

**Clearpoint Global Dividend
Fund
Financial Statements**

June 30, 2019

(Unaudited)

MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim financial statements have been prepared by **Caldwell Investment Management Ltd.** in its capacity as the Trustee of the Trust. The Trust's Trustee is responsible for the information and representations contained in these unaudited interim financial statements.

The Trustee maintains appropriate processes to ensure that relevant and reliable financial information is produced. The unaudited interim financial statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgments made by the Trustee. The significant accounting policies which the Trustee believes are appropriate for the Trust are described in Note 3 to the unaudited interim financial statements.

On behalf of the Trustee

Date: August 21, 2019

NOTICE TO UNITHOLDERS

The auditors of the Trusts have not reviewed these financial statements.

Caldwell Investment Management Ltd., the Trustee of the Trust, appoints an independent auditor to audit the Trust's annual financial statements.

CLEARPOINT GLOBAL DIVIDEND FUND

Notes to the Financial Statements

June 30, 2019 (Unaudited)

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CLEARPOINT GLOBAL DIVIDEND FUND

Condensed Interim Statements of Financial Position As at June 30, 2019 and December 31, 2018 (Unaudited)

	June 30, 2019	December 31, 2018
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (Note 6)	\$ 8,697,405	\$ 10,614,569
Cash	77,589	70,251
Foreign currencies	2,793,883	415,036
Dividends receivable	11,711	16,943
Prepaid expense	11,669	10,680
Receivable for investments sold	107,030	-
	<u>11,699,287</u>	<u>11,127,479</u>
LIABILITIES		
Current liabilities		
Accrued liabilities	48,743	49,354
Management fee payable (Note 7)	12,584	13,227
Distribution payable	15,062	-
Payable for investments purchased	540,687	-
	<u>617,076</u>	<u>62,581</u>
Net Assets Attributable to Holders of Redeemable Units	<u>\$ 11,082,211</u>	<u>\$ 11,064,898</u>
Net Assets Attributable to Holders of Redeemable Units per Series		
Series A	\$ 4,040,756	\$ 4,242,799
Series F	7,041,455	6,822,099
	<u>\$ 11,082,211</u>	<u>\$ 11,064,898</u>
Number of Redeemable Units Outstanding (Note 9)		
Series A	582,793	640,542
Series F	831,846	852,009
Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	\$ 6.93	\$ 6.62
Series F	8.46	8.01

Approved on behalf of Caldwell Investment Management Ltd.,
Manager and Trustee of the Fund


Brendan T.N. Caldwell, President

See Accompanying Notes

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CLEARPOINT GLOBAL DIVIDEND FUND

Condensed Interim Statements of Comprehensive Income For the six-months ended June 30, 2019 and 2018 (Unaudited)

	2019	2018
Income		
Dividends	\$ 175,838	\$ 183,959
Other income	8,075	1,691
Exchange (loss) gain on foreign currencies and other net assets	(54,035)	40,663
Realized gain on sale of investments	1,147,037	1,252,531
Change in unrealized depreciation on investments and foreign currency	<u>(216,519)</u>	<u>(819,736)</u>
	<u>1,060,396</u>	<u>659,108</u>
Expenses		
Management fee (Note 7)	86,056	93,680
Withholding taxes	24,071	25,316
Administrative fee	23,974	13,421
Accounting fee	20,612	19,897
Audit fee	19,206	17,620
Legal fee	15,579	6,909
Transaction costs (Note 8)	8,179	28,449
Filing fee	4,597	4,567
Securityholder reporting costs	3,004	6,353
Independent review committee fee	2,500	4,765
Custodial fee	2,035	2,280
Interest and borrowing fees	<u>943</u>	<u>1,115</u>
	<u>210,756</u>	<u>224,372</u>
Increase in Net Assets Attributable to Holders of Redeemable Units	<u>\$ 849,640</u>	<u>\$ 434,736</u>
Increase in Net Assets Attributable to Holders of Redeemable Units per Series (Note 12)		
Series A	\$ 310,896	\$ 155,690
Series F	<u>538,744</u>	<u>279,046</u>
	<u>\$ 849,640</u>	<u>\$ 434,736</u>
Weighted Average of Redeemable Units Outstanding During the Period		
Series A	609,907	670,686
Series F	836,377	869,769
Increase in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	\$ 0.51	\$ 0.23
Series F	0.64	0.32

