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**Steadyhand**

# Annual Financial Statements

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December 31, 2020

**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**





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## **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, 2020 and December 31, 2019
- the statements of comprehensive income for the years then ended (for the Steadyhand Builders Fund and Global Small-Cap Equity Fund for the year ended December 31, 2020 and for the period from inception on January 23, 2019 to December 31, 2019)
- the statements of changes in net assets attributable to holders of redeemable units for the years then ended (for the Steadyhand Builders Fund and Global Small-Cap Equity Fund for the year ended December 31, 2020 and for the period from inception on January 23, 2019 to December 31, 2019)
- the statements of cash flows for the years then ended (for the Steadyhand Builders Fund and Global Small-Cap Equity Fund for the year ended December 31, 2020 and for the period from inception on January 23, 2019 to December 31, 2019)
- 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, 2020 and December 31, 2019 (for the Steadyhand Builders Fund and Global Small-Cap Equity Fund for the year ended December 31, 2020 and for the period from inception on January 23, 2019 to December 31, 2019), 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 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 the 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*

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Chartered Professional Accountants

Vancouver, Canada  
February 23, 2021

# STEADYHAND SAVINGS FUND

Statements of Financial Position

December 31, 2020 and 2019

	Notes	2020	2019
<b>Assets</b>			
Cash		\$ 20,808	\$ 47,474
Subscriptions receivable		14,000	54,000
Interest and dividends receivable		17,520	257,227
Investments		47,086,798	88,843,616
		<hr/>	<hr/>
		47,139,126	89,202,317
<b>Liabilities</b>			
Redemptions payable		50,760	989,741
Management fees payable	4	7,939	5,787
Distribution payable		2,784	440
		<hr/>	<hr/>
		61,483	995,968
<b>Net assets attributable to holders of redeemable units</b>			
		<hr/>	<hr/>
		\$ 47,077,643	\$ 88,206,349
<b>Represented by:</b>			
Series A		\$ 46,487,908	\$ 33,259,607
Series O		589,735	54,946,742
		<hr/>	<hr/>
		\$ 47,077,643	\$ 88,206,349
<b>Number of units outstanding:</b>			
Series A	5	4,648,810	3,325,969
Series O		58,973	5,494,685
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<b>Net assets attributable to holders of redeemable units per unit:</b>			
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, 2020 and 2019

	Note	2020	2019
Revenue:			
Interest income		\$ 639,024	\$ 1,530,981
Total revenue		639,024	1,530,981
Expenses:			
Management fees	4	88,254	63,859
Independent review committee fees		3,065	3,074
Total operating expenses		91,319	66,933
Management fee reductions		(26,954)	(20,524)
Expenses waived or absorbed by Manager		(3,065)	(3,074)
		(30,019)	(23,598)
Net operating expenses		61,300	43,335
Increase in net assets attributable to holders of redeemable units from operations excluding distributions		577,724	1,487,646
Distributions to holders of redeemable units:			
From net investment income		(550,770)	(1,467,122)
Management fee reductions		(26,954)	(20,524)
		(577,724)	(1,487,646)
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		\$ 346,640	\$ 584,472
Series O		231,084	903,174
		\$ 577,724	\$ 1,487,646
Increase in net assets attributable to holders of redeemable units per unit (excluding distributions):			
Series A		\$ 0.08	\$ 0.18
Series O		0.19	0.19

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, 2020 and 2019

<b>Series A</b>	2020	2019
Balance, beginning of year	\$ 33,259,607	\$ 37,050,100
Increase in net assets attributable to holders of redeemable units	-	-
Redeemable unit transactions:		
Issue of redeemable units	49,782,823	32,289,490
Reinvestments of distributions	332,365	557,927
Redemption of redeemable units	(36,886,887)	(36,637,910)
Net increase (decrease) from redeemable unit transactions	13,228,301	(3,790,493)
Balance, end of year	\$ 46,487,908	\$ 33,259,607

<b>Series O</b>	2020	2019
Balance, beginning of year	\$ 54,946,742	\$ 27,382,253
Increase in net assets attributable to holders of redeemable units	-	-
Redeemable unit transactions:		
Issue of redeemable units	7,506,493	55,482,019
Reinvestment of distributions	231,054	903,229
Redemption of redeemable units	(62,094,554)	(28,820,759)
Net increase (decrease) from redeemable unit transactions	(54,357,007)	27,564,489
Balance, end of year	\$ 589,735	\$ 54,946,742

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



# STEADYHAND SAVINGS FUND

## Statements of Cash Flows

Years ended December 31, 2020 and 2019

	2020	2019
Cash provided by (used in):		
Operating activities:		
Proceeds from sale of investments	\$ 331,010,717	\$ 312,418,797
Purchases of investments	(289,253,899)	(335,531,791)
Interest and dividends received	878,731	1,455,302
Management fees paid	(59,148)	(43,349)
Net cash provided by (used in) operating activities	42,576,401	(21,701,041)
Financing activities:		
Proceeds from issue of redeemable units	57,329,316	88,631,620
Payments on redemption of redeemable units	(99,920,422)	(66,533,745)
Cash distributions paid to holders of redeemable units	(11,961)	(32,614)
Net cash provided by (used in) financing activities	(42,603,067)	22,065,261
Increase (decrease) in cash	(26,666)	364,220
Cash (bank indebtedness), beginning of year	47,474	(316,746)
Cash, end of year	\$ 20,808	\$ 47,474

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

# STEADYHAND SAVINGS FUND

Schedule of Investment Portfolio

December 31, 2020

	Coupon rate	Maturity or expiry date	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
<b>Short-Term Investments - Treasury Bills:</b>						
Province of Alberta	0.187%	01/26/2021	\$ 3,085,000	\$ 3,083,983	\$ 3,083,983	
Province of New Brunswick	0.178%	02/18/2021	3,100,000	3,098,729	3,098,729	
Province of Newfoundland and Labrador	0.167%	01/07/2021	1,650,000	1,649,637	1,649,637	
Total short-term investments - Treasury Bills				7,832,349	7,832,349	16.7
<b>Short-Term Investments - Bankers' Acceptance:</b>						
Bank of Montreal BA	0.249%	01/08/2021	2,690,000	2,688,632	2,688,632	
Bank of Montreal BA	0.252%	02/19/2021	980,000	979,412	979,412	
Bank of Nova Scotia BA	0.222%	01/18/2021	4,440,000	4,439,057	4,439,057	
Canadian Imperial Bank of Commerce BA	0.232%	01/27/2021	1,685,000	1,684,528	1,684,528	
Canadian Imperial Bank of Commerce BA	0.232%	02/08/2021	2,070,000	2,069,317	2,069,317	
HSBC Bank of Canada BA	0.240%	03/30/2021	2,020,000	2,018,727	2,018,727	
National Bank of Canada BA	0.241%	01/08/2021	1,125,000	1,124,349	1,124,349	
National Bank of Canada BA	0.252%	01/11/2021	1,750,000	1,748,915	1,748,915	
National Bank of Canada BA	0.241%	01/26/2021	1,217,000	1,216,598	1,216,598	
Royal Bank of Canada BA	0.237%	01/29/2021	2,290,000	2,289,153	2,289,153	
Toronto-Dominion Bank of Canada BA	0.231%	11/19/2021	4,240,000	4,238,686	4,238,686	
Total short-term investments - Bankers' Acceptance				24,497,374	24,497,374	52.0
<b>Short-Term Investments - Bearer Deposit Notes:</b>						
Manulife Bank of Canada BDN	0.539%	01/15/2021	2,000,000	1,994,580	1,994,580	
Total short-term investments - Bearer Deposit Notes				1,994,580	1,994,580	4.3
<b>Short-Term Investments - Discount Commercial Paper:</b>						
Enbridge Pipelines Inc. CP	0.356%	01/11/2021	1,000,000	999,590	999,590	
Honda Canada Finance Inc. CP	0.482%	01/28/2021	1,350,000	1,348,380	1,348,380	
Suncor Energy Inc. CP	0.611%	01/18/2021	2,100,000	2,096,808	2,096,808	
Total short-term investments - Discount Commercial Paper				4,444,778	4,444,778	9.4
<b>Short-Term Investments - Promissory Notes:</b>						
Province of Alberta PN	0.169%	01/18/2021	2,540,000	2,539,365	2,539,365	
Province of Newfoundland and Labrador PN	0.226%	02/04/2021	1,060,000	1,059,670	1,059,670	
Province of Prince Edward Island PN	0.152%	03/29/2021	2,720,000	2,718,682	2,718,682	
Total short-term investments - Promissory Notes				6,317,717	6,317,717	13.4
<b>Total short-term investments</b>				<b>45,086,798</b>	<b>45,086,798</b>	<b>95.8</b>
<b>Bonds</b>						
<b>Corporate Bonds:</b>						
Royal Bank of Canada FRN CP	0.489%	02/08/2021	2,000,000	2,000,000	2,000,000	
Total corporate bonds				2,000,000	2,000,000	4.2
<b>Total Bonds</b>				<b>2,000,000</b>	<b>2,000,000</b>	<b>4.2</b>
<b>Total Investment Portfolio</b>				<b>47,086,798</b>	<b>47,086,798</b>	<b>100.0</b>
<b>Other Net Assets</b>					(9,155)	0.0
<b>Total Net Assets</b>				<b>\$ 47,077,643</b>		<b>100.0</b>

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, 2020 and 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 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, 2020 and 2019, the Fund was invested in debt securities with the following credit quality:

	2020		2019	
<b>Rating:</b>				
AAA	\$ 18,388,783	\$ 42,225,641	39.1%	47.5%
AA	28,698,015	39,062,272	60.9%	44.0%
A	-	7,555,703	-	8.5%
<b>Total</b>	<b>\$ 47,086,798</b>	<b>\$ 88,843,616</b>	<b>100.0%</b>	<b>100.0%</b>

### (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 the period end (December 31, 2019 - nil).

### (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.

<b>December 31, 2020</b>	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Debt securities	\$ 33,142,260	\$ 13,944,538	\$ -	\$ -	\$ -	\$ 47,086,798

# STEADYHAND SAVINGS FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2020 and 2019

## 1. Financial risk management (continued):

### (c) Market risk (continued):

#### (i) Interest rate risk (continued):

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

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, 2020, 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 \$117,717 (December 31, 2019 - increased or decreased by \$222,109). 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, 2020 and 2019. The Fund held the following securities which exceeded 5% of the net assets attributable to the holders of redeemable units:

At December 31, 2020:

	Coupon rate	Maturity date	Percentage of net assets
Bank of Nova Scotia BA	0.222%	January 18, 2021	9.4%
Toronto-Dominion Bank of Canada BA	0.231%	January 18, 2021	9.0%
Province of New Brunswick	0.178%	February 18, 2021	6.6%
Province of Alberta	0.187%	January 26, 2021	6.6%
Province of Prince Edward Island PN	0.152%	March 29, 2021	5.8%
Bank of Montreal BA	0.249%	January 8, 2021	5.7%
Province of Alberta PN	0.169%	January 18, 2021	5.4%

At December 31, 2019:

	Coupon rate	Maturity date	Percentage of net assets
Province of Alberta Promissory Note	1.769%	January 2, 2020	9.1%
Province of Ontario Treasury Bills	1.771%	March 4, 2020	7.5%
National Bank of Canada B/A	1.841%	March 2, 2020	5.7%
Province of New Brunswick Bond	4.500%	June 2, 2020	5.7%
Canadian Imperial Bank of Commerce Bankers' Acceptance	1.843%	January 22, 2020	5.5%

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

# STEADYHAND SAVINGS FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2020 and 2019

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## 1. Financial risk management (continued):

(c) Market risk (continued):

(iii) Other price risk (continued):

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, 2020 and 2019, 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.

<b>December 31, 2020</b>	Level 1	Level 2	Level 3	Total
Investments	\$ -	\$ 47,086,798	\$ -	\$ 47,086,798

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

There were no transfers between Levels 1, 2 and 3 during the years ended December 31, 2020 and December 31, 2019.

# STEADYHAND INCOME FUND

Statements of Financial Position

December 31, 2020 and 2019

	Notes	2020	2019
<b>Assets</b>			
Cash		\$ 718,957	\$ 122,339
Balances due from brokers		5,002,106	-
Subscriptions receivable		30,000	58,603
Interest and dividends receivable		1,203,831	1,024,891
Derivative assets:			
Forwards		-	7,836
Futures		109,172	154,318
Due from Manager		4,500	4,500
Investments		256,100,548	262,862,151
		<b>263,169,114</b>	<b>264,234,638</b>
<b>Liabilities</b>			
Balances due to brokers		2,937,197	-
Redemptions payable		162,721	-
Management fees payable	4	76,912	78,820
		<b>3,176,830</b>	<b>78,820</b>
<b>Net assets</b> attributable to holders of redeemable units		<b>\$ 259,992,284</b>	<b>\$ 264,155,818</b>
Represented by:			
Series A		\$ 87,454,126	\$ 85,883,754
Series O		172,538,158	178,272,064
		<b>\$ 259,992,284</b>	<b>\$ 264,155,818</b>
Number of units outstanding:	5		
Series A		7,769,803	7,848,309
Series O		14,137,498	15,170,139
Net assets attributable to holders of redeemable units per unit:			
Series A		\$ 11.26	\$ 10.94
Series O		12.20	11.75

