



Annual Financial Statements

for the financial year ended August 31, 2015

Statements of Financial Position (in 000s, except per unit amounts)

As at August 31, 2015, August 31, 2014 and September 1, 2013 (note 1)

	August 31, 2015	August 31, 2014	September 1, 2013
Assets			
Current assets			
Investments (non-derivative financial assets) † (notes 2, 3 and 12)	\$ 121,932	\$ 80,399	\$ 74,124
Cash including foreign currency holdings, at fair value	5,446	4,529	7,848
Margin	31	207	1
Interest receivable	863	813	444
Receivable for portfolio securities sold	894	182	1,350
Receivable for units issued	793	64	417
Other receivables	–	11	3
Derivative assets	258	547	621
Total Assets	130,217	86,752	84,808
Liabilities			
Current liabilities			
Payable for portfolio securities purchased	2,193	1,452	5,446
Payable for units redeemed	142	122	112
Derivative liabilities	589	750	793
Total Liabilities	2,924	2,324	6,351
Net Assets Attributable to Holders of Redeemable Units †† (notes 5 and 12)	\$ 127,293	\$ 84,428	\$ 78,457
Net Assets Attributable to Holders of Redeemable Units per Class (note 12)			
Class A	\$ 17,689	\$ 17,400	\$ 18,539
Class C	\$ 2,544	\$ 1,471	\$ 599
Class I	\$ 1,733	\$ 181	\$ 10,154
Class O	\$ 105,327	\$ 65,376	\$ 49,165
Net Assets Attributable to Holders of Redeemable Units per Unit (notes 5 and 12)			
Class A	\$ 11.19	\$ 10.19	\$ 9.48
Class C	\$ 13.17	\$ 11.99	\$ 11.17
Class I	\$ 10.03	\$ 9.08	\$ 8.33
Class O	\$ 12.13	\$ 11.02	\$ 10.25

Footnotes for the Statements of Financial Position can be found on the following page.

Frontiers Global Bond Pool

† Securities Lending

The tables that follow indicate the Pool had assets involved in securities lending transactions outstanding as at August 31, 2015, August 31, 2014, and September 1, 2013:

	Aggregate Value of Securities on Loan (\$000s)	Aggregate Value of Collateral for Loan (\$000s)
August 31, 2015	667	700
August 31, 2014	–	–
September 1, 2013	9,214	9,726

Collateral Type* (\$000s)

	i	ii	iii	iv
August 31, 2015	66	634	–	–
August 31, 2014	–	–	–	–
September 1, 2013	–	9,713	–	13

* See note 2j for Collateral Type definitions.

†† Reconciliation of Equity and Comprehensive Income as Previously Reported Under Canadian GAAP to IFRS (note 12)

Equity	As at August 31, 2014 (\$000s)	As at September 1, 2013 (\$000s)
Equity as reported under Canadian GAAP	84,360	78,403
Revaluation of investments at FVTPL	68	54
Net Assets Attributable to Holders of Redeemable Units under IFRS	84,428	78,457

Comprehensive Income for the Period Ended August 31, 2014 (\$000s)

Comprehensive income as reported under Canadian GAAP	8,497
Revaluation of investments at FVTPL	14
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units under IFRS	8,511

Organization of the Pool (note 1)

The Pool was established on November 19, 1999 (*Date Established*).

	Inception Date
Class A	November 24, 1999
Class C	February 22, 2006
Class I	January 25, 2007
Class O	March 15, 2005

Frontiers Global Bond Pool

Statements of Comprehensive Income (in 000s, except per unit amounts)

For the periods ended August 31, 2015 and 2014 (note 1)

	August 31, 2015	August 31, 2014
Net Gain (Loss) on Financial Instruments		
Interest for distribution purposes	\$ 3,022	\$ 2,613
Derivative income (loss)	1,218	(1,277)
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments and derivatives	5,535	5,134
Net realized gain (loss) on foreign currency (notes 2f and g)	511	(116)
Net change in unrealized appreciation (depreciation) of investments and derivatives	2,166	2,712
Net Gain (Loss) on Financial Instruments ±±±	12,452	9,066
Other Income		
Foreign exchange gain (loss) on cash	201	(77)
Securities lending revenue	1	1
	202	(76)
Expenses (notes 6 and 12)		
Management fees ±	367	395
Audit fees	13	10
Custodial fees	128	94
Independent review committee fees	–	–
Legal fees	1	–
Regulatory fees	24	20
Transaction costs ±±	50	2
Unitholder reporting costs	221	212
Withholding taxes (notes 7 and 12)	15	43
Other expenses	2	3
	821	779
Expenses waived/absorbed by the Manager	(356)	(300)
	465	479
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units (excluding distributions)	12,189	8,511
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Class (excluding distributions)		
Class A	\$ 1,740	\$ 1,479
Class C	\$ 211	\$ 130
Class I	\$ 87	\$ 1,141
Class O	\$ 10,151	\$ 5,761
Average Number of Units Outstanding for the Period per Class		
Class A	1,636	1,837
Class C	165	116
Class I	103	787
Class O	7,378	5,314
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit (excluding distributions)		
Class A	\$ 1.06	\$ 0.81
Class C	\$ 1.28	\$ 1.12
Class I	\$ 0.83	\$ 1.45
Class O	\$ 1.37	\$ 1.07

±±± Net Gain (Loss) on Financial Instruments

Category	Net Gain (Loss)	
	August 31, 2015	August 31, 2014
Financial assets at FVTPL:		
Held for Trading	\$ 989	\$ (1,093)
Designated at Inception	11,463	10,159
Total financial assets at FVTPL	\$ 12,452	\$ 9,066

± Maximum Chargeable Management Fee Rates (note 6)

Class A	1.75%
Class C	1.00%
Class I	0.50%
Class O	0.00%

±± Brokerage Commissions and Fees (notes 8 and 9)

	2015	2014
Brokerage commissions and other fees (\$000s)		
Total Paid	30	–
Paid to CIBC World Markets Inc.	–	–
Paid to CIBC World Markets Corp.	–	–
Soft dollars (\$000s)		
Total Paid	1	–
Paid to CIBC World Markets Inc. and CIBC World Markets Corp.	–	–

Administrative and Other Fund Operating Expenses (note 9)

	2015	2014
(\$000s)	15	20

Service Provider (note 9)

The amounts paid by the Pool (including all applicable taxes) to CIBC Mellon Trust Company for custodial fees, and to CIBC Mellon Global Securities Services Company (*CIBC GSS*) for securities lending, fund accounting and reporting, and portfolio valuation (all net of absorptions) for the periods ended August 31, 2015 and 2014 were as follows:

	2015	2014
(\$000s)	14	11

Frontiers Global Bond Pool

**Statements of Changes in Net Assets Attributable to Holders of Redeemable Units
(in 000s)**

For the periods ended August 31, 2015 and 2014 (note 1)

	Class A Units		Class C Units		Class I Units		Class O Units	
	August 31, 2015	August 31, 2014	August 31, 2015	August 31, 2014	August 31, 2015	August 31, 2014	August 31, 2015	August 31, 2014
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units (excluding distributions)	\$ 1,740	\$ 1,479	\$ 211	\$ 130	\$ 87	\$ 1,141	\$ 10,151	\$ 5,761
Distributions Paid or Payable to Holders of Redeemable Units ‡								
From net investment income	(102)	(148)	(26)	(24)	(17)	(130)	(1,954)	(1,694)
	(102)	(148)	(26)	(24)	(17)	(130)	(1,954)	(1,694)
Redeemable Unit Transactions								
Amount received from the issuance of units	2,258	1,042	1,462	815	1,576	3,088	50,400	19,031
Amount received from reinvestment of distributions	101	147	25	24	16	130	1,953	1,694
Amount paid on redemptions of units	(3,708)	(3,659)	(599)	(73)	(110)	(14,202)	(20,599)	(8,581)
	(1,349)	(2,470)	888	766	1,482	(10,984)	31,754	12,144
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	289	(1,139)	1,073	872	1,552	(9,973)	39,951	16,211
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period	17,400	18,539	1,471	599	181	10,154	65,376	49,165
Net Assets Attributable to Holders of Redeemable Units at End of Period	\$ 17,689	\$ 17,400	\$ 2,544	\$ 1,471	\$ 1,733	\$ 181	\$ 105,327	\$ 65,376
Redeemable Units Issued and Outstanding (note 5)								
As at August 31, 2015 and 2014								
Balance - beginning of period	1,707	1,955	123	54	20	1,218	5,935	4,795
Redeemable units issued	208	104	115	73	162	372	4,328	1,777
Redeemable units issued on reinvestments	10	15	2	2	2	16	169	159
	1,925	2,074	240	129	184	1,606	10,432	6,731
Redeemable units redeemed	(344)	(367)	(47)	(6)	(11)	(1,586)	(1,750)	(796)
Balance - end of period	1,581	1,707	193	123	173	20	8,682	5,935

‡ Capital and Non-Capital Losses (note 7)

As at December 2014, the Pool had non-capital and capital losses (in \$000s) for income tax purposes available to be carried forward as follows:

Total Capital Losses	Total Non-Capital Losses	Non-Capital Losses that Expire in:			
		2015	2016 to 2018	2019 to 2023	2024 to 2034
1,962	–	–	–	–	–

Frontiers Global Bond Pool

Statements of Cash Flows
(in 000s)

For the periods ended August 31, 2015 and 2014 (notes 1 and 12)

	August 31, 2015	August 31, 2014
Cash Flows from Operating Activities		
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units from Operations (excluding distributions)	\$ 12,189	\$ 8,511
Adjustments for:		
Foreign exchange loss (gain) on cash	(201)	77
Net realized (gain) loss on sale of investments and derivatives	(5,535)	(5,134)
Net change in unrealized (appreciation) depreciation of investments and derivatives	(2,166)	(2,712)
Purchase of investments	(180,529)	(402,662)
Proceeds from the sale of investments	146,854	401,438
Margin	176	(206)
Interest receivable	(50)	(369)
Other receivables	11	(8)
	(29,251)	(1,065)
Cash Flows from Financing Activities		
Amount received from the issuance of units	54,967	24,329
Amount paid on redemptions of units	(24,996)	(26,505)
Distributions paid to unitholders	(4)	(1)
	29,967	(2,177)
Increase (Decrease) in Cash during the Period	716	(3,242)
Foreign Exchange Loss (Gain) on Cash	201	(77)
Cash (Bank Overdraft) at Beginning of Period	4,529	7,848
Cash (Bank Overdraft) at End of Period	\$ 5,446	\$ 4,529
Interest received	\$ 2,972	\$ 2,244

Frontiers Global Bond Pool

Schedule of Investment Portfolio As at August 31, 2015

Security	Coupon Rate (%)	Maturity Date	Additional Details	Par Value	Average Cost (\$000s)	Fair Value (\$000s)	% of Net Assets
BONDS							
¹Australian Dollar (note 10)							
Government of Australia	5.50%	2018/01/21	Series '132'	470,000	498	478	
Government of Australia	4.50%	2020/04/15	Series '126'	280,000	299	292	
Government of Australia	3.25%	2025/04/21	Series '139'	160,000	161	157	
Government of Australia	3.75%	2037/04/21	Series '144'	20,000	22	20	
New South Wales Treasury Corp.	5.00%	2024/08/20		1,440,000	1,488	1,574	
Queensland Treasury Corp.	6.25%	2020/02/21	Series '20'	1,070,000	1,167	1,169	
Queensland Treasury Corp.	6.00%	2022/07/21	Series '22'	700,000	777	788	
Queensland Treasury Corp.	4.75%	2025/07/21	Series '25'	650,000	709	690	
					5,121	5,168	4.1%
Brazilian Real							
Federative Republic of Brazil	10.00%	2021/01/01	Series 'F'	1,720,000	849	543	
Federative Republic of Brazil	10.00%	2023/01/01	Series 'F'	2,625,000	1,119	797	
Federative Republic of Brazil	10.00%	2025/01/01		2,425,000	829	723	
					2,797	2,063	1.6%
³British Pound (note 10)							
Abbey National Treasury Services PLC	5.75%	2027/03/02		100,000	258	261	
Electricite de France	6.00%	2049/12/29	Variable Rate, Perpetual	100,000	206	207	
Imperial Tobacco Group PLC	7.75%	2019/06/24		100,000	223	240	
InterContinental Hotels Group PLC	3.88%	2022/11/28	Callable	100,000	164	206	
Lloyds Bank PLC	5.12%	2025/03/07		100,000	242	246	
Scottish Widows PLC	5.50%	2023/06/16		100,000	208	209	
United Kingdom Treasury Bond	1.00%	2017/09/07		670,000	1,309	1,361	
United Kingdom Treasury Bond	1.75%	2019/07/22		160,000	331	330	
United Kingdom Treasury Bond	2.00%	2020/07/22		525,000	1,033	1,090	
United Kingdom Treasury Bond	4.25%	2032/06/07		170,000	359	433	
United Kingdom Treasury Bond	4.25%	2040/12/07		240,000	529	638	
United Kingdom Treasury Bond	3.50%	2045/01/22		185,000	404	444	
United Kingdom Treasury Bond	4.00%	2060/01/22		25,000	66	72	
					5,332	5,737	4.5%
Canadian Dollar							
AltaLink Investments L.P.	5.21%	2016/12/16	Callable	150,000	158	157	
Government of Canada	1.50%	2017/09/01		300,000	307	306	
Government of Canada	1.75%	2019/09/01		325,000	340	340	
Government of Canada	2.50%	2024/06/01		120,000	130	131	
Government of Canada	5.75%	2033/06/01		120,000	190	185	
Government of Canada	4.00%	2041/06/01		90,000	123	121	
Government of Canada	3.50%	2045/12/01		50,000	66	64	
Province of British Columbia	2.25%	2019/03/01		120,000	126	125	
Province of Ontario	3.50%	2024/06/02		150,000	161	165	
Province of Ontario	3.45%	2045/06/02		50,000	55	52	
Province of Quebec	3.75%	2024/09/01	Series 'B113'	100,000	107	112	
Province of Quebec	3.50%	2045/12/01	Series 'B112'	20,000	22	21	
					1,785	1,779	1.4%
Czech Koruna							
Czech Republic	3.85%	2021/09/29	Series '61'	870,000	53	58	
					53	58	0.0%
Danish Krone							
Kingdom of Denmark	1.50%	2023/11/15		500,000	101	106	
Kingdom of Denmark	4.50%	2039/11/15		90,000	31	29	
					132	135	0.1%
²Euro (note 10)							
Abbey National Treasury Services PLC / London	1.12%	2022/01/14		200,000	274	290	
Achmea Bank NV	2.75%	2021/02/18		100,000	149	157	
Achmea BV	2.50%	2020/11/19		100,000	148	156	
Assicurazioni Generali SPA	5.12%	2024/09/16		75,000	138	137	
Aviva PLC	3.88%	2044/07/03	Variable Rate, Callable	100,000	151	149	
AXA SA	6.21%	2049/10/29	Variable Rate, Perpetual	75,000	113	120	
Ayt Cedula Cajas Global	0.08%	2018/02/22	Series '4', Floating Rate	100,000	140	147	
Banca Monte dei Paschi di Siena SPA	5.00%	2019/02/09		200,000	333	328	
Bank of Ireland Mortgage Bank	1.75%	2019/03/19		100,000	142	155	
Bankia SA	3.50%	2015/12/14		200,000	279	298	
Bankia SA	4.00%	2025/02/03		100,000	174	181	
BAT International Finance PLC	2.75%	2025/03/25		100,000	155	161	
Berkshire Hathaway Inc.	0.75%	2023/03/16	Callable	100,000	133	139	
Berkshire Hathaway Inc.	1.12%	2027/03/16	Callable	100,000	131	131	
British Sky Broadcasting Group PLC	1.50%	2021/09/15		100,000	139	148	
Cedulas TDA 6 Fondo De Titulizacion de Activos	3.88%	2025/05/23	Series '6'	100,000	155	177	
Compagnie de Saint-Gobain	3.50%	2015/09/30		125,000	171	185	
Credit Agricole SA	2.38%	2024/05/20		100,000	150	155	
Daimler AG	2.25%	2022/01/24		100,000	149	158	
Danske Bank AS	2.75%	2026/05/19	Variable Rate, Callable	100,000	152	152	
Electricite de France SA	4.25%	2049/12/29	Variable Rate, Perpetual	100,000	148	156	
Emirates Telecommunications Corp.	2.75%	2026/06/18		100,000	150	157	
European Financial Stability Facility (The)	2.75%	2029/12/03		150,000	266	265	
Federal Republic of Germany	4.25%	2018/07/04	Series '08'	135,000	208	224	
Federal Republic of Germany		2020/04/17	Series '171', Zero Coupon	825,000	1,137	1,218	

