Interest income		\$ 8,863
Dividend income		330,863
Income trust income		16,898
Foreign exchange income (loss)		(16,548)
Changes in fair value of investments:		
Net realized gain		608,923
Net change in unrealized appreciation		3,532,714
Total revenue		4,481,713
Expenses:		
Management fees	4	60,374
Withholding taxes	6	55,757
Transaction costs	7	48,777
Independent review committee fees		3,074
Total operating expenses		167,982
Management fee reductions		(23,658)
Expenses waived or absorbed by Manager		(3,074)
		(26,732)
Net operating expenses		141,250
Increase in net assets attributable to holders of redeemable units from operations excluding distributions		4,340,463
Distributions to holders of redeemable units:		
From net investment income		(214,606)
From net realized gain on investment		(524,116)
Management fee reductions		(23,658)
		(762,380)
Increase in net assets attributable to holders of redeemable units		\$ 3,578,083
Increase in net assets attributable to holders of redeemable units:		
Series A		\$ 532,334
Series O		3,045,749
		\$ 3,578,083
Increase in net assets attributable to holders of redeemable units (excluding distributions):		
Series A		\$ 669,659
Series O		3,670,804
		\$ 4,340,463
Increase in net assets attributable to holders of redeemable units per unit (excluding distributions):		
Series A		\$ 2.05
Series O		2.01

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

STEADYHAND GLOBAL SMALL-CAP EQUITY FUND

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

Period from inception on January 23, 2019 to December 31, 2019

Series A	Note	2019
Balance, beginning of period		\$ -
Increase in net assets attributable to holders of redeemable units		532,334
Redeemable unit transactions:		
Issue of redeemable units		5,534,173
Reinvestments of distributions		137,325
Redemption of redeemable units		(62,060)
Net increase from redeemable unit transactions		5,609,438
Balance, end of period		\$ 6,141,772

Series O	Note	2019
Balance, beginning of period		\$ -
Increase in net assets attributable to holders of redeemable units		3,045,749
Redeemable unit transactions:		
Issue of redeemable units		22,668,280
Reinvestment of distributions		625,055
Redemption of redeemable units		-
Net increase from redeemable unit transactions		23,293,335
Balance, end of period		\$ 26,339,084

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

STEADYHAND GLOBAL SMALL-CAP EQUITY FUND

Statements of Cash Flows

Period from inception on January 23, 2019 to December 31, 2019

	Note	2019
Cash provided by (used in):		
Operating activities:		
Proceeds from sale of investments		\$ 6,199,899
Purchase of investments		(32,634,569)
Interest and dividends received		321,765
Management fees paid		(27,401)
Foreign withholding taxes paid		(55,757)
		(26,196,063)
Financing activities:		
Proceeds from issue of redeemable units		28,138,526
Payments on redemption of redeemable units		(62,060)
Cash distributions paid to holders of redeemable units		-
		28,076,466
Increase in cash		1,880,403
Cash, beginning of period		-
Effect of exchange rate fluctuations on cash		(23,770)
Cash, end of period		\$ 1,856,633

