
Financial statements of Legacy Education Savings Plan

Years ended March 31, 2023 and 2022

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Management's Responsibility for Financial Reporting

The accompanying financial statements of Legacy Education Savings Plan (formerly known as Global Educational Trust Plan) (the "Plan") have been prepared by management and approved by the Board of Directors of the Global Educational Trust Foundation (the "Foundation") and Global Growth Assets Inc. ("GGAI"). Management is responsible for the information and representations contained in these financial statements.

The Board of Directors is responsible for reviewing and approving the financial statements and overseeing management's performance of its financial reporting responsibilities. GGAI, which administers the Plan, maintains appropriate processes to ensure that relevant and reliable financial information is produced.

The financial statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgments. The significant accounting policies, which management believes are appropriate for the Plan, are described in Note 2 to the financial statements.

Our external auditor for the year ended March 31, 2023, Baker Tilly WM LLP, performed an audit of the financial statements, the results of which are reflected in their Independent Auditor's Report. Baker Tilly WM LLP has full and independent access to the Board of Directors to discuss their audit and related matters.



Alex Manickaraj
Chief Executive Officer

June 27, 2023
Toronto, Ontario

INDEPENDENT AUDITOR'S REPORT

To the Subscribers of the Legacy Education Savings Plan:

Opinion

We have audited the financial statements of Legacy Education Savings Plan (the "Plan"), which comprise the statements of financial position as at March 31, 2023 and 2022, and the statements of comprehensive loss, statements of changes in net assets attributable to subscribers and beneficiaries and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Plan as at March 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Chartered Professional Accountants, Licensed Public Accountants

Baker Tilly WM LLP

June 27, 2023
Toronto, Ontario

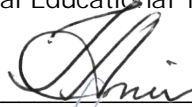
Now, for tomorrow


Legacy Education Savings Plan
 Statements of financial position
 As at March 31, 2023 and 2022
 (All amounts in Canadian dollars)


	Notes	2023 \$	2022 \$
Assets			
Cash and cash equivalents		20,818,800	40,160,327
Investments – at fair value	6	644,424,139	689,273,174
Grants receivable	Sch.2	626,111	677,662
Dividends receivable		219,620	183,986
Interest receivable		3,803,978	3,654,893
		<u>669,892,648</u>	<u>733,950,042</u>
Liabilities			
Accounts payable		1,497,814	1,552,721
Payable for securities purchased		153,064	—
Due to Advanced Education Savings Plan	4	24,693	111,028
Due to Global Educational Trust Foundation	4	584,964	3,546,426
Due to the Fund Manager – Global Growth Assets Inc.	4	100,881	362,110
Net assets attributable to subscribers and beneficiaries		<u>667,531,232</u>	<u>728,377,757</u>
Net assets attributable to subscribers and beneficiaries represented by			
Subscriber contributions	5	435,036,404	455,851,273
Accumulated government grants		176,816,604	184,918,704
Depreciation of investments		(34,436,870)	(3,546,999)
Accumulated and distributed investment income and realized gains on investments		90,115,094	91,154,779
		<u>667,531,232</u>	<u>728,377,757</u>

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

Approved by the Board of Directors of
 Global Educational Trust Foundation and Global Growth Assets Inc.


 _____, Director


 _____, Director


 _____, Director

Legacy Education Savings Plan
Statements of comprehensive loss
Years ended March 31, 2023 and 2022
(All amounts in Canadian dollars)

	Notes	2023 \$	2022 \$
Revenue			
Interest income for educational assistance payments		16,846,864	16,613,781
Dividends		2,795,567	2,512,122
Realized (losses) gains on disposal of investments		(1,127,383)	702,119
Change in unrealized (depreciation) on investments		(30,889,871)	(25,558,228)
		(12,374,823)	(5,730,206)
Expenses			
Administration fees	4	9,504,581	10,779,183
Audit costs		151,090	139,620
Other charges		47,839	46,927
Independent review committee		11,050	23,800
		9,714,560	10,989,530
(Decrease) in net assets attributable to subscribers and beneficiaries from operations		(22,089,383)	(16,719,736)

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

Statements of changes in net assets attributable to subscribers and beneficiaries
Years ended March 31, 2023 and 2022
(All amounts in Canadian dollars)

	Notes	2023 \$	2022 \$
Net assets attributable to subscribers and beneficiaries, beginning of year		728,377,757	771,788,197
(Decrease) increase in net assets attributable to subscribers and beneficiaries from operations		(22,089,383)	(16,719,736)
Increase in net assets attributable to subscribers and beneficiaries			
Subscriber contributions received net of fees	5	35,535,136	40,414,256
Government grants received	Sch.2		
Canada Education Savings Grants (CESG)		5,570,796	6,898,868
Canada Learning Bond (CLB)		476,788	509,100
British Columbia Training and Education Savings Grant (BCTESG)		62,400	146,410
Quebec Education Savings Incentive (QESI)		556,651	24,106
Saskatchewan Advantage Grant for Education Savings (SAGES)		(2,988)	(8,223)
		42,198,783	47,984,517
Decrease in net assets attributable to subscribers and beneficiaries			
Return of subscriber contributions		(56,350,004)	(51,032,072)
Payments to beneficiaries			
Government grants		(14,765,748)	(11,699,372)
Income earned on government grants		(2,927,955)	(2,696,506)
Income earned on subscriber contributions		(6,912,218)	(9,247,271)
		(80,955,925)	(74,675,221)
Net assets attributable to subscribers and beneficiaries, end of year		667,531,232	728,377,757

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

Legacy Education Savings Plan
Statements of cash flows
Years ended March 31, 2023 and 2022
(All amounts in Canadian dollars)

	2023 \$	2022 \$
Operating activities		
(Decrease) increase in net assets attributable to subscribers and beneficiaries from operations	(22,089,383)	(16,719,736)
Adjustment for		
Change in unrealized depreciation on investments	30,889,871	25,558,228
Realized loss (gains) on disposal of investments	1,127,383	(702,119)
(Decrease) increase in due from Global Educational Trust	(2,958,745)	1,289,652
Decrease in grant receivable	51,551	502,449
(Increase) decrease in interest receivable	(149,085)	5,824
(Increase) in dividend receivable	(35,634)	(39,170)
(Decrease) increase in accounts payable	(54,907)	110,423
(Decrease) increase in payable for securities purchased	153,064	—
Increase (decrease) in due to Advanced Education Savings Plan	(89,052)	25,260
Increase in due to the fund manager - Global Growth Assets Inc.	(261,229)	(276,549)
Purchase of investments	(112,504,178)	(336,343,733)
Proceeds from sale of investments	125,335,959	339,343,751
	<u>19,415,615</u>	<u>12,754,280</u>
Financing activities		
Subscriber contributions paid	(56,350,004)	(52,638,340)
Subscriber contributions received	35,535,136	42,020,524
Government grants received	6,663,647	7,570,261
Educational assistance payments made to beneficiaries	(24,605,921)	(23,643,149)
	<u>(38,757,142)</u>	<u>(26,690,704)</u>
(Decrease) in cash and cash equivalents	(19,341,527)	(13,936,424)
Cash and cash equivalents, beginning of year	40,160,327	54,096,751
Cash and cash equivalents, end of year	<u>20,818,800</u>	<u>40,160,327</u>
Operating activities		
Interest received	16,697,779	16,619,605
Dividend received	2,759,933	2,472,952