Frontiers Global Bond Pool

Schedule of Investment Portfolio As at August 31, 2015 (cont'd)

Security	Coupon Rate (%)	Maturity Date	Additional Details	Par Value	Average Cost (\$000s)	Fair Value (\$000s)	% of Net Assets
Federal Republic of Germany	0.50%	2025/02/15		450,000	684	654	
Federal Republic of Germany	4.25%	2039/07/04	Series '2007'	160,000	386	377	
Federal Republic of Germany	2.50%	2044/07/04		40,000	81	75	
FGA Capital Ireland PLC	2.62%	2019/04/17		175,000	249	267	
Fondo de Amortizacion del Deficit Electrico	1.88%	2017/09/17		200,000	279	304	
GDF Suez	2.38%	2026/05/19		100,000	153	158	
GE Capital Trust II	5.50%	2067/09/15	Variable Rate, Callable	75,000	112	117	
Government of France	1.00%	2017/07/25		120,000	165	181	
Government of France		2020/05/25	Zero Coupon	595,000	814	870	
Government of France	0.50%	2025/05/25		415,000	544	580	
Government of France	4.75%	2035/04/25		115,000	265	254	
Government of France	3.25%	2045/05/25		75,000	122	142	
Government of Spain	0.50%	2017/10/31		190,000	256	282	
Government of Spain	4.20%	2037/01/31		60,000	117	107	
Government of Spain	5.15%	2044/10/31		30,000	66	62	
Imperial Tobacco Finance PLC	5.00%	2019/12/02		100,000	161	172	
Intesa Sanpaolo SpA	2.00%	2021/06/18		100,000	142	150	
ISS Global AS	1.12%	2020/01/09	Callable	100,000	136	147	
Kingdom of Belgium	3.00%	2019/09/28	Series '67'	145,000	221	239	
Kingdom of Belgium	0.80%	2025/06/22	Series '74'	75,000	104	108	
Kingdom of Belgium	5.00%	2035/03/28		60,000	142	136	
Kingdom of Belgium	3.75%	2045/06/22	Series '71'	15,000	34	31	
Kingdom of Spain	1.40%	2020/01/31		225,000	315	340	
Kingdom of Spain	1.60%	2025/04/30		235,000	324	336	
Kingdom of the Netherlands	0.25%	2020/01/15		135,000	184	201	
Kingdom of the Netherlands	2.00%	2024/07/15		65,000	101	106	
Kingdom of the Netherlands	0.25%	2025/07/15		45,000	59	62	
Kingdom of the Netherlands	4.00%	2037/01/15		15,000	34	33	
Kingdom of the Netherlands	3.75%	2042/01/15		30,000	71	66	
Morgan Stanley	1.75%	2025/01/30		100,000	137	144	
Philip Morris International Inc.	2.88%	2026/03/03		174,000	274	281	
ProLogis L.P.	1.38%	2021/05/13	Callable	125,000	169	180	
Republic of Austria	1.95%	2019/06/18		115,000	167	182	
Republic of Austria	1.65%	2024/10/21	Series '1'	45,000	68	71	
Republic of Austria	4.15%	2037/03/15		20,000	46	43	
Republic of Austria	3.15%	2044/06/20		10,000	22	19	
Republic of Finland	2.00%	2024/04/15		60,000	93	97	
Republic of Ireland	4.50%	2018/10/18		100,000	157	168	
Republic of Ireland	3.40%	2024/03/18		40,000	66	69	
Republic of Italy	1.15%	2017/05/15		150,000	220	225	
Republic of Italy	1.50%	2019/08/01		555,000	778	845	
Republic of Italy	0.70%	2020/05/01		90,000	122	132	
Republic of Italy	3.75%	2024/09/01		365,000	583	622	
Republic of Italy	2.50%	2024/12/01		50,000	72	77	
Republic of Italy	4.00%	2037/02/01		155,000	278	274	
Republic of Italy	5.00%	2039/08/01		795,000	1,157	1,602	
Republic of Italy	4.75%	2044/09/01		30,000	65	60	
Republic of Romania	4.62%	2020/09/18		25,000	39	42	
Republic of Slovenia	4.70%	2016/11/01		200,000	281	311	
Royal Bank of Scotland PLC (The)	6.93%	2018/04/09		75,000	117	125	
Ryanair Ltd.	1.12%	2023/03/10		100,000	133	141	
Slovak Republic	3.38%	2024/11/15	Series '223'	10,000	17	18	
Talanx AG	2.50%	2026/07/23		100,000	151	153	
Volkswagen International Finance NV	2.00%	2021/03/26		100,000	147	155	
					16,965	18,137	14.2%
Hungarian Forint							
Republic of Hungary	7.50%	2020/11/12	Series '20/A'	135,700,000	672	788	
Republic of Hungary	6.00%	2023/11/24	Series '23/A'	130,000,000	688	733	
					1,360	1,521	1.2%
Indonesian Rupiah							
Indonesia Treasury Bond	8.38%	2024/03/15	Series 'FR70'	1,830,000,000	182	167	
Indonesia Treasury Bond	9.00%	2029/03/15	Series 'FR71'	8,990,000,000	944	835	
Indonesia Treasury Bond	8.75%	2044/02/15	Series 'FR67'	2,600,000,000	256	226	
					1,382	1,228	1.0%
Israeli New Shekel							
State of Israel	4.25%	2023/03/31	Series '0323'	140,000	55	56	
					55	56	0.0%
Japanese Yen							
Government of Japan	1.10%	2021/03/20	Series '314'	83,300,000	906	954	
Government of Japan	0.90%	2022/06/20		41,550,000	433	474	
Government of Japan	0.30%	2024/12/20	Series '337'	161,700,000	1,681	1,751	
Government of Japan	1.70%	2033/06/20	Series '145'	4,800,000	53	58	
Government of Japan	1.40%	2034/09/20	Series '150'	120,850,000	1,327	1,380	
Government of Japan	2.30%	2039/03/20	Series '30'	6,850,000	84	90	
Government of Japan	1.80%	2043/03/20	Series '38'	3,050,000	35	36	
Government of Japan	1.50%	2044/12/20	Series '45'	53,000,000	551	587	
					5,070	5,330	4.2%

Frontiers Global Bond Pool

Schedule of Investment Portfolio As at August 31, 2015 (cont'd)

Security	Coupon Rate (%)	Maturity Date	Additional Details	Par Value	Average Cost (\$000s)	Fair Value (\$000s)	% of Net Assets
Malaysian Ringgit							
Government of Malaysia	3.66%	2020/10/15	Series '0315'	1,765,000	595	544	
Government of Malaysia	4.05%	2021/09/30	Series '0314'	990,000	337	304	
Government of Malaysia	3.42%	2022/08/15	Series '0112'	485,000	160	143	
Government of Malaysia	3.48%	2023/03/15	Series '0313'	2,310,000	751	679	
					1,843	1,670	1.3%
Mexican Peso							
United Mexican States	6.50%	2021/06/10	Series 'M'	2,645,600	228	218	
United Mexican States	10.00%	2024/12/05	Series 'M20'	898,000	97	90	
United Mexican States	8.50%	2038/11/18	Series 'M30'	22,780,000	2,193	2,172	
United Mexican States	7.75%	2042/11/13	Series 'M'	44,000,000	3,927	3,920	
					6,445	6,400	5.0%
⁵New Zealand Dollar (note 10)							
Government of New Zealand	5.00%	2019/03/15	Series '319'	640,000	483	577	
Government of New Zealand	3.00%	2020/04/15	Series '420'	85,000	75	72	
Government of New Zealand	6.00%	2021/05/15	Series '521'	715,000	535	698	
Government of New Zealand	5.50%	2023/04/15	Series '423'	530,000	547	519	
					1,640	1,866	1.5%
Norwegian Krone							
Government of Norway	4.50%	2019/05/22	Series '473'	500,000	90	91	
					90	91	0.1%
Polish Zloty							
Republic of Poland	1.50%	2020/04/25	Series '0420'	155,000	49	52	
Republic of Poland	4.00%	2023/10/25		1,360,000	476	513	
Republic of Poland	3.25%	2025/07/25	Series '0725'	2,525,000	886	913	
					1,411	1,478	1.2%
Singapore Dollar							
Republic of Singapore	3.50%	2027/03/01		55,000	55	54	
					55	54	0.0%
South African Rand							
Republic of South Africa	6.75%	2021/03/31	Series 'R208'	2,985,000	343	280	
Republic of South Africa	8.00%	2030/01/31	Series '2030'	655,000	65	61	
Republic of South Africa	6.50%	2041/02/28	Series 'R214'	17,450,000	1,480	1,318	
					1,888	1,659	1.3%
⁴South Korean Won (note 10)							
Republic of Korea	2.75%	2018/03/10	Series '1803'	222,010,000	253	253	
Republic of Korea	3.00%	2023/03/10	Series '2303'	216,810,000	256	256	
Republic of Korea	3.00%	2024/09/10	Series '2409'	58,200,000	72	69	
Republic of Korea	4.00%	2031/12/10	Series '3112'	82,390,000	114	111	
					695	689	0.5%
Swedish Krona							
Government of Sweden	2.50%	2025/05/12	Series '1058'	775,000	137	141	
					137	141	0.1%
Swiss Franc							
Swiss Confederation	4.00%	2028/04/08		105,000	202	213	
Swiss Confederation	1.50%	2042/04/30		20,000	33	34	
					235	247	0.2%
Thai Baht							
Government of Thailand	3.62%	2023/06/16		3,200,000	133	125	
					133	125	0.1%
Turkish Lira							
Republic of Turkey	8.80%	2018/11/14		215,000	105	93	
					105	93	0.1%
⁶United States Dollar (note 10)							
21st Century Fox America Inc.	3.00%	2022/09/15		75,000	96	96	
Abbey National Treasury Services PLC	2.35%	2019/09/10		125,000	160	165	
ABN AMRO Bank NV	1.09%	2016/10/28	Variable Rate	600,000	623	790	
Actavis Funding SCS	3.00%	2020/03/12	Callable	25,000	32	32	
Actavis Funding SCS	3.45%	2022/03/15	Callable	200,000	257	257	
Aetna Inc.	2.75%	2022/11/15	Callable	20,000	25	25	
Air Lease Corp.	4.50%	2016/01/15		220,000	276	292	
Aircraft Finance Co. Ltd.	1.60%	2020/03/29	Sinkable, Floating Rate	182,747	204	241	
Altria Group Inc.	4.00%	2024/01/31		200,000	272	268	
Altria Group Inc.	4.25%	2042/08/09		150,000	191	176	
American International Group Inc.	4.12%	2024/02/15	Callable	150,000	206	205	
American International Group Inc.	8.18%	2068/05/15	Series 'WI', Callable	25,000	44	43	
Anadarko Petroleum Corp.	6.38%	2017/09/15	Callable	75,000	106	107	
AT&T Inc.	3.00%	2022/06/30	Callable	50,000	61	63	
AT&T Inc.	3.40%	2025/05/15	Callable	50,000	61	63	
Bank Nederlandse Gemeenten NV	0.46%	2016/07/18	Floating Rate	1,048,000	1,126	1,380	
Bank Nederlandse Gemeenten NV	0.36%	2017/07/14	Floating Rate	380,000	494	500	
Bank of America Corp.	3.30%	2023/01/11		75,000	96	97	
Barclays Bank PLC	0.82%	2016/12/09	Variable Rate	405,000	431	532	
BAT International Finance PLC	2.75%	2020/06/15	Callable	35,000	43	47	
BAT International Finance PLC	3.50%	2022/06/15	Callable	35,000	43	47	
Bayer US Finance LLC	2.38%	2019/10/08		200,000	258	264	