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

STEADYHAND GLOBAL SMALL-CAP EQUITY FUND

Schedule of Investment Portfolio

As at December 31, 2019

	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
Equities - Oil and Gas:				
Rubis SCA	8,800	\$ 661,196	\$ 701,310	
Total equities - oil and gas		661,196	701,310	2.2
Equities - Industrial Goods and Services:				
en-japan Inc.	7,100	315,332	404,536	
Interpump Group SpA	10,600	441,202	435,726	
KION Group AG	5,400	411,460	483,878	
Nordson Corp.	1,700	311,324	358,976	
Prosegur Cia de Seguridad SA	78,800	529,595	422,102	
RPM International Inc.	14,200	1,145,803	1,413,446	
Teleperformance	4,600	1,150,349	1,455,663	
Woodward Inc.	3,700	497,497	568,271	
Total equities - industrial goods and services		4,802,562	5,542,598	17.1
Equities - Consumer Cyclical:				
Auto Trader Group PLC	46,900	407,267	479,055	
CIE Automotive SA	12,600	441,930	386,620	
National Vision Holdings Inc.	13,700	540,945	576,133	
Nordic Entertainment Group AB	26,000	567,652	1,090,586	
Sushiro Global Holdings Ltd.	4,000	362,250	447,224	
Total equities - consumer cyclical		2,320,044	2,979,618	9.2
Equities - Consumer Products:				
Kobe Bussan Co., Ltd.	10,600	478,765	474,311	
Performance Food Group Co.	11,300	613,361	754,349	
Total equities - consumer products		1,092,126	1,228,660	3.8
Equities - Financial Services:				
Apollo Global Management LLC	13,500	575,422	835,216	
Challenger Ltd.	88,500	624,843	652,639	
FinecoBank Banca Fineco SpA	52,300	787,599	813,809	
RenaissanceRe Holdings Ltd.	4,000	851,341	1,016,754	
St James's Place PLC	58,200	1,006,049	1,164,260	
Steadfast Group Ltd.	170,300	514,164	540,226	
Topdanmark A/S	18,500	1,228,174	1,183,456	
Zenkoku Hoshu Co. Ltd.	10,500	510,554	582,597	
Total equities - financial services		6,098,146	6,788,957	20.9
Equities - Healthcare:				
Amplifon SpA	14,700	396,339	548,629	
Charles River Laboratories International Inc.	4,400	809,308	871,601	
Chemed Corp.	1,400	646,101	797,453	
Encompass Health Corp.	9,000	748,538	808,431	
Orpea	5,300	827,476	881,790	
Total equities - healthcare		3,427,762	3,907,904	12.0
Equities - Technology:				
Altran Technologies SA	38,800	610,715	799,721	
Electrocomponents PLC	54,400	548,113	633,228	
Gartner Inc.	5,500	1,057,049	1,099,059	
Horiba Ltd.	3,600	256,658	314,871	
ITT Inc.	6,900	533,757	661,314	
j2 Global Inc.	7,400	849,670	899,235	
Tyler Technologies Inc.	1,200	435,105	466,860	
Wex Inc.	3,600	907,754	977,820	
Total equities - technology		5,198,821	5,852,108	18.0

STEADYHAND GLOBAL SMALL-CAP EQUITY FUND

Schedule of Investment Portfolio (continued)

As at December 31, 2019

	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
Equities (continued):				
Equities - Real Estate:				
Cushman & Wakefield PLC	42,300	1,087,092	1,121,184	
Kennedy-Wilson Holdings Ltd.	34,800	1,006,143	1,006,328	
Total equities - real estate		2,093,235	2,127,512	6.5
Equities - Retailing:				
ABC-Mart Inc.	7,900	633,694	701,336	
ZOZO Inc.	28,300	707,394	704,749	
Total equities - retailing		1,341,088	1,406,085	4.3
Total Equities		27,034,980	30,534,752	94.0
Transaction Costs		(40,164)		
Total Investment Portfolio		26,994,816	30,534,752	94.0
Other Net Assets			1,946,104	6.0
Total Net Assets			\$ 32,480,856	100.0

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

STEADYHAND GLOBAL SMALL-CAP EQUITY FUND

Discussion of Financial Instruments and Risk Management

Period from inception on January 23, 2019 to December 31, 2019

1. Financial risk management:

The Fund is exposed to various types of financial risks that are associated with its investment strategies, financial instruments and market in which it invests. These include credit risk, liquidity risk and market risk which consists of currency risk, interest rate risk and other price risk. For a comprehensive discussion of the risks applicable to the Funds refer to note 9.

The Fund's objective is to grow capital at a pace that significantly exceeds inflation through exposure to a collection of leading businesses throughout the world.

The Fund invests in equities around the globe. Concentration is focused in the developed world - western Europe, the United States, and Japan in particular. The Fund's geographic allocation may vary considerably based on where the best opportunities lie.

Financial risks applicable to the Steadyhand Global Small-Cap Equity Fund are discussed in more detail below.

(a) Credit risk:

As at December 31, 2019, the Fund had no significant exposure to credit risk.