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, 2020 and 2019

	Notes	2020	2019
<b>Revenue:</b>			
Interest income		\$ 4,631,140	\$ 5,149,943
Dividend income		1,969,903	1,653,718
Distributions received from underlying fund		327,188	221,569
Other income		326,742	98,456
Foreign exchange gain		26,456	8,983
<b>Changes in fair value of investments and derivatives:</b>			
Net realized gain		4,796,014	7,967,905
Net change in unrealized appreciation		6,825,556	8,670,110
<b>Total revenue</b>		<b>18,902,999</b>	<b>23,770,684</b>
<b>Expenses:</b>			
Management fees	4	877,194	890,373
Withholding taxes	6	359	-
Transaction costs	7	62,967	40,700
Independent review committee fees		3,065	3,074
<b>Total operating expenses</b>		<b>943,585</b>	<b>934,147</b>
Management fee reductions		(264,265)	(265,539)
Expenses waived or absorbed by Manager		(3,065)	(3,074)
		(267,330)	(268,613)
<b>Net operating expenses</b>		<b>676,255</b>	<b>665,534</b>
<b>Increase in net assets attributable to holders of redeemable units from operations excluding distributions</b>		<b>18,226,744</b>	<b>23,105,150</b>
<b>Distributions to holders of redeemable units</b>			
From net investment income		(6,217,940)	(5,436,666)
From net realized gain on investment		(4,090,261)	(4,949,243)
Management fee reductions		(264,265)	(265,539)
		(10,572,466)	(10,651,448)
<b>Increase in net assets attributable to holders of redeemable units</b>		<b>\$ 7,654,278</b>	<b>\$ 12,453,702</b>
<b>Increase in net assets attributable to holders of redeemable units:</b>			
Series A		\$ 2,136,805	\$ 3,948,135
Series O		5,517,473	8,505,567
		\$ 7,654,278	\$ 12,453,702
<b>Increase in net assets attributable to holders of redeemable units (excluding distributions):</b>			
Series A		\$ 5,838,504	\$ 7,611,045
Series O		12,388,240	15,494,105
		\$ 18,226,744	\$ 23,105,150
<b>Increase in net assets attributable to holders of redeemable units per unit (excluding distributions):</b>			
Series A		\$ 0.75	\$ 0.98
Series O		0.89	1.12

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, 2020 and 2019

<b>Series A</b>	2020	2019
Balance, beginning of year	\$ 85,883,754	\$ 81,126,192
Increase in net assets attributable to holders of redeemable units	2,136,805	3,948,135
Redeemable unit transactions:		
Issue of redeemable units	11,758,437	9,500,741
Reinvestments of distributions	3,468,506	3,447,706
Redemption of redeemable units	(15,793,376)	(12,139,020)
Net increase (decrease) from redeemable unit transactions	(566,433)	809,427
Balance, end of year	\$ 87,454,126	\$ 85,883,754

<b>Series O</b>	2020	2019
Balance, beginning of year	\$ 178,272,064	\$ 162,505,303
Increase in net assets attributable to holders of redeemable units	5,517,473	8,505,567
Redeemable unit transactions:		
Issue of redeemable units	1,608,115	16,787,968
Reinvestment of distributions	6,870,770	6,988,525
Redemption of redeemable units	(19,730,264)	(16,515,299)
Net increase (decrease) from redeemable unit transactions	(11,251,379)	7,261,194
Balance, end of year	\$ 172,538,158	\$ 178,272,064

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



# STEADYHAND INCOME FUND

## Statements of Cash Flows

Years ended December 31, 2020 and 2019

	2020	2019
Cash provided by (used in):		
Operating:		
Proceeds from sale of investments	\$ 483,847,797	\$ 571,471,004
Purchase of investments	(465,076,779)	(574,536,828)
Realized loss on futures	(289,058)	(732,979)
Realized (loss) gain on forwards	(106,465)	21,876
Interest and dividends received	7,076,033	7,162,661
Balances due from broker	(5,002,106)	2,108,820
Balances due to broker	2,937,197	(271,968)
Management fees paid	(611,021)	(618,019)
Due from manager	-	(4,500)
Foreign withholding taxes paid	(359)	-
Net cash provided by operating activities	22,775,239	4,600,067
Financing:		
Proceeds from issue of redeemable units	13,395,155	26,563,705
Payments on redemption of redeemable units	(35,360,919)	(31,700,347)
Cash distributions paid to holders of redeemable units	(233,190)	(215,217)
Net cash used in financing activities	(22,198,954)	(5,351,859)
Increase (decrease) in cash	576,285	(751,792)
Cash, beginning of year	122,339	894,006
Effect of exchange rate fluctuations on cash	20,333	(19,875)
Cash, end of year	\$ 718,957	\$ 122,339

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

# STEADYHAND INCOME FUND

Schedule of Investment Portfolio

December 31, 2020

	Coupon rate	Maturity or expiry date	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
<b>Short-Term Investments - Treasury Bills:</b>						
Canada	0.098%	02/11/2021	630,000	\$ 629,906	\$ 629,906	
Total short-term investments - Treasury Bills				629,906	629,906	0.2
<b>Short-Term Investments - Bankers' Acceptance:</b>						
Bank of Montreal BA	0.238%	02/08/2021	155,000	154,936	154,936	
Bank of Nova Scotia BA	0.222%	01/18/2021	740,000	739,874	739,874	
Canadian Imperial Bank of Commerce BA	0.218%	02/16/2021	335,000	334,906	334,906	
National Bank of Canada BA	0.240%	01/14/2021	5,000	4,999	4,999	
Total short-term investments - Bankers' Acceptance				1,234,715	1,234,715	0.5
<b>Total Short-Term investments</b>				<b>1,864,621</b>	<b>1,864,621</b>	<b>0.7</b>
<b>Federal Bonds:</b>						
Canada	1.250%	06/01/2030	1,140,000	1,192,966	1,199,680	
Canada	0.529%	12/01/2050	3,396,000	3,802,732	4,499,745	
Canada	2.000%	12/01/2051	105,000	123,904	126,307	
Total federal bonds				5,119,602	5,825,732	2.2
<b>Provincial Bonds:</b>						
Province of Alberta	2.350%	06/01/2025	1,663,000	1,686,900	1,784,329	
Province of Alberta	2.900%	12/01/2028	1,033,000	1,029,292	1,167,485	
Province of Alberta	2.050%	06/01/2030	599,000	630,543	633,475	
Province of Alberta	3.300%	12/01/2046	527,000	533,130	634,900	
Province of Alberta	3.050%	12/01/2048	1,087,000	1,236,037	1,267,463	
Province of Alberta	3.100%	06/01/2050	1,296,000	1,534,195	1,535,291	
Province of British Columbia	2.200%	06/18/2030	1,440,000	1,532,534	1,565,659	
Province of British Columbia	2.950%	06/18/2050	2,258,000	2,685,168	2,756,571	
Province of Manitoba	4.650%	03/05/2040	132,000	188,100	186,470	
Province of Manitoba	3.200%	03/05/2050	1,339,000	1,609,081	1,631,634	
Province of New Brunswick	4.550%	03/26/2037	179,000	244,412	243,346	
Province of New Brunswick	3.550%	06/03/2043	348,000	432,947	432,562	
Province of New Brunswick	3.050%	08/14/2050	929,000	1,129,412	1,098,584	
Province of Newfoundland and Labrador	3.700%	10/17/2048	296,000	363,722	372,130	
Province of Newfoundland and Labrador	2.650%	10/17/2050	392,000	383,566	411,076	
Province of Nova Scotia	3.150%	12/01/2051	1,175,000	1,447,414	1,451,340	
Province of Ontario	3.500%	06/02/2024	2,485,000	2,735,935	2,735,287	
Province of Ontario	2.600%	06/02/2025	11,072,000	11,490,290	12,001,710	
Province of Ontario	1.750%	09/08/2025	1,446,000	1,509,725	1,515,542	
Province of Ontario	2.700%	06/02/2029	1,159,000	1,282,742	1,300,386	
Province of Ontario	2.050%	06/02/2030	4,097,000	4,357,096	4,372,187	
Province of Ontario	1.350%	12/02/2030	1,848,000	1,839,599	1,849,954	
Province of Ontario	5.850%	03/08/2033	2,693,000	3,853,213	3,986,046	
Province of Ontario	4.700%	06/02/2037	4,218,000	5,451,163	5,970,228	
Province of Ontario	4.600%	06/02/2039	242,000	343,301	345,148	
Province of Ontario	3.500%	06/02/2043	1,744,000	1,924,362	2,222,083	
Province of Ontario	3.450%	06/02/2045	263,000	309,604	335,154	
Province of Ontario	2.900%	12/02/2046	775,000	761,712	910,515	
Province of Ontario	2.800%	06/02/2048	640,000	746,146	744,634	
Province of Ontario	2.650%	12/02/2050	427,000	486,668	487,996	
Province of Ontario	1.900%	12/02/2051	322,000	311,122	314,846	
Province of Quebec	3.750%	09/01/2024	4,322,000	4,846,864	4,830,713	
Province of Quebec	2.750%	09/01/2025	7,690,000	8,448,388	8,428,194	
Province of Quebec	2.500%	09/01/2026	2,433,000	2,635,346	2,662,043	
Province of Quebec	1.900%	09/01/2030	8,166,000	8,526,982	8,637,128	
Province of Quebec	4.250%	12/01/2043	1,314,000	1,883,842	1,865,498	
Province of Quebec	3.500%	12/01/2045	576,000	702,862	744,163	
Province of Quebec	3.500%	12/01/2048	408,000	520,467	537,651	
Province of Quebec	3.100%	12/01/2051	237,000	293,716	297,919	
Province of Saskatchewan	2.200%	06/02/2030	978,000	1,044,436	1,051,890	
Province of Saskatchewan	3.100%	06/02/2050	2,609,000	3,066,940	3,139,074	
Total provincial bonds				86,039,024	88,458,304	34.0
<b>Municipal Bonds:</b>						
City of Toronto - Canada	3.200%	08/01/2048	603,000	601,499	719,446	
Total municipal bonds				601,499	719,446	0.3

# STEADYHAND INCOME FUND

Schedule of Investment Portfolio (continued)

December 31, 2020

	Coupon rate	Maturity or expiry date	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
<b>Bonds (continued):</b>						
<b>Corporate Bonds:</b>						
407 International Inc. CP	1.800%	05/22/2025	83,000	82,973	86,630	
407 International Inc. CP	3.830%	05/11/2046	233,000	278,423	287,547	
407 International Inc. CP	3.670%	03/08/2049	113,000	130,709	137,958	
407 International Inc. CP	2.840%	03/07/2050	649,000	632,062	686,148	
Aéroports de Montreal CP	3.030%	04/21/2050	264,000	287,318	291,281	
Bank of Montreal CP	2.850%	03/06/2024	4,347,000	4,467,755	4,629,873	
Bank of Montreal CP	2.280%	07/29/2024	2,208,000	2,201,166	2,320,267	
Bank of Montreal CP	2.370%	02/03/2025	1,006,000	1,044,796	1,063,903	
Bank of Montreal CP	4.300%	11/26/2080	734,000	734,000	756,996	
Bank of Nova Scotia CP	2.380%	05/01/2023	1,917,000	1,920,622	1,993,563	
Bank of Nova Scotia CP	2.490%	09/23/2024	1,300,000	1,300,087	1,378,485	
Bank of Nova Scotia. CP	2.160%	02/03/2025	1,167,000	1,142,691	1,225,960	
Bank of Nova Scotia. CP	1.400%	11/01/2027	1,216,000	1,211,051	1,223,271	
Bell Canada CP	3.350%	03/12/2025	2,723,000	2,761,525	2,973,917	
Bell Canada CP	1.650%	08/16/2027	1,204,000	1,203,850	1,219,902	
Bell Canada CP	3.600%	09/29/2027	1,233,000	1,354,706	1,395,360	
Bell Canada CP	4.450%	02/27/2047	738,000	872,722	896,728	
Bell Canada CP	3.500%	09/30/2050	526,000	531,258	555,271	
Canadian Imperial Bank of Commerce CP	2.430%	06/09/2023	1,551,000	1,554,727	1,616,479	
Canadian Imperial Bank of Commerce CP	3.290%	01/15/2024	739,000	764,924	794,715	
Canadian Imperial Bank of Commerce CP	2.350%	08/28/2024	1,960,000	1,956,974	2,064,441	
Canadian Imperial Bank of Commerce CP	2.000%	04/17/2025	1,782,000	1,793,273	1,859,476	
Canadian Imperial Bank of Commerce CP	2.010%	07/21/2030	561,000	574,758	577,660	
Capital Power Corp. CP	4.986%	01/23/2026	684,000	721,450	788,487	
Choice Properties REIT CP	4.903%	07/05/2023	710,000	788,762	773,589	
Choice Properties REIT CP	4.055%	11/24/2025	475,000	484,653	532,011	
Choice Properties REIT CP	4.178%	03/08/2028	840,000	840,000	968,184	
CPPIB Capital Inc. CP	3.000%	06/15/2028	660,000	660,000	753,409	
CU Inc. CP	4.543%	10/24/2041	659,000	750,352	871,344	
CU Inc. CP	4.722%	09/09/2043	401,000	485,345	549,054	
CU Inc. CP	4.085%	09/02/2044	574,000	667,243	729,253	
CU Inc. CP	3.548%	11/22/2047	226,000	251,604	269,384	
CU Inc. CP	3.950%	11/23/2048	651,000	758,483	830,037	
Empire Life Insurance Co. CP	3.664%	03/15/2028	726,000	727,858	766,648	
Enbridge Gas Inc. CP	2.370%	08/09/2029	365,000	364,872	394,637	
Enbridge Gas Inc. CP	2.900%	04/01/2030	740,000	779,128	828,668	
Enbridge Gas Inc. CP	4.200%	06/02/2044	116,000	153,538	149,336	
Enbridge Gas Inc. CP	4.000%	08/22/2044	362,000	418,486	454,308	
Enbridge Inc. CP	4.570%	03/11/2044	132,000	148,565	153,625	
Enbridge Inc. CP	5.375%	09/27/2077	704,000	671,327	747,450	
Enbridge Pipelines Inc. CP	4.330%	02/22/2049	982,000	1,026,344	1,161,849	
First Capital REIT CP	3.447%	03/01/2028	65,000	65,000	68,708	
Fortis BC Energy Inc. CP	6.000%	10/02/2037	110,000	155,828	163,262	
Fortis BC Energy Inc. CP	6.550%	02/24/2039	48,000	73,680	76,332	
Fortis BC Energy Inc. CP	3.850%	12/07/2048	108,000	126,580	136,836	
Fortis BC Energy Inc. CP	2.820%	08/09/2049	442,000	444,918	471,123	
Fortis BC Energy Inc CP	2.540%	07/13/2050	49,000	49,000	49,406	
Fortis BC Inc CP	4.000%	10/28/2044	250,000	288,433	307,171	
General Motors Financial of Canada Ltd. CP	5.950%	05/14/2024	281,000	280,387	321,871	
Greater Toronto Airports Authority CP	6.450%	12/03/2027	443,000	582,071	586,943	
Greater Toronto Airports Authority CP	1.540%	05/03/2028	584,000	591,426	597,068	
Greater Toronto Airports Authority CP	7.050%	06/12/2030	411,000	591,469	591,105	
Hydro One Inc. CP	1.410%	10/15/2027	205,000	204,932	207,954	
Hydro One Inc. CP	7.350%	06/03/2030	181,000	264,644	267,447	
Hydro One Inc. CP	6.930%	06/01/2032	264,000	363,440	398,410	
Hydro One Inc. CP	6.350%	01/31/2034	384,000	532,745	564,062	
iA Financial Corp Inc. CP	3.072%	09/24/2031	436,000	436,000	473,077	
Intact Financial CORP. CP	3.691%	03/24/2025	525,000	525,000	581,873	
Intact Financial CORP. CP	2.850%	06/07/2027	549,000	530,549	596,098	
Intact Financial CORP. CP	6.400%	11/23/2039	255,000	380,819	384,832	
Loblaw Cos LTD. CP	6.500%	01/22/2029	490,000	614,761	654,187	
National Bank of Canada CP	2.983%	03/04/2024	305,000	313,991	326,031	
National Bank of Canada CP	2.545%	07/12/2024	245,000	244,566	259,566	
National Bank of Canada CP	2.580%	02/03/2025	282,000	281,992	300,693	
National Bank of Canada CP	1.573%	08/18/2026	180,000	182,650	183,858	
NAV Canada CP	2.924%	09/29/2051	166,000	181,648	182,032	