Frontiers Global Bond Pool

Schedule of Investment Portfolio As at August 31, 2015 (cont'd)

Security	Coupon Rate (%)	Maturity Date	Additional Details	Par Value	Average Cost (\$000s)	Fair Value (\$000s)	% of Net Assets
BP Capital Markets PLC	3.81%	2024/02/10		125,000	164	166	
BPCE SA	4.00%	2024/04/15		250,000	337	338	
Caisse d'Amortissement de la Dette Sociale	3.38%	2024/03/20		100,000	110	141	
Caisse d'Amortissement de la Dette Sociale	1.12%	2017/01/30		200,000	221	265	
CCO Safari II LLC	3.58%	2020/07/23	Callable	15,000	19	20	
CCO Safari II LLC	4.46%	2022/07/23	Callable	25,000	32	33	
CCO Safari II LLC	4.91%	2025/07/23	Callable	125,000	164	163	
CF Industries Inc.	5.15%	2034/03/15		125,000	174	159	
Citigroup Inc.	0.99%	2018/04/27	Floating Rate	350,000	428	460	
Citigroup Inc.	2.40%	2020/02/18		75,000	95	98	
CNA Financial Corp.	5.88%	2020/08/15	Callable	75,000	110	111	
CNA Financial Corp.	7.25%	2023/11/15		25,000	39	39	
Coca-Cola Enterprises Inc.	2.00%	2016/08/19	Callable	275,000	361	365	
Comcast Corp.	5.70%	2019/07/01		50,000	74	74	
Corporacion Andina de Fomento	0.84%	2018/01/29	Floating Rate	530,000	654	702	
CVS Health Corp.	2.80%	2020/07/20	Callable	85,000	108	113	
CVS Health Corp.	3.50%	2022/07/20	Callable	75,000	96	101	
Delphi Corp.	4.15%	2024/03/15	Callable	100,000	110	134	
Deutsche Annington Finance BV	3.20%	2017/10/02		200,000	206	268	
Deutsche Bank AG (London)	0.92%	2017/02/13	Variable Rate	585,000	671	768	
Deutsche Telekom International Finance BV	5.75%	2016/03/23	Callable	225,000	282	304	
Dexia Credit Local / New York, NY	0.69%	2017/01/11	Floating Rate	880,000	940	1,161	
Dexia Credit Local / New York, NY	0.48%	2018/06/05	Floating Rate	510,000	634	670	
Dominion Resources Inc.	2.25%	2015/09/01	Callable	225,000	272	296	
Dominion Resources Inc.	2.75%	2022/09/15	Callable	75,000	95	95	
Enterprise Fleet Financing LLC	1.59%	2021/02/22	Class 'A2', Series '15-2'	250,000	326	329	
Enterprise Products Operating LLC	3.75%	2025/02/15	Callable	75,000	98	95	
Enterprise Products Operating LLC	5.95%	2041/02/01	Callable	25,000	38	34	
Erste Abwicklungsanstalt	0.48%	2016/06/07	Variable Rate	400,000	484	527	
Export - Import Bank of Korea	1.04%	2017/01/14	Variable Rate	220,000	237	291	
Export - Import Bank of Korea	0.91%	2017/05/12	Variable Rate	700,000	780	920	
Export - Import Bank of Korea	0.95%	2017/08/14	Variable Rate	645,000	718	848	
Fannie Mae	4.00%	2027/01/01		43,888	59	62	
Fannie Mae	3.50%	2027/09/01		45,990	62	64	
Fannie Mae	2.50%	2029/12/01		118,968	155	159	
Fannie Mae	2.00%	2030/01/01		23,900	30	31	
Fannie Mae	3.00%	2030/03/01		94,871	126	130	
Fannie Mae	2.50%	2030/05/01		24,340	30	33	
Fannie Mae	3.00%	2030/05/01		48,535	62	66	
Fannie Mae	4.00%	2035/04/01		24,651	34	35	
Fannie Mae	4.50%	2039/09/01		45,764	61	65	
Fannie Mae	4.00%	2040/09/01	Series 'AE1761'	48,752	66	68	
Fannie Mae	6.00%	2040/10/01		87,328	124	130	
Fannie Mae	5.50%	2041/07/01		149,781	214	221	
Fannie Mae	4.50%	2041/08/01		174,810	242	250	
Fannie Mae	4.00%	2042/01/01		359,643	488	506	
Fannie Mae	5.00%	2042/03/01		156,742	221	229	
Fannie Mae	2.50%	2043/04/01		24,397	31	31	
Fannie Mae	3.00%	2045/02/01		292,312	379	387	
Fannie Mae	4.00%	2045/02/01		23,044	30	32	
Fannie Mae	3.50%	2045/03/01		370,206	492	506	
Fannie Mae	3.50%	2045/04/01		49,235	62	68	
Fannie Mae	3.00%	2045/05/01	Series 'AY4205'	49,795	62	66	
Fannie Mae	3.00%	2045/06/01		49,627	61	66	
Fannie Mae	3.50%	2045/06/01		99,194	129	136	
Fannie Mae	3.00%	2045/08/01		25,000	33	33	
First Investors Auto Owner Trust	1.21%	2019/04/15	Class 'A2', Series '2015-1A', Callable	125,000	152	164	
Ford Motor Credit Co. LLC	3.98%	2016/06/15		300,000	325	402	
Ford Motor Credit Co. LLC	0.91%	2017/03/27	Variable Rate	200,000	250	262	
Ford Motor Credit Co. LLC	1.19%	2018/06/15	Floating Rate	425,000	522	557	
Freddie Mac	3.50%	2029/11/01		46,355	62	64	
Freddie Mac	2.50%	2029/12/01		23,775	31	32	
Freddie Mac	2.50%	2030/03/01		72,408	94	97	
Freddie Mac	3.00%	2030/03/01		96,084	127	131	
Freddie Mac	4.50%	2031/07/01		108,629	150	155	
Freddie Mac	3.00%	2035/04/01		48,787	64	66	
Freddie Mac	3.50%	2035/04/01		48,633	65	67	
Freddie Mac	3.00%	2035/06/01		14,283	19	19	
Freddie Mac	3.50%	2035/07/01	Series 'C91841'	24,924	34	34	
Freddie Mac	3.00%	2035/08/01		10,715	14	14	
Freddie Mac	5.00%	2040/01/01		107,159	151	155	
Freddie Mac	4.00%	2041/01/01		23,030	30	32	
Freddie Mac	3.50%	2042/05/01		209,757	278	287	
Freddie Mac	4.00%	2043/10/01		205,491	278	288	
Freddie Mac	4.50%	2043/10/01		22,480	30	32	
Freddie Mac	3.00%	2045/03/01		196,594	254	260	
Freddie Mac	3.50%	2045/03/01		24,527	32	33	
Freddie Mac	3.00%	2045/04/01		24,655	30	33	
Freddie Mac	3.50%	2045/04/01		24,581	32	34	
General Electric Capital Corp.	5.50%	2020/01/08		375,000	549	557	
General Electric Capital Corp.	6.75%	2032/03/15	Series 'A', Callable	50,000	88	86	
Goldman Sachs Group Inc. (The)	1.42%	2018/11/15	Variable Rate	1,345,000	1,507	1,785	
Goldman Sachs Group Inc. (The)	2.55%	2019/10/23		125,000	161	165	
Government National Mortgage Association	3.50%	2045/04/15		50,000	68	69	

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

Frontiers Global Bond Pool

Schedule of Investment Portfolio As at August 31, 2015 (cont'd)

Security	Coupon Rate (%)	Maturity Date	Additional Details	Par Value	Average Cost (\$000s)	Fair Value (\$000s)	% of Net Assets
Government National Mortgage Association II	4.50%	2041/03/20		153,280	212	219	
Government National Mortgage Association II	4.00%	2045/02/20		233,502	315	326	
Government National Mortgage Association II	3.00%	2045/03/20		196,283	256	262	
Government National Mortgage Association II	3.50%	2045/03/20		336,577	449	463	
Government National Mortgage Association II	3.00%	2045/04/20		24,653	30	33	
Government National Mortgage Association II	3.50%	2045/04/20		24,537	31	34	
H.J. Heinz Co.	2.80%	2020/07/02	Callable	50,000	62	66	
H.J. Heinz Co.	3.50%	2022/07/15	Callable	65,000	80	86	
Howard Hughes Medical Institute	3.50%	2023/09/01		50,000	68	68	
HSBC USA Inc.	2.38%	2019/11/13		100,000	128	131	
ING Bank NV	4.12%	2023/11/21	Variable Rate, Callable	200,000	265	270	
JPMorgan Chase & Co.	1.35%	2017/02/15		200,000	220	263	
JPMorgan Chase & Co.	4.62%	2021/05/10		75,000	106	107	
JPMorgan Chase Bank NA	6.00%	2017/10/01		250,000	296	355	
Kaiser Foundation Hospitals	4.88%	2042/04/01	Callable	25,000	34	35	
Kommunalbanken AS	0.66%	2017/03/27	Variable Rate	610,000	659	806	
Macquarie Bank Ltd.	0.93%	2017/10/27	Floating Rate	305,000	343	399	
Macquarie Bank Ltd.	6.62%	2021/04/07		100,000	149	149	
Macquarie Group Ltd.	1.30%	2017/01/31	Floating Rate	460,000	509	608	
Macquarie Group Ltd.	7.62%	2019/08/13		75,000	115	115	
Mckesson Corp.	2.28%	2019/03/15		50,000	64	66	
MEAG Power	6.64%	2057/04/01	Callable	10,000	10	15	
MEAG Power	6.66%	2057/04/01	Callable	290,000	296	441	
Microsoft Corp.	2.38%	2022/02/12	Callable	225,000	280	292	
Morgan Stanley	3.88%	2024/04/29		100,000	135	134	
Morgan Stanley	4.35%	2026/09/08		50,000	67	66	
Nederlandse Waterschapsbank NV	0.54%	2018/02/14	Variable Rate	200,000	218	263	
Oncor Electric Delivery Co. LLC	7.00%	2022/09/01	Callable	75,000	123	120	
OneMain Financial Issuance Trust	2.47%	2024/09/18	Class 'A', Series '2014-2A', Callable	100,000	107	132	
Pemex Project Funding Master Trust	5.75%	2018/03/01	Callable	125,000	175	177	
Penske Truck Leasing Co. L.P. / PTL Finance Corp.	3.20%	2020/07/15	Callable	150,000	194	198	
PNC Bank NA	2.70%	2022/11/01	Series 'BKNT', Callable	250,000	314	316	
PNC Financial Services Group Inc.	3.90%	2024/04/29	Callable	100,000	133	133	
Progress Energy Inc.	5.62%	2016/01/15	Callable	300,000	384	402	
Regents of the University of California	6.55%	2048/05/15	Series 'H', Sinkable, Callable	50,000	84	82	
Republic of Colombia	8.12%	2024/05/21		75,000	127	123	
Republic of Peru	7.12%	2019/03/30		25,000	38	38	
Republic of Poland	5.12%	2021/04/21		50,000	73	74	
Reynolds American Inc.	4.85%	2023/09/15		100,000	103	139	
Reynolds American Inc.	4.45%	2025/06/12	Callable	100,000	136	135	
Shell International Finance BV	2.38%	2022/08/21		125,000	123	157	
Springleaf Funding Trust	3.92%	2023/01/16	Class 'A1', Series '2013-BA', Callable	300,000	303	395	
Svensk Exportkredit AB (SEK)	0.47%	2017/06/12	Variable Rate	370,000	399	488	
Svensk Exportkredit AB (SEK)	0.69%	2017/11/09	Variable Rate	655,000	738	868	
Time Warner Cable Enterprises LLC	8.38%	2023/03/15	Callable	50,000	86	80	
Time Warner Inc.	3.55%	2024/06/01	Callable	75,000	98	97	
UBS AG of Stamford Connecticut	5.75%	2018/04/25		100,000	143	144	
United States Treasury Bond	0.16%	2017/01/31	Variable Rate	5,105,000	6,316	6,723	
United States Treasury Bond	0.15%	2017/04/30	Floating Rate	2,885,000	3,699	3,798	
United States Treasury Bond	0.13%	2017/07/31	Floating Rate	1,105,000	1,460	1,455	
United States Treasury Bond	0.75%	2017/12/31		525,000	691	688	
United States Treasury Bond	2.75%	2017/12/31		1,745,000	2,348	2,395	
United States Treasury Bond	1.50%	2018/08/31		725,000	972	965	
United States Treasury Bond	1.00%	2019/09/30		250,000	320	324	
United States Treasury Bond	1.38%	2020/04/30		1,565,000	2,018	2,047	
United States Treasury Bond	2.00%	2025/02/15		340,000	433	440	
United States Treasury Bond	4.50%	2036/02/15		660,000	1,077	1,122	
United States Treasury Bond	2.88%	2043/05/15		1,365,000	1,356	1,770	
United States Treasury Bond	3.00%	2044/11/15		1,010,000	1,285	1,342	
United States Treasury Bond	2.50%	2045/02/15		5,245,000	6,012	6,279	
UnitedHealth Group Inc.	2.70%	2020/07/15	Callable	95,000	123	127	
UnitedHealth Group Inc.	3.35%	2022/07/15	Callable	50,000	65	67	
Unum Group	4.00%	2024/03/15		125,000	168	170	
Verizon Communications Inc.	5.15%	2023/09/15		200,000	247	289	
Verizon Communications Inc.	3.50%	2024/11/01	Callable	125,000	162	161	
Viacom Inc.	2.20%	2019/04/01		100,000	109	128	
WellPoint Inc.	3.50%	2024/08/15	Callable	175,000	230	223	
Wells Fargo & Co.	4.12%	2023/08/15		50,000	68	68	
Wells Fargo & Co.	3.30%	2024/09/09		125,000	163	163	
Williams Partners L.P. / Williams Partners Finance Corp.	4.30%	2024/03/04	Callable	50,000	65	61	
					61,497	66,207	52.0%
TOTAL BONDS					116,226	121,932	95.7%
Less: Transaction costs included in average cost					(9)		
TOTAL INVESTMENTS					116,217	121,932	95.7%
Margin						31	0.0%
Derivative assets						258	0.2%
Derivative liabilities						(589)	(0.5%)
Other Assets, less Liabilities						5,661	4.6%
TOTAL NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS						127,293	100.0%

¹⁻⁶Hedging reference number. Refers to a corresponding number on the Schedule of Derivative Assets and Liabilities - Forward Foreign Currency Contracts.