(b) Liquidity risk:

The Fund's redeemable units are due on demand. The Fund's remaining non-derivative liabilities are due within twelve months of the year-end of the Fund. The Fund had no derivative liabilities as at December 31, 2019.

(c) Market risk:

(i) Interest rate risk:

As at December 31, 2019, the Fund had no significant exposure to interest or credit rate risk.

(ii) Currency risk:

At period end, the carrying value of the Fund's net financial assets and financial liabilities held in individual foreign currencies expressed in Canadian dollars and as a percentage of its net assets were as follows:

Currency	December 31, 2019	
	Thousands of CAD	% of net assets
United States Dollar	\$ 14,520.4	44.7%
Euro	7,614.1	23.4%
Japanese Yen	3,682.7	11.3%
British Pound	2,282.2	7.0%
Australian Dollar	1,192.9	3.7%
Danish Krone	1,185.7	3.7%
Swedish Krone	1,090.6	3.4%
	<u>\$ 31,568.6</u>	<u>97.2%</u>

STEADYHAND GLOBAL SMALL-CAP EQUITY FUND

Discussion of Financial Instruments and Risk Management

Period from inception on January 23, 2019 to December 31, 2019

1. Financial risk management (continued):

(c) Market risk (continued):

(ii) Currency risk (continued):

As at December 31, 2019, had the Canadian dollar strengthened or weakened by 1% in relation to all foreign currencies, with all other factors remaining constant, net assets attributable to redeemable units would have increased or decreased by approximately \$315,685. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

There were no significant concentrations of risk to issuers at December 31, 2019. No exposure to any individual issuer exceeded 5% of the net assets attributable to the holders of redeemable units at December 31, 2019.

As at period end, had the respective benchmark of the Fund increased or decreased by 5%, with all other variables held constant, net assets attributable to redeemable units would have increased or decreased as follows:

Indexes	December 31, 2019	
	5% Increase	5% Decrease
S&P Global Small Cap Index (\$Cdn)	\$ 1,526,738	\$ (1,526,738)

In practice, actual results may differ from this sensitivity analysis and these differences could be material.

2. Fair value of financial instruments:

For a general discussion of the Funds fair value measurements, refer to note 10.

(a) Fair value hierarchy - financial instruments measured at fair value:

The table below analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the statement of financial position.

All fair value measurements below are recurring.

December 31, 2019	Level 1	Level 2	Level 3	Total
Investments	\$ 30,534,752	\$ -	\$ -	\$ 30,534,752

There were no transfers between Levels 1, 2, and 3 during the period ended December 31, 2019.

STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2019 and 2018

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STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2019 and 2018

1. Reporting entity:

The Steadyhand Investment Funds include the following:

Name of the Fund	Date of inception
Steadyhand Savings Fund	January 22, 2007
Steadyhand Income Fund	January 22, 2007
Steadyhand Founders Fund	January 2, 2012
Steadyhand Builders Fund	January 23, 2019
Steadyhand Equity Fund	January 22, 2007
Steadyhand Global Equity Fund	January 22, 2007
Steadyhand Small-Cap Equity Fund	January 22, 2007
Steadyhand Small-Cap Global Equity Fund	January 23, 2019

Each of the Steadyhand Investment Funds (the “Funds”) is an open-end unit trust created under the laws of the Province of British Columbia pursuant to a Declaration of Trust dated January 2, 2007, as amended, by RBC Investor Services Trust (the “Trustee”), who acts as Trustee and Steadyhand Investment Management Ltd. (the “Manager”), who acts as Manager of the Funds. The Manager is registered as an investment fund manager with the British Columbia Securities Commission. The administration of the Funds is delegated to RBC Investor Services (the “Administrator”).

The Funds are unit trusts domiciled in Canada. The address of the Funds’ registered office is at 1747 West 3rd Avenue, Vancouver B.C., V6J 1K7.

2. Basis of preparation:

(a) Statement of compliance:

The financial statements of the Funds have been prepared in compliance with International Financial Reporting Standards (“IFRS”). The financial statements were authorized for issue by the Manager on February 20, 2020.

(b) Basis of measurement:

The financial statements have been prepared on a historical cost basis except for investments and derivatives, which are measured at fair value.