See Accompanying Notes

CLEARPOINT GLOBAL DIVIDEND FUND

Condensed Interim Statements of Changes in Net Assets Attributable to Holders of Redeemable Units For the six-months ended June 30, 2019 and 2018 (Unaudited)

	Net assets attributable to holders of redeemable units, beginning of period	Increase in net assets attributable to holders of redeemable units	Proceeds from redeemable units issued	Redemption of redeemable units	Distribution to unitholders	Reinvestments of distributions	Net assets attributable to holders of redeemable units, end of period
June 30, 2019							
Series A	\$ 4,242,799	\$ 310,896	\$ 31,464	\$ (523,743)	\$ (109,068)	\$ 88,408	\$ 4,040,756
Series F	6,822,099	538,744	47,166	(295,905)	(149,821)	79,172	7,041,455
	\$ 11,064,898	\$ 849,640	\$ 78,630	\$ (819,648)	\$ (258,889)	\$ 167,580	\$ 11,082,211
June 30, 2018							
Series A	\$ 4,836,622	\$ 155,690	\$ 83,700	\$ (317,157)	\$ (120,313)	\$ 96,060	\$ 4,734,602
Series F	7,332,050	279,046	229,750	(229,415)	(156,695)	76,556	7,531,292
	\$ 12,168,672	\$ 434,736	\$ 313,450	\$ (546,572)	\$ (277,008)	\$ 172,616	\$ 12,265,894

CLEARPOINT GLOBAL DIVIDEND FUND

Condensed Interim Statements of Cash Flows

For the six-months ended June 30, 2019 and 2018 (Unaudited)

	2019	2018
Cash provided by (used in):		
Operating Activities		
Increase in Net Assets Attributable to Holders of Redeemable Units	\$ 849,640	\$ 434,736
Adjustments for non-cash items		
Transaction costs	8,179	28,449
Exchange loss (gain) on foreign currencies and other net assets	54,035	(40,663)
Realized gain on sale of investments	(1,147,037)	(1,252,531)
Change in unrealized depreciation on investments and foreign currency	216,519	819,736
Change in non-cash balances		
Decrease in dividends receivable	5,232	266
Increase in prepaid expense	(989)	(55,715)
Increase in receivable for investments sold	(107,030)	-
Decrease in management fee payable	(643)	(779)
(Decrease) increase in accrued liabilities	(611)	6,062
Decrease in redemption payable	-	(8,266)
Increase in distribution payable	15,062	17,220
Increase in payable for investments purchased	540,687	-
Proceeds from sale of investments	3,488,658	2,951,410
Purchase of investments	(649,155)	(2,723,721)
Cash provided by operating activities	<u>3,272,547</u>	<u>176,204</u>
Financing Activities		
Proceeds from redeemable units issued	1,000	313,450
Amount paid on redemption of redeemable units	(742,018)	(546,572)
Distribution paid	(91,309)	(104,392)
Cash used in financing activities	<u>(832,327)</u>	<u>(337,514)</u>
Increase (decrease) in cash during the period	2,440,220	(161,310)
Foreign exchange (loss) gain on cash	(54,035)	40,663
Cash, beginning of period	<u>485,287</u>	<u>967,206</u>
Cash (including foreign currencies), end of period	\$ <u>2,871,472</u>	\$ <u>846,559</u>
Supplemental information*		
Interest paid	\$ 30	\$ 24
Dividends received, net of withholding taxes	158,353	158,909

*Included as a part of cash flows from operating activities

CLEARPOINT GLOBAL DIVIDEND FUND

Condensed Interim Schedule of Investment Portfolio As at June 30, 2019 (Unaudited)