Frontiers Global Bond Pool

Schedule of Derivative Assets and Liabilities - Futures Contracts (note 11)

Contracted Value (\$)	Name of Future	Expiry Date	Number of Contracts	Currency	Contracted Price	Fair Value (\$)	Unrealized Gain (Loss) (\$000s)
192,569	German EURO-BOBL	September 2015	1	EUR	130.44	191,963	(1)
(445,666)	German EURO-BUND	September 2015	(2)	EUR	150.94	(452,014)	(7)
(222,700)	German EURO-BUND	September 2015	(1)	EUR	150.85	(226,007)	(3)
(222,848)	German EURO-BUND	September 2015	(1)	EUR	150.95	(226,007)	(3)
(227,705)	German EURO-BUND	September 2015	(1)	EUR	154.24	(226,007)	1
(335,067)	United States 10 Year Treasury Note	December 2015	(2)	USD	127.34	(334,327)	1
(167,780)	United States 10 Year Treasury Note	December 2015	(1)	USD	127.53	(167,163)	1
(167,945)	United States 10 Year Treasury Note	December 2015	(1)	USD	127.66	(167,163)	1
(157,695)	United States 5 Year Treasury Note	December 2015	(1)	USD	119.87	(157,132)	1
203,312	United States Treasury Bond	December 2015	1	USD	154.54	203,425	-
(1,551,525)	Derivative Assets and Liabilities - Futures					(1,560,432)	(9)

As at August 31, 2015, \$31,227 cash was deposited as margin for the futures contracts.

Schedule of Derivative Assets and Liabilities - Forward Foreign Currency Contracts (note 10)

Hedging Ref. No.**	Counterparty	Credit Rating for Counterparty*	Settlement Date	Currency Buys	Par Value	Currency Sells	Par Value	Forward Rate	Current Rate	Unrealized Gain (Loss) (\$000s)
1	HSBC Bank, New York	A-1+	2015/09/30	AUD	403,000	USD	295,236	0.733	0.711	(12)
1	HSBC Bank, New York	A-1+	2015/09/30	AUD	85,000	USD	60,240	0.709	0.711	-
1	National Australia Bank Ltd., Melbourne	A-1+	2015/09/30	USD	430,574	AUD	597,000	1.387	1.407	8
1	HSBC Bank, New York	A-1+	2015/09/30	USD	60,501	AUD	85,000	1.405	1.407	-
	UBS AG, Stamford	A-1	2015/09/30	CHF	165,000	USD	176,873	1.072	1.035	(8)
	HSBC Bank, New York	A-1+	2015/09/28	CLP	616,000,000	CAD	1,238,004	0.002	0.002	(70)
	HSBC Bank, New York	A-1+	2015/09/28	CLP	120,000,000	CAD	233,463	0.002	0.002	(6)
	HSBC Bank, New York	A-1+	2015/10/23	CLP	621,000,000	CAD	1,223,043	0.002	0.002	(49)
	HSBC Bank, New York	A-1+	2015/11/10	CLP	830,000,000	CAD	1,587,119	0.002	0.002	(21)
	Goldman Sachs Group Inc. (The), London	A-2	2015/09/30	DKK	350,000	USD	52,582	0.150	0.150	-
2	HSBC Bank, New York	A-1+	2015/09/30	EUR	65,000	USD	73,589	1.132	1.123	(1)
2	HSBC Bank, New York	A-1+	2015/09/30	EUR	63,000	USD	71,372	1.133	1.123	(1)
2	HSBC Bank, New York	A-1+	2015/09/30	EUR	62,000	USD	70,053	1.130	1.123	(1)
2	HSBC Bank, New York	A-1+	2015/09/30	EUR	45,000	USD	51,284	1.140	1.123	(1)
2	HSBC Bank, New York	A-1+	2015/09/30	EUR	1,000	USD	1,146	1.146	1.123	-
2	JPMorgan Chase & Co., New York	A-1	2015/09/30	EUR	85,000	USD	98,438	1.158	1.123	(4)
2	JPMorgan Chase & Co., New York	A-1	2015/09/30	EUR	60,000	USD	68,244	1.137	1.123	(1)
2	Morgan Stanley, London	A-2	2015/09/30	EUR	85,000	USD	96,739	1.138	1.123	(2)
2	Morgan Stanley, London	A-2	2015/09/30	EUR	65,000	USD	72,975	1.123	1.123	-
2	Morgan Stanley, London	A-2	2015/09/30	EUR	60,000	USD	68,841	1.147	1.123	(2)
2	Morgan Stanley, London	A-2	2015/09/30	EUR	60,000	USD	67,904	1.132	1.123	(1)
2	Morgan Stanley, London	A-2	2015/09/30	EUR	45,000	USD	51,761	1.150	1.123	(2)
2	Citibank N.A., New York	A-1	2015/11/13	CAD	1,465,699	EUR	1,020,000	0.696	0.676	(42)
2	Bank of Montreal	A-1	2015/09/30	USD	224,777	EUR	201,000	0.894	0.891	(1)
2	Commonwealth Bank of Australia, Sydney	A-1+	2015/09/30	USD	51,789	EUR	45,000	0.869	0.891	2
2	Goldman Sachs Group Inc. (The), London	A-2	2015/09/30	USD	182,550	EUR	160,000	0.876	0.891	4
2	HSBC Bank, New York	A-1+	2015/09/30	USD	74,310	EUR	65,000	0.875	0.891	2
2	HSBC Bank, New York	A-1+	2015/09/30	USD	73,416	EUR	65,000	0.885	0.891	1
2	HSBC Bank, New York	A-1+	2015/09/30	USD	68,613	EUR	60,000	0.874	0.891	2
2	HSBC Bank, New York	A-1+	2015/09/30	USD	52,585	EUR	45,000	0.856	0.891	3
2	Morgan Stanley, London	A-2	2015/09/30	USD	443,124	EUR	386,000	0.871	0.891	13
2	Morgan Stanley, London	A-2	2015/09/30	USD	68,500	EUR	60,000	0.876	0.891	2
2	Royal Bank of Canada	A-1+	2015/09/30	USD	304,640	EUR	268,000	0.880	0.891	5
2	UBS AG, Stamford	A-1	2015/09/30	USD	253,305	EUR	218,000	0.861	0.891	11
3	Bank of Montreal	A-1	2015/09/30	GBP	86,000	USD	132,221	1.537	1.534	-
3	HSBC Bank, New York	A-1+	2015/09/30	GBP	45,000	USD	70,423	1.565	1.534	(2)
3	HSBC Bank, New York	A-1+	2015/09/30	GBP	45,000	USD	70,187	1.560	1.534	(2)
3	Morgan Stanley, London	A-2	2015/09/30	GBP	45,000	USD	70,187	1.560	1.534	(2)
3	State Street Trust Co., Boston	A-1+	2015/09/30	GBP	331,000	USD	519,238	1.569	1.534	(15)
3	Bank of America, San Francisco	A-2	2015/09/30	USD	102,451	GBP	65,000	0.634	0.652	4
3	Bank of Montreal	A-1	2015/09/02	USD	131,526	GBP	85,536	0.650	0.652	-
3	Goldman Sachs Group Inc. (The), London	A-2	2015/09/30	USD	1,763,192	GBP	1,117,000	0.634	0.652	64
3	JPMorgan Chase & Co., New York	A-1	2015/09/30	USD	94,628	GBP	60,000	0.634	0.652	3
3	Morgan Stanley, London	A-2	2015/09/30	USD	70,972	GBP	45,000	0.634	0.652	3
3	Morgan Stanley, London	A-2	2015/09/30	USD	69,594	GBP	45,000	0.647	0.652	1
3	State Street Trust Co., Boston	A-1+	2015/09/30	USD	588,665	GBP	373,000	0.634	0.652	21
	JPMorgan Chase Bank, New York	A-1	2015/10/30	IDR	3,560,000,000	CAD	335,558	0.000094	0.000091	(11)
	HSBC Bank, New York	A-1+	2015/11/19	INR	97,000,000	CAD	1,917,519	0.020	0.020	(21)
	Bank of America, San Francisco	A-2	2015/09/30	JPY	11,800,000	USD	98,322	0.008	0.008	(1)
	BNP Paribas SA, Paris	A-1	2015/09/30	JPY	214,978,000	USD	1,800,412	0.008	0.008	(35)
	BNP Paribas SA, Paris	A-1	2015/09/30	JPY	17,890,000	USD	149,826	0.008	0.008	(3)
	Goldman Sachs Group Inc. (The), London	A-2	2015/09/30	JPY	214,977,000	USD	1,799,632	0.008	0.008	(34)
	Goldman Sachs Group Inc. (The), London	A-2	2015/09/30	JPY	17,890,000	USD	149,762	0.008	0.008	(3)
	HSBC Bank, New York	A-1+	2015/09/30	JPY	11,801,000	USD	98,164	0.008	0.008	(1)
	HSBC Bank, New York	A-1+	2015/09/30	JPY	5,899,000	USD	49,178	0.008	0.008	(1)
	JPMorgan Chase & Co., New York	A-1	2015/09/30	JPY	7,300,000	USD	59,838	0.008	0.008	1
	State Street Trust Co., Boston	A-1+	2015/09/30	JPY	10,000,000	USD	82,547	0.008	0.008	-
	Bank of America, San Francisco	A-2	2015/09/30	USD	49,490	JPY	6,040,000	122.045	121.178	-
	Goldman Sachs Group Inc. (The), London	A-2	2015/09/30	USD	116,678	JPY	13,900,000	119.131	121.177	3

Frontiers Global Bond Pool

Hedging Ref. No.**	Counterparty	Credit Rating for Counterparty*	Settlement Date	Currency Buys	Par Value	Currency Sells	Par Value	Forward Rate	Current Rate	Unrealized Gain (Loss) (\$000s)
	HSBC Bank, New York	A-1+	2015/09/30	USD	61,958	JPY	7,500,000	121.050	121.177	–
	HSBC Bank, New York	A-1+	2015/09/30	USD	50,084	JPY	6,000,000	119.799	121.177	1
	HSBC Bank, New York	A-1+	2015/09/30	USD	37,420	JPY	4,500,000	120.257	121.176	–
4	HSBC Bank, New York	A-1+	2015/09/30	USD	38,751	KRW	45,939,000	1,185.492	1,183.629	–
	HSBC Bank, New York	A-1+	2015/11/09	MXN	36,550,000	CAD	2,916,254	0.080	0.078	(53)
	Royal Bank of Canada	A-1+	2015/09/30	USD	89,277	MXN	1,520,000	17.026	16.742	(2)
	HSBC Bank, New York	A-1+	2015/09/30	MYR	8,000	USD	1,904	0.238	0.240	–
	HSBC Bank, New York	A-1+	2015/10/20	NOK	11,500,000	CAD	1,820,600	0.158	0.159	7
5	HSBC Bank, New York	A-1+	2015/09/16	CAD	1,727,605	NZD	2,020,000	1.169	1.201	45
	HSBC Bank, New York	A-1+	2015/09/30	PLN	99,000	USD	26,863	0.271	0.265	(1)
	HSBC Bank, New York	A-1+	2015/09/30	RUB	1,950,000	USD	27,679	0.014	0.015	3
	HSBC Bank, New York	A-1+	2015/10/21	SEK	12,700,000	CAD	1,933,382	0.152	0.156	43
	JPMorgan Chase & Co., New York	A-1	2015/09/30	SEK	2,815,000	USD	340,434	0.121	0.118	(10)
	JPMorgan Chase & Co., New York	A-1	2015/09/30	SEK	832,000	USD	100,619	0.121	0.118	(3)
	JPMorgan Chase & Co., New York	A-1	2015/09/30	USD	137,105	SEK	1,160,000	8.461	8.461	–
	JPMorgan Chase & Co., New York	A-1	2015/09/30	SGD	40,000	USD	28,539	0.713	0.708	–
6	Bank of Montreal	A-1	2015/09/30	USD	125,116	CAD	166,000	1.327	1.316	(1)
6	Commonwealth Bank of Australia, Sydney	A-1+	2015/09/30	USD	60,266	CAD	80,000	1.327	1.316	(1)
6	Morgan Stanley, London	A-2	2015/09/30	USD	75,410	CAD	100,000	1.326	1.316	(1)
6	Goldman Sachs & Co., New York	A-1	2015/10/22	CAD	370,000	USD	281,561	0.761	0.760	–
6	HSBC Bank, New York	A-1+	2015/10/22	CAD	7,915,000	USD	6,128,295	0.774	0.760	(147)
6	HSBC Bank, New York	A-1+	2015/09/30	CAD	100,000	USD	75,818	0.758	0.760	–
6	HSBC Bank, New York	A-1+	2015/09/30	CAD	80,000	USD	60,087	0.751	0.760	1
	UBS AG, Stamford	A-1	2015/09/30	USD	25,261	ZAR	332,000	13.143	13.325	–
Derivative Assets and Liabilities - Forwards										(322)

* The credit rating of each counterparty (as rated by Standard & Poor's, a division of McGraw-Hill Financial Inc.) of the forward foreign currency contracts held by the Pool meets or exceeds the minimum approved credit rating.