(c) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which are the Funds’ functional currency.

(d) Use of estimates and judgment:

The preparation of financial statements in conformity with IFRS requires the Manager to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2019 and 2018

3. Significant accounting policies:

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Financial instruments:

(i) Recognition and measurement:

Financial instruments are required to be classified into one of the following categories: held-for-trading, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). All financial instruments are measured at fair value on initial recognition. Measurement in subsequent periods depends on the classification of the financial instrument. Transaction costs are included in the initial carrying amount of financial instruments except for financial instruments classified as FVTPL in which case transaction costs are expensed as incurred.

Financial assets and financial liabilities held for trading or at fair value through profit or loss are recognized initially on the trade date, which is the date on which the Funds become a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognized on the date on which they are originated. The Funds derecognize a financial liability when its contractual obligations are discharged, cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of net assets only when the Funds have a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

A financial asset is measured at amortized cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal interest on the principal amount outstanding.

A financial asset is measured at FVOCI if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal interest on the principal amount outstanding

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition the Funds may irrevocably elect to measure financial assets that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL when doing so results in more relevant information.

Financial assets are not reclassified subsequent to their initial recognition, unless the Funds changes their business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2019 and 2018

3. Significant accounting policies (continued):

(a) Financial instruments (continued):

(i) Recognition and measurement (continued):

The Funds have not classified any of their financial instruments as FVOCI.

A financial liability is generally measured at amortized cost, with exceptions that may allow for classification as FVTPL. These exceptions include financial liabilities that are mandatorily measured at fair value through profit or loss, such as derivatives liabilities. The Funds may also, at initial recognition, irrevocably designate a financial liability as measured at FVTPL when doing so results in more relevant information.

(ii) Fair value through profit and loss:

Financial instruments classified as FVTPL are subsequently measured at fair value at each reporting period with changes in fair value recognized in the statement of comprehensive income in the period in which they occur. The Funds' derivative financial assets and derivative financial liabilities and investments in securities are classified as FVTPL.

The fair value of financial assets and liabilities that are not traded in an active market, including nonpublicly traded derivative instruments, is determined using valuation techniques. Valuation techniques also include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and others commonly used by market participants and which make the maximum use of observable inputs. Should the value of the financial asset or liability, in the opinion of the Manager, be inaccurate, unreliable or not readily available, the fair value is estimated on the basis of the most recently reported information of a similar financial asset or liability.

(iii) Amortized cost:

Financial assets and liabilities classified as amortized cost are recognized initially at fair value plus any directly attributable transaction costs. Subsequent measurement is at amortized cost using the effective interest method, less any impairment losses. The Funds classify cash, bank indebtedness, subscriptions receivable, interest and dividends receivable, distributions payable, balances due from Manager, balances due from brokers, and balances due to brokers, as amortized cost.

The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(b) Redeemable units:

The Funds classify financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. The redeemable units, which are classified as financial liabilities and measured at redemption amount, provide investors with the right to require redemption, subject to available liquidity, for cash at a unit price based on the Funds' valuation policies at each redemption date. Distributions to holders of redeemable units are recognized in comprehensive income when they are authorized and no longer at the discretion of the Manager.

STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2019 and 2018

3. Significant accounting policies (continued):

- (c) Increase (decrease) in net assets attributable to holders of redeemable units per unit

The increase (decrease) in net assets attributable to holders of redeemable units per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units by the weighted average number of units outstanding during the year.

- (d) Foreign exchange:

The financial statements of the Funds are denominated in Canadian dollars. Foreign denominated investments and other foreign denominated assets and liabilities are translated into Canadian dollars using the exchange rates prevailing on each valuation date. Purchases and sales of investments, as well as income and expense transactions denominated in foreign currencies, are translated using exchange rates prevailing on the date of the transaction. Foreign currency gains and losses are recognized in the statement of comprehensive income.