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

Legacy Education Savings Plan
Schedule of investment portfolio
Year ended March 31, 2023
(All amounts in Canadian dollars)

	Par value	Cost	Fair value
	\$	\$	\$
Subscriber contribution invested (67.85%)			
Government Securities (13.48%)			
Canada Housing Trust 1.25% June 15,2026	21,425,000	21,377,766	19,977,741
Canada Housing Trust 1.750% June 15,2030	6,705,000	6,737,378	6,050,994
Canada Housing Trust 1.8% December 15,2024	22,382,000	23,172,085	21,593,258
Canada Housing Trust 2.45% December 15,2031	9,090,000	8,759,488	8,513,876
Canada Housing Trust 2.650% December 15,2028	6,455,000	6,649,527	6,239,597
Government of Canada 1.000% June 1,2027	645,000	588,210	594,658
Government of Canada 1.250% June 1,2030	5,300,000	5,683,508	4,749,913
Government of Canada 2% December 1,2051	8,090,000	6,397,572	6,470,139
Government of Canada 2.750% December 1,2048	16,402,000	19,623,311	15,489,065
		<u>98,988,845</u>	<u>89,679,241</u>
Provincial Securities (16.44%)			
Province of British Columbia 2.800% June 18,2048	1,000,000	921,540	799,330
Province of British Columbia 2.950% December 18,2028	3,508,000	3,970,372	3,420,791
Province of British Columbia 2.950% June 18,2050	8,560,000	9,006,306	7,017,060
Province of Manitoba 4.600% March 5,2038	3,915,000	4,851,578	4,119,950
Province of Nova Scotia 2.100% June 1,2027	8,610,000	8,492,820	8,161,333
Province of Ontario 2.60% June 2,2027	2,000,000	2,040,140	1,935,040
Province of Ontario 2.70% June 2,2029	17,625,000	18,730,088	16,891,095
Province of Ontario 2.800% June 2,2048	27,960,000	29,169,206	22,346,750
Province of Ontario 3.500% June 2,2043	8,650,000	9,073,739	7,928,590
Province of Ontario 3.75% June 6,2032	6,000,000	5,761,680	6,058,860
Province of Ontario 4.700% June 2,2037	750,000	915,025	806,880
Province of Ontario 5.600% June 2,2035	14,765,000	19,473,411	17,196,500
Province of Quebec 2.750% September 1,2027	6,509,000	6,706,805	6,332,411
Province of Quebec 5.000% December 1,2041	5,255,000	7,007,108	5,867,628
Province of Saskatchewan 5.000% March 5,2037	427,000	567,697	471,331
		<u>126,687,515</u>	<u>109,353,549</u>
Municipal Securities (1.12%)			
Ville De Montreal 2.750% September 1,2026	7,680,000	7,925,760	7,451,059
		<u>7,925,760</u>	<u>7,451,059</u>
Financial Institution Securities (10.45%)			
Bank of Montreal 2.700% December 9,2026	6,108,000	6,324,828	5,766,624
Bank of Montreal 3.190% March 1,2028	1,935,000	1,931,053	1,837,805
Bank of Montreal 4.309% June 01,2027	900,000	900,000	889,281
Bank of Nova Scotia 2.290% June 28,2024	1,150,000	1,193,631	1,115,328
Bank of Nova Scotia 3.100% February 2,2028	1,945,000	1,931,243	1,840,223
BCIMC Realty Corporation 3.000% March 31,2027	1,000,000	1,010,450	945,350
Canadian Imperial Bank of Commerce 3.300% May 26,2025	3,400,000	3,538,645	3,318,774
Choice Properties REIT 3.556% September 9,2024	3,587,000	3,581,393	3,501,271
CPPIB Capital Inc. 1.950% September 30,2029	10,000,000	9,962,100	9,097,400
CPPIB Capital Inc. 3.000% June 15,2028	4,550,000	4,664,735	4,448,353
Fortified Trust 1.964% October 23,2026	750,000	750,000	682,193
Fortified Trust 2.558% March 23,2024	725,000	727,127	706,549
Fortified Trust 3.76% June 23,2025	725,000	724,928	707,629
Great-West Lifeco Inc. 6.670% March 21,2033	1,505,000	1,967,309	1,718,695
HSBC Bank Canada 3.403% March 24,2025	750,000	746,715	729,863
Manulife Bank of Canada 1.536% September 14, 2026	2,000,000	2,000,000	1,801,160
Manulife Financial Corporation 3.049% August 20,2029	6,359,000	6,463,446	6,151,951
Royal Bank of Canada 1.936% May 1,2025	2,600,000	2,600,000	2,455,466
Royal Bank of Canada 2.74% July 25,2029	4,000,000	4,140,840	3,849,160
Royal Bank of Canada 3.369% September 29,2025	2,000,000	2,000,000	1,936,700
Toronto-Dominion Bank 3.060% January 26,2032	5,035,000	5,492,279	4,642,320
Toronto-Dominion Bank 3.224% July 25,2029	6,691,000	6,850,567	6,476,487
Toronto-Dominion Bank 3.226% July 24,2024	4,110,000	4,326,237	4,028,622
Wells Fargo & Company 3.184% February 8,2024	900,000	961,146	883,639
		<u>74,788,672</u>	<u>69,530,843</u>

Legacy Education Savings Plan
Schedule of investment portfolio (continued)
Year ended March 31, 2023
(All amounts in Canadian dollars)