# STEADYHAND INCOME FUND

Schedule of Investment Portfolio (continued)

December 31, 2020

	Coupon rate	Maturity or expiry date	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
<b>Corporate Bonds (continued):</b>						
Northern Courier Pipeline LP CP	3.365%	06/30/2042	106,001	106,001	114,351	
Northwestern Hydro Acquisition Co. CP	3.877%	12/31/2036	805,000	822,549	919,254	
Nova Scotia Power Inc CP	3.571%	04/05/2049	109,000	124,452	127,782	
Pembina Pipeline Corp. CP	4.810%	03/25/2044	123,000	134,643	141,384	
Plenary Properties LTAP LP CP	6.288%	01/31/2044	54,669	69,199	79,048	
RioCan Real Estate Investment Trust CP	1.974%	06/15/2026	80,000	80,000	80,395	
RioCan Real Estate Investment Trust CP	2.361%	03/10/2027	573,000	567,365	584,149	
Rogers Communications Inc. CP	3.650%	03/31/2027	2,728,000	2,923,224	3,079,112	
RBC Yield Curve Deposit Note Series 27	0.260%	05/10/2021	2,333,000	2,338,833	2,299,812	
Royal Bank of Canada CP	3.296%	09/26/2023	1,872,000	1,871,039	2,003,196	
Royal Bank of Canada CP	2.352%	07/02/2024	1,361,000	1,361,000	1,433,451	
Royal Bank of Canada CP	2.609%	11/01/2024	2,012,000	2,020,840	2,144,672	
Royal Bank of Canada CP	1.936%	05/01/2025	911,000	911,000	949,824	
Royal Bank of Canada CP	2.328%	01/28/2027	587,000	588,088	626,179	
Royal Bank of Canada CP	2.880%	12/23/2029	458,000	486,749	488,856	
Royal Bank of Canada CP	2.088%	06/30/2030	291,000	300,231	301,529	
Royal Bank of Canada CP	4.500%	11/24/2080	571,000	571,000	596,569	
Royal Bank of Canada CP	4.000%	02/24/2081	1,194,000	1,195,875	1,215,408	
Sea To Sky Highway Investment LP CP	2.629%	08/31/2030	189,350	189,566	196,240	
Shaw Communications Inc. CP	3.300%	12/10/2029	156,000	155,282	172,406	
Shaw Communications Inc. CP	2.900%	12/09/2030	302,000	301,441	321,469	
Shaw Communications Inc. CP	6.750%	11/09/2039	432,000	605,038	623,601	
Smartcentres REIT CP	3.192%	06/11/2027	218,000	218,000	233,850	
Smartcentres REIT CP	3.648%	12/11/2030	230,000	238,009	249,745	
Suncor Energy Inc. CP	3.000%	09/14/2026	363,000	385,887	394,360	
Suncor Energy Inc. CP	5.000%	04/09/2030	1,065,000	1,256,721	1,304,136	
Suncor Energy Inc. CP	4.340%	09/13/2046	223,000	241,612	252,686	
TELUS Corp. CP	2.050%	10/07/2030	290,000	287,818	292,667	
TELUS Corp. CP	4.400%	04/01/2043	52,000	62,120	60,754	
TELUS Corp. CP	5.150%	11/26/2043	543,000	660,131	699,178	
TELUS Corp. CP	4.850%	04/05/2044	258,000	309,035	320,560	
TELUS Corp. CP	4.750%	01/17/2045	302,000	339,807	372,134	
TELUS Corp. CP	4.400%	01/29/2046	241,000	292,945	284,290	
TELUS Corp. CP	4.700%	03/06/2048	79,000	99,311	98,120	
Toronto-Dominion Bank CP	2.850%	03/08/2024	597,000	612,366	636,350	
Toronto-Dominion Bank CP	2.496%	12/02/2024	1,632,000	1,661,685	1,735,608	
Toronto-Dominion Bank CP	1.943%	03/13/2025	1,153,000	1,173,668	1,202,521	
Toronto-Dominion Bank CP	1.128%	12/09/2025	1,475,000	1,475,000	1,481,090	
Toronto-Dominion Bank CP	3.105%	04/22/2030	273,000	293,601	294,913	
Toronto-Dominion Bank CP	4.859%	03/04/2031	273,000	320,060	321,063	
Toronto-Dominion Bank CP	3.060%	01/26/2032	349,000	377,887	381,333	
TransCanada Pipelines Ltd. CP	8.050%	02/17/2039	197,000	309,749	315,727	
TransCanada Trust CP	4.650%	05/18/2077	801,000	767,674	825,526	
Vancouver Airport Authority CP	3.857%	11/10/2045	163,000	201,783	202,322	
Total corporate bonds				77,115,193	80,964,669	31.1
<b>Total Bonds</b>				<b>168,875,318</b>	<b>175,968,151</b>	<b>67.7</b>
<b>Equities:</b>						
<b>Equities - Oil and Gas:</b>						
Enbridge Inc.			25,372	1,084,332	1,032,894	
Gibson Energy Inc.			28,400	592,516	583,904	
Parkland Fuel Corp.			13,000	516,651	525,070	
Pembina Pipeline Corp.			17,900	659,145	538,790	
TC Energy Corp.			31,800	1,925,200	1,645,650	
Total equities - oil and gas				4,777,844	4,326,308	1.7
<b>Equities - Industrial Goods and Services:</b>						
Canadian National Railway Co.			25,000	2,670,899	3,498,500	
Thomson Reuters Corp.			18,469	1,355,503	1,924,100	
WSP Global Inc.			15,700	1,375,940	1,893,263	
Total equities - industrial goods and services				5,402,342	7,315,863	2.8

# STEADYHAND INCOME FUND

Schedule of Investment Portfolio (continued)

December 31, 2020

	Coupon rate	Maturity or expiry date	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
<b>Equities (continued):</b>						
<b>Equities - Consumer Cyclical:</b>						
Restaurant Brands International Inc.			19,200	1,383,951	1,494,336	
Total equities - consumer cyclical				1,383,951	1,494,336	0.6
<b>Equities - Consumer Products:</b>						
Maple Leaf Foods Inc.			20,100	620,145	567,222	
Premium Brands Holding Corp.			14,700	1,344,409	1,480,731	
Saputo Group Inc.			17,100	670,330	609,273	
Total equities - consumer products				2,634,884	2,657,226	1.0
<b>Equities - Financial Services:</b>						
Bank of Montreal			30,600	2,544,860	2,961,468	
Bank of Nova Scotia			42,400	2,861,039	2,917,120	
Element Fleet Management Corp.			183,300	1,564,853	2,452,554	
Great-West Lifeco Inc.			26,100	741,072	792,135	
iA Financial Corp. Inc.			20,300	1,131,210	1,120,154	
Intact Financial Corp.			12,900	1,424,712	1,944,288	
Intact Financial Corp. Private Placement receipts			2,700	363,150	406,944	
Manulife Financial Corp.			17,400	416,985	394,110	
Royal Bank of Canada			50,600	4,662,372	5,292,253	
TMX Group Ltd.			9,100	1,002,455	1,156,974	
Toronto-Dominion Bank			59,679	3,716,242	4,292,114	
Total equities - financial services				20,428,950	23,730,114	9.1
<b>Equities - Real Estate:</b>						
Canadian Apartment Properties REIT			90,400	3,703,298	4,519,096	
Granite REIT			26,900	1,738,422	2,095,510	
InterRent REIT			167,400	2,156,968	2,291,706	
Minto Apartment REIT			137,100	2,672,906	2,792,727	
Summit Industrial Income REIT			147,200	1,926,394	2,009,280	
Total equities - real estate				12,197,988	13,708,319	5.3
<b>Equities - Retailing:</b>						
Empire Company Ltd. Class A			33,500	1,080,735	1,165,465	
Loblaw Companies Ltd.			15,700	1,031,198	986,117	
Total equities - retailing				2,111,993	2,151,582	0.8
<b>Equities - Communications and Media:</b>						
BCE Inc.			16,000	938,967	870,880	
Rogers Communications Inc.			25,000	1,440,964	1,481,500	
Shaw Communications Inc. Class B			62,600	1,562,521	1,398,484	
TELUS Corp.			80,700	1,947,626	2,034,447	
Total equities - communications and media				5,890,078	5,785,311	2.2
<b>Equities - Technology:</b>						
Open Text Corp.			26,900	1,397,152	1,555,896	
Total equities - technology			26,900	1,397,152	1,555,896	0.6
<b>Equities - Utilities and Pipelines:</b>						
Boralex Inc. Class A			17,700	705,841	836,148	
Brookfield Infrastructure Partners LP			27,260	1,153,884	1,716,835	
Brookfield Renewable Partners LP			37,250	1,357,165	2,046,888	
Northland Power Inc.			41,900	1,106,921	1,913,573	
Total equities - utilities and pipelines				4,323,811	6,513,444	2.5
<b>Total Equities</b>				\$ 60,548,933	\$ 69,238,399	26.6

# STEADYHAND INCOME FUND

Schedule of Investment Portfolio (continued)

December 31, 2020

	Coupon rate	Maturity or expiry date	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
<b>Pooled Investment Funds</b>						
CC&L High Yield Bond Fund, Series I			909,733	8,925,805	9,029,377	3.5
<b>Transaction Costs</b>				(37,257)	-	
<b>Total Investment Portfolio</b>				240,177,420	256,100,548	98.5
<b>Derivatives:</b>						
Total unrealized gain on futures contracts (Schedule of future contracts)					109,172	0.04
<b>Other Net Assets</b>					3,782,564	1.5
<b>Total Net Assets</b>					\$ 259,992,284	100.0

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

# STEADYHAND INCOME FUND

Futures Contracts

December 31, 2020

Description	Maturity date	Number of contracts	Fair value	Unrealized gain (loss)
Montreal 10 Year Canadian Bond Futures	March 31, 2021	(11)	\$ (1,640,100)	
Montreal 10 Year Canadian Bond Futures	March 31, 2021	(8)	(1,192,800)	
<b>Margins</b>			<b>2,942,084</b>	
Future contracts				\$ (2,832,900)
Margin requirement				2,942,072
				<b>\$ 109,172</b>

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, 2020 and 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 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, 2020 and 2019, the Fund was invested in debt securities with the following credit quality:

	2020	2019	2020	2019
<b>Rating:</b>				
AAA	\$ 12,760,993	\$ 26,751,077	7.2%	13.2%
AA	38,789,185	67,955,399	21.8%	33.2%
A	91,228,214	90,319,578	51.2%	44.0%
BBB	35,172,863	19,689,191	19.8%	9.6%
<b>Total</b>	<b>\$ 177,951,255</b>	<b>\$ 204,715,245</b>	<b>100.0%</b>	<b>100.0%</b>

### (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, 2020 and 2019, the Fund had no derivative liabilities.



# STEADYHAND INCOME FUND

## Discussion of Financial Instruments and Risk Management

Years ended December 31, 2020 and 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. 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
<b>December 31, 2020</b>						
Debt securities	\$ 863,355	\$ 1,119,748	\$ 2,299,812	\$ 67,985,830	\$ 105,682,510	\$ 177,951,255
<b>December 31, 2019</b>						
Debt securities	\$ 4,082,172	\$ 3,510,575	\$ 2,735,703	\$ 84,694,050	\$ 94,651,870	\$ 189,674,370

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, 2020, 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 \$444,878 (December 31, 2019 - increased or decreased by \$511,788). 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, 2020		December 31, 2019	
	Thousands of CAD	% of net assets	Thousands of CAD	% of net assets
United States dollar	\$ 198.1	0.1%	\$ 135.7	0.1%

As at December 31, 2020, 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 \$1,981 (December 31, 2019 - increased or decreased by approximately \$1,357). 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, 2020 and 2019

## 1. Financial risk management (continued):

(c) Market risk (continued):

(iii) Other price risk:

There were no significant concentrations of risk to issuers at June 30, 2020 and December 31, 2019. The Fund held the following securities which exceeded 5% of the net assets attributable to the holders of redeemable units:

At December 31, 2020: No securities exceeded 5% of net assets.

At December 31, 2019:

	Coupon rate	Maturity date	Percentage of net assets
Province of Quebec Provincial Bond	3.500%	December 1, 2022	5.9%
Province of Quebec Provincial Bond	3.500%	December 1, 2048	5.9%

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, 2020		December 31, 2019	
	5% Increase	5% Decrease	5% Increase	5% Decrease
DEX Universe Bond Index	\$ 8,798,408	\$ (8,798,408)	\$ 9,298,972	\$ (9,298,972)
S&P/TSX Composite Index	3,913,389	(3,913,389)	3,390,637	(3,390,637)
<b>Total</b>	<b>\$ 12,711,796</b>	<b>\$ (12,711,796)</b>	<b>\$ 12,689,609</b>	<b>\$ (12,689,609)</b>

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, 2020	Level 1	Level 2	Level 3	Total
Investments	\$ 77,860,832	\$ 178,239,716	\$ -	\$ 256,100,548
Derivative assets	109,172	-	-	109,172
	<b>\$ 77,970,004</b>	<b>\$ 178,239,716</b>	<b>\$ -</b>	<b>\$ 256,209,720</b>

# STEADYHAND INCOME FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2020 and 2019

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## 2. Fair value of financial instruments (continued):

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

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

There were no transfers between Levels 1, 2 and 3 during the years ended December 31, 2020 and 2019.