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
	U.S. equities			
1,865	American Electric Power Co Inc.	\$ 99,735	\$ 214,857	1.94
600	Broadcom Inc.	224,620	226,085	2.04
1,759	Chevron Corp.	178,624	286,527	2.59
1,339	Chubb Ltd.	247,529	258,163	2.33
5,800	Cisco Systems Inc.	215,052	415,521	3.75
2,616	ConocoPhillips	164,173	208,885	1.88
800	CVS Health Corp.	57,595	57,062	0.51
4,051	Emerson Electric Co.	237,897	353,800	3.19
2,699	Exxon Mobil Corp.	221,465	270,733	2.44
3,703	General Mills Inc.	249,283	254,576	2.30
1,761	Harris Corp.	438,970	435,973	3.93
7,372	Intel Corp.	210,207	461,943	4.17
3,403	JPMorgan Chase & Co.	137,956	498,016	4.49
4,415	Merck & Co Inc.	191,063	484,589	4.37
5,685	MetLife Inc.	298,570	369,628	3.34
3,176	Microsoft Corp.	103,717	556,923	5.03
2,373	Molson Coors Brewing Co.	248,532	173,950	1.57
4,211	Nucor Corp.	258,611	303,722	2.74
2,068	Occidental Petroleum Corp.	170,599	136,109	1.23
2,616	Public Service Enterprise Group Inc.	107,784	201,420	1.82
3,340	QUALCOMM Inc.	238,294	332,583	3.00
2,550	Royal Dutch Shell PLC	211,715	217,200	1.96
1,996	The Allstate Corp.	244,569	265,692	2.40
200	The Boeing Co.	96,073	95,298	0.86
2,900	The Southern Co.	141,365	209,848	1.89
800	The TJX Cos Inc.	55,461	55,376	0.50
1,833	The Walt Disney Co.	248,776	335,052	3.02
5,435	Unilever PLC	208,036	440,880	3.98
5,780	Wells Fargo & Co.	269,539	358,024	3.23
2,000	Xylem Inc/NY	215,405	218,970	1.98
		<u>5,991,215</u>	<u>8,697,405</u>	<u>78.48</u>
	Total investments owned	5,991,215	8,697,405	78.48
	Commissions and other portfolio transaction costs	<u>(24,892)</u>	<u>-</u>	<u>-</u>
	Net investments owned	<u>\$ 5,966,323</u>	8,697,405	78.48
	Other assets, net		<u>2,384,806</u>	<u>21.52</u>
	Net Assets Attributable to Holders of Redeemable Units		<u>\$ 11,082,211</u>	<u>100.00</u>

See Accompanying Notes

CLEARPOINT GLOBAL DIVIDEND FUND

Discussion of Financial Risk Management (Note 11)

June 30, 2019 (Unaudited)

FINANCIAL RISK MANAGEMENT

The Fund's financial instruments consist of cash, foreign currencies, investments, receivables and payables. As a result, the Fund is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include credit risk, liquidity risk, and market risk, consisting of interest rate risk, currency risk and other price risk. These risks and related risk management practices employed by the Fund are discussed below:

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The investments of the Fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by the Fund is determined by the fair value of the financial instruments as disclosed in the Schedule of Investment Portfolio.

As at June 30, 2019, if the market value of the Fund's investments increased or decreased by 10%, with all other variables being constant, net asset value would have increased or decreased by approximately \$869,741 (December 31, 2018: \$1,061,457). Actual results may be materially different from this analysis.

Liquidity Risk

Liquidity risk is defined as the risk that the Fund may not be able to settle or meet its obligation on time or at a reasonable price.

The Fund's exposure to liquidity risk is concentrated in the periodic cash redemptions of units. The Fund invests primarily in securities that are traded in active markets and as such market positions can be closed out readily, if required, in order for the Fund to meet its liquidity requirements.

All financial liabilities are due between one and three months.

Currency risk

The Fund invests in securities denominated in currencies other than its reporting currency. Consequently, the Fund is exposed to risks that the exchange rate of the reporting currency relative to the other currencies may change in a manner which has an adverse effect on the reported value of that portion of the Fund's assets.

The table below summarizes the Fund's exposure to currency risks. Amounts shown are based on the carrying value of monetary and non-monetary assets.

Currency	Exposure			Impact if CAD strengthened or weakened by 1% in relation to other currencies		
	Monetary	Non-Monetary	Total	Monetary	Non-Monetary	Total
June 30, 2019						
U.S. Dollar	\$ 2,793,883	\$ 8,697,405	\$ 11,491,288	\$ 27,939	\$ 86,974	\$ 114,913
% of Net Assets						
Attributable to Holders						
of Redeemable Units	25.21	78.48	103.69	0.25	0.78	1.03

CLEARPOINT GLOBAL DIVIDEND FUND

Discussion of Financial Risk Management (Note 11)

June 30, 2019 (Unaudited)

Currency risk (continued)

Currency	Exposure			Impact if CAD strengthened or weakened by 1% in relation to other currencies		
	Monetary	Non-Monetary	Total	Monetary	Non-Monetary	Total
December 31, 2018						
U.S. Dollar	\$ 415,036	\$ 10,614,569	\$ 11,029,605	\$ 4,150	\$ 106,146	\$ 110,296
% of Net Assets						
Attributable to Holders of Redeemable Units	3.75	95.93	99.68	0.04	0.96	1.00

As at June 30, 2019, if the Canadian dollar had strengthened or weakened by 1% in relation to all currencies, with all other variables held constant, net asset value would have decreased or increased, respectively, by approximately \$114,913 (December 31, 2018: \$110,296). Actual results may differ from this sensitivity analysis and the difference could be material.