	Par value	Cost	Fair value
	\$	\$	\$
Corporate Securities (13.31%)			
407 International Inc. 3.600% May 21,2047	2,030,000	1,955,117	1,698,176
Altalink LP 3.399% June 6,2024	1,927,000	1,966,026	1,894,260
Bell Canada 2.900% August 12,2026	8,586,000	8,283,344	8,150,346
Bell Canada 3.800% August 21,2028	1,935,000	1,896,958	1,866,675
Brookfield Renewable Partnership Inc. 3.380% January 15,2030	4,305,000	4,281,623	3,952,205
Canadian National Railway 3.200% July 31,2028	3,943,000	4,189,071	3,777,749
Canadian National Railway 3.950% September 22,2045	1,905,000	1,976,399	1,701,317
Canadian Natural Resources Limited 3.550% June 3,2024	1,250,000	1,343,113	1,230,550
Enbridge Gas Inc. 3.510% November 29,2047	2,100,000	1,958,529	1,700,958
Enbridge Gas Inc. 4.240% August 27,2042	6,986,000	6,666,756	5,819,827
Enbridge Pipelines Inc. 4.130% August 9,2046	2,500,000	2,700,650	2,011,050
Greater Toronto Airports Authority 2.750% October 17,2039	2,200,000	2,196,964	1,712,590
Honda Canada Finance Inc. 2.500% June 4,2024	1,645,000	1,732,251	1,596,752
Hydro One Inc. 5.360% May 20,2036	3,165,000	3,936,360	3,369,712
McDonald's Corporation 3.125% March 4,2025	1,270,000	1,241,857	1,235,659
Metro Inc. 3.390% December 6,2027	4,046,000	4,155,551	3,864,213
NAV Canada 3.293% March 30,2048	2,010,000	1,949,929	1,627,015
Nestle Holdings Inc. 2.192% January 26, 2029	2,000,000	1,999,940	1,790,960
North West Redwater Partnership 2.800% June 1,2027	2,000,000	2,151,300	1,874,420
Pembina Pipeline Corporation 3.310% February 1,2030	2,500,000	2,703,350	2,266,575
Pembina Pipeline Corporation 4.020% March 27,2028	3,083,000	3,098,236	2,974,293
Rogers Communications Inc. 3.650% March 31,2027	6,915,000	7,752,149	6,623,602
Telus Corporation 3.625% March 1,2028	3,615,000	3,992,130	3,455,904
Telus Corporation 3.750% January 17,2025	6,517,000	6,534,719	6,385,682
Telus Corporation 3.750% March 10,2026	2,500,000	2,680,895	2,436,350
Toronto Hydro Corporation 2.52% 25 August, 2026	1,900,000	1,995,323	1,802,948
Toyota Credit Canada Inc. 2.11% February 26,2025	2,000,000	2,026,440	1,906,540
Transcanada Pipelines Ltd. 3.000% September 18,2029	2,500,000	2,627,365	2,250,950
Transcanada Pipelines Ltd. 3.300% July 17,2025	3,734,000	3,996,547	3,613,727
TWDC Enterprises 18 Corporation 2.758% October 7,2024	2,045,000	2,001,082	1,980,930
Verizon Communications Inc. 2.500% May 16,2030	2,250,000	2,245,838	1,961,528
		98,235,812	88,533,463
Exchange Traded Funds (6.45%)			
	Unit #		
BMO Equal Weight US Banks Hedged to CAD Index ETF	45,824	1,754,920	969,636
BMO S&P 500 Index ETF	468,201	20,880,477	28,433,847
iShares Core MSCI U.S. Quality Dividend Index ETF	86,482	1,937,961	2,252,856
iShares Core S&P U.S. Market Index ETF	177,967	5,560,000	7,339,359
Vanguard S&P 500 Index ETF	57,917	3,632,215	3,915,189
		33,765,573	42,910,887
Equities (6.56%)			
Agnico Eagle Mines Limited	14,205	926,004	978,724
Alimentation Couche-Tard Inc.	19,916	668,854	1,353,292
Altius Minerals Corporation	22,197	269,956	510,309
ARC Resources Ltd.	31,537	282,753	483,462
Bank of Montreal	7,396	735,682	890,330
Bank of Nova Scotia	25,017	1,881,662	1,702,907
Barrick Gold Corporation	22,320	766,347	560,009
BCE Inc.	25,129	1,455,554	1,521,310
Boyd Group Services Inc.	1,785	365,967	385,631
Brookfield Asset Management Ltd.	3,886	121,573	172,033
Brookfield Corporation	28,904	1,190,199	1,272,643
CAE Inc.	14,584	306,028	445,687
Canadian National Railway Company	12,028	1,323,703	1,918,105
Canadian Natural Resources Limited	11,105	467,414	830,543
Canadian Pacific Railway Ltd.	16,106	888,812	1,676,151
CCL Industries Inc.	9,038	536,889	606,811
CGI Inc.	10,156	851,975	1,322,819

Legacy Education Savings Plan
Schedule of investment portfolio (continued)
Year ended March 31, 2023
(All amounts in Canadian dollars)

	Unit #	Cost \$	Fair value \$
Colliers International Group	2,379	190,309	339,317
Constellation Software Inc.	188	364,372	477,691
Dollarama Inc.	5,539	260,906	447,385
Enbridge Gas Inc.	28,694	1,325,014	1,478,602
First Quantum Minerals Ltd.	4,537	58,486	140,965
Firstservice Corporation	2,133	371,818	406,187
Fortis Inc.	9,968	467,229	572,662
Franco-Nevada Corporation	3,068	342,171	604,795
Intact Financial Corporation	4,463	505,855	863,234
Loblaw Companies Ltd.	8,821	567,007	1,086,483
Lumine Group Inc.	564	-	8,296
Magna International Inc.	4,946	393,430	358,041
Manulife Financial Corporation	27,162	659,841	673,618
Northland Power Inc.	15,862	446,127	537,405
Nutrien Ltd.	9,352	577,191	933,423
Onex Corporation	5,674	489,525	358,482
Parkland Corporation	9,207	299,701	298,307
Pembina Pipeline Corporation	9,956	423,312	435,874
Power Corporation of Canada	16,347	462,803	564,625
Prairiesky Royalty Ltd.	24,657	495,606	527,660
Restaurant Brands International Inc.	6,775	513,406	614,696
Rogers Communications Inc.	12,780	777,942	800,539
Royal Bank of Canada	25,268	2,547,675	3,265,890
Saputo Inc.	9,130	383,857	319,276
Shopify Inc.	16,230	1,382,799	1,051,704
Sun Life Financial Inc.	8,189	446,329	517,053
Suncor Energy Inc.	26,141	1,049,383	1,096,876
TC Energy Corporation	17,581	996,133	924,233
Teck Resources Ltd.	8,219	241,383	405,608
Telus Corporation	21,071	604,944	565,335
Thomson Reuters Corporation	2,670	256,860	469,493
Toromont Industries Ltd.	4,961	323,495	550,324
Toronto-Dominion Bank	36,528	2,622,853	2,956,360
Tourmaline Oil Corporation	3,608	130,478	203,203
Waste Connections Inc.	6,281	668,892	1,181,457
Westshore Terminals Investment Ltd.	20,644	426,481	558,214
Wheaton Precious Metals Corporation	6,614	207,235	430,505
		<u>35,320,220</u>	<u>43,654,584</u>
Real Estate Investment Securities (0.04%)			
Granite Real Estate Investment Trust	3,034	234,816	253,915
		<u>234,816</u>	<u>253,915</u>
Total subscriber contributions invested		475,947,213	451,367,541
Government Grants invested (29.02%)	Par value		
Government Securities (5.79%)	\$		
Canada Housing Trust 1.25% June 15,2026	10,505,000	10,486,803	9,795,387
Canada Housing Trust 1.750% June 15,2030	2,700,000	2,713,269	2,436,642
Canada Housing Trust 1.8% December 15,2024	9,362,000	9,692,479	9,032,083
Canada Housing Trust 2.45% December 15,2021	4,000,000	3,854,560	3,746,480
Canada Housing Trust 2.650% December 15,2028	2,800,000	2,881,761	2,706,564
Government of Canada 1.000% June 1,2027	882,000	804,437	813,160
Government of Canada 2% December 1,2051	3,265,000	2,581,962	2,611,249
Government of Canada 2.750% December 1,2048	7,789,000	9,553,585	7,355,464
		<u>42,568,856</u>	<u>38,497,029</u>