# STEADYHAND FOUNDERS FUND

Statements of Financial Position

December 31, 2020 and 2019

	Notes	2020	2019
<b>Assets</b>			
Cash		\$ 64,794,766	\$ 3,252,421
Subscriptions receivable		685,196	288,433
Interest and dividends receivable		960	89,929
Investments		473,392,108	494,138,398
		<u>538,873,030</u>	<u>497,769,181</u>
<b>Liabilities</b>			
Redemptions payable		798,847	1,149,891
Management fees payable	4	602,862	584,965
		<u>1,401,709</u>	<u>1,734,856</u>
<b>Net assets</b> attributable to holders of redeemable units		<u>\$ 537,471,321</u>	<u>\$ 496,034,325</u>
Number of units outstanding	5	<u>37,827,583</u>	<u>37,410,726</u>
Net assets attributable to holders of redeemable units per unit		<u>\$ 14.21</u>	<u>\$ 13.26</u>

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, 2020 and 2019

	2020	2019
<b>Revenue:</b>		
Interest income	\$ 13,219	\$ 41,858
Distributions received from underlying fund	11,807,878	16,126,236
Changes in fair value of investments:		
Net realized gain	3,480,435	6,929,802
Net change in unrealized appreciation	32,172,097	34,345,117
<b>Total revenue</b>	<b>47,473,629</b>	<b>57,443,013</b>
<b>Expenses:</b>		
Management fees	4 6,528,874	6,392,206
Independent review committee fees	3,065	3,074
<b>Total operating expenses</b>	<b>6,531,939</b>	<b>6,395,280</b>
Management fee reductions	(1,935,683)	(1,853,275)
Expenses waived or absorbed by Manager	(3,065)	(3,074)
	(1,938,748)	(1,856,349)
<b>Net operating expenses</b>	<b>4,593,191</b>	<b>4,538,931</b>
Increase in net assets attributable to holders of redeemable units from operations excluding distributions	42,880,438	52,904,082
Distributions to holders of redeemable units:		
From net investment income	(5,055,570)	(4,936,357)
From net realized gain on investment	(772,091)	(8,009,881)
Management fee reductions	(1,935,683)	(1,853,275)
	(7,763,344)	(14,799,513)
<b>Increase in net assets attributable to holders of redeemable units</b>	<b>\$ 35,117,094</b>	<b>\$ 38,104,569</b>
<b>Increase in net assets attributable to holders of redeemable units (excluding distributions)</b>	<b>\$ 42,880,438</b>	<b>\$ 52,904,082</b>
<b>Increase in net assets attributable to holders of redeemable units per unit (excluding distributions)</b>	<b>\$ 1.14</b>	<b>\$ 1.45</b>

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, 2020 and 2019

<b>Series A</b>	2020	2019
Balance, beginning of year	\$ 496,034,325	\$ 430,048,535
Increase in net assets attributable to holders of redeemable units	35,117,094	38,104,569
Redeemable unit transactions:		
Issue of redeemable units	54,011,049	66,344,818
Reinvestments of distributions	7,546,316	14,278,025
Redemption of redeemable units	(55,237,463)	(52,741,622)
Net increase from redeemable unit transactions	6,319,902	27,881,221
Balance, end of year	\$ 537,471,321	\$ 496,034,325

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

# STEADYHAND FOUNDERS FUND

## Statements of Cash Flows

Years ended December 31, 2020 and 2019

	2020	2019
Cash provided by (used in):		
Operating:		
Proceeds from sale of investments	\$ 141,418,402	\$ 83,028,676
Purchase of investments	(85,019,580)	(104,474,623)
Interest and dividends received	11,910,066	16,132,876
Management fees paid	(4,575,294)	(4,445,935)
Operating expenses paid	-	(37)
Net cash provided by (used in) operating activities	63,733,594	(9,759,043)
Financing:		
Proceeds from issue of redeemable units	53,614,286	66,421,079
Payments on redemption of redeemable units	(55,588,507)	(53,273,067)
Cash distributions paid to holders of redeemable units	(217,028)	(521,488)
Net cash provided by (used in) financing activities	(2,191,249)	12,626,524
Increase in cash	61,542,345	2,867,481
Cash, beginning of year	3,252,421	384,940
Cash, end of year	\$ 64,794,766	\$ 3,252,421

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

# STEADYHAND FOUNDERS FUND

Schedule of Investment Portfolio

December 31, 2020

Description	Number of units	Average cost	Fair value	% of net assets
<b>Pooled Investment Funds:</b>				
Steadyhand Equity Fund, Series O	4,387,373	\$ 68,494,839	\$ 100,142,665	
Steadyhand Global Equity Fund, Series O	14,458,974	122,946,355	126,718,317	
Steadyhand Global Small Cap Equity Fund, Series O	2,512,382	25,159,157	32,454,947	
Steadyhand Income Fund, Series O	14,137,498	160,917,173	172,538,265	
Steadyhand Savings Fund, Series O	58,961	589,609	589,609	
Steadyhand Small Cap Equity Fund, Series O	2,423,220	35,739,972	40,948,305	
<b>Total Pooled Investment Funds</b>		413,847,105	473,392,108	88.1
<b>Total Investment Portfolio</b>		413,847,105	473,392,108	88.1
<b>Other Net Assets</b>			64,079,213	11.9
<b>Total Net Assets</b>			\$ 537,471,321	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, 2020 and 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 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, 2020 and 2019, the Fund was invested in debt securities with the following credit quality:

	2020	2019	2020	2019
<b>Rating:</b>				
AAA	\$ 9,119,808	\$ 45,777,459	7.7%	23.4%
AA	26,101,024	70,543,950	21.9%	36.2%
A	60,541,634	65,728,622	50.8%	33.6%
BBB	23,341,710	13,287,723	19.6%	6.8%
<b>Total</b>	<b>\$ 119,104,176</b>	<b>\$ 195,337,754</b>	<b>100.0%</b>	<b>100.0%</b>

### (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, 2020 and 2019.

# STEADYHAND FOUNDERS FUND

Discussion of Financial Instruments and Risk Management

At December 31, 2020 and 2019

## 1. Financial risk management (continued):

(c) Market risk (continued):

(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.

<b>December 31, 2020</b>	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Debt securities	\$ 988,027	\$ 1,017,914	\$ 1,846,994	\$45,117,328	\$70,133,913	\$119,104,176

<b>December 31, 2019</b>	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

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, 2020, 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 \$ 297,760 (December 31, 2019 - increased or decreased by \$488,344). 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, 2020		December 31, 2019	
	Thousands of CAD	% of net assets	Thousands of CAD	% of net assets
United States Dollar	\$ 106,552.7	19.8%	\$ 92,216.6	18.6%
Euro	33,128.5	6.2%	22,982.7	4.6%
British Pound	22,374.8	4.2%	20,804.5	4.2%
Japanese Yen	19,112.4	3.6%	16,432.7	3.3%
Norwegian Krone	8,933.0	1.7%	9,527.1	1.9%
Swiss Franc	7,948.9	1.5%	4,388.4	0.9%
Hong Kong Dollar	2,697.1	0.5%	2,041.2	0.4%
Swedish Krone	1,888.4	0.4%	1,057.1	0.2%
Australian Dollar	1,731.1	0.3%	653.2	0.1%
Danish Krone	376.2	0.1%	2,429.2	0.5%
Korean Won	-	-	1,450.6	0.3%
	<b>\$ 204,743.1</b>	<b>38.1%</b>	<b>\$ 173,983.3</b>	<b>35.1%</b>

# STEADYHAND FOUNDERS FUND

## Discussion of Financial Instruments and Risk Management

Years ended December 31, 2020 and 2019

### 1. Financial risk management (continued):

#### (c) Market risk (continued):

##### (ii) Currency risk (continued):

As at December 31, 2020, 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 \$2,047,431 (December 31, 2019 - increased or decreased by approximately \$1,739,833). 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, 2020 and 2019. No exposure to any individual issuer exceeded 5% of the net assets attributable to the holders of redeemable units either at December 31, 2020 and 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, 2020		December 31, 2019	
	5% Increase	5% Decrease	5% Increase	5% Decrease
DEX 90 Day TBill Index	\$ 1,183,480	\$ (1,183,480)	\$ 1,235,346	\$ (1,235,346)
DEX Universe Bond Index	8,284,362	(8,284,362)	8,647,422	(8,647,422)
S&P/TSX Composite Index	8,284,362	(8,284,362)	8,647,422	(8,647,422)
Morningstar Developed Markets Index (\$Cdn)	5,917,401	(5,917,401)	6,176,730	(6,176,730)
<b>Total</b>	<b>\$ 23,669,605</b>	<b>\$ (23,669,605)</b>	<b>\$ 24,706,920</b>	<b>\$ (24,706,920)</b>

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, 2020 and 2019

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## 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.

<b>December 31, 2020</b>	Level 1	Level 2	Level 3	Total
Investments	\$ 473,392,108	\$ -	\$ -	\$ 473,392,108

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

There were no transfers between Levels 1, 2 and 3 during the years ended December 31, 2020 and December 31, 2019.

# STEADYHAND BUILDERS FUND

Statements of Financial Position

December 31, 2020 and 2019

	Notes	2020	2019
<b>Assets</b>			
Cash		\$ 1,128,196	\$ 659,740
Subscriptions receivable		274,151	313,502
Interest and dividends receivable		-	36
Investments		97,341,564	63,953,391
		<u>98,743,911</u>	<u>64,926,669</u>
<b>Liabilities</b>			
Redemptions payable		9,000	-
Management fees payable	4	131,795	90,069
		<u>140,795</u>	<u>90,069</u>
<b>Net assets</b> attributable to holders of redeemable units			
		<u>\$ 98,603,116</u>	<u>\$ 64,836,600</u>
Number of units outstanding	5	8,678,942	6,087,472
Net assets attributable to holders of redeemable units per unit			
		<u>\$ 11.36</u>	<u>\$ 10.65</u>

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

	Notes	Year ended December 31, 2020	Period from inception on January 23, 2019 to December 31, 2019
<b>Revenue:</b>			
Interest income		\$ 10,870	\$ 4,902
Distributions received from underlying fund		1,456,348	1,923,168
Changes in fair value of investments:			
Net realized gain (loss)		(60,057)	160
Net change in unrealized appreciation		8,336,715	2,527,032
<b>Total revenue</b>		<b>9,743,876</b>	<b>4,455,262</b>
<b>Expenses:</b>			
Management fees	4	1,253,459	604,861
Independent review committee fees		3,065	3,074
<b>Total operating expenses</b>		<b>1,256,524</b>	<b>607,935</b>
Management fee reductions		(336,576)	(167,406)
Expenses waived or absorbed by Manager		(3,065)	(3,074)
		(339,641)	(170,480)
<b>Net operating expenses</b>		<b>916,883</b>	<b>437,455</b>
<b>Increase in net assets attributable to holders of redeemable units from operations excluding distributions</b>		<b>8,826,993</b>	<b>4,017,807</b>
<b>Distributions to holders of redeemable units:</b>			
From net investment income		(213,986)	(733,823)
From net realized gain on investment		-	(538,643)
Management fee reductions		(336,576)	(167,406)
		(550,562)	(1,439,872)
<b>Increase in net assets attributable to holders of redeemable units</b>		<b>\$ 8,276,431</b>	<b>\$ 2,577,935</b>
<b>Increase in net assets attributable to holders of redeemable units (excluding distributions)</b>		<b>\$ 8,826,993</b>	<b>\$ 4,017,807</b>
<b>Increase in net assets attributable to holders of redeemable units per unit (excluding distributions)</b>		<b>\$ 1.14</b>	<b>\$ 1.05</b>

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

	Year ended December 31, 2020	Period from inception on January 23, 2019 to December 31, 2019
<b>Series A</b>		
Balance, beginning of period	\$ 64,836,600	\$ -
Increase in net assets attributable to holders of redeemable units	8,276,431	2,577,935
Redeemable unit transactions:		
Issue of redeemable units	31,639,949	63,223,910
Reinvestments of distributions	550,277	1,439,872
Redemption of redeemable units	(6,700,141)	(2,405,117)
Net increase from redeemable unit transactions	25,490,085	62,258,665
Balance, end of period	\$ 98,603,116	\$ 64,836,600

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

# STEADYHAND BUILDERS FUND

## Statements of Cash Flows

	Year ended December 31, 2020	Period from inception on January 23, 2019 to December 31, 2019
Cash provided by (used in):		
Operating:		
Proceeds from sale of investments	\$ 2,261,169	\$ 9,802
Purchase of investments	(27,372,684)	(61,436,001)
Interest and dividends received	1,467,254	1,928,034
Management fees paid	(875,157)	(347,386)
Net cash used in operating activities	(24,519,418)	(59,845,551)
Financing:		
Proceeds from issue of redeemable units	31,679,300	62,910,408
Payments on redemption of redeemable units	(6,691,141)	(2,405,117)
Cash distributions paid to holders of redeemable units	(285)	-
Net cash provided by financing activities	24,987,874	60,505,291
Increase in cash	468,456	659,740
Cash, beginning of period	659,740	-
Cash, end of period	\$ 1,128,196	\$ 659,740

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



# STEADYHAND BUILDERS FUND

Schedule of Investment Portfolio

December 31, 2020

Description	Number of units	Average cost	Fair value	% of net assets
<b>Pooled Investment Funds:</b>				
Steadyhand Equity Fund, Series O	1,469,728	\$ 28,783,056	\$ 33,546,844	
Steadyhand Global Equity Fund, Series O	4,005,826	33,229,694	35,107,456	
Steadyhand Global Small Cap Equity Fund, Series O	1,114,005	12,114,705	14,390,716	
Steadyhand Small Cap Equity Fund, Series O	846,035	12,350,362	14,296,548	
<b>Total Pooled Investment Funds</b>		86,477,817	97,341,564	98.7
<b>Total Investment Portfolio</b>		86,477,817	97,341,564	98.7
<b>Other Net Assets</b>			1,261,552	1.3
<b>Total Net Assets</b>			\$ 98,603,116	100.0