Interest rate risk

The majority of the Fund's financial assets and liabilities are non-interest bearing; accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of market interest rates.

Credit risk

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

Where the Fund invests in debt instruments and derivatives, this represents the main concentration of credit risk. The fair value of debt instruments and derivatives includes consideration of the credit worthiness of the issuer, and accordingly, represents the maximum credit risk exposure of the Fund.

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

As at June 30, 2019 and December 31, 2018, the Fund had no significant investments in debt instruments and/or derivatives.

CLEARPOINT GLOBAL DIVIDEND FUND

Discussion of Financial Risk Management (Note 11)

June 30, 2019 (Unaudited)

Investment concentration risk

The following table classifies the Fund's investments by economic sector concentrations as a percent of net assets as at June 30, 2019 and December 31, 2018.

	June 30, 2019		December 31, 2018	
	Percent of	Fair	Percent of	Fair
	net assets	value	net assets	value
	%	CAD\$	%	CAD\$
Technology	21.9%	2,429,028	17.0%	1,883,560
Financials	15.8%	1,749,523	14.4%	1,596,172
Energy	10.1%	1,119,454	11.8%	1,303,431
Consumer Defensive	7.9%	869,406	13.3%	1,467,934
Industrials	6.0%	668,068	5.9%	651,305
Utilities	5.7%	626,125	13.6%	1,510,266
Health Care	4.9%	541,651	4.2%	460,281
Consumer Cyclical	3.5%	390,428	3.7%	408,770
Materials	2.7%	303,722	2.7%	297,674
Communication Services	0.0%	–	8.1%	897,144
Real estate	0.0%	–	1.2%	138,032
Total equities	78.5%	8,697,405	95.9%	10,614,569
Other assets less liabilities	21.5%	2,384,806	4.1%	450,329
Total net asset value	100.0%	11,082,211	100.0%	11,064,898

CLEARPOINT GLOBAL DIVIDEND FUND

Notes to the Financial Statements

June 30, 2019 (Unaudited)

1. THE FUND

Clearpoint Global Dividend Fund (the "Fund") is an open-ended mutual fund trust formed under the laws of the Province of Ontario by Declarations of Trust, executed by the Trustee of the Fund August 27, 1998, as amended and restated April 20, 2006 and January 31, 2008, December 10, 2008 and November 5, 2010.

On July 30, 2013, the Clearpoint Global Dividend Fund's Declaration of Trust was again amended to give effect to (a) the change of trustee from Redwood Asset Management Inc. to Caldwell Investment Management Ltd. and (b) the change of the name of the fund from Redwood Global High Dividend Fund to Clearpoint Global Dividend Fund.

Caldwell Investment Management Ltd. (the "Manager") is the manager and the Trustee of the Fund. The Manager is wholly-owned by Caldwell Financial Ltd., incorporated under the laws of Ontario. The address of the Fund's registered office is 150 King Street West, Suite 1702, P.O. Box 47, Toronto, ON M5H 1J9.

These financial statements reflect only the assets, liabilities, revenues and expenses of the Fund and do not include any assets, liabilities, revenues or expenses of the Manager.

The Clearpoint Global Dividend Fund's investment objective is to provide unitholders with (i) monthly distributions; and (ii) the potential for capital appreciation and enhanced long-term risk adjusted return. The Fund invests principally in dividend-paying equity securities of U.S. domiciled issuers or issuers that derive a significant portion of their revenue or earnings from the U.S.

2. BASIS OF PRESENTATION

These interim financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") applicable to the preparation of financial statements, and International Accounting Standard 34, Interim Financial Reporting.

The accounting policies applied in these interim financial statements are based on IFRS issued and outstanding as of June 30, 2019.