Legacy Education Savings Plan
Schedule of investment portfolio (continued)

Year ended March 31, 2023

(All amounts in Canadian dollars)

	Par value	Cost	Fair value
	\$	\$	\$
Provincial Securities (7.29%)			
Province of British Columbia 2.950% December 18,2028	1,052,000	1,190,659	1,025,847
Province of British Columbia 2.950% June 18,2050	3,435,000	3,620,084	2,815,841
Province of Manitoba 4.600% March 5,2038	1,591,000	1,971,188	1,674,289
Province of Nova Scotia 2.100% June 1,2027	3,508,000	3,459,568	3,325,198
Province of Ontario 2.60% June 2,2027	850,000	867,060	822,392
Province of Ontario 2.70% June 2,2029	7,820,000	8,310,314	7,494,375
Province of Ontario 2.800% June 2,2048	12,890,000	13,527,638	10,302,204
Province of Ontario 3.500% June 2,2043	3,875,000	3,989,943	3,551,825
Province of Ontario 3.75% June 6,2032	3,000,000	2,880,840	3,029,430
Province of Ontario 4.700% June 2,2037	375,000	458,355	403,440
Province of Ontario 5.600% June 2,2035	6,930,000	9,139,908	8,071,232
Province of Quebec 2.750% September 1,2027	3,190,000	3,289,034	3,103,455
Province of Quebec 5.000% December 1,2041	2,397,000	3,137,897	2,676,442
Province of Saskatchewan 5.000% March 5,2037	192,000	255,264	211,933
		56,097,752	48,507,903
Municipal Securities (0.48%)			
Ville De Montreal 2.750% September 1,2026	3,293,000	3,398,376	3,194,837
		3,398,376	3,194,837
Financial Institution Securities (4.52%)			
Bank of Montreal 2.700% December 9,2026	2,423,000	2,505,911	2,287,579
Bank of Montreal 3.190% March 1,2028	910,000	908,144	864,291
Bank of Montreal 4.309% June 01,2027	450,000	450,000	444,641
Bank of Nova Scotia 2.290% June 28,2024	700,000	726,558	678,895
Bank of Nova Scotia 3.100% February 2,2028	915,000	908,509	865,709
BCIMC Realty Corporation 3.000% March 31,2027	1,000,000	992,890	945,350
Canadian Imperial Bank of Commerce 3.300% May 26,2025	1,500,000	1,557,044	1,464,165
Choice Properties REIT 3.556% September 9,2024	1,454,000	1,448,188	1,419,249
CPPIB Capital Inc. 1.950% September 30,2029	4,500,000	4,482,945	4,093,830
CPPIB Capital Inc. 3.000% June 15,2028	1,850,000	1,903,640	1,808,671
Fortified Trust 1.964% October 23,2026	230,000	230,000	209,206
Fortified Trust 2.558% March 23,2024	200,000	200,000	194,910
Fortified Trust 3.76% June 23,2025	250,000	249,975	244,010
Great-West Lifeco Inc. 6.670% March 21,2033	695,000	908,530	793,683
HSBC Bank Canada 3.403% March 24,2025	350,000	348,467	340,603
Manulife Bank of Canada 1.536% September 14, 2026	1,000,000	1,000,000	900,580
Manulife Financial Corporation 3.049% August 20,2029	2,561,000	2,605,372	2,477,614
Royal Bank of Canada 1.936% May 1,2025	1,200,000	1,200,000	1,133,292
Royal Bank of Canada 2.74% July 25,2029	1,450,000	1,501,055	1,395,321
Royal Bank of Canada 3.369% September 29,2025	1,000,000	1,000,000	968,350
Toronto-Dominion Bank 3.060% January 26,2032	2,013,000	2,195,821	1,856,006
Toronto-Dominion Bank 3.224% July 25,2029	2,631,000	2,724,014	2,546,650
Toronto-Dominion Bank 3.226% July 24,2024	1,745,000	1,829,625	1,710,449
Wells Fargo & Company 3.184% February 8,2024	415,000	443,195	407,455
		32,319,883	30,050,509
Corporate Securities (5.66%)			
407 International Inc. 3.600% May 21,2047	935,000	900,574	782,165
Altalink LP 3.399% June 6,2024	890,000	908,037	874,879
Bell Canada 2.900% August 12,2026	3,429,000	3,303,143	3,255,013
Bell Canada 3.800% August 21,2028	910,000	892,109	877,868
Brookfield Renewable Partnership Inc. 3.380% January 15,2030	1,752,000	1,742,497	1,608,424
Canadian National Railway Company 3.200% July 31,2028	1,608,000	1,706,960	1,540,609
Canadian National Railway Company 3.950% September 22,2045	895,000	928,545	799,307
Canadian Natural Resources Limited 3.550% June 3,2024	595,000	639,322	585,742
Enbridge Gas Inc. 3.510% November 29,2047	970,000	904,652	785,681

Legacy Education Savings Plan
Schedule of investment portfolio(continued)

Year ended March 31, 2023

(All amounts in Canadian dollars)