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

# STEADYHAND BUILDERS FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2020 and 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, 2020 and 2019, the Fund was invested in debt securities with the following credit quality:

	2020	2019	2020	2019
<b>Rating:</b>				
AAA	\$ 149,541	\$ 271,785	100.0%	100.0%
<b>Total</b>	<b>\$ 149,541</b>	<b>\$ 271,785</b>	<b>100.0%</b>	<b>100.0%</b>

### (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, 2020 and 2019.

### (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.

# STEADYHAND BUILDERS FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2020 and 2019

## 1. Financial risk management (continued):

### (c) Market risk (continued):

#### (i) Interest rate risk (continued):

December 31, 2020	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Debt securities	\$ -	\$ 35,586	\$ 113,955	\$ -	\$ -	\$ 149,541
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 \$374 (December 31, 2019 - \$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, 2020		December 31, 2019	
	Thousands of CAD	% of net assets	Thousands of CAD	% of net assets
United States Dollar	\$ 31,453.4	31.9%	\$ 19,890.3	47.0%
Euro	9,410.4	9.5%	4,840.3	11.5%
British Pound	6,449.5	6.5%	4,534.3	10.7%
Japanese Yen	5,686.3	5.8%	3,541.2	8.4%
Norwegian Krone	2,474.9	2.5%	1,932.8	4.6%
Swiss Franc	2,495.9	2.5%	1,092.0	2.6%
Hong Kong Dollar	747.2	0.8%	414.1	1.0%
Swedish Krone	523.2	0.5%	214.4	0.5%
Australian Dollar	479.6	0.5%	132.5	0.3%
Danish Krone	104.2	0.1%	575.4	1.4%
Korean Won	-	-	294.3	0.7%
	\$ 59,824.6	60.7%	\$ 37,461.6	88.7%

# STEADYHAND BUILDERS FUND

## Discussion of Financial Instruments and Risk Management

Years ended December 31, 2020 and 2019

### 1. Financial risk management (continued):

#### (c) Market risk (continued):

##### (ii) Currency risk (continued):

As at December 31, 2020 and 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 \$598,247 (December 31, 2019 - 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, 2020 and 2019. No exposure to any individual issuer exceeded 5% of the net assets attributable to the holders of redeemable units at December 31, 2020 and 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, 2020		December 31, 2019	
	5% Increase	5% Decrease	5% Increase	5% Decrease
FTSE Canadian Universe				
Bond Index	\$ 243,354	\$ (243,354)	\$ 159,883	\$ (159,883)
S&P/TSX Canadian				
Composite Index	973,416	(973,416)	639,534	(639,534)
S&P/TSX SmallCap Index	486,708	(486,708)	319,767	(319,767)
Morningstar Developed				
Markets Index	2,433,539	(2,433,539)	1,598,835	(1,598,835)
S&P Global Small Cap Index	730,062	(730,062)	479,650	(479,650)
<b>Total</b>	<b>\$ 4,867,078</b>	<b>\$ (4,867,078)</b>	<b>\$ 3,197,669</b>	<b>\$ (3,197,669)</b>

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

Years ended December 31, 2020 and 2019

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## 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.

<b>December 31, 2020</b>	Level 1	Level 2	Level 3	Total
Investments	\$ 97,341,564	\$ -	\$ -	\$ 97,341,564

<b>December 31, 2019</b>	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 years ended December 31, 2020 or December 31, 2019.

# STEADYHAND EQUITY FUND

Statements of Financial Position

December 31, 2020 and 2019

	Notes	2020	2019
<b>Assets</b>			
Subscriptions receivable		\$ 727,610	\$ 371,956
Interest and dividends receivable		328,764	630,475
Investments		233,455,785	210,995,620
		<hr/>	<hr/>
		234,512,159	211,998,051
<b>Liabilities</b>			
Bank indebtedness		263,036	66,331
Balances due to brokers		5,732	352,501
Redemptions payable		30,593	16,000
Management fees payable	4	119,908	124,271
		<hr/>	<hr/>
		419,269	559,103
<b>Net assets</b> attributable to holders of redeemable units			
		<hr/>	<hr/>
		\$ 234,092,890	\$ 211,438,948
Represented by:			
Series A		\$ 100,296,701	\$ 99,180,789
Series O		133,796,189	112,258,159
		<hr/>	<hr/>
		\$ 234,092,890	\$ 211,438,948
Number of units outstanding:			
	5		
Series A		4,572,919	5,147,441
Series O		5,861,781	5,625,804
<b>Net assets</b> attributable to holders of redeemable units per unit:			
		<hr/>	<hr/>
Series A		\$ 21.93	\$ 19.27
Series O		22.83	19.95

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, 2020 and 2019

	Notes	2020	2019
<b>Revenue:</b>			
Interest income		\$ 33,989	\$ 169,027
Dividend income		3,848,020	4,480,376
Foreign exchange loss		(62,327)	(12,349)
Change in fair value of investments:			
Net realized gain		7,642,468	14,199,080
Net change in unrealized appreciation		25,278,981	18,159,685
<b>Total revenue</b>		<b>36,741,131</b>	<b>36,995,819</b>
<b>Expenses:</b>			
Management fees	4	1,346,045	1,459,364
Withholding taxes	6	527,832	217,040
Transaction costs	7	61,910	105,157
Independent review committee fees		3,065	3,074
<b>Total operating expenses</b>		<b>1,938,852</b>	<b>1,784,635</b>
Management fee reductions		(430,954)	(447,901)
Expenses waived or absorbed by Manager		(3,065)	(3,074)
		(434,019)	(450,975)
<b>Net operating expenses</b>		<b>1,504,833</b>	<b>1,333,660</b>
<b>Increase in net assets attributable to holders of redeemable units from operations excluding distributions</b>		<b>35,236,298</b>	<b>35,662,159</b>
<b>Distributions to holders of redeemable units:</b>			
From net investment income		(2,377,960)	(3,956,368)
From net realized gain on investment		-	(173,849)
Management fee reductions		(430,954)	(447,901)
		(2,808,914)	(4,578,118)
<b>Increase in net assets attributable to holders of redeemable units</b>		<b>\$ 32,427,384</b>	<b>\$ 31,084,041</b>
<b>Increase in net assets attributable to holders of redeemable units:</b>			
Series A		\$ 12,232,068	\$ 14,951,538
Series O		20,195,316	16,132,503
		\$ 32,427,384	\$ 31,084,041
<b>Increase in net assets attributable to holders of redeemable units (excluding distributions):</b>			
Series A		\$ 13,161,229	\$ 16,810,071
Series O		22,075,069	18,852,088
		\$ 35,236,298	\$ 35,662,159
<b>Increase in net assets attributable to holders of redeemable units (excluding distributions):</b>			
Series A		\$ 2.74	\$ 3.02
Series O		3.71	3.21

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, 2020 and 2019

<b>Series A</b>	2020	2019
Balance, beginning of year	\$ 99,180,789	\$ 103,720,328
Increase in net assets attributable to holders of redeemable units	12,232,068	14,951,538
Redeemable unit transactions:		
Issue of redeemable units	5,514,405	5,811,094
Reinvestments of distributions	888,211	1,741,215
Redemption of redeemable units	(17,518,772)	(27,043,386)
Net decrease from redeemable unit transactions	(11,116,156)	(19,491,077)
Balance, end of year	\$ 100,296,701	\$ 99,180,789

<b>Series O</b>	2020	2019
Balance, beginning of year	\$ 112,258,159	\$ 101,836,878
Increase in net assets attributable to holders of redeemable units	20,195,316	16,132,503
Redeemable unit transactions:		
Issue of redeemable units	28,713,398	21,021,135
Reinvestment of distributions	1,879,751	2,719,584
Redemption of redeemable units	(29,250,435)	(29,451,941)
Net increase (decrease) from redeemable unit transactions	1,342,714	(5,711,222)
Balance, end of year	\$ 133,796,189	\$ 112,258,159

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



# STEADYHAND EQUITY FUND

## Statements of Cash Flows

Years ended December 31, 2020 and 2019

	Note	2020	2019
Cash provided by (used in):			
Operating:			
Proceeds from sale of investments		\$ 138,666,622	\$ 171,464,459
Purchase of investments		(128,267,795)	(145,483,769)
Interest and dividends received		4,183,720	4,338,226
Balances due to broker		(346,769)	352,501
Management fees paid		(919,454)	(1,012,955)
Foreign withholding taxes paid		(527,832)	(217,040)
Net cash provided by operating activities		12,788,492	29,441,422
Financing activities:			
Proceeds from issue of redeemable units		33,872,149	26,692,879
Payments on redemption of redeemable units		(46,754,614)	(56,509,836)
Cash distributions paid to holders of redeemable units		(40,952)	(117,319)
Net cash used in financing activities		(12,923,417)	(29,934,276)
Decrease in cash		(134,925)	(492,854)
Cash (bank indebtedness), beginning of year		(66,331)	440,181
Effect of exchange rate fluctuations on cash		(61,780)	(13,658)
Bank indebtedness, end of year		\$ (263,036)	\$ (66,331)

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

# STEADYHAND EQUITY FUND

Schedule of Investment Portfolio

December 31, 2020

	Coupon rate	Maturity or expiry date	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
<b>Short-Term Investments - Treasury Bills:</b>						
Canadian Treasury Bill	0.104%	03/11/2021	75,000	\$ 74,978	\$ 74,978	
Canadian Treasury Bill	0.039%	04/15/2021	300,000	299,964	299,964	
Canadian Treasury Bill	0.081%	05/06/2021	450,000	449,874	449,874	
Total short-term investments - treasury bills				824,816	824,816	0.4
Short-Term Investments – Discount Commercial Paper:						
Province of British Columbia	0.152%	03/02/2021	125,000	162,130	159,186	
Total short-term investments – discount commercial paper				162,130	159,186	0.1
Total short-term Investments				986,946	984,002	0.5
<b>Equities - Basic Materials:</b>						
Franco-Nevada Corp.			93,525	7,306,147	14,926,590	
Nutrien Ltd.			162,000	8,321,494	9,920,880	
Total equities - basic materials				15,627,641	24,847,470	10.6
<b>Equities - Industrial Goods and Services:</b>						
CAE Inc.			203,000	3,283,218	7,159,810	
Canadian National Railway Co.			85,000	6,825,865	11,894,900	
CCL Industries Inc.			190,000	8,645,375	10,980,100	
Ritchie Bros. Auctioneers Inc.			133,885	4,814,560	11,846,145	
Sika AG			34,000	5,827,660	11,848,841	
Thomson Reuters Corp			56,000	5,621,108	5,834,080	
Toromont Industries Ltd.			65,000	4,041,939	5,798,000	
Total equities - industrial goods and services				39,059,725	65,361,876	27.9
<b>Equities - Communications and Media:</b>						
TELUS Corp.			380,000	9,289,427	9,579,800	
Total equities – consumer cyclical				9,289,427	9,579,800	4.1
<b>Equities - Financial Services:</b>						
CME Group Inc.			33,000	7,633,485	7,653,740	
Experian PLC			209,000	4,276,975	10,107,502	
S&P Global Inc.			17,400	5,783,526	7,287,149	
Toronto-Dominion Bank			156,200	8,732,043	11,233,904	
Visa Inc. Cl.A			49,500	3,705,761	13,793,759	
Total equities - financial services				30,131,790	50,076,054	21.4
<b>Equities - Healthcare:</b>						
Danaher Corp.			40,200	7,594,642	11,376,846	
Koninklijke Philips NV			137,228	7,167,261	9,365,011	
Novartis ADR			62,900	5,557,072	7,567,104	
Total equities - healthcare				20,318,975	28,308,961	12.1
<b>Equities - Retailing:</b>						
Alimentation Couche-Tard Inc.			120,000	4,071,900	5,205,600	
Metro Inc.			75,100	4,629,964	4,265,680	
Total equities – retailing				8,701,864	9,471,280	4.0
<b>Equities - Technology:</b>						
Keyence Corp.			22,050	7,782,394	15,781,076	
Microsoft Corp.			34,000	6,277,040	9,634,337	
VeriSign Inc.			21,675	5,664,952	5,975,654	
Total equities - technology				19,724,386	31,391,067	13.4

# STEADYHAND EQUITY FUND

Schedule of Investment Portfolio (continued)

December 31, 2020

	Coupon rate	Maturity or expiry date	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
<b>Equities - Utilities:</b>						
Brookfield Renewable Partners LP			244,500	8,248,961	13,435,275	
Total equities - utilities				8,248,961	13,435,275	5.7
<b>Total Equities</b>						
				151,102,769	232,471,783	99.2
<b>Transaction Costs</b>						
				(62,383)	-	
<b>Total Investment Portfolio</b>						
				152,027,332	233,455,785	99.7
<b>Other Net Assets</b>						
					637,105	0.3
<b>Total Net Assets</b>						
					\$234,092,890	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, 2020 and 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 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, 2020 and 2019, 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, 2020 and 2019.

### (c) Market risk:

#### (i) Interest rate risk:

As at December 31, 2020 and 2019, 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, 2020		December 31, 2019	
	Thousands of CAD	% of net assets	Thousands of CAD	% of net assets
United States dollar	\$ 63,761.3	27.2%	\$ 54,827.8	25.9%
Japanese Yen	15,781.1	6.7%	10,540.4	5.0%
Swiss Franc	11,848.8	5.1%	10,248.4	4.8%
British Pound	10,107.5	4.3%	15,933.9	7.5%
Euro	9,365.0	4.0%	9,027.1	4.3%
Danish Krone	-	-	4,193.7	2.0%
	\$ 110,863.7	47.3%	\$ 104,771.3	49.5%

As at December 31, 2020, 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 \$1,108,638 (December 31, 2019 - increased or decreased by approximately \$1,047,713). 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, 2020 and 2019

## 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, 2020 and 2019. The Fund held the following securities which exceeded 5% of the net assets attributable to the holders of redeemable units:

### At December 31, 2020:

	Percentage of net assets
Keyence Corp.	6.7%
Franco-Nevada Corp.	6.4%
Visa Inc. Cl.A	5.9%
Brookfield Renewable Partners LP	5.7%
Canadian National Railway Co.	5.1%
Ritchie Bros Auctioneers Inc.	5.1%
Sika AG	5.1%

### 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%
CCL Industries Inc.	5.1%
Keyence Corp.	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, 2020		December 31, 2019	
	5% Increase	5% Decrease	5% Increase	5% Decrease
S&P/TSX Composite Index	\$ 6,974,153	\$ (6,974,153)	\$ 6,256,188	\$ (6,256,188)
Morningstar Developed Markets Index (\$Cdn)	4,649,436	(4,649,436)	4,170,792	(4,170,792)
<b>Total</b>	<b>\$ 11,623,589</b>	<b>\$ (11,623,589)</b>	<b>\$ 10,426,980</b>	<b>\$ (10,426,980)</b>

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 December 31, 2020 and 2019

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## 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.