- (e) Income recognition:

Interest income is recognized on an accrual basis using the effective interest method. Dividend income is recognized on the date that the right to receive payment is established, which for quoted equity securities is usually the ex-dividend date. Portfolio transactions are recorded on the trade date. Realized gains and losses arising from the sale of investments are determined on the average cost basis of the respective investments. Income and capital gains distributions from pooled funds are recorded at the distribution date and maintain the same classification. Capital gains distributions received are considered and capital gains earned by the Fund. Income distributions received are treated consistently with dividends and interest and recorded in the Statement of Comprehensive Income.

- (f) Income taxes:

The Funds qualify as unit trusts under the Income Tax Act (Canada). All of the Funds' net income for tax purposes and net capital gains realized in any period are required to be distributed to unitholders such that no income tax is payable by the Funds. As a result, the Funds do not record income taxes.

- (g) New standards and interpretations not yet adopted:

A number of new standards, amendments to standards and interpretations are not yet effective for the periods ended December 31, 2019, and have not been applied in preparing these financial statements. None of these will have a significant effect on the financial statement of the Funds.

STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2019 and 2018

4. Related party transactions:

Management fees:

Under the investment management agreement, the Manager receives a management fee based on the net asset value attributable to holders of Series A redeemable units on each valuation day at the following annualized rates:

Fund name	Management fee
Steadyhand Savings Fund	0.65%
Steadyhand Income Fund	1.04%
Steadyhand Founders Fund	1.34%
Steadyhand Builders Fund	1.63%
Steadyhand Equity Fund	1.42%
Steadyhand Global Equity Fund	1.78%
Steadyhand Small-Cap Equity Fund	1.78%
Steadyhand Global Small-Cap Equity Fund	1.78%

Management fees for Series O redeemable units are paid outside the funds directly to the Manager.

Management fee reductions are offered to all investors in the Funds based on the size of the account and tenure as an investor in the Funds. The fee reductions are paid in the form of special distributions at the Manager's discretion and the fee reduction program may be revised or cancelled at any time.

Operating expenses:

The Fund is responsible for paying all of the Funds' operating expenses, including Independent Review Committee ("IRC") fees. However, such IRC fees have been absorbed by the Manager as reflected in each Fund's statement of comprehensive income

The Manager may absorb all or a portion of the Funds' obligations, where the aggregate expenses exceed a certain percentage of the average daily net asset value of each Fund. This absorption of expenses may be terminated at any time by the Manager.

Unit holdings:

Directors, officers and affiliates of the Manager owned Series A redeemable units of the Funds. December 31, 2019 and 2018, the following Series A redeemable units were held by directors, officers and other affiliates of the Manager:

Fund name	2019	2018
Steadyhand Savings Fund	287,760	331,199
Steadyhand Income Fund	206,239	255,225
Steadyhand Founders Fund	250,768	260,342
Steadyhand Builders Fund	196,985	-
Steadyhand Equity Fund	157,355	222,341
Steadyhand Global Equity Fund	290,804	380,127
Steadyhand Small-Cap Equity Fund	94,864	125,104
Steadyhand Global Small-Cap Equity Fund	108,801	-

STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2019 and 2018

4. Related party transactions (continued):

As at December 31, 2019, no Series O redeemable units (December 31, 2018 - no Series O redeemable units) were held by directors, officers and other affiliates of the Manager.

The Founders Fund holds Series O redeemable units in all six (2018 - five) of the other Steadyhand Funds. The Builders Fund holds Series O redeemable units in four (2018 - three) of the other Steadyhand Funds. Refer to the Founders Fund and Builders Fund Schedule of Investment Portfolios for a description of their holdings in other Steadyhand Funds.

5. Redeemable units:

The Funds are authorized to issue an unlimited number of redeemable units in an unlimited number of distinct series. The Funds, except the Steadyhand Founders and Steadyhand Builders Funds, currently offer two series of units, Series A and Series O. The Steadyhand Founders and Steadyhand Builders Funds offer only Series A redeemable units.

Series A redeemable units are available to all investors who invest the minimum amount as specified by the Manager.

Series O redeemable units are only available to large private or institutional investors.