** See corresponding reference number on the Schedule of Investment Portfolio.

Supplemental Schedule to Schedule of Investment Portfolio

Offsetting Arrangements (note 2d)

The Pool may enter into various master netting arrangements or other similar agreements that do not meet the criteria for offsetting in the Statements of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of the contracts.

The following table reconciles the net amount of "Over-The-Counter" derivatives presented in the Statements of Financial Position, as at August 31, 2015, August 31, 2014, and September 1, 2013, to:

- The gross amount before offsetting required under IFRS; and
- The net amount after offsetting under the terms of master netting arrangements or other similar arrangements, but which do not meet the criteria for offsetting under IFRS.

Financial Assets and Liabilities	Amounts Offset			Amounts Not Offset		Net
	Gross Assets (Liabilities)	Amounts Offset Under IFRS	Net Amounts Presented on Statements of Financial Position	Master Netting Arrangements	Cash Collateral Received	
As at August 31, 2015						
OTC Derivative Assets	\$ 253	\$ –	\$ 253	\$ (184)	\$ –	\$ 69
OTC Derivative Liabilities	(575)	–	(575)	184	–	(391)
Total	(322)	–	(322)	–	–	(322)
As at August 31, 2014						
OTC Derivative Assets	\$ 393	\$ –	\$ 393	\$ (246)	\$ –	\$ 147
OTC Derivative Liabilities	(440)	–	(440)	246	–	(194)
Total	(47)	–	(47)	–	–	(47)
As at September 1, 2013						
OTC Derivative Assets	\$ 609	\$ –	\$ 609	\$ (574)	\$ –	\$ 35
OTC Derivative Liabilities	(786)	–	(786)	574	–	(212)
Total	(177)	–	(177)	–	–	(177)

Interests in Underlying Funds (note 4)

As at August 31, 2015, August 31, 2014, and September 1, 2013, the Pool had no investments in underlying funds where the ownership exceeded 20% of each underlying Fund.

Frontiers Global Bond Pool

Financial Instrument Risks

Investment Objective: Frontiers Global Bond Pool (the *Pool*) seeks to generate a high level of income and capital growth by investing in bonds and other fixed income securities anywhere in the world. The bonds must have a minimum rating of 'BBB' by DBRS Limited (DBRS), or equivalent.

Investment Strategies: The Pool employs a strategy that benefits from multiple investment approaches. It includes a value-based approach to buying bonds with higher real yields, and a total-return based approach emphasizing fundamentals, valuation, and market sentiment to determine relative value across country, currency, and sector allocations, as well as active management in interest rate decisions. The basis on which these decisions are made comes from a review of global macroeconomic, political, and capital market conditions.

Significant risks that are relevant to the Pool are discussed here. General information on risk management and specific discussion on concentration, credit, currency, interest rate, liquidity, and other price/market risk can be found in note 2 of the financial statements.

In the following risk tables, Net Assets is defined as meaning "Net assets attributable to holders of redeemable units".

Concentration Risk as at August 31, 2015, August 31, 2014, and September 1, 2013

The Schedule of Investment Portfolio presents the securities held by the Pool as at August 31, 2015.

The following tables present the investment sectors held by the Pool as at August 31, 2014 and September 1, 2013, and group the securities by asset type, industry sector, geographic region, or currency exposure:

As at August 31, 2014

Portfolio Breakdown	% of Net Assets
International Bonds	
Australian Dollar	5.3
Brazilian Real	4.3
British Pound	7.4
Canadian Dollar	0.3
Danish Krone	0.1
Euro	20.2
Hungarian Forint	0.9
Indonesian Rupiah	0.8
Japanese Yen	0.5
Malaysian Ringgit	1.0
Mexican Peso	6.8
New Zealand Dollar	2.8
Polish Zloty	2.2
South African Rand	1.3
South Korean Won	2.1
Swedish Krona	0.4
United States Dollar	37.5
Short-Term Investments	1.3
Margin	0.2
Derivative Assets (Liabilities)	(0.3)
Other Assets, less Liabilities	4.9
Total	100.0

As at September 1, 2013

Portfolio Breakdown	% of Net Assets
International Bonds	
Australian Dollar	7.2
Brazilian Real	1.1
British Pound	7.8
Canadian Dollar	1.0
Euro	12.6
Hungarian Forint	0.7
Mexican Peso	2.0
New Zealand Dollar	1.8
Polish Zloty	2.0
South African Rand	1.1
South Korean Won	2.1
Swedish Krona	0.4
United States Dollar	36.6
Short-Term Investments	18.0
Derivative Assets (Liabilities)	(0.2)
Other Assets, less Liabilities	5.8
Total	100.0

Credit Risk

Credit ratings represent a consolidation of the ratings provided by various outside service providers and are subject to change, which could be material.

See the Schedule of Investment Portfolio for counterparty from over-the-counter derivative contracts, where applicable.

As at August 31, 2015, August 31, 2014, and September 1, 2013, the Pool invested in debt securities with the following credit ratings:

Debt Securities by Credit Rating	% of Net Assets		
	August 31, 2015	August 31, 2014	September 1, 2013
'AAA'	34.4	26.7	35.8
'AA'	18.0	22.0	41.6
'A'	26.6	25.7	7.3
'BBB'	15.2	17.3	3.2
Below 'BBB'	1.5	3.1	6.2
Unrated	-	0.4	0.4
Total	95.7	95.2	94.5

Currency Risk

The tables that follow indicate the currencies to which the Pool had significant exposure as at August 31, 2015, August 31, 2014, and September 1, 2013, based on the market value of the Pool's financial instruments (including cash and cash equivalents) and the underlying principal amounts of forward foreign currency contracts, as applicable.

As at August 31, 2015

Currency (note 2m)	Total Currency Exposure* (\$000s)	% of Net Assets
	USD	58,391
EUR	15,534	12.2
JPY	10,500	8.2
MXN	9,235	7.3
AUD	5,006	3.9
CLP	4,135	3.2
GBP	3,453	2.7
SEK	2,505	2.0
BRL	2,105	1.7
NOK	1,919	1.5
INR	1,897	1.5
MYR	1,697	1.3
ZAR	1,692	1.3
IDR	1,593	1.3
HUF	1,588	1.2
PLN	1,535	1.2
KRW	646	0.5

* Amounts reflect the carrying value of monetary and non-monetary items (including the notional amount of forward foreign currency contracts, if any).

As at August 31, 2014

Currency (note 2m)	Total Currency Exposure* (\$000s)	% of Net Assets
	USD	40,743
EUR	10,704	12.7
MXN	6,433	7.6
GBP	4,998	5.9
JPY	4,608	5.5
CLP	3,098	3.7
AUD	2,293	2.7
KRW	2,146	2.5
BRL	2,104	2.5
ZAR	1,268	1.5
IDR	1,095	1.3
MYR	925	1.1
HUF	777	0.9
INR	758	0.9

* Amounts reflect the carrying value of monetary and non-monetary items (including the notional amount of forward foreign currency contracts, if any).

Frontiers Global Bond Pool

As at September 1, 2013

Currency (note 2m)	Total Currency Exposure* (\$000s)	% of Net Assets
USD	41,145	52.4
EUR	9,606	12.2
GBP	6,556	8.4
JPY	6,454	8.2
CLP	1,839	2.3
MXN	1,707	2.2
ZAR	988	1.3
BRL	869	1.1
TRY	625	0.8
HUF	548	0.7
AUD	534	0.7
INR	472	0.6
KRW	438	0.6

* Amounts reflect the carrying value of monetary and non-monetary items (including the notional amount of forward foreign currency contracts, if any).

The table that follows indicates how net assets as at August 31, 2015, August 31, 2014, and September 1, 2013 would have decreased or increased had the Canadian dollar strengthened or weakened by 1% in relation to all foreign currencies. This analysis assumes that all other variables remain unchanged. In practice, the actual results may differ from this analysis and the difference could be material.

	August 31, 2015	August 31, 2014	September 1, 2013
Impact on Net Assets (\$000s)	1,248	831	729

Interest Rate Risk

The Pool's short-term assets and liabilities were not subject to significant amounts of risk due to fluctuations in the prevailing level of market interest rates.

The table that follows indicates the Pool's exposure to fixed income securities by remaining term-to-maturity.

Remaining Term-to-Maturity	August 31, 2015 (\$000s)	August 31, 2014 (\$000s)	September 1, 2013 (\$000s)
Less than 1 year	4,451	2,085	2,763
1-3 years	33,851	19,583	19,868
3-5 years	16,808	11,452	9,940
> 5 years	66,822	46,202	27,442
Total	121,932	79,322	60,013

The table that follows indicates how net assets as at August 31, 2015, August 31, 2014, and September 1, 2013 would have increased or decreased had the interest rate decreased or increased by 25 basis points and assuming a parallel shift in the yield curve. This change is estimated using the weighted average duration of the fixed income portfolio. This analysis assumes that all other variables remain unchanged. In practice, actual results may differ from this analysis and the difference could be material.

	August 31, 2015	August 31, 2014	September 1, 2013
Impact on Net Assets (\$000s)	2,022	971	890

Liquidity Risk

Liquidity risk is the risk that the Pool will encounter difficulty in meeting obligations associated with financial liabilities. The Pool is exposed to daily cash redemptions of redeemable units. The Pool maintains sufficient cash on hand to fund anticipated redemptions.

With the exception of derivative contracts, where applicable, all of the Pool's financial liabilities are short-term liabilities maturing within 90 days after the period end.

For pools that hold derivative contracts with a term-to-maturity that exceeds 90 days from the period end, further information related to those contracts can be referenced in the derivative schedules following the Schedule of Investment Portfolio.

Other Price/Market Risk

The table that follows indicates how net assets as at August 31, 2015, August 31, 2014, and September 1, 2013 would have increased or decreased had the value of the Pool's benchmark(s) increased or decreased by 1%. This change is estimated based on the historical correlation between the return of Class A units of the Pool as compared to the return of the Pool's benchmark(s), using 36 monthly data points, as available, based on the monthly net returns of the Pool. This analysis assumes that all other variables remain unchanged. The historical correlation may not be representative of the future correlation and, accordingly, the impact on net assets could be materially different.

Benchmark	Impact on Net Assets (\$000s)		
	August 31, 2015	August 31, 2014	September 1, 2013
Barclays Global Aggregate Bond Index	1,239	636	661

Fair Value Measurement of Financial Instruments

The following is a summary of the inputs used as at August 31, 2015, August 31, 2014, and September 1, 2013 in valuing the Pool's financial assets and financial liabilities, carried at fair value:

As at August 31, 2015

Classification	Level 1 (i) (\$000s)	Level 2 (ii) (\$000s)	Level 3 (iii) (\$000s)	Total (\$000s)
Financial Assets				
Fixed Income Securities	–	121,932	–	121,932
Derivative assets	5	41,683	–	41,688
Total Financial Assets	5	163,615	–	163,620
Financial Liabilities				
Derivative liabilities	(14)	(42,005)	–	(42,019)
Total Financial Liabilities	(14)	(42,005)	–	(42,019)
Total Financial Assets and Liabilities	(9)	121,610	–	121,601

- (i) Quoted prices in active markets for identical assets
- (ii) Significant other observable inputs
- (iii) Significant unobservable inputs

As at August 31, 2014

Classification	Level 1 (i) (\$000s)	Level 2 (ii) (\$000s)	Level 3 (iii) (\$000s)	Total (\$000s)
Financial Assets				
Fixed Income Securities	–	79,268	–	79,268
Short-Term Investments	–	1,131	–	1,131
Derivative assets	155	63,488	–	63,643
Total Financial Assets	155	143,887	–	144,042
Financial Liabilities				
Derivative liabilities	(307)	(63,539)	–	(63,846)
Total Financial Liabilities	(307)	(63,539)	–	(63,846)
Total Financial Assets and Liabilities	(152)	80,348	–	80,196

- (i) Quoted prices in active markets for identical assets
- (ii) Significant other observable inputs
- (iii) Significant unobservable inputs

As at September 1, 2013

Classification	Level 1 (i) (\$000s)	Level 2 (ii) (\$000s)	Level 3 (iii) (\$000s)	Total (\$000s)
Financial Assets				
Fixed Income Securities	–	60,013	–	60,013
Short-Term Investments	–	14,111	–	14,111
Derivative assets	3	93,949	–	93,952
Total Financial Assets	3	168,073	–	168,076
Financial Liabilities				
Derivative liabilities	(1)	(94,123)	–	(94,124)
Total Financial Liabilities	(1)	(94,123)	–	(94,124)
Total Financial Assets and Liabilities	2	73,950	–	73,952

- (i) Quoted prices in active markets for identical assets
- (ii) Significant other observable inputs
- (iii) Significant unobservable inputs

Transfer of assets between Level 1 and Level 2

Financial assets and liabilities transferred from Level 1 to Level 2 are the result of securities no longer being traded in an active market.

Frontiers Global Bond Pool

For the periods ended August 31, 2015 and 2014, there were no transfers of financial assets and liabilities from Level 1 to Level 2.

Financial assets and liabilities transferred from Level 2 to Level 1 are the result of securities now being traded in an active market.

For the periods ended August 31, 2015 and 2014, there were no transfers of financial assets and liabilities from Level 2 to Level 1.

Reconciliation of financial asset and liability movement – Level 3

The Pool did not hold any significant positions of Level 3 investments at the beginning of, during, or at the end of either reporting period.