3. SIGNIFICANT ACCOUNTING POLICIES

a) *Recent standards, Amendments and Interpretation Issued ("IFRS 9")*

IFRS 9 Financial Instruments

IFRS 9 issued in July 2014, replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). It includes revised guidance on classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. It is effective for annual periods beginning on or after January 1, 2018 and has been applied by the Fund retrospectively to January 1, 2017. The application of IFRS 9 has not resulted in any restatement of comparative figures.

CLEARPOINT GLOBAL DIVIDEND FUND

Notes to the Financial Statements

June 30, 2019 (Unaudited)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a) *Recent standards, Amendments and Interpretation Issued ("IFRS 9") (continued)*

Classification and measurement of financial assets and financial liabilities

Under IFRS 9, classification and measurement of financial assets are driven by the Fund's business model for managing them and their contractual cash flows. Classification and measurement categories under IFRS 9 are amortized cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVTPL").

IFRS 9 largely retains the existing requirements for classification and measurement of financial liabilities. However, unlike IAS 39 where all fair value changes of liabilities designated at fair value through profit or loss are recognized in profit or loss, under IFRS 9, fair value changes related to changes in the issuer's own credit risk are presented in other comprehensive income.

The adoption of IFRS 9 did not have a material impact on classification and measurement of financial instruments, since the Fund makes decisions based on the assets' fair values and manages the assets to realize those fair values. As such the majority of the Fund's financial assets continue to be measured at FVTPL. In addition, derivatives continue to be measured at FVTPL. (see Note 4)

Impairment of financial assets

IFRS 9 also introduces the expected credit loss ("ECL") model for impairment of financial assets measured at amortized cost and debt instruments measured at FVOCI. The ECL impairment model did not have a material impact to the Fund's financial assets given that the majority of the Fund's financial assets continue to be measured at FVTPL.

Hedge accounting

The Fund does not apply hedge accounting, therefore, IFRS 9 hedge accounting related changes did not have an impact on the Fund's financial statements.

b) *Valuation of investments*

The fair value of financial assets and financial liabilities traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices. In accordance with the provisions of the Fund's offering documents, investment positions are valued based on the last traded market price for the purpose of determining the net asset per unit for subscriptions and redemptions. For financial reporting purposes, the Fund uses 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. When the Fund holds derivatives with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open position, as appropriate.

The fair value of financial assets and financial liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each Statement of Financial Position date. Valuation techniques used include the use of comparable recent arm's-length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

CLEARPOINT GLOBAL DIVIDEND FUND

Notes to the Financial Statements

June 30, 2019 (Unaudited)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Classification

From January 1, 2018, the Fund classifies its investments in debt, equity securities and derivatives as FVTPL.

The Fund classifies its investments at FVTPL based on the Fund's business model for managing those financial assets in accordance with the Fund's documented investment strategy. The portfolio of investments is managed and performance is evaluated on a fair value basis and the portfolio of investments is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments measured at amortized cost. Regular purchases and sales of financial assets are recognized at their trade date. The Fund's investments have been classified as fair value through profit or loss. The Fund's obligation for net assets attributable to holders of redeemable units is presented at the redemption amount. All other financial assets and financial liabilities are classified as subsequently measured at amortized cost. Under this method, financial assets and financial liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. A financial asset is classified as subsequently measured at amortized cost only if both of the following criteria are met:

- i) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows, and
- ii) the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

The Fund's accounting policies for measuring its net asset value ("NAV") for transactions with unitholders is the same as the accounting policies used to measure the fair value of its investments and derivatives.

d) Recognition/derecognition

The Fund recognizes financial assets and liabilities at fair value through profit and loss when the Fund becomes party to the contractual provisions of the instrument. Recognition takes place on the trade date – the date it commits to purchase or sell short the instruments. From this date any gains and losses arising from changes in fair value of the assets or liabilities are recognized in the Statements of Comprehensive Income.

Other financial assets are derecognized only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Fund derecognizes financial liabilities when, and only when, the Fund's obligations are discharged, cancelled or they expire.