The redeemable unit transactions for the Funds during the years ended December 31, 2019 and 2018 are as follows:

Dec 31, 2019	Outstanding redeemable units, beginning of period	Redeemable units issued	Redeemable units issued on reinvestment of distributors	Redeemable units redeemed	Outstanding redeemable units, end of period
Steadyhand Savings Fund					
Series A	3,705,019	3,228,949	55,793	(3,663,792)	3,325,969
Series O	2,738,234	5,548,202	90,324	(2,882,075)	5,494,685
Steadyhand Income Fund					
Series A	7,771,250	856,540	311,959	(1,091,440)	7,848,309
Series O	14,633,038	1,380,098	590,409	(1,433,406)	15,170,139
Steadyhand Founders Fund					
Series A	35,264,752	5,099,274	1,083,206	(4,036,506)	37,410,726
Steadyhand Builders Fund					
Series A	-	6,186,040	135,270	(233,838)	6,087,472
Steadyhand Equity Fund					
Series A	6,205,195	322,634	90,916	(1,471,304)	5,147,441
Series O	5,905,735	1,102,022	135,678	(1,517,631)	5,625,804
Steadyhand Global Equity Fund					
Series A	10,349,575	523,224	217,242	(3,015,902)	8,074,139
Series O	12,291,525	2,714,657	512,364	(514,117)	15,004,429
Steadyhand Small-Cap Equity Fund					
Series A	4,152,921	139,493	118,995	(1,050,586)	3,360,823
Series O	2,731,433	570,054	141,384	(177,319)	3,265,552
Steadyhand Global Small-Cap Equity Fund					
Series A	-	516,565	11,676	(5,529)	522,712
Series O	-	2,166,773	52,079	-	2,218,852

STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2019 and 2018

5. Redeemable units (continued):

2018	Outstanding redeemable units, beginning of period	Redeemable units issued	Redeemable units issued on reinvestment of distributors	Redeemable units redeemed	Outstanding redeemable units, end of period
Steadyhand Savings Fund					
Series A	3,012,013	3,431,724	45,940	(2,784,658)	3,705,019
Series O	6,440,467	1,954,948	93,775	(5,750,956)	2,738,234
Steadyhand Income Fund					
Series A	8,467,035	780,426	220,398	(1,696,609)	7,771,250
Series O	13,444,221	1,414,277	408,455	(633,915)	14,633,038
Steadyhand Founders Fund					
Series A	29,753,328	6,225,320	1,640,510	(2,354,406)	35,264,752
Steadyhand Equity Fund					
Series A	5,757,245	790,575	136,194	(478,819)	6,205,195
Series O	3,853,312	1,895,957	160,404	(3,938)	5,905,735
Steadyhand Global Equity Fund					
Series A	8,186,768	1,381,740	1,553,471	(772,404)	10,349,575
Series O	6,682,867	3,804,895	1,898,351	(94,588)	12,291,525
Steadyhand Small-Cap Equity Fund					
Series A	3,668,617	496,746	256,385	(268,827)	4,152,921
Series O	2,152,846	381,465	201,235	(4,113)	2,731,433

6. Withholding tax and other income taxes:

Certain dividend and interest income received by the Funds are subject to withholding tax imposed in the country of origin. During the period, the average withholding tax rate for the Funds with foreign taxes withheld were:

Fund name	2019	2018
Steadyhand Equity Fund	17.6%	16.4%
Steadyhand Global Equity Fund	10.3%	12.9%
Steadyhand Small-Cap Fund	15.0%	15.0%
Steadyhand Global Small-Cap Equity Fund	19.6%	-

As at December 31, 2019 and 2018, the Funds had no capital or non-capital losses available for utilization against net realized capital gains or non-capital gains in future years.

STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2019 and 2018

7. Transaction costs and soft dollars:

The Manager may select brokers who charge commission in “soft dollars” if they determine in good faith that the commission is reasonable in relation to the order execution and research services utilized. Brokerage commissions and transaction costs on portfolio transactions for the years ended December 31 include the following:

Fund name	2019	2018
Steadyhand Income Fund	\$ 40,700	\$ 46,756
Steadyhand Equity Fund	105,157	61,565
Steadyhand Global Equity Fund	19,964	385,608
Steadyhand Small-Cap Equity Fund	107,903	118,213
Steadyhand Global Small-Cap Equity Fund	48,777	-

Included in the above transaction costs are soft dollar commissions as follows:

Fund name	2019	2018
Steadyhand Income Fund	\$ 6,872	\$ 5,979
Steadyhand Global Equity Fund	-	8,598
Steadyhand Global Small-Cap Equity Fund	1,891	-

Soft dollars represent a means of paying for products or services provided by brokerage firms (e.g., research reports) in exchange for directing transactions (e.g., trade execution) to the brokerage. Mutual fund managers may use soft dollars allocated by brokerages to pay for a portion of the total commissions owed to the brokerage.