Notes to Financial Statements

As at and for the periods as disclosed in the financial statements (see note 1)

1. Frontiers Pools — Organization of the Pools and Financial Reporting Periods

The Frontiers Pools consist of Frontiers Canadian Short Term Income Pool, Frontiers Canadian Fixed Income Pool, Frontiers Equity Income Pool, Frontiers Canadian Equity Pool, Frontiers U.S. Equity Pool, Frontiers U.S. Equity Currency Neutral Pool, Frontiers International Equity Pool, Frontiers Emerging Markets Equity Pool, and Frontiers Global Bond Pool.

Each of the Frontiers Pools (individually, a *Pool*, and collectively, the *Pools*) is a mutual fund trust organized under the laws of Ontario and governed by a declaration of trust (*Declaration of Trust*). The address of the Pools' registered office is 18 York Street, Suite 1300, Toronto, Ontario.

The Pools are managed by CIBC Asset Management Inc. (the *Manager*). The Manager is also the trustee, registrar, and transfer agent of the Pools.

Each Pool may issue an unlimited number of classes of units and an unlimited number of units of each class. Class A, C, I, and O units of each of the Pools are available for sale, except Frontiers Canadian Short Term Income Pool which only offers Class A units, and Frontiers U.S. Equity Currency Neutral Pool, which only offers Class O units. In the future, the offering of any classes of a Pool may be terminated or additional classes may be offered.

Each class of units may charge a different management fee. Operating expenses can either be common or class-specific. Class-specific expenses are allocated on a class-by-class basis. As a result, a separate net asset value per unit is calculated for each class of units.

Class A units are available only to investors participating in the Frontiers Program. This program will invest in a number of Pools, which will form a Frontiers Portfolio. Class A units are available on a no-load basis. Investors do not pay a sales commission when purchasing Class A units, nor are they charged a redemption fee if they redeem their Class A units. They may have to pay a short-term trading fee, if applicable.

Class C units are available to all investors on a no-load basis. Investors do not pay a sales commission when purchasing Class C units, nor are they charged a redemption fee if they redeem their Class C units. They may have to pay a short-term trading fee, if applicable.

Class I units are available to investors participating in programs that do not require the payment of sales charges by investors and do not require the payment of service or trailing commissions to dealers. For these investors, the Manager "unbundles" the typical distribution costs and charges a lower management fee. Potential investors include clients of "fee-for-service" investment advisors, dealer-sponsored "wrap accounts", and others who pay an annual fee to their dealer instead of transactional sales charges and where the dealer does not receive service fees or trailing commissions from the Manager.

Class O units are only available to selected investors who have been approved by and have entered into a Class O account agreement with the Manager or whose dealer or discretionary manager offers separately managed accounts or similar programs and has entered into a Class O unit account agreement with the Manager. These investors are typically financial services companies, including the Manager, that will use Class O units of the Pools to facilitate offering other products to investors. No management fees or operating expenses are charged to the Pools in respect of Class O units held; instead, a negotiated management fee is charged by the Manager directly to, or as directed by, Class O unitholders or dealers or discretionary managers on behalf of unitholders.

The date upon which each Pool was established by Declaration of Trust (*Date Established*) and the date upon which each class of units of each Pool was first sold to the public (*Inception Date*) are reported in footnote *Organization of the Pool* on the Statements of Financial Position.

The Schedule of Investment Portfolio of each Pool is as at August 31, 2015. The Statements of Financial Position are as at August 31, 2015, August 31, 2014 and September 1, 2013, except for the Pools established during either period, which are as at August 31, 2015, August 31, 2014 and each respective Inception Date. The Statements of Comprehensive Income, Statements of Changes in Net Assets Attributable to Holders of Redeemable Units and Statements of Cash Flows are for the years ended August 31, 2015 and 2014 except for Pools or classes established during either period, in which case the information presented is from the Date Established or the Inception Date to August 31, 2015 or 2014.

These financial statements were approved for issuance by the Manager on November 6, 2015.

2. Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with International Financial Reporting Standards (*IFRS*) as published by the International Accounting Standards Board (*IASB*). The Pools adopted IFRS in 2014 as required by Canadian securities legislation and the Canadian Accounting Standards Board. Previously, the Pools prepared their financial statements in accordance with Canadian generally accepted accounting principles (*GAAP*) as defined in Part V of the CPA Canada Handbook. The Pools have consistently applied the accounting policies used in the preparation of their opening IFRS statements of financial position as at September 1, 2013 and throughout all periods presented, as if these policies had always been in effect.

Note 12 discloses the impact of the transition to IFRS on the Pools' reported financial position, financial performance and cash flows, including the nature and effect of significant changes in accounting policies from those used in the Pools' financial statements for the year ended August 31, 2014 prepared under Canadian GAAP.

The financial statements have been prepared on a going concern basis using the historical-cost convention. However, each Pool is an investment entity and primarily all financial assets and financial liabilities are measured at fair value in accordance with IFRS. Accordingly, the Pools' accounting policies for measuring the fair value of investments and derivatives are consistent with those used in measuring the Net Asset value for transactions with unitholders. In applying IFRS, these financial statements include estimates and assumptions made by management that affect the reported amounts of assets, liabilities, income, and expenses during the reporting periods. However, existing circumstances and assumptions may change due to market changes or circumstances arising beyond the control of the Pools. Such changes are reflected in the assumptions when they occur.

These financial statements have been presented in Canadian dollars, which is the Pools' functional currency (unless otherwise noted).

a) Financial Instruments

Classification and recognition of financial instruments

In accordance with IAS 39 Financial Instruments: Recognition and Measurement, financial assets and financial liabilities are classified at initial recognition into the following categories:

Financial assets and liabilities at fair value through profit or loss ("FVTPL")

This category is sub-divided into:

- Financial instruments classified as Held For Trading: Financial assets and liabilities are classified as Held For Trading if they are acquired for the purpose of selling and/or repurchasing in the near term, and are acquired principally for the purpose of generating a profit from short-term fluctuations in price. Derivatives and securities sold short held by the Pools are classified as Held For Trading and do not meet the definition of effective hedging instruments as defined by IAS 39.
- Financial instruments designated as FVTPL through inception: All investments held by the Pools, excluding those classified as Held For Trading (discussed above), are designated as fair value through profit or loss upon initial recognition. These financial assets are designated upon initial recognition on the basis that they are part of a group of financial assets that are managed and have their performance evaluated on a fair value basis, in accordance with risk management and investment strategies of the Pools, as set out in the Pools' prospectus.

Loans and receivables

The Pools include in this category receivable balances relating to portfolio investments and other short-term receivables such as receivable for units issued.

Other financial liabilities

This category includes all financial liabilities, other than those classified as fair value through profit or loss. The Pools include in this category amounts relating to payables for portfolio securities purchased and other accrued liabilities such as payable for units redeemed and distributions payable to holders of redeemable units.

All Pools have contractual obligations to distribute cash to the unitholders. As a result, the Pools' obligation for net assets attributable to holders of redeemable units represents a financial liability and is presented at the redemption amount.

b) Risk Management

The Pools' overall risk management approach includes formal guidelines that govern the extent of exposure to various types of risk, including diversification within asset classes and limits on the exposure to individual investments and counterparties. In addition, derivative financial instruments may be used to manage certain risk exposures. The Manager also has various internal controls to oversee the Pools' investment activities,

including monitoring compliance with the investment objectives and strategies, internal guidelines, and securities regulations. Please refer to each Pool's Supplemental Schedule to Schedule of Investment Portfolio for specific risk disclosures.

Fair value of financial instruments

Financial instruments are valued at their fair value, which is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Refer to notes 3a to 3f for valuation of each specific type of financial instruments held by the Pools. The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the reporting date. The Pools use the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

For financial assets and financial liabilities that are not traded in an active market, fair value is determined using valuation techniques.

The Pools classify fair value measurement within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Inputs are unobservable for the asset or liability.

If inputs are used to measure an asset's or liability's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. Each Pool's fair value hierarchy classification of its assets and liabilities is included in the *Supplemental Schedule to Schedule of Investment Portfolio*.

The carrying values of all non-investment assets and liabilities approximate their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

The Manager is responsible for performing the fair value measurements included in the financial statements of a Pool, including the Level 3 measurements. The Manager obtains pricing from third-party pricing vendors and the pricing is reviewed daily. At each financial reporting date, the Manager reviews and approves all Level 3 fair value measurements. The Pools also have a Valuation Committee which meets quarterly to perform detailed reviews of the valuations of investments held by the Pools, which includes discussion on Level 3 measurements.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument, such as a fixed income security or a derivative contract, will fail to discharge an obligation or commitment that it has entered into with the Pools. The value of fixed income securities and derivatives as presented on the Schedule of Investment Portfolio includes consideration of the creditworthiness of the issuer and, accordingly, represents the maximum credit risk exposure of the Pools.

Certain Pools may invest in short-term fixed income securities issued or guaranteed primarily by the Government of Canada or any Canadian provincial government, obligations of Canadian chartered banks or trust companies, and commercial paper with approved credit ratings. The risk of default on these short-term fixed income securities is considered low and these securities primarily have credit ratings of 'A-1 (Low)' or higher (as rated by Standard & Poor's, a division of The McGraw-Hill Financial, Inc., or equivalent rating from another rating service).

The Pools may engage in securities lending transactions. The credit risk related to securities lending transactions is limited by the fact that the value of cash or securities held as collateral by the Pools in connection with these transactions is at least 102% of the fair value of the securities loaned. The collateral and loaned securities are marked to market on each business day. Further information regarding the collateral and securities on loan can be found in the footnotes to the Statements of Financial Position and in note 2j.

Currency risk

Currency risk is the risk that the value of an investment will fluctuate due to changes in foreign exchange rates. This is because the Pools may invest in securities denominated or traded in currencies other than a Pool's reporting currency.

Interest rate risk

Prices of fixed income securities generally increase when interest rates decline and decrease when interest rates rise. This risk is known as interest rate risk. Prices of longer-term fixed income securities will generally fluctuate more in response to interest rate changes than would shorter-term securities. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates.

Liquidity risk

The Pools are exposed to daily cash redemptions of redeemable units. Generally, the Pools retain sufficient cash and cash equivalent positions to maintain adequate liquidity. However, liquidity risk also involves the ability to sell an asset for cash easily and at a fair price. Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a Pool to sell such securities quickly or at a fair price. Difficulty in selling securities could result in a loss or lower return for a Pool.

Other price/market risk

Other price/market risk is the risk that the value of investments will fluctuate as a result of changes in market conditions. Several factors can influence market trends, such as economic developments, changes in interest rates, political changes, and catastrophic events. All investments are exposed to other price/market risk.

c) Investment Transactions, Income Recognition, and Recognition of Realized and Unrealized Gains and Losses

- i) Each transaction of purchase or sale of a portfolio asset by a Pool is reflected in the net assets no later than the first computation of net assets made after the date on which the transaction becomes binding upon the Pool.
- ii) Interest for distribution purposes shown on the Statements of Comprehensive Income represents the coupon interest received by the Pool accounted for on an accrual basis. The Pools do not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds which are amortized on a straight-line basis.
- iii) Dividend income is recorded on the ex-dividend date.
- iv) Securities that are exchange-traded are recorded at fair value established by the last traded market price when that price falls within that day's bid-ask spread. Debt securities are recorded at fair value, established by the last traded price on the Over-the-Counter market (*OTC*) when that price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Unlisted securities are recorded at fair value using fair valuation techniques established by the Manager in establishing a fair value.
- v) Realized gains and losses on investments and unrealized appreciation or depreciation of investments are calculated using the average cost, excluding transaction costs, of the related investments.
- vi) Investment income is the sum of income paid to the Pool that is generated from a Pool's investment fund holdings.
- vii) Other income is the sum of income, excluding transaction costs, other than that which is separately classified on the Statements of Comprehensive Income.

d) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Where applicable, additional information can be found in the table Offsetting Arrangements as part of the Supplemental Schedule to Schedule of Investment Portfolio. This supplemental schedule discloses the OTC derivatives which are subject to offsetting.

Notes to Financial Statements

e) Portfolio Securities

The cost of securities of the Pools is determined in the following manner. Securities are purchased and sold at a market-traded price to arrive at a value for the position traded. The total purchased value represents the total cost of the security to the Pool. When additional units of the same security are purchased, the cost of those additional units is added to the total security cost. When units of the same security are sold, the proportionate cost of the units of the security sold is deducted from the total security cost. If there is a return of capital paid by a security, the amount of this return of capital is deducted from the total security cost. This method of tracking security cost is known as "average cost" and the current total for any one security is referred to as the adjusted cost base or "ACB" of the security. Transaction costs incurred in portfolio transactions are excluded from the average cost of investments and are recognized immediately in Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units and are presented as a separate expense item in the financial statements.

The difference between the fair value of securities and their average cost, excluding transaction costs, represents the unrealized appreciation (depreciation) in value of the portfolio investments. The applicable period change in unrealized appreciation (depreciation) of investments is included on the Statements of Comprehensive Income.

Short-term investments on the Schedule of Investment Portfolio are presented at their amortized cost which approximates their fair value. Accrued interest for bonds is disclosed separately on the Statements of Financial Position.

f) Foreign Exchange

The value of investments and other assets and liabilities denominated in foreign currencies is translated into Canadian dollars, which is the Pools' functional and presentation currency at the current rates prevailing on each Valuation Date.

Purchases and sales of investments, income, and expenses are translated into Canadian dollars, which is the Pools' functional and presentation currency at the foreign exchange rates prevailing on the dates of such transactions. Foreign currency translation gains (losses) on investments and income transactions are included in Net realized gain (loss) on foreign currency and in Income, respectively, on the Statements of Comprehensive Income.

g) Forward Foreign Currency Contracts

The Pools may enter into forward foreign currency contracts for either hedging or non-hedging purposes where such activity is consistent with their investment objectives and as permitted by the Canadian securities regulatory authorities.