CLEARPOINT GLOBAL DIVIDEND FUND

Notes to the Financial Statements

June 30, 2019 (Unaudited)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) *Offsetting Financial Instruments*

Financial assets and financial liabilities are offset and the net amount reported 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. In the normal course of business the Fund enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statements of Financial Position but still allow for the related amounts to be offset in certain circumstances, such as bankruptcy or termination of the contracts.

f) *Transaction costs*

Transaction costs are expenses and are included in "transaction costs" in the Statements of Comprehensive Income. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commission paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. The cost of investments for each security is determined on an average cost basis.

g) *Unit valuation and valuation date*

Units are issued and redeemed on a continuing basis at the Transactional NAV per unit which is determined for each series of units of the Fund on each day that the Toronto Stock Exchange is open for business. The value of each unit of a series of units of the Fund is determined by dividing the aggregate net assets value of that series of units of the Fund, calculated in accordance with the Fund's offering documents, by the total number of units of that series of units of the Fund outstanding at the close of business on the valuation day.

h) *Revenue recognition*

Investment transactions are accounted for on the trade date. Interest income is accrued daily and dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

The interest on debt securities at fair value through profit and loss is accrued on a time-proportionate basis, by reference to the principal outstanding and at the effective interest rate applicable.

Realized gain on sale of investments and unrealized depreciation in investments are determined on an average cost basis. Average cost does not include amortization of premiums or discounts on fixed income securities with the exception of zero coupon bonds.

i) *Foreign currency translation*

The monetary assets and liabilities of the Fund is translated into Canadian dollars, the Fund's functional currency, at exchange rates in effect at the date of the Statement of Financial Position. Non-monetary items are translated at rates of exchange in effect when the assets were acquired or obligations incurred. Foreign exchange gains and losses are included in the Statements of Comprehensive Income for the period. Purchases and sales of investments, investment income and expenses are calculated at the exchange rates prevailing on the dates of the transactions.

j) *Net assets attributable to holders of redeemable units per unit*

The net assets attributable to holders of redeemable units per unit is calculated by dividing the net assets attributable to holders of redeemable units of a particular series of units by the total number of units of that particular series outstanding at the end of the period.

CLEARPOINT GLOBAL DIVIDEND FUND

Notes to the Financial Statements

June 30, 2019 (Unaudited)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

k) *Increase in net assets attributable to holders of redeemable units per unit*

Increase in net assets attributable to holders of redeemable units per unit is based on the increase in net assets attributable to holders of redeemable units attributed to each series of units, divided by the weighted average number of units outstanding of that series during the period. Refer to Note 12 for the calculation.

l) *Cash*

Cash consists of cash held at a bank or custodian. Cash is carried at cost plus accrued interest, which approximates fair value.

m) *Forward currency contracts*

Forward currency contracts entered into by the Fund is intended for foreign currency hedging and normal course settlement purposes only. The value of these forward contracts is the gain or loss that would be realized if, on a Valuation Day, the position were to be closed out and is recorded as an unrealized gain or loss. Upon maturity of the contracts, the difference between the cost and the market value of the currency is reported in "Realized gain (loss) on investments," as reported on the Statement of Comprehensive Income.

4. CHANGES IN ACCOUNTING POLICIES

The Fund has applied IFRS 9 retrospectively from January 1, 2017, which has resulted in changes in accounting policies. The following accounting policies relating to classification of financial assets and financial liabilities have been changed to comply with IFRS 9 which replaces the provisions of IAS 39.

Reclassifications of financial instruments on application of IFRS 9

On the date of initial application of IFRS 9, January 1, 2018, the financial instruments of the Fund were as follows, with any reclassifications from December 31, 2017 noted:

Financial Instruments	Classification Category		Measurement Category		Carrying amount at Jan 1, 2018		
	Original (IAS 39)	New (IFRS9)	Original (IAS 39)	New (IFRS9)	Original (IAS 39) \$	New (IFRS 9) \$	Difference \$
Assets							
Financial assets at fair value through profit or loss	FVTPL Designated at inception	FVTPL	FVTPL	FVTPL	11,214,027	11,214,027	-
Cash	Amortized cost	Amortized cost	Amortized cost	Amortized cost	102,396	102,396	-
Foreign currencies	Amortized cost	Amortized cost	Amortized cost	Amortized cost	864,810	864,810	-
Dividends receivable	Loans and receivables	Amortized cost	Amortized cost	Amortized cost	15,691	15,691	-
Liabilities							
Accrued liabilities	Financial liabilities	Financial liabilities	Amortized cost	Amortized cost	5,106	5,106	-
Management fee payable	Financial liabilities	Financial liabilities	Amortized cost	Amortized cost	14,880	14,880	-
Redemption payable	Financial liabilities	Financial liabilities	Amortized cost	Amortized cost	8,266	8,266	-

CLEARPOINT GLOBAL DIVIDEND FUND

Notes to the Financial Statements

June 30, 2019 (Unaudited)

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in accordance with IFRS requires management to use accounting estimates. It also requires management to exercise its judgment in the process of applying the Fund's accounting policies. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The following discusses the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements:

Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Fund is to manage its portfolio of investments and evaluate performance on a fair value basis and that the portfolio of investments is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The most significant judgments made include assessing and determining the appropriate business model that enables the decision that the Fund's investments are classified as FVTPL.