	Par value	Cost	Fair value
	\$	\$	\$
Enbridge Gas Inc. 4.240% August 27,2042	2,801,000	2,657,623	2,333,429
Enbridge Pipelines Inc. 4.130% August 9,2046	1,000,000	1,075,412	804,420
Greater Toronto Airports Authority 2.750% October 17,2039	1,020,000	1,018,592	794,019
Honda Canada Finance Inc. 2.500% June 4,2024	760,000	800,310	737,709
Hydro One Inc. 5.360% May 20,2036	1,258,000	1,584,882	1,339,367
McDonald's Corporation 3.125% March 4,2025	595,000	581,815	578,911
Metro Inc. 3.390% December 6,2027	1,644,000	1,689,243	1,570,135
NAV Canada 3.293% March 30,2048	930,000	902,235	752,798
Nestle Holdings Inc. 2.192% January 26, 2029	1,000,000	999,970	895,480
North West Redwater Partnership 2.800% June 1,2027	1,000,000	1,075,650	937,210
Pembina Pipeline Corporation 3.310% February 1,2030	1,000,000	1,081,340	906,630
Pembina Pipeline Corporation 4.020% March 27,2028	1,254,000	1,255,358	1,209,784
Rogers Communications Inc. 3.650% March 31,2027	2,710,000	3,037,385	2,595,801
Telus Corporation 3.625% March 1,2028	1,465,000	1,618,364	1,400,525
Telus Corporation 3.750% January 17,2025	2,610,000	2,629,312	2,557,409
Telus Corporation 3.750% March 10,2026	1,000,000	1,064,220	974,540
Toronto Hydro Corporation 2.52% 25 August, 2026	890,000	934,651	844,539
Toyota Credit Canada Inc. 2.11% February 26,2025	1,000,000	1,013,220	953,270
Transcanada Pipelines Ltd. 3.000% September 18,2029	1,100,000	1,152,239	990,418
Transcanada Pipelines Ltd. 3.300% July 17,2025	1,515,000	1,621,893	1,466,202
TWDC Enterprises 18 Corporation 2.758% October 7,2024	820,000	799,525	794,309
Verizon Communications Inc. 2.500% May 16,2030	1,250,000	1,247,688	1,089,738
		<u>41,766,766</u>	<u>37,636,331</u>
Exchange Traded Funds (2.63%)	Unit #		
BMO Equal Weight US Banks Hedged to CAD Index ETF	18,349	702,813	388,265
BMO S&P 500 Index ETF	192,392	8,583,264	11,683,966
iShares Core MSCI U.S. Quality Dividend Index ETF	35,807	803,118	932,772
iShares Core S&P U.S. Market Index ETF	71,402	2,230,100	2,944,618
Vanguard S&P 500 Index ETF	23,281	1,461,591	1,573,796
		<u>13,780,886</u>	<u>17,523,417</u>
Equities (2.63%)			
Agnico Eagle Mines Limited	5,711	372,367	393,485
Alimentation Couche-Tard Inc.	8,005	269,058	543,940
Altius Minerals Corporation	8,910	108,405	204,841
ARC Resources Ltd.	12,668	113,606	194,200
Bank of Montreal	2,975	298,175	358,131
Bank of Nova Scotia	10,056	761,712	684,512
Barrick Gold Corporation	8,980	308,218	225,308
BCE Inc.	10,105	584,691	611,756
Boyd Group Services Inc.	716	146,976	154,685
Brookfield Asset Management Ltd.	1,560	48,802	69,061
Brookfield Corporation	11,623	482,271	511,761
CAE Inc.	5,856	122,925	178,959
Canadian National Railway Company	4,835	538,134	771,038
Canadian Natural Resources Limited	4,468	188,494	334,162
Canadian Pacific Railway Ltd.	6,472	361,190	673,541
CCL Industries Inc.	3,628	215,949	243,584
CGI Inc.	4,080	346,377	531,420
Colliers International Group Inc.	955	76,405	136,212
Constellation Software Inc.	76	147,385	193,109
Dollarama Inc.	2,228	105,105	179,956
Enbridge Gas Inc.	11,536	532,421	594,450
First Quantum Minerals Ltd.	1,825	23,534	56,703
Firstservice Corporation	856	149,223	163,008
Fortis Inc.	4,010	187,907	230,375

Legacy Education Savings Plan
Schedule of investment portfolio(continued)
Year ended March 31, 2023
(All amounts in Canadian dollars)

	Unit #	Cost \$	Fair value \$
Franco-Nevada Corporation	1,231	138,406	242,667
Intact Financial Corporation	1,792	203,690	346,608
Loblaw Companies Ltd.	3,544	228,029	436,514
Lumine Group Inc.	228	-	3,354
Magna International Inc.	1,991	158,460	144,128
Manulife Financial Corporation	10,919	267,780	270,791
Northland Power Inc.	6,367	179,401	215,714
Nutrien Ltd.	3,759	232,469	375,186
Onex Corporation	2,278	196,879	143,924
Parkland Corporation	3,696	120,309	119,750
Pembina Pipeline Corporation	4,005	170,147	175,339
Power Corporation of Canada	6,562	185,770	226,651
Prairiesky Royalty Ltd.	9,898	196,581	211,817
Restaurant Brands International Inc.	2,719	206,093	246,695
Rogers Communications Inc.	5,134	312,851	321,594
Royal Bank of Canada	10,157	1,030,732	1,312,792
Saputo Inc.	3,666	154,112	128,200
Shopify Inc.	6,525	555,085	422,820
Sun Life Financial Inc.	3,294	179,707	207,983
Suncor Energy Inc.	10,506	423,001	440,832
TC Energy Corporation	7,066	399,830	371,459
Teck Resources Ltd.	3,306	96,935	163,151
Telus Corporation	8,458	242,833	226,928
Thomson Reuters Corporation	1,071	103,053	188,325
Toromont Industries Ltd.	1,991	130,142	220,862
The Toronto-Dominion Bank	14,682	1,103,314	1,188,276
Tourmaline Oil Corporation	1,452	52,462	81,777
Waste Connections Inc.	2,525	271,080	474,953
Westshore Terminals Investment Ltd.	8,287	170,856	224,080
Wheaton Precious Metals Corporation	2,662	84,202	173,271
		<u>14,283,539</u>	<u>17,544,638</u>
Real Estate Investment Securities (0.02%)			
Granite Real Estate Investment Trust	1,218	94,270	101,934
		<u>94,270</u>	<u>101,934</u>
Total Government Grants invested		204,310,328	193,056,598
Total subscriber contributions and government grants invested (96.87%)		680,347,541	644,424,139
Cash (1.99%)		13,237,357	13,237,357
Cash equivalent (1.14%)		7,537,157	7,581,443
Total Investment Portfolio - 100%		<u>701,122,055</u>	<u>665,242,939</u>

1. Organization and general

Legacy Education Savings Plan (formerly known as Global Educational Trust Plan) (the "Plan") was established on October 14, 1998. It was administered by the Global Educational Trust Foundation (the "Foundation") up to September 28, 2010. The Foundation is a not-for-profit organization, incorporated without share capital, under the laws of Canada. The Foundation continues to be the sponsor of the Plan. The Foundation retained Global Growth Assets Inc. ("GGAI") as administrator and Investment Fund Manager of the Plan. The Plan's registered place of business is 100 Mural Street, Suite 201, Richmond Hill, Ontario, L4B 1J3.

The Plan provides post-secondary education financial assistance to beneficiaries named in the Educational Assistance Payment ("EAP") Contracts. The Foundation and GGAII are under common management and control.

The Foundation has had a specimen copy of the EAP Contract approved by the Canada Revenue Agency ("CRA") such that subscribers' EAP Contracts may be submitted to CRA on the subscriber's behalf by the Foundation for registration as Registered Education Savings Plans ("RESP"). A subscriber's plan is an education savings plan and not an RESP until the applicable conditions of the Income Tax Act (Canada) (the "ITA") are met and registered.

Subscribers to the Plan enter into EAP Contracts with the Foundation. Under an EAP Contract, the subscriber purchases units in the Plan. The subscriber authorizes the Foundation to deduct fees, as outlined in the prospectus, for the purpose of providing services to the Plan. At maturity, payments are made to the beneficiary after meeting the conditions as set out in the EAP Contract. Education assistance payments are paid from the income earned on the subscriber's contributions.

The financial statements of the Plan were authorized for issuance by the Board of Directors of the Foundation and GGAII on June 27, 2023.

2. Summary of significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

These financial statements have been prepared on a going concern and historical cost basis, except for certain financial assets and liabilities which have been presented at fair value at the end of each reporting period as described below.

a) Classification, recognition and measurement of financial instruments

The Plan classifies its investments based on both the Plan's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Plan is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Plan has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Plan's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the objectives of the Plan's business model. Consequently, all investments are measured at fair value through profit or loss.