Changes in the fair value of forward foreign currency contracts are included in derivative assets or derivative liabilities on the Statements of Financial Position and are recorded as an Increase (decrease) in unrealized appreciation (depreciation) of investments and derivatives during the applicable period on the Statements of Comprehensive Income.

The gain or loss arising from the difference between the value of the original forward foreign currency contract and the value of such contract at close or delivery is realized and recorded as Net realized gain (loss) on foreign currency for Pools that use the forward foreign currency contracts for hedging, or as Derivative income (loss) for Pools that do not use the forward foreign currency contracts for hedging.

h) Futures Contracts

The margin deposits with brokers relating to futures contracts are included in Margin on the Statements of Financial Position. Any change in the margin requirement is settled daily and included in Receivable for portfolio securities sold or Payable for portfolio securities purchased on the Statements of Financial Position.

Any difference between the settlement value at the close of business on each Valuation Date and the settlement value at the close of business on the previous Valuation Date is recorded as Derivative Income (loss) on the Statements of Comprehensive Income.

i) Options

Premiums paid for purchased call and put options are included in derivative assets and subsequently measured at fair value on the Statements of Financial Position. When a purchased option expires, the Pool will realize a loss in the amount of the cost of the option. For a closing transaction, the Pool will realize a gain or loss depending on whether the proceeds are greater or less than the premium paid at the time of purchase.

When a purchased call option is exercised, the cost of the security purchased is increased by the premium paid at the time of purchase.

Premiums received from writing options are included in derivative liabilities and subsequently measured at fair value on the Statements of Financial Position as initial reductions in the value of investments. Premiums received from writing options that expire unexercised are recorded as realized gains and reported as Net gain (loss) on sale of investments and derivatives on the Statements of Comprehensive Income. For a closing transaction, if the cost of closing the transaction exceeds the premium received, the Pool will record a realized loss or, if the premium received at the time the option was written is greater than the amount paid, the Pool will record a realized gain and are reported as Net gain (loss) on sale of investments and derivatives. If a written put option is exercised, the cost for the security delivered is reduced by the premiums received at the time the option was written.

j) Securities Lending

A Pool may lend portfolio securities in order to earn additional revenue, which is disclosed on the Statements of Comprehensive Income. The loaned assets of any one Pool are not permitted to exceed 50% of the fair value of the assets of that Pool (excluding collateral debt for the loaned securities). The minimum allowable collateral is 102% of the market value of the loaned securities as per the requirements of National Instrument 81-102-*Mutual Funds*. Collateral can consist of the following:

- i) Cash;
- ii) Qualified securities;
- iii) Irrevocable letters of credit issued by a Canadian financial institution that is not the counterparty, or an affiliate counterparty, of the fund in the transaction, if evidences of indebtedness of the Canadian financial institution that are rated as short-term debt by an approved credit rating organization have an approved credit rating.
- iv) Securities that are immediately convertible into securities of the same issuer, class, or type, and the same term, as the securities loaned.

The market value of the loaned securities is determined on the close of any valuation date and any additional required collateral is delivered to the Pool on the next business day. The securities on loan continue to be included on the Schedule of Investment Portfolio and are included in the total value on the Statements of Financial Position in Investments (non-derivative financial assets) at fair value. Where applicable, a Pool's securities lending transactions are reported in footnote *Securities Lending* on the Statements of Financial Position.

k) Multi-Class Structured Pools

The realized and unrealized capital gains or capital losses, income, and common expenses (other than class-specific operating expenses and management fees) of the Pool are allocated on each Valuation Date to the unitholders in proportion to the respective prior day's net asset value, which includes unitholder trade(s) dated for that day, of each class of units at the date on which the allocation is made. Class-specific operating expenses and management fees do not require allocation. All class-specific operating expenses are paid by the Manager and are collected from the Pools on a recoverable basis.

l) Loans and Receivables, Other Assets and Liabilities

Loans and receivables, other assets and liabilities (other than those classified as FVTPL) are recorded at cost, which approximates their fair value with the exception of net assets attributable to holders of redeemable units, which are presented at the redemption value.

m) Legend for Abbreviations

The following is a list of abbreviations (foreign currency translation and others) that may be used in the Statements of Investment Portfolio:

Currency Abbreviations

AUD	– Australian Dollar	KRW	– South Korean Won
BRL	– Brazilian Real	MXN	– Mexican Peso
CAD	– Canadian Dollar	MYR	– Malaysian Ringgit
CHF	– Swiss Franc	NOK	– Norwegian Krone
CLP	– Chilean Peso	NZD	– New Zealand Dollar
CZK	– Czech Koruna	PHP	– Philippine Peso
DKK	– Danish Krone	PLN	– Polish Zloty
EUR	– Euro	RUB	– Russian Ruble
GBP	– British Pound	SEK	– Swedish Krona
HKD	– Hong Kong Dollar	SGD	– Singapore Dollar
HUF	– Hungarian Forint	THB	– Thai Baht
IDR	– Indonesian Rupiah	TRY	– New Turkish Lira
ILS	– Israeli Shekel	TWD	– Taiwan Dollar
INR	– Indian Rupee	USD	– United States Dollar
JPY	– Japanese Yen	ZAR	– South African Rand

Other Abbreviations

ADR	– American Depositary Receipt	iUnits	– Index Units Securities
ADC	– Austrian Depositary Certificates	LEPOs	– Low Exercise Price Options
CVO	– Contingent Value Obligations International	MSCI	– Morgan Stanley Capital Index
ETF	– Exchange-Traded Fund	OPALS	– Optimized Portfolios as Listed
GDR	– Global Depositary Receipt Securities	PERLES	– Performance Linked to Equity
IPN	– International Participation Note	REIT	– Real Estate Investment Trust
iShares	– Index Shares	SDR	– Swedish Depositary Receipt

n) Standards Issued but not yet Effective

Standards issued but not yet effective up to the date of issuance of the Pools' financial statements are listed below. The Pools intend to adopt applicable standards when they become effective.

IFRS 9, *Financial Instruments - Classification and Measurement*

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. The Pools are in the process of assessing the impact of IFRS 9.

o) Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit

Increase (decrease) in net assets attributable to holders of redeemable units per unit of each class is calculated by dividing the Increase (decrease) in net assets attributable to holders of redeemable units (excluding distributions), as reported in the Statements of Comprehensive Income, by the weighted average number of units in issue during the related period.

3. Valuation of Investments

The valuation date for a Pool is any day when the Manager's head office is open for business (*Valuation Date*). The Trustee may, at its discretion, establish other Valuation Dates. The value of the investments or assets of a Pool is determined as follows:

a) Cash and Other Assets

Cash, accounts receivable, dividends receivable, distributions receivable, and interest receivable are valued at fair value or at their recorded cost, plus or minus any foreign exchange between recognition of the asset by the Pool and the current Valuation Date, which approximates fair value.

Short-term investments (money market instruments) are valued at fair value.

b) Bonds, Debentures, and Other Debt Obligations

Bonds, debentures, and other debt obligations are fair valued using the last traded price provided by a recognized vendor upon the close of trading on a Valuation Date, whereby the last traded price falls within that day's bid-ask spread. If the last traded price does not fall within that day's bid-ask spread, then the Manager will determine the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

c) Listed Securities, Unlisted Securities, and Fair Value Pricing of Foreign Securities

Any security that is listed or traded on a securities exchange is fair valued using the last traded price, whereby the last traded price falls within that day's bid-ask spread or, if there is no traded price on that exchange or the last traded price does not fall within that day's bid-ask spread and in the case of securities traded on an OTC market, at the fair value as determined by the Manager as an appropriate basis for valuation. In such situations, a fair value will be determined by the Manager to establish current value. If any securities are inter-listed or traded on more than one exchange or market, the Manager will use the principal exchange or market for the fair value of such securities.

Units of each mutual fund in which a Pool invests will be valued at fair value using the most recent net asset value quoted by the Trustee or Manager of the mutual fund on the Valuation Date.

Unlisted securities are fair valued using the last traded price quoted by a recognized dealer, or the Manager may determine a price that more accurately reflects the fair value of these securities if the Manager feels the last traded price does not reflect fair value.

Fair value pricing is designed to avoid stale prices and to provide a more accurate fair value, and may assist in the deterrence of harmful short-term or excessive trading in the Pool. When securities listed or traded on markets or exchanges that close prior to North or South American markets or exchanges are valued by the Manager at their fair market value, instead of using quoted or published prices, the prices of such securities used to calculate the Pool's net assets or net asset value may differ from quoted or published prices of such securities.

d) Derivatives

Long positions in options, debt-like securities, and listed warrants are fair valued using the last traded price as established on either their principal trading exchange or by a recognized dealer in such securities, whereby the last traded price falls within that day's bid-ask spread and the credit rating of each counterparty (as rated by Standard & Poor's, a division of The McGraw-Hill Financial, Inc.) meets or exceeds the minimum approved credit rating.

When any option is written by any Pool, the premium received by the Pool will be reflected as a liability that will be valued at an amount equal to the current value of the option that would have the effect of closing the position. Any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment; the liability shall be deducted in arriving at the net assets attributable to holders of redeemable units of the Pool. The securities that are the subject of a written option, if any, will be valued in the manner described above for listed securities.

Notes to Financial Statements

Futures contracts, forward contracts, or swaps will be valued at fair value of the gain or loss, if any, that would be realized on the Valuation Date if the position in the futures contracts, forward contracts, or swaps were to be closed out.

Margin paid or deposited in respect of futures contracts and forward contracts will be reflected as an account receivable and margin consisting of assets other than cash will be noted as held as collateral.

Other derivatives and margin are fair valued in a manner that the Manager determines to represent their fair value.

e) Restricted Securities

Restricted securities purchased by any Pool will be fair valued in a manner that the Manager determines to represent their fair value.

f) Other Securities

All other investments of the Pools will be valued at fair value in accordance with the laws of the Canadian securities regulatory authorities where applicable.

The value of any security or other property of a Pool for which a market quotation is not readily available or where the market quotations do not properly reflect the fair value of such securities will be determined by the Manager by valuing the securities at their fair value. In such situations, fair value will be determined using fair valuation techniques that most accurately reflect their fair value as established by the Manager.

4. Interest in Underlying Funds

The Pools may invest in other investment funds ("Underlying Funds"). Each Underlying Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for its unitholders. Each Underlying Fund finances its operations primarily through the issuance of redeemable units, which are puttable at the unitholder's option and entitle the unitholder to a proportionate share of the Underlying Fund's net assets. The Pools' interests in Underlying Funds held in the form of redeemable units, are reported in its Schedule of Investments at fair value, which represents the Pools' maximum exposure on those investments. The Pools' interests in Underlying Funds as at the prior year-end periods are presented in the Financial Instrument Risks – Concentration Risks section in the Supplemental Schedule to the Schedule of Investment Portfolio. Distributions earned from Underlying Funds are included in "Investment Income" in the Statements of Comprehensive Income. The total realized and change in unrealized gains (losses) arising from Underlying Funds are also included in the Statement of Comprehensive Income. The Pools do not provide any additional significant financial or other support to Underlying Funds.

Where applicable, the table "Interests in Underlying Funds" is presented as part of the Supplemental Schedule to Schedule of Investment Portfolio which provides additional information on the Pools' investments in Underlying Funds where the ownership interest exceeds 20% of each Underlying Fund.

5. Redeemable Units Issued and Outstanding

Each Pool is permitted to have an unlimited number of classes of units and may issue an unlimited number of units of each class. The outstanding units represent the net assets attributable to holders of redeemable units of the Pools. Each unit has no par value and the value of each unit is the net asset value as determined on each valuation date. Settlement of the cost for units issued is completed as per laws of the Canadian securities regulatory authorities in place at the time of issue. Distributions made by the Pools and reinvested by unitholders in additional units also constitute issued redeemable units of the Pools.

Units are redeemed at the net assets attributable to holders of redeemable units per unit of each class of units of the Pool. A right to redeem units of a Pool may be suspended with the approval of the Canadian securities regulatory authorities or when normal trading is suspended on a stock, options, or futures exchange within Canada or outside of Canada on which securities or derivatives that make up more than 50% of the value or underlying exposure of the total assets of the Pool, not including any liabilities of the Pool, are traded and when those securities or derivatives are not traded on any other exchange that represents a reasonably practical alternative for the Pool. The Pools are not subject to any externally imposed capital requirements.

The capital received by a Pool is utilized within the respective investment mandate of a Pool. For all Pools, this includes the ability to make liquidity available to satisfy unitholder unit redemption requirements upon the unitholder's request.

Changes in issued and outstanding units for the periods ended August 31, 2015 and 2014 can be found on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units.

6. Management Fees and Operating Expenses

Management fees are based on the net asset value of the Pools and are calculated daily and paid monthly. Management fees are paid to the Manager in consideration for providing, or arranging for the provision of, management, distribution, and portfolio advisory services. Advertising and promotional expenses, office overhead expenses related to the Manager's activities, trailing commissions and the fees of the portfolio sub-advisors are paid by the Manager out of the management fees received from the Pools. The maximum annual management fee expressed as a percentage of the average net asset value for each class of units of the Pool is reported in footnote *Maximum Chargeable Management Fee Rates* on the Statements of Comprehensive Income. For Class O units, management fees are negotiated with and paid by, or as directed by, unitholders, or dealers and discretionary managers on behalf of unitholders.

In addition to the management fees, the Pools are responsible for all expenses relating to the operation and conduct of the business of the Pools, including interest, operating, and administrative costs (other than advertising and promotional expenses, which are the responsibility of the Manager), brokerage fees, commissions, spreads, regulatory fees (including the portion of the regulatory fees paid by the Manager that are attributable to the Pools), Independent Review Committee fees, taxes, audit and legal fees and expenses, trustee fees, safekeeping fees, custodial fees, any agency fees, securities lending, repurchase, and reverse repurchase fees, investor servicing costs, and costs of unitholder reports, prospectuses, fund facts, and other reports. All class-specific operating expenses are paid by the Manager and recovered from the Pools. The Pools do not pay a fee to the trustee.