8. Capital management:

The redeemable units issued by the Funds represent the capital of the Funds. The Funds are not subject to any internally or externally imposed restrictions on its capital. The Funds’ objectives in managing the redeemable units are to ensure a stable base to maximize returns to all investors, and to manage liquidity risk arising from redemptions.

9. Financial risk management:

The following is a general discussion of the financial risks to which the Funds are exposed. Refer to the Discussion of Financial Instruments and Risk Management following each Fund’s financial statements for information specific to the respective Fund.

(a) Risk management framework:

The Funds’ investment portfolio comprises of listed equity and debt securities, derivative financial forward contracts and derivative foreign currency futures contract, and investments in unlisted investment funds.

The Manager has been given discretionary authority to manage the assets in line with the Fund’s investment objectives. Compliance with the target asset allocations and the composition of the portfolio are monitored by the Manager on a quarterly basis. In instances where the portfolio has diverged from target asset allocations, the Manager is obliged to take actions to rebalance the portfolio in line with the established targets, within prescribed time limits.

STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2019 and 2018

9. Financial risk management (continued):

(b) 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 Funds, resulting in a financial loss to the Funds. It arises principally from debt securities held, and also from derivative assets, cash, and other receivables due to the Funds. The carrying value of these financial instruments as recorded in the statements of financial position reflects the Funds' maximum exposure to credit risk.

The Funds limit their exposure to credit loss by placing their cash and fixed income securities in instruments with high credit quality. To maximize the credit quality of its investments, the Funds' investment managers perform ongoing credit evaluations based upon factors surrounding the credit risk of customers, counterparties, historical trends and other information.

The Funds invest in financial assets, which have an investment grade as rated primarily by Dominion Bond Rating Services, Standard & Poor's, and Moody's.

All transactions in listed securities are settled upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

(c) Liquidity risk:

Liquidity risk is the risk that the Funds will encounter difficulty in meeting the obligations associated with their financial liabilities that are settled by delivering cash or another financial asset.

The Funds' policy and the Manager's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, including estimated redemptions of units, without incurring unacceptable losses or risking damage to the Funds' reputation. Liquidity risk is managed by investing the majority of the Funds' assets in investments that are traded in an active market and can be readily disposed.

(d) Market risk:

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Fund's income or the fair value of its holdings of financial instruments.

(i) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate as a result of changes in market interest rates. To manage interest rate risk, the Funds aim to maintain weighted-average days to maturity, or contractual re-pricing dates if that is earlier, for debt securities of less than 91 days.

The internal procedures require the Manager to manage interest rate risk on a daily basis in accordance with the policies and procedures in place. If the interest rate risk is not in accordance with the investment policy or guidelines of the Funds, then the Manager is required to rebalance the portfolio within 30 days of each determination of such occurrence.

STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2019 and 2018

9. Financial risk management (continued):

(d) Market risk (continued):

(ii) Currency risk:

Currency risk is the risk that the value of financial instruments denominated in currencies other than the functional currency of the Funds will fluctuate due to changes in foreign exchange rates.

While changes in foreign exchange rates can lead to fluctuations in the values of the Fund's underlying holdings reported in Canadian dollars, the Manager believes that exposure to foreign currencies provides an additional source of diversification for the Funds. Exposure to any individual foreign currency, however, is limited to 50% of the Funds' net assets.

The Funds' currency risk is managed on a quarterly basis by the Manager in accordance with the policies and procedures in place.

(iii) Other price risk:

Other price risk is the risk that the fair value of the financial instrument 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 or its issuer or factors affecting all instruments traded in the market.