2. Summary of significant accounting policies (continued)

a) *Classification, recognition, and measurement of financial instruments (continued)*

Regular purchases and sales of investments are recognized on the trade date – the date on which the Plan commits to purchase or sell the investment. Financial assets and financial liabilities at fair value through profit or loss are initially recognized at fair value.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss are presented in the statements of comprehensive loss.

Dividend income from financial assets at fair value through profit or loss is recognized in the statements of comprehensive income within dividend income when the Plan's right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the Plan, and the amount of the dividend can be measured reliably. Interest on debt securities at fair value through profit or loss is recognized at the effective interest rate in the statements of comprehensive loss.

Realized gains (losses) on disposal of investments and change in unrealized appreciation (depreciation) on investments are recognized in the statements of comprehensive income. The change in unrealized appreciation (depreciation) on investments is accumulated in net assets attributable to subscribers and beneficiaries but is not included in the payments to beneficiaries until such gains (losses) are realized on the disposal of investments.

b) *Offsetting*

Financial assets and liabilities are offset and the net amount is presented in the statements of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. No amounts have been offset in the statements of financial position.

c) *Impairment of financial assets*

The financial assets and liabilities measured at amortized cost include: cash; grants receivable; dividends receivable; interest receivable; accounts payable; due to Advanced Education Savings Plan; due to Global Education Trust Foundation; and due to the Fund Manager – Global Growth Assets Inc.

At each reporting date, the Plan measures the loss allowance on: grants receivable; and interest and dividends receivable, at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since the initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Plan measures the loss allowance at an amount equal to the 12 month expected credit losses. Given the short-term nature of the receivables and the high credit quality, the Plan has determined that the expected credit loss allowances are not material.

d) *Cash and cash equivalents*

Cash is classified as amortized cost as described above and cash equivalents are classified as FVTPL.

2. Summary of significant accounting policies (continued)

e) *Income taxes*

The Plan is exempt from income taxes under Section 146.1 of the ITA.

f) *Net assets attributable to subscribers and beneficiaries*

The net assets attributable to subscribers and beneficiaries are a financial liability resulting from a unique contract and the Plan details the composition of this liability as a note to the financial statements, according to its use (whether for subscriber contributions, EAP account, government grants).

g) *Subscriber contributions*

Subscriber contributions reflect all amounts received from the subscribers and do not include any amounts receivable on subscribed units, as subscribers may terminate their plan at any time. As the contributions are due on demand, the amounts are recorded at face value in net assets attributable to subscribers and beneficiaries. The Foundation deducts sales charges, account maintenance fees, special services fees, where applicable, and insurance premiums from contributions made by subscribers in accordance with the terms of the prospectus. Refer to Note 5 for further details.

h) *Government grants*

The Federal government encourages saving for post-secondary education by providing Canada Education Savings Grants ("CESG") on RESP contributions made subsequent to 1997 for children under 18 years of age. The maximum basic CESG per child is 20% of RESP contributions of up to \$2,500 (prior to 2007, it was based on \$2,000) made on behalf of each beneficiary in a year. Effective in 2004, additional CESG can be added based on up to the first \$500 of RESP yearly contributions at a rate of 10% or 20% when there is eligibility based on family net income. The maximum lifetime CESG is \$7,200; prior to 2007, it was \$7,000. Upon maturity of an EAP Contract and fulfillment of certain criteria established by the Federal government, the CESG contributions and accumulated investment income thereon will be added to EAPs made to qualified students.

Each child born on or after January 1, 2004 will be eligible for a Canada Learning Bond ("CLB") in each year that child's family is entitled to the National Child Benefit ("NCB") supplement, up to and including the year in which the child turns 15 years of age. CLB is \$500 in the first year of entitlement and \$100 in each subsequent year that the child remains eligible for NCB supplement until the year the child turns 15 years of age. Maximum CLB payments per child total up to \$2,000.

On March 26, 2015, the Alberta government announced the closure of the Alberta Centennial Education Savings ("ACES") Plan Grant program and the last day to apply for the grant was July 31, 2015. For residents of Alberta, the program provided an initial ACES grant of \$500, which was paid into an RESP for every child born in Alberta on or after January 1, 2005. Additional grants of \$100 were paid into the RESPs of eligible beneficiaries when they turned 8, 11 and 14 in the year 2005 or later and (i) were attending school at that time; (ii) had a parent or guardian who was a resident of Alberta at the time of the application or at the time of the child's particular birthday; and (iii) had met minimum contribution levels required by the government of Alberta.

2. Summary of significant accounting policies (continued)

h) Government grants (continued)

For residents of Quebec, the provincial government provides the Quebec Education Savings Incentive ("QESI"), which applies to contributions made on or after February 21, 2007 into the RESP, where a child named as a beneficiary is a resident of Quebec. The basic credit is 10% of the net annual contribution to a maximum of \$250 per eligible beneficiary. The total lifetime maximum is \$3,600 per eligible beneficiary. Families within Quebec's annual income threshold may qualify up to 10% of the first \$500 in RESP contributions to a maximum of \$50 in QESI. Family income thresholds are indexed for inflation and will be revised annually by the Quebec Ministry of Revenue.

The government of British Columbia has introduced since 2015 the new Training and Education Savings Grant ("BCTESG") offered to each resident beneficiary born on or after January 1, 2007. After the beneficiary turns 6 years of age, the Province of British Columbia will deposit \$1,200 into the beneficiary's RESP. To qualify for the BCTESG, a subscriber must open the RESP and complete an application for the BCTESG within the following timeframes: (i) prior to August 15, 2018 for children born in 2007 and 2008, (ii) prior to August 15, 2018 for children born between January 1, 2009 and August 15, 2009 or (iii) prior to the beneficiary's ninth birthday for children born on or after August 16, 2009. The beneficiary and the custodial parent/legal guardian must be residents of British Columbia when applying for the BCTESG and the application must be made between the beneficiary's 6th and 9th birthday. No matching or additional contributions are required.

Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. Government grants received or receivable by the Plan are accounted for as direct increases to net assets and with respect to a beneficiary are invested by the Plan and will ultimately be paid out to the beneficiary when the beneficiary becomes entitled to receive EAP. Under various circumstances, including the case where a plan is cancelled by the subscriber, and are accounted for as reductions of accumulated grants when repaid.

3. Critical accounting estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make certain critical accounting estimates and use judgement that affect the reported amounts of assets, liabilities, income and expenses during the year. Actual results could differ from those estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The following discusses the most significant accounting judgements and estimates that the Plan has made in preparing the financial statements:

Classification and measurement of investments

In classifying and measuring financial instruments held by the Plan, the most significant judgment is the designation of the investment portfolio as at FVTPL. The classification provides reliable and more relevant information about the effects of transactions, the financial position and the Plan's cash flows.