The Manager may recover from a Pool less than the actual class-specific operating expenses paid by the Manager, resulting in the Manager absorbing class-specific expenses. The Manager may also charge to a Pool less than the maximum management fee noted in footnote *Maximum Chargeable Management Fee Rates* on the Statements of Comprehensive Income, resulting in the Manager waiving management fees.

At its sole discretion, the Manager may stop absorbing class-specific operating expenses and/or waiving management fees at any time. Class-specific operating expenses absorbed and/or management fees waived by the Manager are disclosed on the Statements of Comprehensive Income.

In some cases, the Manager may charge management fees to a Pool that are less than the management fees the Manager is entitled to charge in respect of certain investors in a Pool. The difference in the amount of the management fees will be paid out by the Pool to the applicable investors as a distribution of additional units of the Pool (*Management Fee Distributions*).

Management Fee Distributions are negotiable between the Manager and the investor and are dependent primarily on the size of the investor's investment in the Pool. Management Fee Distributions paid to qualified investors do not adversely impact the Pool or any of the Pool's other investors. The Manager may increase or decrease the amount of Management Fee Distributions to certain investors from time to time.

7. Income Taxes and Withholding Taxes

All of the Pools (except Frontiers Equity Income Pool and Frontiers U.S. Equity Currency Neutral Pool) qualify as mutual fund trusts under the *Income Tax Act* (Canada). No income tax is payable by the Pools on net income and/or net realized capital gains that are distributed to unitholders. In addition, for all of the Pools (except those that do not qualify as mutual fund trusts under the *Income Tax Act* (Canada)), income taxes payable on undistributed net realized capital gains are refundable on a formula basis when units of the Pools are redeemed. Sufficient net income and realized capital gains of the Pools have been, or will be, distributed to the unitholders such that no tax is payable by the Pools and accordingly, no provision for income taxes has been made in the financial statements. Occasionally, a Pool may pay distributions in excess of net income and net realized capital gains of the Pool. This excess distribution is called a return of capital and is non-taxable to the unitholder. However, a return of capital reduces the average cost of the unitholder's units for tax purposes.

Non-capital losses that arose in 2005 are available to be carried forward for 10 years. Non-capital losses that arose in 2006 and after are available to be carried forward for 20 years.

Capital losses for income tax purposes may be carried forward indefinitely and applied against capital gains realized in future years. Where applicable, a Pool's net capital and non-capital losses are reported in footnote *Capital and Non-Capital Losses* on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units.

Frontiers Equity Income Pool and Frontiers U.S. Equity Currency Neutral Pool have a taxation year-end of December 31. All other Pools have a taxation year-end of December 15.

The Pools currently incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income.

8. Brokerage Commissions and Fees

The total commissions paid by the Pools to brokers in connection with portfolio transactions are reported in footnote *Brokerage Commissions and Fees* on the Statements of Comprehensive Income of each Pool. In allocating brokerage business to a dealer, consideration may be given by the portfolio sub-advisors of the Pools to the provision of goods and services by the dealer or a third party, other than order execution (referred to in the industry as "soft dollar" arrangements). These goods and services are paid for with a portion of brokerage commissions and assist the portfolio sub-advisors with their investment decision-making services to the Pools or relate directly to the execution of portfolio transactions on behalf of the Pools. The services are supplied by the dealer executing the trade or by a third party and paid for by that dealer. The total soft dollar

payments paid by the Pools to brokers are reported in footnote *Brokerage Commissions and Fees* on the Statements of Comprehensive Income of each Pool. In addition, the Manager may enter into commission recapture arrangements with certain dealers with respect to the Pool. Any commission recaptured will be paid to the applicable Pool.

Fixed income, other securities, and certain derivative products (including forwards) are transacted in an over-the-counter market, where participants are dealing as principals. Such securities are generally traded on a net basis and do not normally involve brokerage commissions, but will typically include a "spread" (being the difference between the bid and the offer prices on the security of the applicable marketplace).

Spreads associated with fixed income securities trading and certain derivative products (including forwards) are not ascertainable and, for that reason, are not included in the dollar amounts. In addition, the soft dollar amounts only include the value of research and other services supplied by a third party to the portfolio sub-advisors, as the value of the services supplied to the portfolio sub-advisors by the dealer is not ascertainable. When these services benefit more than one Pool, the costs are allocated among the Pools based on transaction activity or some other fair basis as determined by the portfolio sub-advisors.

9. Related Party Transactions

Canadian Imperial Bank of Commerce (*CIBC*) and its affiliates have the following roles and responsibilities with respect to the Pools and receive the fees described below in connection with their roles and responsibilities. The Pools may hold securities of CIBC. CIBC and its affiliates may also be involved in underwriting or lending to issuers that may be held by the Pools, have purchased or sold securities from or to the Pools while acting as principal, have purchased or sold securities from or to the Pools on behalf of another investment fund managed by CIBC or an affiliate, or have been involved as a counterparty to derivative transactions. Management fees payable and other accrued expenses on the Statements of Financial Position are amounts generally payable to a related party of the Pool.

Manager, Trustee, Portfolio Advisor, and Portfolio Sub-Advisor of the Pools

CIBC Asset Management Inc. (CAMI), a wholly owned subsidiary of CIBC, is the Manager, trustee, and portfolio advisor of each of the Pools.

The Manager also arranges for fund administrative services (other than advertising and promotional services, which are the responsibility of the Manager), legal, investor servicing, and costs of unitholder reports, prospectuses, and other reports. The Manager is the registrar and transfer agent for the Pools and provides, or arranges for the provision of, all other administrative services required by the Pools. The dollar amount (including all applicable taxes) of all fund administrative expenses (net of absorptions) that the Manager recovers from the Pool is reported in footnote *Administrative and Other Fund Operating Expenses* on the Statements of Comprehensive Income.

Brokerage Arrangements and Soft Dollars

The portfolio sub-advisors make decisions, including the selection of markets and dealers and the negotiation of commissions, with respect to the purchase and sale of portfolio securities, certain derivative products (including futures), and the execution of portfolio transactions. Brokerage business may be allocated by portfolio sub-advisors, to CIBC World Markets Inc. and CIBC World Markets Corp., each a subsidiary of CIBC. The total commissions paid to related brokers in connection with portfolio transactions are reported in footnote *Brokerage Commissions and Fees* on the Statements of Comprehensive Income of each Pool.

CIBC World Markets Inc. and CIBC World Markets Corp. may also earn spreads on the sale of fixed income, other securities, and certain derivative products (including forwards) to the Pools. Dealers, including CIBC World Markets Inc. and CIBC World Markets Corp., may furnish goods and services, other than order execution, to portfolio sub-advisors, that process trades through them (referred to in the industry as "soft-dollar" arrangements). These goods and services are paid for with a portion of brokerage commissions and assist the portfolio sub-advisors with their investment decision-making services to the Pools or relate directly to executing portfolio transactions on behalf of the Pools. They are supplied by the dealer executing the trade or by a third party and paid for by that dealer. As per the terms of the portfolio sub-advisory agreements, such soft dollar arrangements are in compliance with applicable laws. The Manager has entered into an expense reimbursement agreement with CAMI which provides that custodial fees directly related to portfolio transactions incurred by a Pool, or a portion of a Pool, for which CAMI acts as advisor, shall be paid by CAMI and/or dealer(s) directed by CAMI up to the amount of the credits generated under soft dollar arrangements from trading on behalf of the Pool, or portion of the Pool, during the month. The total soft dollar payments paid by the Pool to related brokers are reported in footnote *Brokerage Commissions and Fees* on the Statements of Comprehensive Income of each Pool. In addition, the Manager may enter into commission recapture arrangements with certain dealers with respect to the Pools. Any commission recaptured will be paid to the relevant Pool.

Spreads associated with fixed income securities trading and certain derivative products (including forwards) are not ascertainable and, for that reason, are not included in the dollar amounts. In addition, the soft dollar amounts only include the value of research and other services supplied by a third party to the portfolio sub-advisors, as the value of the services supplied to the portfolio sub-advisors by the dealer is not ascertainable. When these services benefit more than one Pool, the costs are allocated among the Pools based on transaction activity or some other fair basis as determined by the portfolio sub-advisors.

Custodian

The custodian holds all cash and securities for the Pools and ensures that those assets are kept separate from any other cash or securities that the custodian might be holding. The custodian also provides other services to the Pool including record keeping and processing of foreign exchange transactions. CIBC Mellon Trust Company is the custodian of the Pools (the *Custodian*). The fees and spreads for services of the Custodian directly related to the execution of portfolio transactions by a Pool, or a portion of a Pool, for which CAMI acts as portfolio advisor are paid by CAMI and/or dealer(s) directed by CAMI up to the amount of the credits generated under soft dollar arrangements from trading on behalf of the Pool, or portion of the Pool, during that month. All other fees and spreads for the services of the Custodian are borne as an operating expense by the Pools. CIBC owns a 50 percent interest in the Custodian.

Service Provider

CIBC Mellon Global Securities Services Company (*CIBC GSS*) provides certain services to the Pools, including securities lending, fund accounting and reporting, and portfolio valuation. CIBC indirectly owns a 50 percent interest in CIBC GSS. The dollar amount paid by the Pools (including all applicable taxes) to CIBC Mellon Trust Company for custodian fees (net of absorptions) and to CIBC GSS for securities lending, fund accounting, reporting, and fund valuation (all net of absorptions) for the periods ended August 31, 2015 and 2014 is reported in footnote *Service Provider* on the Statements of Comprehensive Income.

10. Hedging

Certain foreign currency denominated positions have been hedged, or partially hedged, by forward foreign currency contracts as part of the investment strategies of the Pool. These hedges are indicated by a hedging reference number on the Schedule of Investment Portfolio and a corresponding hedging reference number on the Forward Foreign Currency Contracts Schedule for the Pools.

11. Collateral on Specified Derivatives

Short-term investments may be used as collateral for futures contracts outstanding with brokers.

12. Transition to IFRS

The effect of the Pools' transition to IFRS is summarized in this note as follows:

Transition Elections

The only voluntary exemption adopted by the Pools upon transition was the ability to designate a financial asset or financial liability at fair value through profit and loss upon transition to IFRS. All financial assets designated at FVTPL upon transition (see Supplemental Schedule to Schedule of Investment Portfolio) were previously carried at fair value under Canadian GAAP as required by Accounting Guideline 18, Investment Companies.

Statement of Cash Flows

Under Canadian GAAP, the Pools were exempt from providing a statement of cash flows. IAS 1 requires that a complete set of financial statements include Statements of Cash Flows for the current period and comparative periods, without exception.

Classification of Redeemable Units Issued by the Pools

Under Canadian GAAP, the Pools accounted for their redeemable units as equity. Under IFRS, IAS 32 requires that units or shares of equity which include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset be classified as financial liability. The Pools' units do not meet the criteria in IAS 32 for classification as equity and therefore, have been reclassified as financial liabilities on transition to IFRS.

Revaluation of Investments at Fair Value Through Profit or Loss (FVTPL)

Under Canadian GAAP, the Pools measured the fair values of their investments in accordance with Section 3855, Financial Instruments – Recognition and Measurement, which required the use of bid prices for long positions and ask prices for short positions; to the extent such prices are available. Under IFRS, the Pools measure the fair value of its investments using the guidance in IFRS 13, *Fair Value Measurement (IFRS 13)*, which requires that if an asset or a liability has a bid price or an ask price, then its fair value is to be based on a price within the bid-ask spread that is most representative of fair value. It also allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurements within a bid-ask spread. As a result, upon adoption of IFRS an adjustment was

Notes to Financial Statements

recognized to increase the carrying amount of the Pools' investments. The impact of this adjustment was to increase the Pools' increase (decrease) in net assets attributable to holders of redeemable units from operations (excluding distributions). Further information regarding the revaluation adjustments is reported in footnote *Reconciliation of Equity and Comprehensive Income as Previously Reported Under Canadian GAAP to IFRS* on the Statements of Financial Position.

Reclassification Adjustments

Under IFRS, withholding taxes which were previously netted against foreign interest, foreign dividend and foreign securities lending income under Canadian GAAP have been reclassified and presented separately as expense.

INDEPENDENT AUDITORS' REPORT

To the Unitholders of

Frontiers Canadian Short Term Income Pool
Frontiers Canadian Fixed Income Pool
Frontiers Equity Income Pool
Frontiers Canadian Equity Pool
Frontiers U.S. Equity Pool
Frontiers U.S. Equity Currency Neutral Pool
Frontiers International Equity Pool
Frontiers Emerging Markets Equity Pool
Frontiers Global Bond Pool

(The "Pools")

We have audited the accompanying financial statements of the Pools, which comprise the statements of financial position as at August 31, 2015 and 2014, and September 1, 2013, and the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the years ended August 31, 2015 and 2014, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Pools' preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pools' internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Pools as at August 31, 2015 and 2014, and September 1, 2013, and their financial performance and their cash flows for the years ended August 31, 2015 and 2014 in accordance with International Financial Reporting Standards.

Toronto, Canada
November 9, 2015



Chartered Professional Accountants
Licensed Public Accountants



Renaissance Investments

1500 Robert-Bourassa Boulevard, Suite 800
Montreal, Quebec
H3A 3S6
1-888-888-3863

Website

renaissanceinvestments.ca

CIBC Asset Management Inc., the manager and trustee of the Frontiers Pools, is a wholly-owned subsidiary of Canadian Imperial Bank of Commerce. Please read the Frontiers Pools simplified prospectus before investing. To obtain a copy of the simplified prospectus, call 1-888-888-3863, email us at info@renaissanceinvestments.ca, or ask your advisor.

® Frontiers is a registered trademark of Canadian Imperial Bank of Commerce.
® Renaissance Investments is a registered trademark of CIBC Asset Management Inc.
Renaissance Investments is offered by CIBC Asset Management Inc.