<b>December 31, 2020</b>	Level 1	Level 2	Level 3	Total
Investments	\$ 232,471,783	\$ 984,002	\$ -	\$ 233,455,785

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

There were no transfers between Levels 1, 2 and 3 during the years ended December 31, 2020 and 2019.

# STEADYHAND GLOBAL EQUITY FUND

Statements of Financial Position

December 31, 2020 and 2019

	Notes	2020	2019
<b>Assets</b>			
Cash		\$ 11,385,369	\$ 5,659,388
Subscriptions receivable		10,160	247,857
Interest and dividends receivable		209,546	489,941
Investments		209,341,649	195,840,012
		<u>220,946,724</u>	<u>202,237,198</u>
<b>Liabilities</b>			
Redemptions payable		117,079	-
Management fees payable	4	87,123	107,531
		<u>204,202</u>	<u>107,531</u>
<b>Net assets</b> attributable to holders of redeemable units		<u>\$ 220,742,522</u>	<u>\$ 202,129,667</u>
Represented by:			
Series A		\$ 58,917,631	\$ 68,833,452
Series O		161,824,891	133,296,215
		<u>\$ 220,742,522</u>	<u>\$ 202,129,667</u>
Number of units outstanding:			
Series A	5	7,050,543	8,074,139
Series O		18,464,620	15,004,429
<b>Net assets</b> attributable to holders of redeemable units per unit:			
Series A		\$ 8.36	\$ 8.53
Series O		8.76	8.88

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 GLOBAL EQUITY FUND

Statements of Comprehensive Income

Years ended December 31, 2020 and 2019

	Notes	2020	2019
<b>Revenue:</b>			
Interest income		\$ 18,944	\$ 134,749
Dividend income		3,727,050	5,317,216
Foreign exchange gain		330,773	42,352
<b>Changes in fair value of investments:</b>			
Net realized gain (loss)		(12,697,165)	2,512,828
Net change in unrealized appreciation		18,607,685	16,370,533
<b>Total revenue</b>		<b>9,987,287</b>	<b>24,377,678</b>
<b>Expenses:</b>			
Management fees	4	971,488	1,318,935
Withholding taxes	6	327,461	517,366
Transaction costs	7	130,046	19,964
Independent review committee fees		3,065	3,074
<b>Total operating expenses</b>		<b>1,432,060</b>	<b>1,859,339</b>
Management fee reductions		(340,529)	(436,985)
Expenses waived or absorbed by Manager		(3,065)	(3,074)
		(343,594)	(440,059)
<b>Net operating expenses</b>		<b>1,088,466</b>	<b>1,419,280</b>
<b>Increase in net assets attributable to holders of redeemable units from operations excluding distributions</b>		<b>8,898,821</b>	<b>22,958,398</b>
<b>Distributions to holders of redeemable units:</b>			
From net investment income		(3,628,710)	(3,423,679)
From net realized gain on investment		-	(2,609,846)
Management fee reductions		(340,529)	(436,985)
		(3,969,239)	(6,470,510)
<b>Increase in net assets attributable to holders of redeemable units</b>		<b>\$ 4,929,582</b>	<b>\$ 16,487,888</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable units:</b>			
Series A		\$ (2,304,585)	\$ 6,663,748
Series O		7,234,167	9,824,140
		\$ 4,929,582	\$ 16,487,888
<b>Increase (decrease) in net assets attributable to holders of redeemable units (excluding distributions):</b>			
Series A		\$ (1,466,713)	\$ 8,577,542
Series O		10,365,534	14,380,856
		\$ 8,898,821	\$ 22,958,398
<b>Increase (decrease) in net assets attributable to holders of redeemable units per unit (excluding distributions):</b>			
Series A		\$ (0.20)	\$ 0.96
Series O		0.58	1.05

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, 2020 and 2019

<b>Series A</b>	2020	2019
Balance, beginning of year	\$ 68,833,452	\$ 81,102,021
Increase (decrease) in net assets attributable to holders of redeemable units	(2,304,585)	6,663,748
Redeemable unit transactions:		
Issue of redeemable units	2,056,262	4,266,747
Reinvestments of distributions	811,990	1,839,957
Redemption of redeemable units	(10,479,488)	(25,039,021)
Net decrease from redeemable unit transactions	(7,611,236)	(18,932,317)
Balance, end of year	\$ 58,917,631	\$ 68,833,452

<b>Series O</b>	2020	2019
Balance, beginning of year	\$ 133,296,215	\$ 99,923,198
Increase in net assets attributable to holders of redeemable units	7,234,167	9,824,140
Redeemable unit transactions:		
Issue of redeemable units	38,193,403	23,492,166
Reinvestment of distributions	3,131,361	4,556,711
Redemption of redeemable units	(20,030,255)	(4,500,000)
Net increase from redeemable unit transactions	21,294,509	23,548,877
Balance, end of year	\$ 161,824,891	\$ 133,296,215

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

# STEADYHAND GLOBAL EQUITY FUND

## Statements of Cash Flows

Years ended December 31, 2020 and 2019

	2020	2019
Cash provided by (used in):		
Operating:		
Proceeds from sale of investments	\$ 73,341,446	\$ 24,691,827
Purchase of investments	(80,925,386)	(35,377,050)
Interest and dividends received	4,026,389	5,502,802
Balance due to brokers	-	(3,320,398)
Management fees paid	(651,367)	(898,014)
Foreign withholding taxes paid	(327,461)	(517,366)
Net cash used in operating activities	(4,536,379)	(9,918,199)
Financing:		
Proceeds from issue of redeemable units	40,487,362	27,748,614
Payments on redemption of redeemable units	(30,392,664)	(29,566,612)
Cash distributions paid to holders of redeemable units	(25,888)	(73,842)
Net cash provided by financing activities	10,068,810	(1,891,840)
Increase (decrease) in cash	5,532,431	(11,810,039)
Cash, beginning of year	5,659,388	17,764,663
Effect of exchange rate fluctuations on cash	193,550	(295,236)
Cash, end of year	\$ 11,385,369	\$ 5,659,388

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

# STEADYHAND GLOBAL EQUITY FUND

Schedule of Investment Portfolio

December 31, 2020

	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
<b>Equities - Oil and Gas:</b>				
Cenovus Energy Inc.	197,567	\$ 1,907,927	\$ 1,531,144	
CGG SA	1,283,926	2,642,687	1,621,119	
Frank's International NV	695,981	6,653,213	2,429,501	
Northern Ocean Ltd.	243,248	2,974,731	481,390	
Royal Dutch Shell PLC	94,429	2,938,505	2,151,118	
Schlumberger NV	146,590	7,351,050	4,076,873	
Total equities - oil and gas		24,468,113	12,291,145	5.6
<b>Equities - Basic Materials:</b>				
Stella-Jones Inc.	99,368	3,647,848	4,598,751	
Total equities - basic materials		3,647,848	4,598,751	2.1
<b>Equities - Industrial Goods and Services:</b>				
Chugoku Mar Paints	421,600	5,164,399	5,289,868	
Elis SA.	245,078	4,715,498	5,207,029	
Flughafen Zurich AG	21,961	3,865,864	4,940,782	
Howmet Aerospace Inc.	184,109	3,510,047	6,694,190	
Ibstock PLC	873,192	2,335,489	3,141,679	
Konecranes OYJ	152,953	6,778,276	6,861,808	
Safran S.A.	13,772	1,584,346	2,489,187	
Stericycle Inc.	17,179	1,110,111	1,517,358	
Wabtec Corp.	46,529	3,961,646	4,339,142	
Total equities - industrial goods and services		33,025,676	40,481,043	18.4
<b>Equities - Communications and Media:</b>				
21 <sup>ST</sup> Century Fox Inc. Class A	124,483	5,798,856	4,618,176	
Discovery Communications Inc.	185,396	6,611,674	7,107,087	
Informa PLC	603,615	4,304,927	5,771,040	
Total equities - communications and media		16,715,457	17,496,303	7.9
<b>Equities - Consumer Cyclical:</b>				
Walt Disney Co.	43,637	6,225,959	10,072,429	
Total equities - consumer cyclical		6,225,959	10,072,429	4.6
<b>Equities - Consumer Products:</b>				
Bakkafrost P/F	40,291	2,900,591	3,672,067	
British American Tobacco PLC	80,014	4,919,850	3,773,430	
Grieg Seafood ASA	181,709	2,500,491	2,298,221	
Mowi ASA	219,664	6,031,388	6,242,365	
Norway Royal Salmon AS	89,788	2,674,144	2,867,112	
Total equities - consumer products		19,026,464	18,853,195	8.5
<b>Equities - Financial Services:</b>				
AIA Group Ltd.	301,000	3,386,291	4,698,311	
Alleghany Corp.	7,461	5,975,096	5,738,258	
Argo Group International Holdings Ltd.	33,150	2,410,302	1,845,585	
Artisan Partners Asset Management Inc.	75,028	2,982,899	4,811,779	
Berkshire Hathaway Inc. Class A	13,231	3,585,092	3,908,466	
BrightSphere Investment Group PLC	268,369	4,024,459	6,591,867	
Burford Capital Ltd.	372,871	5,906,744	4,616,894	
Cerved Group SpA	627,875	7,064,828	7,291,540	
NN Group NV	98,229	4,931,442	5,440,324	
Total equities - financial services		40,267,153	44,943,024	20.4

# STEADYHAND GLOBAL EQUITY FUND

Schedule of Investment Portfolio (continued)

December 31, 2020

	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
<b>Equities (continued):</b>				
<b>Equities - Healthcare:</b>				
Attendo AB	252,558	1,684,281	1,738,758	
Bayer AG	104,228	9,802,728	7,823,761	
Johnson & Johnson	21,874	4,089,459	4,385,780	
Mediclinic International PLC	637,923	4,312,614	3,132,846	
Spire Healthcare Group PLC	2,319,412	5,417,574	6,276,978	
Zimmer Biomet Holdings Inc.	49,848	7,679,283	9,785,686	
Total equities - healthcare		32,985,939	33,143,809	14.9
<b>Equities - Technology:</b>				
NCR Corp.	143,618	4,894,460	6,874,152	
Total equities - technology		4,894,460	6,874,152	3.1
<b>Equities - Real Estate:</b>				
Heiwa Real Estate REIT Inc.	216,500	5,253,445	9,964,758	
Total equities - real estate		5,253,445	9,964,758	4.5
<b>Equities - Retailing:</b>				
Dairy Farm International Holdings Ltd.	751,400	4,643,123	3,991,869	
Total equities - retailing		4,643,123	3,991,869	1.8
<b>Equities - Utilities:</b>				
Vistra Energy Corp.	264,751	7,189,681	6,631,171	
Total equities - utilities		7,189,681	6,631,171	3.0
<b>Total Equities</b>		198,343,318	209,341,649	94.8
<b>Transaction Costs</b>		(198,414)	-	
<b>Total Investment Portfolio</b>		198,144,904	209,341,649	94.8
<b>Other Net Assets</b>			11,400,873	5.2
<b>Total Net Assets</b>			\$ 220,742,522	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, 2020 and 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 Equity Fund are discussed in more detail below.

#### (a) Credit risk:

As at December 31, 2020 and 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, 2020 and 2019.

#### (c) Market risk:

##### (i) Interest rate risk:

As at December 31, 2020 and 2019, 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, 2020		December 31, 2019	
	Thousands of CAD	% of net assets	Thousands of CAD	% of net assets
United States Dollar	\$ 105,896.8	48.0%	\$ 100,466.3	49.7%
Euro	38,909.4	17.6%	27,358.1	13.5%
British Pound	26,786.2	12.1%	23,359.5	11.6%
Norwegian Krone	15,561.2	7.0%	17,397.4	8.9%
Japanese Yen	15,254.6	6.9%	18,276.1	9.0%
Swiss Franc	5,017.1	2.3%	70.9	-
Hong Kong Dollar	4,698.3	2.1%	3,727.4	1.8%
Swedish Krone	1,738.8	0.8%	839.7	0.4%
Korean Won	-	-	2,648.6	1.3%
	\$ 213,862.5	96.8%	\$ 194,144.3	95.9%

# STEADYHAND GLOBAL EQUITY FUND

Discussion of Financial Instruments and Risk Management

Years ended December 31, 2020 and 2019

## 1. Financial risk management (continued):

(c) Market risk (continued):

(ii) Currency risk (continued):

As at December 31, 2020, 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 \$2,138,625 (December 31, 2019 - increased or decreased by approximately \$1,941,443). 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, 2020 or 2019. No exposure to any individual issuer exceeded 5% of the net assets attributable to the holders of redeemable units either at December 31, 2020 or 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, 2020		December 31, 2019	
	5% Increase	5% Decrease	5% Increase	5% Decrease
Morningstar Developed Markets Index (\$Cdn)	\$ 10,467,082	\$ (10,467,082)	\$ 9,792,001	\$ (9,792,001)

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, 2020	Level 1	Level 2	Level 3	Total
Investments	\$ 209,341,649	\$ -	\$ -	\$ 209,341,649
December 31, 2019	Level 1	Level 2	Level 3	Total
Investments	\$ 195,840,012	\$ -	\$ -	\$ 195,840,012

There were no transfers between Levels 1, 2, and 3 during the years ended December 31, 2020 and 2019.