Legacy Education Savings Plan
Notes to the financial statements
Years March 31, 2023 and 2022
(All amounts in Canadian dollars)

4. Related party transactions

- (a) In consideration for administrative services received, the Plan pays the administrator (GGAI) administration fees of 1.95% per annum of the assets of EAP contracts entered subsequent to January 27, 2016. For Plan assets related to EAP contracts entered prior to January 27, 2016, the Plan pays the administrator administration fees of 1.20% per annum.
- (b) The Plan's liabilities include \$24,693 (\$111,028 in 2022) to AESP and \$100,881 (\$362,110 in 2022) payable to GGAI settled through the Foundation for administration fees in 2023. The Plan owes the Foundation \$584,964 (\$3,546,426 in 2022) for fees collected from Subscribers.
- (c) GRESP received sales charges from subscribers that are deducted from contributions made by subscribers and as of December 31, 2022 there are no sales charges receivable from subscribers. EAP contracts entered subsequent to January 27, 2016 include sales charges of \$30 per unit. Prior to that date the sales charge was at \$60 per unit. In addition, 20% to 40% of insurance premiums collected from subscribers who optionally take insurance are remitted by the Foundation to GGAI.
- (d) Special services fees paid from subscribers' savings accounts are remitted by the Foundation to GRESP till December 2020 and to GGAI starting January 01, 2021. The fees principally relate to amounts charged to subscribers in respect of cheques returned and not honored.

5. Subscriber contributions

The changes in the subscriber contributions for the years ended March 31, 2023 and March 31, 2022 are as follows:

	2023	2022
	\$	\$
Balance, beginning year	455,851,273	466,469,089
Amount contributed by subscribers	37,261,780	41,835,385
Sales recoveries (charges)	(226,115)	185,139
Account maintenance fees	(1,078,372)	(1,157,268)
Insurance premiums	(195,504)	(223,444)
Special service fees	(226,654)	(225,556)
Principal withdrawals on terminations or return of contribution	(56,350,004)	(51,032,072)
Balance, end of year	<u>435,036,404</u>	<u>455,851,273</u>

6. Fair value of financial instruments

Fair value measurements are classified in accordance within a fair value hierarchy (i.e. Level 1, 2, 3). Investments measured at fair value are classified in one of three fair value hierarchy levels, based on the lowest level input that is significant to the fair value measurement in its entirety. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The three fair value hierarchy levels are as follows:

Level 1 – Valuation based on bid prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – Significant inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table presents the Plan's financial instruments measured at fair value classified using the fair value hierarchy:

	Level 1	Level 2	Level 3	2023
	\$	\$	\$	Total
				\$
Assets measured at fair value as of March 31, 2023				
Cash equivalents	—	7,581,443	—	7,581,443
Investments - fixed income securities	—	522,790,613	—	522,790,613
Investments - equity securities	121,633,526	—	—	121,633,526
	<u>121,633,526</u>	<u>530,372,056</u>	<u>—</u>	<u>652,005,582</u>
	Level 1	Level 2	Level 3	2022
	\$	\$	\$	Total
				\$
Assets measured at fair value as of March 31, 2022				
Cash equivalents	—	11,380,205	—	11,380,205
Investments - fixed income securities	—	561,480,538	—	561,480,538
Investments - equity securities	127,792,636	—	—	127,792,636
	<u>127,792,636</u>	<u>572,860,743</u>	<u>—</u>	<u>700,653,379</u>

There were no financial instruments that were transferred into or out of any Levels during the years ended March 31, 2023 and March 31, 2022.

6. Fair value of financial instruments (continued)

The reconciliation of financial instruments measured at fair value using unobservable inputs (Level 3) is presented as follows:

	2023 \$	2022 \$
Opening balance	—	10,000,000
Proceeds from maturity and sale	—	(10,000,000)
Closing balance	—	—

7. Capital risk management

The Plan's capital consists of the components of the net assets attributable to subscribers and beneficiaries as per the Statements of Financial Position. The Plan has obligations to return subscriber contributions upon maturity or termination as well as pay EAPs of investment income, grants and income on grants. The Plan endeavors to invest subscriber contributions and government grants received in appropriate investments while maintaining sufficient liquidity to meet subscribers' obligations.

8. Risk management

In the normal course of operations, the Plan may be exposed to a variety of risks arising from financial instruments. The Plan's exposures to such risks are concentrated in its investment holdings and are related to market risk (which includes interest rate risk, other price risk, and currency risk), credit risk and liquidity risk.

The Plan's risk management process includes monitoring compliance with the Plan's investment policy. The Plan manages the effects of these financial risks to the Plan portfolio performance by retaining and overseeing professional external portfolio advisors. The portfolio advisors regularly monitor the Plan's positions, and market events and manage the investment portfolio within the constraints of the investment policy.

a) *Market risk*

Market risk is the risk that changes in market prices could affect the Plan's income or the value of the investment holdings. The Plan's Portfolio Advisors attempt to mitigate this risk by periodically reviewing the market conditions and the performance of the portfolio and by making necessary changes to the portfolio in accordance with the Plan's investment objectives. Management has identified two main market risk factors: interest rate risk related to the fixed income portfolio, price risk related to equity securities, and currency risk related to changes in foreign exchange rates due to ETFs listed on the Canadian marketplace with underlying exposure to US equities.

(i) *Interest rate risk*

Interest rate risk is the risk of a decrease in the Plan's yield on interest-bearing investments as a result of fluctuations in market interest rates. There is an inverse relationship between changes in interest rates and changes in the fair value of fixed income securities. This risk is actively managed using duration, yield curve analysis, sector and credit selection. There is reduced risk to interest rate changes for cash and short term investments due to their short-term nature.

8. Risk management (continued)

a) Market risk (continued)

(i) Interest rate risk

The table below summarizes the Plan's exposure to interest rate risks by remaining term to maturity as at March 31, 2023 and March 31, 2022:

	2023	2022
	%	%
Less than 1 year	1.8	4.4
1-3 years	16.6	14.7
3-5 years	23.8	16.7
Greater than 5 years	57.8	64.2
	<u>100.0</u>	<u>100.0</u>

As at March 31, 2023, management estimates that if prevailing interest rates had increased or decreased by 1% (March 31, 2022-1%), the total investment portfolio of debt instruments, would increase or decrease by approximately \$36.8M (March 31, 2022 - \$41.4M). This 1% change assumes a parallel shift in the yield curve along with all other variables held constant. In practice, the actual trading results will differ materially.

(ii) Other Price risk

Other price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, other than those arising from interest rate risk. The asset class that is most impacted by other price risk represent 9.1% (March 31, 2022 – 8.8%), and equities represent 9.3% (March 31, 2022 – 9.1%).

As at March 31, 2023, if underlying indices prices had increased or decreased by 1% with all other variables held constant, the portfolio amount would have increased or decreased by approximately \$1,116,608 (March 31, 2022 - \$1,213,547). In practice, the actual trading results will differ materially.

(iii) Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Plan holds ETFs listed on the Canadian marketplace with underlying exposure to US equities denominated in \$US, which represent 8.1% (March 31, 2022 – 7.5%) of the Portfolio. The fair value of the Total Investment Plan would increase or decrease by approximately \$535,900 (March 31, 2022 – \$546,100) in response to a 1% depreciation or appreciation of the USD dollar currency exchange rate. In practice, the actual change will differ materially.