Price risk is moderated by the Manager through a careful selection of securities within specified limits and the Funds' price risk is managed through diversification of the respective Fund. The Investment Manager monitors the Funds' overall market positions on a daily basis and positions are maintained within established ranges.

10. Fair value of financial instruments:

(a) Valuation models:

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Funds determines fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

The Funds measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs that are unobservable.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

STEADYHAND INVESTMENT FUNDS

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Years ended December 31, 2019 and 2018

10. Fair value of financial instruments (continued):

(a) Valuation models (continued):

The Funds use widely recognized valuation models for determining the fair value of common and more simple financial instruments such as money market instruments, futures and forward contracts that use only observable market data and require little management judgment and estimation. Observable prices and model inputs are usually available in the market for listed debt and equity securities, money market instruments and exchange-traded derivatives, such as futures and OTC derivatives such as forward contracts. In certain circumstances, the Funds may need to apply these observable market inputs to determine fair value for some money market instruments through the use of present value and discounted cash flow techniques. The availability of observable market prices and model inputs reduces the need for management judgment and estimation and reduces the uncertainty associated with the determination of fair values.

For more complex instruments, the Funds use proprietary valuation models, which are usually developed from recognized valuation models. Some or all of the significant inputs into these models may not be observable in the market, and are derived from market prices or rates or are estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgment and estimation in the determination of fair value.

The Funds' redeemable units, which are measured at redemption value, are categorized as Level 2 within the fair value hierarchy. Refer to the Discussion of Financial Instruments and Risk Management following each Fund's respective financial statements for further discussion of the respective Fund's fair value measurements.

(b) Financial instruments not measured at fair value:

The carrying value of cash, balances due from brokers, subscriptions receivable, interest and dividends receivable, bank indebtedness, balances due to brokers, redemptions payable, management fees payable, and distributions payable, approximates their fair value given their short-term nature. The carrying amount of the Funds' net assets attributable to redeemable units also approximates fair value as they are measured at the redemption amount. These financial instruments are classified as Level 2 in the fair value hierarchy because while prices are available, there is no active market for these instruments.

STEADYHAND INVESTMENT FUNDS

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11. Involvement with unconsolidated unstructured entities:

The table below describes the types of structured entities that the Income Fund, the Founder's Fund, and the Builder's Fund do not consolidate but in which they hold an interest. None of the other Funds hold an interest in unstructured entities.

Entity	Nature and purpose	Interest held by the Founders Fund
Investment Funds	To manage assets on behalf of third party investors and generate fees for the investment manager. These vehicles are financed through the issue of units to investors.	Investment in units issued by the funds.

Income Fund:

	Number of investee funds held	Total net assets of investee fund	Carrying amount included in investments
December 31, 2019			
Funds administered by third parties	1	\$ 115,006,927	\$ 5,375,049

	Number of investee funds held	Total net assets of investee fund	Carrying amount included in investments
December 31, 2018			
Funds administered by third parties	1	\$ 95,912,978	\$ 4,698,061

Founders Fund:

	Number of investee funds held	Total net assets of investee funds	Carrying amount included in investments
December 31, 2019			
Funds administered by the manager	6	\$ 902,387,956	\$ 496,034,325

	Number of investee funds held	Total net assets of investee funds	Carrying amount included in investments
December 31, 2018			
Funds administered by the manager	5	\$ 787,521,345	\$ 431,417,530

STEADYHAND INVESTMENT FUNDS

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11. Involvement with unconsolidated unstructured entities (continued):

Builders Fund:

December 31, 2019	Number of investee funds held	Total net assets of investee funds	Carrying amount included in investments
Funds administered by the manager	4	\$ 550,025,789	\$ 64,836,600

December 31, 2018	Number of investee funds held	Total net assets of investee funds	Carrying amount included in investments
Funds administered by the manager	-	\$ -	\$ -

During the years ended December 31, 2019 and 2018, the Funds did not provide financial support to unconsolidated structured entities and have no intention of providing financial or other support. The Funds can redeem their units in the above investment funds at any time, subject to their being sufficient liquidity in the underlying funds.