# STEADYHAND SMALL-CAP EQUITY FUND

Statements of Financial Position

December 31, 2020 and 2019

	Notes	2020	2019
<b>Assets</b>			
Cash		\$ 3,468,256	\$ 843,887
Subscriptions receivable		203,080	5,750
Interest and dividends receivable		142,897	224,709
Investments		98,710,408	103,252,031
		<u>102,524,641</u>	<u>104,326,377</u>
<b>Liabilities</b>			
Balances due to brokers		302,429	150,239
Redemptions payable		35,185	120,064
Management fees payable	4	71,317	79,756
		<u>408,931</u>	<u>350,059</u>
<b>Net assets</b> attributable to holders of redeemable units		<u>\$ 102,115,710</u>	<u>\$ 103,976,318</u>
Represented by:			
Series A		\$ 46,771,005	\$ 51,483,146
Series O		55,344,705	52,493,172
		<u>\$ 102,115,710</u>	<u>\$ 103,976,318</u>
Number of units outstanding:	5		
Series A		2,924,832	3,360,823
Series O		3,275,173	3,265,552
Net assets attributable to holders of redeemable units per unit:			
Series A		\$ 15.99	\$ 15.32
Series O		16.90	16.07

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, 2020 and 2019

	Notes	2020	2019
<b>Revenue:</b>			
Interest income		\$ 45,937	\$ 187,740
Dividend income		1,992,720	2,336,058
Foreign exchange gain (loss)		(11,768)	45,001
Change in fair value of investments:			
Net realized gain (loss)		(3,014,248)	2,875,421
Net change in unrealized appreciation		8,548,131	14,008,629
<b>Total revenue</b>		<b>7,560,772</b>	<b>19,452,849</b>
<b>Expenses:</b>			
Management fees	4	754,736	961,182
Withholding taxes	6	13,602	12,362
Transaction costs	7	97,468	107,903
Independent review committee fees		3,065	3,074
<b>Total operating expenses</b>		<b>868,871</b>	<b>1,084,521</b>
Management fee reductions		(252,988)	(304,051)
Expenses waived or absorbed by Manager		(3,065)	(3,074)
		(256,053)	(307,125)
<b>Net operating expenses</b>		<b>612,818</b>	<b>777,396</b>
Increase in net assets attributable to holders of redeemable units from operations excluding distributions		6,947,954	18,675,453
Distributions to holders of redeemable units:			
From net investment income		(1,099,780)	(1,378,937)
From net realized gain on investment		-	(2,449,688)
Management fee reductions		(252,988)	(304,051)
		(1,352,768)	(4,132,676)
<b>Increase in net assets attributable to holders of redeemable units</b>		<b>\$ 5,595,186</b>	<b>\$ 14,542,777</b>
Increase in net assets attributable to holders of redeemable units:			
Series A		\$ 1,437,373	\$ 8,249,044
Series O		4,157,813	6,293,733
		\$ 5,595,186	\$ 14,542,777
Increase in net assets attributable to holders of redeemable units (excluding distributions):			
Series A		\$ 1,921,882	\$ 10,125,412
Series O		5,026,072	8,550,041
		\$ 6,947,954	\$ 18,675,453
Increase in net assets attributable to holders of redeemable units per unit (excluding distributions):			
Series A		\$ 0.62	\$ 2.66
Series O		1.45	3.83

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, 2020 and 2019

<b>Series A</b>	2020	2019
Balance, beginning of year	\$ 51,483,146	\$ 55,050,687
Increase in net assets attributable to holders of redeemable units	1,437,373	8,249,044
Redeemable unit transactions:		
Issue of redeemable units	1,430,071	2,002,053
Reinvestments of distributions	473,459	1,804,325
Redemption of redeemable units	(8,053,044)	(15,622,963)
Net decrease from redeemable unit transactions	(6,149,514)	(11,816,585)
Balance, end of year	\$ 46,771,005	\$ 51,483,146

<b>Series O</b>	2020	2019
Balance, beginning of year	\$ 52,493,172	\$ 37,824,385
Increase in net assets attributable to holders of redeemable units	4,157,813	6,293,733
Redeemable unit transactions:		
Issue of redeemable units	7,534,256	8,908,547
Reinvestments of distributions	868,259	2,256,309
Redemption of redeemable units	(9,708,795)	(2,789,802)
Net increase (decrease) from redeemable unit transactions	(1,306,280)	8,375,054
Balance, end of year	\$ 55,344,705	\$ 52,493,172

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

# STEADYHAND SMALL-CAP EQUITY FUND

## Statements of Cash Flows

Years ended December 31, 2020 and 2019

	Note	2020	2019
Cash provided by (used in):			
Operating:			
Proceeds from sale of investments		\$ 38,649,615	\$ 49,171,079
Purchase of investments		(28,569,615)	(44,145,412)
Interest and dividends received		2,120,469	2,541,529
Balances due to brokers		152,190	150,239
Management fees paid		(510,187)	(661,591)
Foreign withholding taxes paid		(13,602)	(12,362)
Net cash provided by operating activities		11,828,870	7,043,482
Financing:			
Proceeds from redeemable units issued		8,766,997	11,040,436
Redemption of redeemable units		(17,846,718)	(18,293,451)
Cash distributions paid to holders of redeemable units		(11,050)	(72,042)
Net cash used in financing activities		(9,090,771)	(7,325,057)
Increase (decrease) in cash		2,738,099	(281,575)
Cash, beginning of year		843,887	1,080,898
Effect of exchange rate fluctuations on cash		(113,730)	44,564
Cash, end of year		\$ 3,468,256	\$ 843,887

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

# STEADYHAND SMALL-CAP EQUITY FUND

Schedule of Investment Portfolio

December 31, 2020

	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
<b>Equities - Basic Materials:</b>				
Interfor Corp	111,074	\$ 1,334,912	\$ 2,640,229	
Torex Gold Resources Inc.	200,600	3,684,409	3,829,454	
Total equities – Basic Materials		5,019,321	6,469,683	6.3
<b>Equities - Oil and Gas:</b>				
Parkland Corp.	113,029	3,156,282	4,565,241	
Total equities - oil and gas		3,156,282	4,565,241	4.5
<b>Equities - Industrial Goods and Services:</b>				
AG Growth International Inc.	157,036	6,627,690	4,681,243	
Badger Daylighting Ltd.	121,600	3,504,943	4,624,448	
Boyd Group Services Inc.	4,350	599,459	955,086	
Cargojet Inc.	18,354	776,018	3,942,990	
Diversified Royalty Corp.	1,310,900	3,286,740	3,119,942	
Finning International Inc.	146,245	3,211,273	3,953,002	
Fluor Corp.	163,663	3,276,975	3,329,849	
Intertape Polymer Group Inc.	134,896	2,691,291	3,256,389	
NFI Group Inc.	195,573	7,171,528	4,711,354	
Oshkosh Corp.	40,072	3,610,726	4,394,019	
Savaria Corp.	250,000	3,627,275	3,615,000	
SNC-Lavalin Group Inc.	209,500	4,342,268	4,552,435	
Winpak Ltd.	84,655	3,848,503	3,624,927	
Total equities - industrial goods and services		46,574,689	48,760,684	47.8
<b>Equities - Consumer Cyclical:</b>				
Park Lawn Corp.	149,936	3,163,110	4,189,212	
Points International Ltd.	112,517	1,253,532	2,052,310	
Sleep Country Canada Holdings Inc.	149,750	2,838,164	3,963,883	
Spin Master Corp.	157,625	4,916,019	4,572,701	
Total equities - consumer cyclical		12,170,825	14,778,106	14.5
<b>Equities - Consumer Products:</b>				
Maple Leaf Foods Inc.	188,223	4,395,329	5,311,653	
Premium Brands Holdings Corp.	42,483	3,760,018	4,279,313	
Waterloo Brewing Ltd.	948,994	2,730,728	5,124,568	
Total equities - consumer products		10,886,075	14,715,534	14.4
<b>Equities - Utilities:</b>				
Northland Power Inc.	132,241	2,902,708	6,039,446	
Total equities - utilities		2,902,708	6,039,446	5.9
<b>Equities - Healthcare:</b>				
Henry Schein Inc.	39,701	3,177,097	3,381,714	
Total equities - health care		3,177,097	3,381,714	3.3
<b>Total Equities</b>		83,886,997	98,710,408	96.7
<b>Transaction Costs</b>		(123,676)	-	
<b>Total Investment Portfolio</b>		83,763,321	98,710,408	96.7
<b>Other Net Assets</b>			3,405,302	3.3
<b>Total Net Assets</b>			\$102,115,710	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, 2020 and 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 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, 2020 and 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, 2020 and 2019.

### (c) Market risk:

#### (i) Interest rate risk:

As at December 31, 2020 and 2019, 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, 2020		December 31, 2019	
	Thousands of CAD	% of net assets	Thousands of CAD	% of net assets
United States Dollar	\$ 14,004.9	13.7%	\$ 13,977.9	13.4%

As at December 31, 2020, 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 \$140,049 (December 31, 2019 - increased or decreased by approximately \$139,779). 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, 2020 and 2019

## 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, 2020 and 2019. The Fund held the following securities which exceeded 5% of the net assets attributable to the holders of redeemable units:

### At December 31, 2020:

	Percentage of net assets
Northland Power Inc.	6.1%
Maple Leaf Foods Inc.	5.4%
Waterloo Brewing Ltd.	5.2%

### At December 31, 2019:

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

Index	December 31, 2020		December 31, 2019	
	5% Increase	5% Decrease	5% Increase	5% Decrease
TSX Small-Cap Index	\$ 4,195,192	\$ (4,195,192)	\$ 4,388,211	\$ (4,388,211)
Russell 2000 Index	740,328	(740,328)	774,390	(774,390)
	\$ 4,935,520	\$ (4,935,520)	\$ 5,162,601	\$ (5,162,601)

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, 2020 and 2019

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## 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.

<b>December 31, 2020</b>	Level 1	Level 2	Level 3	Total
Investments	\$ 98,710,409	\$ -	\$ -	\$ 98,710,409

  

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

There were no transfers between Levels 1, 2 and 3 during the years ended December 31, 2020 and 2019.

# STEADYHAND GLOBAL SMALL-CAP EQUITY FUND

Statements of Financial Position

December 31, 2020 and 2019

	Note	2020	2019
<b>Assets</b>			
Cash		\$ 5,292,525	\$ 1,856,633
Subscriptions receivable		-	63,927
Interest and dividends receivable		37,712	34,859
Investments		49,983,483	30,534,752
		<hr/> 55,313,720	<hr/> 32,490,171
<b>Liabilities</b>			
Management fees payable	4	12,444	9,315
<b>Net assets</b> attributable to holders of redeemable units			
		<hr/> \$ 55,301,276	<hr/> \$ 32,480,856
Represented by:			
Series A		\$ 8,455,607	\$ 6,141,772
Series O		46,845,669	26,339,084
		<hr/> \$ 55,301,276	<hr/> \$ 32,480,856
Number of units outstanding:			
Series A	5	668,886	522,712
Series O		3,626,387	2,218,852
<hr/>			
Net assets attributable to holders of redeemable units per unit:			
Series A		\$ 12.64	\$ 11.75
Series O		12.92	11.87

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 GLOBAL SMALL-CAP EQUITY FUND

## Statements of Comprehensive Income

	Notes	Year ended December 31, 2020	Period from inception on January 23, 2019 to December 31, 2019
<b>Revenue:</b>			
Interest income		\$ 2,487	\$ 8,863
Dividend income		501,015	330,863
Income trust income		-	16,898
Foreign exchange loss		(81,937)	(16,548)
<b>Changes in fair value of investments:</b>			
Net realized gain		474,282	608,923
Net change in unrealized appreciation		7,239,098	3,532,714
<b>Total revenue</b>		<b>8,134,945</b>	<b>4,481,713</b>
<b>Expenses:</b>			
Management fees	4	125,980	60,374
Withholding taxes	6	79,927	55,757
Transaction costs	7	58,607	48,777
Independent review committee fees		3,065	3,074
<b>Total operating expenses</b>		<b>267,579</b>	<b>167,982</b>
Management fee reductions		(49,007)	(23,658)
Expenses waived or absorbed by Manager		(3,065)	(3,074)
		(52,072)	(26,732)
<b>Net operating expenses</b>		<b>215,507</b>	<b>141,250</b>
<b>Increase in net assets attributable to holders of redeemable units from operations excluding distributions</b>		<b>7,919,438</b>	<b>4,340,463</b>
<b>Distributions to holders of redeemable units:</b>			
From net investment income		(283,024)	(214,606)
From net realized gain on investment		-	(524,116)
Management fee reductions		(49,007)	(23,658)
		(332,031)	(762,380)
<b>Increase in net assets attributable to holders of redeemable units</b>		<b>\$ 7,587,407</b>	<b>\$ 3,578,083</b>
<b>Increase in net assets attributable to holders of redeemable units:</b>			
Series A		\$ 764,080	\$ 532,334
Series O		6,823,327	3,045,749
		\$ 7,587,407	\$ 3,578,083
<b>Increase in net assets attributable to holders of redeemable units (excluding distributions):</b>			
Series A		\$ 813,087	\$ 669,659
Series O		7,106,351	3,670,804
		\$ 7,919,438	\$ 4,340,463
<b>Increase in net assets attributable to holders of redeemable units per unit (excluding distributions):</b>			
Series A		\$ 1.28	\$ 2.05
Series O		2.20	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

<b>Series A</b>	Year ended December 31, 2020	Period from inception on January 23, 2019 to December 31, 2019
Balance, beginning of period	\$ 6,141,772	\$ -
Increase in net assets attributable to holders of redeemable units	764,080	532,334
Redeemable unit transactions:		
Issue of redeemable units	2,410,162	5,534,173
Reinvestments of distributions	49,008	137,325
Redemption of redeemable units	(909,415)	(62,060)
Net increase from redeemable unit transactions	1,549,755	5,609,438
Balance, end of period	\$ 8,455,607	\$ 6,141,772

<b>Series O</b>	Year ended December 31, 2020	Period from inception on January 23, 2019 to December 31, 2019
Balance, beginning of period	\$ 26,339,084	\$ -
Increase in net assets attributable to holders of redeemable units	6,823,327	3,045,749
Redeemable unit transactions:		
Issue of redeemable units	15,557,571	22,668,280
Reinvestment of distributions	283,023	625,055
Redemption of redeemable units	(2,157,336)	-
Net increase from redeemable unit transactions	13,683,258	23,293,335
Balance, end of period	\$ 46,845,669	\$ 26,339,084