8. Risk management (continued)

b) *Credit risk*

Credit risk refers to the ability of the issuer of debt securities to make interest payments and repay principal and sector risk relates to the exposure to changes in a particular industrial, commercial or service sector by virtue of concentration. The Plan's portfolio comprises bonds issued or guaranteed by federal and provincial governments along with Canadian financial institution corporate debt instruments which constitute its most significant exposure to credit risk.

The debt securities are invested according to the standard investment restrictions and practices in National Policy 15 of the Canadian Securities Administrators. The Plan has a concentration of investments in Canadian government and provincial government guaranteed bonds, which are considered by management to be high credit quality investments thereby moderating its credit risk. All of the Plan's fixed income securities are exposed to credit risk.

As at March 31, 2023 and March 31, 2022, the Plan's credit exposure to long term debt instruments is as follows:

	2023 %	2022 %
Bond ratings		
AAAH/AAA/AAH/AAL	59.30	58.69
AA/AH/A/AL	25.70	26.30
BBB/BB/BBBH/BBBL	15.00	15.01
	<u>100.00</u>	<u>100.00</u>

Dominion Bond Rating Service was the primary source for obtaining credit ratings. Secondary sources used include Moody's Investors Service and Standard & Poor's.

(c) *Liquidity risk*

Liquidity risk is the risk that the Plan may not be able to meet its obligations on time. In mitigation of these risks, the Plan retains sufficient cash and cash equivalent positions and primarily invests in securities that are traded in active markets and can be readily disposed to meet expected cash requirements. The Plan's exposure to liquidity risk is concentrated in principal repayment to subscribers and payments of EAPs. Other financial liabilities are all due within one month.

9. Ontario Securities Commission

On March 10, 2020, GGAI, GRESP and Sam Bouji, sole shareholder of GGAI and GRESP, entered into a settlement agreement (referred to as the "agreement", "settlement agreement", or the "Order") with the OSC, which, among other conditions, included the following:

- (i) GRESP shall commence the process to surrender its registration as a scholarship plan dealer and consented to the immediate suspension of its registration pending surrender and provided Staff with a signed consent to this effect;
- (ii) GGAI opened a bank account in its name, for the exclusive purpose of compensating the Underpaid Beneficiaries as described in the settlement agreement, to be held separate and apart from GGAI's own property and held by a Canadian financial institution in a designated trust account in trust for the Underpaid Beneficiaries (the Special Purpose Account); and
- (iii) Mr. Bouji paid the amount of \$190,000 to the OSC on accounts of costs ordered in the agreement.

GGAI shall not act as investment fund manager for any investment fund other than GIF and the Global Plans (LESP and AESP). GGAI is also prohibited from distributing units in the Global Plans with certain exceptions as noted within the Order.

Until GRESP and GGAI complete all payments to the Special Purpose Account to the satisfaction of the OSC Manager, GGAI shall not, without the prior written consent of Staff:

- (i) Reduce its capital in any manner including by redemption, re- purchase or cancellation of any of its shares;
- (ii) Reduce or repay any indebtedness to any director, officer, partner, shareholder, related company, affiliate or associate, or any other indebtedness which has been subordinated; or
- (iii) Directly or indirectly, make any payments by way of loan, advance, bonus, dividend, and repayment of capital or other distribution of assets to any director, officer, partner, shareholder, related company, affiliate or associate.
- (iv) The above conditions have been met and capital controls no longer apply as of March 31, 2023

Subject to any applicable unclaimed property legislation, in the event that GGAI has used all reasonable efforts but has not been successful in locating one or more of the Underpaid Beneficiaries after five years from the date of the Order, the total amounts owing to such beneficiaries shall be donated to the charity Pathways to Education.

Legacy Education Savings Plan
Schedules to the financial statements
Years ended March 31, 2023 and 2022
(All amounts in Canadian dollars)

Schedule 1 – Educational assistance payment agreements

Year of eligibility	Number of units outstanding #	Principal plus accumulated income \$	Government grants plus accumulated income \$	Total \$
2000	6	5,047	1,302	6,349
2001	4	3,479	798	4,277
2002	12	2,791	1,592	4,383
2003	51	19,314	5,893	25,207
2004	208	55,635	8,963	64,598
2005	360	130,331	36,143	166,474
2006	511	170,719	49,650	220,369
2007	978	227,996	68,029	296,025
2008	1,027	264,076	82,918	346,994
2009	1,267	331,388	136,813	468,201
2010	2,229	640,402	201,719	842,121
2011	2,432	749,804	291,147	1,040,951
2012	3,559	939,117	359,867	1,298,984
2013	5,426	1,310,800	535,553	1,846,353
2014	7,521	1,688,429	658,325	2,346,754
2015	10,811	2,651,485	986,641	3,638,126
2016	13,911	3,179,612	1,239,736	4,419,348
2017	20,180	4,499,848	1,671,649	6,171,497
2018	29,146	6,007,995	2,179,249	8,187,244
2019	36,178	8,516,685	2,904,537	11,421,222
2020	49,779	12,829,154	4,181,396	17,010,550
2021	63,103	17,405,669	5,631,216	23,036,885
2022	98,595	27,786,858	11,722,710	39,509,568
2023	142,853	55,169,421	20,786,306	75,955,727
2024	154,752	57,027,586	22,283,616	79,311,202
2025	162,434	54,759,508	21,928,524	76,688,032
2026	153,963	49,835,017	20,209,315	70,044,332
2027	139,133	41,490,777	17,040,379	58,531,156
2028	126,287	33,786,691	14,020,393	47,807,084
2029	114,815	27,880,964	11,701,751	39,582,715
2030	98,165	20,913,984	9,146,708	30,060,692
2031	85,001	16,122,151	7,140,625	23,262,776
2032	66,953	11,005,076	5,075,925	16,081,001
2033	47,376	6,734,993	3,164,548	9,899,541
2034	42,893	5,884,924	2,422,853	8,307,777
2035	31,849	3,512,893	1,537,031	5,049,924
2036	22,934	1,947,850	926,221	2,874,071
2037	11,044	722,237	354,374	1,076,611
March 31, 2023	1,747,746	476,210,706	190,694,415	666,905,121
March 31, 2022	1,898,745	516,109,683	211,590,412	727,700,095

Legacy Education Savings Plan
Schedules to the financial statements
Years ended March 31, 2023 and 2022
(All amounts in Canadian dollars)

Schedule 2 – Reconciliation of educational assistance agreements

	Opening agreements	Inflow agreements	Outflow agreements	Closing agreements
The following is a summary of Educational Assistance Payment contracts				
2023	43,228	—	5,491	37,737
2022	48,998	—	5,770	43,228

The following reconciles Schedule 1 to the statements of financial position

Total principal, government grants and accumulated income (Schedule 1)

Represented in the statements of financial position by
Subscriber contributions
Accumulated government grants
Unrealized depreciation of investments
Income earned on Subscriber contributions and government grants, net transferred

Less: Government grants receivable

2023 \$	2022 \$
666,905,121	727,700,095
435,036,404	455,851,273
176,816,604	184,918,704
(34,436,870)	(3,546,999)
90,115,094	91,154,779
667,531,232	728,377,757
626,111	677,662
666,905,121	727,700,095