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

# STEADYHAND GLOBAL SMALL-CAP EQUITY FUND

## Statements of Cash Flows

	Year ended December 31, 2020	Period from inception on January 23, 2019 to December 31, 2019
Cash provided by (used in):		
Operating:		
Proceeds from sale of investments	\$ 13,542,083	\$ 6,199,899
Purchase of investments	(25,343,046)	(32,634,569)
Interest and dividends received	500,649	321,765
Management fees paid	(73,844)	(27,401)
Foreign withholding taxes paid	(79,927)	(55,757)
Net cash used in operating activities	(11,454,085)	(26,196,063)
Financing:		
Proceeds from issue of redeemable units	18,031,660	28,138,526
Payments on redemption of redeemable units	(3,066,751)	(62,060)
Net cash provided by financing activities	14,964,909	28,076,466
Increase in cash	3,510,824	1,880,403
Cash, beginning of period	1,856,633	-
Effect of exchange rate fluctuations on cash	(74,932)	(23,770)
Cash, end of period	\$ 5,292,525	\$ 1,856,633

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

# STEADYHAND GLOBAL SMALL-CAP EQUITY FUND

Schedule of Investment Portfolio

December 31, 2020

	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
<b>Equities - Oil and Gas:</b>				
Rubis SCA	20,800	\$ 1,366,998	\$ 1,231,425	
Total equities - oil and gas		1,366,998	1,231,425	2.2
<b>Equities - Industrial Goods and Services:</b>				
Clean Harbors Inc.	13,100	1,253,115	1,270,062	
en-japan Inc.	26,400	928,351	1,006,613	
Interpump Group SpA	14,100	565,578	886,635	
IPH Ltd.	113,700	791,629	718,722	
KION Group AG	8,777	639,517	973,580	
Prosegur Cia de Seguridad SA	245,700	1,165,761	933,746	
Rexnord Corp.	22,600	902,858	1,137,011	
RPM International Inc.	13,100	1,061,682	1,515,062	
Teleperformance	5,900	1,492,324	2,495,123	
Total equities - industrial goods and services		8,800,815	10,936,554	19.8
<b>Equities - Consumer Cyclical:</b>				
Auto Trader Group PLC	66,700	548,972	692,299	
CIE Automotive SA	21,600	630,417	742,761	
National Vision Holdings Inc.	27,700	1,111,877	1,598,274	
Nordic Entertainment Group AB	21,800	549,951	1,550,891	
Sushiro Global Holdings Ltd.	40,500	1,016,121	1,974,023	
Total equities - consumer cyclical		3,857,338	6,558,248	11.9
<b>Equities - Consumer Products:</b>				
Kobe Bussan Co., Ltd.	36,500	931,667	1,432,254	
Performance Food Group Co.	14,800	702,731	897,695	
Total equities - consumer products		1,634,398	2,329,949	4.2
<b>Equities - Financial Services:</b>				
Challenger Ltd.	153,800	914,198	973,714	
FinecoBank Banca Fineco SpA	99,300	1,447,930	2,074,168	
RenaissanceRe Holdings Ltd.	11,200	2,367,794	2,366,050	
St James's Place PLC	116,800	1,901,533	2,305,611	
Steadfast Group Ltd.	337,300	961,132	1,323,057	
Topdanmark A/S	11,800	722,206	652,876	
Zenkoku Hoshu Co. Ltd.	15,300	698,428	892,058	
Total equities - financial services		9,013,221	10,587,534	19.1
<b>Equities - Healthcare:</b>				
Amplifon SpA	25,500	716,122	1,353,068	
Charles River Laboratories International Inc.	6,200	1,107,441	1,973,593	
Chemed Corp.	1,900	911,005	1,289,235	
Encompass Health Corp.	16,400	1,378,909	1,727,690	
Nippon Shinyaku Co. Ltd.	10,600	1,088,624	885,512	
Orpea	6,700	1,001,808	1,123,246	
Total equities - healthcare		6,203,909	8,352,334	15.1
<b>Equities - Technology:</b>				
Electrocomponents PLC	108,400	1,185,717	1,643,311	
Gartner Inc.	7,300	1,249,596	1,489,798	
HUYA Inc.	26,000	805,361	660,161	
ITT Inc.	9,800	717,103	961,609	
Tyler Technologies Inc.	1,500	557,416	834,189	
Wex Inc.	2,600	579,945	674,172	
Zynga Inc.	173,100	1,641,600	2,176,623	
Total equities - technology		6,736,738	8,439,863	15.3

# STEADYHAND GLOBAL SMALL-CAP EQUITY FUND

Schedule of Investment Portfolio (continued)

December 31, 2020

	Number of shares or par value	Average cost	Fair value	Percentage of net assets %
<b>Equities (continued):</b>				
<b>Equities - Real Estate:</b>				
Kennedy-Wilson Holdings inc.	67,900	1,664,597	1,547,566	
Total equities - real estate		1,664,597	1,547,566	2.8
<b>Total Equities</b>		39,278,014	49,983,483	90.4
<b>Transaction Costs</b>		(66,560)	-	
<b>Total Investment Portfolio</b>		39,211,454	49,983,483	90.4
<b>Other Net Assets</b>			5,317,793	9.6
<b>Total Net Assets</b>			\$ 55,301,276	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

Years ended December 31, 2020 and 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, 2020 and 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, 2020 and 2019.

#### (c) Market risk:

##### (i) Interest rate risk:

As at December 31, 2020 and 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, 2020		December 31, 2019	
	Thousands of CAD	% of net assets	Thousands of CAD	% of net assets
United States Dollar	\$ 22,173.1	40.1%	\$ 14,520.4	44.7%
Euro	11,821.4	21.4%	7,614.1	23.4%
Japanese Yen	6,278.8	11.4%	3,682.7	11.3%
British Pound	4,658.5	8.4%	2,282.2	7.0%
Swedish Krone	1,550.9	2.8%	1,090.6	3.4%
Australian Dollar	3,015.5	5.5%	1,192.9	3.7%
Danish Krone	655.3	1.2%	1,185.7	3.7%
	<b>\$ 50,153.5</b>	<b>90.8%</b>	<b>\$ 31,568.6</b>	<b>97.2%</b>

# STEADYHAND GLOBAL SMALL-CAP EQUITY FUND

Discussion of Financial Instruments and Risk Management

Year ended December 31, 2020

Period from inception on January 23, 2010 to December 31, 2019

## 1. Financial risk management (continued):

(c) Market risk (continued):

(ii) Currency risk (continued):

As at December 31, 2020, 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 \$501,535 (December 31, 2019 - \$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, 2020 and 2019. No exposure to any individual issuer exceeded 5% of the net assets attributable to the holders of redeemable units at December 31, 2020 and 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, 2020		December 31, 2019	
	5% Increase	5% Decrease	5% Increase	5% Decrease
S&P Global Small Cap Index (\$Cdn)	\$ 2,499,174	\$ (2,499,174)	\$ 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, 2020	Level 1	Level 2	Level 3	Total
Investments	\$ 49,983,483	\$ -	\$ -	\$ 49,983,483
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 years ended December 31, 2020 and 2019.

# STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2020 and 2019

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# STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2020 and 2019

## 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 3<sup>rd</sup> 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 23, 2021.

### (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, 2020 and 2019

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

# STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2020 and 2019

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### 3. Significant accounting policies (continued):

#### (a) Financial instruments (continued):

##### (i) Recognition and measurement (continued):

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 non-publicly 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, subscriptions receivable, balances due from brokers, and interest and dividends receivable, 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, 2020 and 2019

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### 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, 2020, 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, 2020 and 2019

## 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. As December 31, 2020 and 2019, the following Series A redeemable units were held by directors, officers and other affiliates of the Manager:

Fund name	2020	2019
Steadyhand Savings Fund	329,086	287,760
Steadyhand Income Fund	208,414	206,239
Steadyhand Founders Fund	253,500	250,768
Steadyhand Builders Fund	182,369	196,985
Steadyhand Equity Fund	143,384	157,355
Steadyhand Global Equity Fund	293,930	290,804
Steadyhand Small-Cap Equity Fund	107,077	94,864
Steadyhand Global Small-Cap Equity Fund	130,548	108,801

# STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2020 and 2019

## 4. Related party transactions (continued):

As at December 31, 2020, no Series O redeemable units (December 31, 2019 - 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 six of the other Steadyhand Funds. Refer to the Founders Fund Schedule of Investment Portfolio for a description of its holdings in other Steadyhand Funds.

The Builders Fund holds Series O redeemable units in four of the other Steadyhand Funds. Refer to the Builders Fund Schedule of Investment Portfolio for a description of its 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 Fund and Steadyhand Builders Fund, currently offer two series of units, Series A and Series O. The Steadyhand Founders Fund and Steadyhand Builders Fund 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, 2020 and 2019 are as follows:

2020	Outstanding redeemable units, beginning of year	Redeemable units issued	Redeemable units issued on reinvestment of distributors	Redeemable units redeemed	Outstanding redeemable units, end of year
<b>Steadyhand Savings Fund</b>					
Series A	3,325,969	4,978,282	33,237	(3,688,678)	4,648,810
Series O	5,494,685	750,649	23,105	(6,209,466)	58,973
<b>Steadyhand Income Fund</b>					
Series A	7,848,309	1,051,682	312,236	(1,442,424)	7,769,803
Series O	15,170,139	135,214	570,706	(1,738,561)	14,137,498
<b>Steadyhand Founders Fund</b>					
Series A	37,410,726	4,148,934	593,917	(4,325,994)	37,827,583
<b>Steadyhand Builders Fund</b>					
Series A	6,087,472	3,206,336	52,777	(667,643)	8,678,942
<b>Steadyhand Equity Fund</b>					
Series A	5,147,441	280,284	42,762	(897,568)	4,572,919
Series O	5,625,804	1,612,610	82,883	(1,459,516)	5,861,781
<b>Steadyhand Global Equity Fund</b>					
Series A	8,074,139	294,579	104,964	(1,423,139)	7,050,543
Series O	15,004,429	5,782,916	365,941	(2,688,666)	18,464,620
<b>Steadyhand Small-Cap Equity Fund</b>					
Series A	3,360,823	117,996	32,310	(586,297)	2,924,832
Series O	3,265,552	644,180	50,838	(685,397)	3,275,173
<b>Steadyhand Global Small-Cap Equity Fund</b>					
Series A	522,712	224,999	4,380	(83,205)	668,886
Series O	2,218,852	1,571,459	22,107	(186,031)	3,626,387

# STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2020 and 2019

## 5. Redeemable units (continued):

2019	Outstanding redeemable units, beginning of year	Redeemable units issued	Redeemable units issued on reinvestment of distributors	Redeemable units redeemed	Outstanding redeemable units, end of year
<b>Steadyhand Savings Fund</b>					
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
<b>Steadyhand Income Fund</b>					
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
<b>Steadyhand Founders Fund</b>					
Series A	35,264,752	5,099,274	1,083,206	(4,036,506)	37,410,726
<b>Steadyhand Builders Fund</b>					
Series A	-	6,186,040	135,270	(233,838)	6,087,472
<b>Steadyhand Equity Fund</b>					
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
<b>Steadyhand Global Equity Fund</b>					
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
<b>Steadyhand Small-Cap Equity Fund</b>					
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
<b>Steadyhand Global Small-Cap Equity Fund</b>					
Series A	-	516,565	11,676	(5,529)	522,712
Series O	-	2,166,773	52,079	-	2,218,852

## 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	2020	2019
Steadyhand Equity Fund	19.3%	17.6%
Steadyhand Global Equity Fund	9.0%	10.3%
Steadyhand Small-Cap Fund	15.0%	15.0%
Steadyhand Global Small-Cap Fund	16.0%	19.6%

As at December 31, 2020 and 2019, 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, 2020 and 2019

## 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	2020	2019
Steadyhand Income Fund	\$ 62,967	\$ 40,700
Steadyhand Equity Fund	61,910	105,157
Steadyhand Global Equity Fund	130,046	19,964
Steadyhand Small-Cap Equity Fund	97,468	107,903
Steadyhand Global Small-Cap Equity Fund	58,607	48,777

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

Fund name	2020	2019
Steadyhand Income Fund	\$ 1,953	\$ 6,872
Steadyhand Global Small-Cap Equity Fund	3,079	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.

The COVID-19 global pandemic is likely to have an ongoing effect on the financial markets where the Fund operates. The Fund management performs routine risk assessment procedures and robust controls over its accounts, balances, and transactions. As at the Financial Statement Issue Date, there are no material events or conditions that impact the Fund’s ability to continue as a going concern.

# STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2020 and 2019

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## 9. Financial risk management (continued):

### (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 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.

### (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 limits 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' 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 manager by investing the majority of the Funds' assets in investments that are traded in an active market and can be readily disposed.



# STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2020 and 2019

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## 9. Financial risk management (continued):

### (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.

#### (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.

# STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2020 and 2019

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## 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.

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.

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.

# STEADYHAND INVESTMENT FUNDS

Notes to Financial Statements

Years ended December 31, 2020 and 2019

## 10. Fair value of financial instruments (continued):

### (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.

## 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 (the "Funds") 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 Funds
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.

### *Builders Fund:*

	Number of investee funds held	Total net assets of investee funds	Carrying amount included in investments
<b>December 31, 2020</b>			
Funds administered by the manager	4	\$ 612,252,398	\$ 98,603,116

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

# STEADYHAND INVESTMENT FUNDS

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Years ended December 31, 2020 and 2019

## 11. Involvement with unconsolidated unstructured entities (continued):

### *Founders Fund:*

<b>December 31, 2020</b>	Number of investee funds held	Total net assets of investee funds	Carrying amount included in investments
Funds administered by the manager	6	\$ 919,322,325	\$ 473,392,108

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

### *Income Fund:*

<b>December 31, 2020</b>	Number of investee funds held	Total net assets of investee funds	Carrying amount included in investments
Funds administered by third parties	1	\$ 117,146,460	\$ 9,029,377

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

During the years ended December 31, 2020 and 2019, 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.