Functional and presentation currency

The Fund considers its functional and presentation currency to be the Canadian dollar. The Fund's performance is evaluated and its liquidity is managed in Canadian dollars.

6. FAIR VALUE DISCLOSURE

Fair value measurement of investments is based on a three-level fair value hierarchy that reflects the significance of the inputs used in making the measurements. The three levels of fair value hierarchy are as follows:

Level 1: Level 1 financial instruments are valued using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Level 2 financial instruments are valued using 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), including inputs in markets that are not considered to be active. Some bond prices may be sourced from Bloomberg or dealer quotes.

Level 3: Level 3 financial instruments are valued using inputs that are not based on observable market data (unobservable inputs).

The Fund's total investment holdings as at June 30, 2019 and December 31, 2018 are classified into a three-level fair value hierarchy as follows:

	Financial Assets at fair value as at June 30, 2019			
	Level 1	Level 2	Level 3	Total
Assets				
Equities	8,697,405	–	–	8,697,405
	<u>8,697,405</u>	<u>–</u>	<u>–</u>	<u>8,697,405</u>
Financial Assets at fair value as at December 31, 2018				
	Level 1	Level 2	Level 3	Total
Assets				
Equities	10,614,569	–	–	10,614,569
	<u>10,614,569</u>	<u>–</u>	<u>–</u>	<u>10,614,569</u>

There were no transfers between levels during the period ended June 30, 2019.

There were no transfers between levels during the year ended December 31 2018.

CLEARPOINT GLOBAL DIVIDEND FUND

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7. MANAGEMENT FEES AND OPERATING EXPENSES

Management Fees

As compensation for management services, the Fund pays a management fee (the "Management Fee") to the Manager in respect of each Series of redeemable units of the Fund. The Management Fee is calculated and accrued daily and payable monthly in arrears.

The annual Management Fee is equal to 2.00% for Series A, and 1.00% for Series F of the average net asset value of the Fund.

For the period ended June 30, 2019, the Fund incurred a management fee of \$86,056 (June 30, 2018: \$93,680), As at June 30, 2019, the Fund accrued management fees payable fee of \$ 12,584 (December 31, 2018: \$13,227).

Operating Expenses

The Fund is responsible for the payment of all expenses relating to the operation and the carrying on of its business including but not limited to legal, audit, trustee, custodial and safekeeping fees, taxes, brokerage commissions, regulatory filing fees, operating and administrative costs and investor servicing costs of financial and other reports.

The Manager at its discretion may waive and absorb a portion of the management fees and operating expenses otherwise payable by the Fund. For period ended June 30, 2019, the Fund has absorbed management fees of \$nil (June 30, 2018: \$nil). These waivers/absorptions may be terminated at any time by the Manager and at the Manager's discretion or may be continued indefinitely.

8. COMMISSIONS AND RELATED PARTY TRANSACTIONS

The Manager and Caldwell Securities Ltd., a broker, are both wholly-owned subsidiaries of Caldwell Financial Ltd. The following transaction costs were paid for the periods ended June 30, 2019 and 2018 to Caldwell Securities Ltd.

	<u>2019</u>	<u>2018</u>
	\$	\$
Clearpoint Global Dividend Fund	8,179	28,449

Neither the Manager nor the Fund has received any soft dollar commissions from brokers to pay for third-party research services.

The Manager has earned Management fees and Performance Fees as disclosed in Note 7.

CLEARPOINT GLOBAL DIVIDEND FUND

Notes to the Financial Statements

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9. REDEEMABLE UNITS OF THE FUND

The Fund is authorized to issue an unlimited number of redeemable units, issuable in an unlimited number of series, each of which represents an equal, undivided, beneficial interest in the net assets attributable to holders of redeemable units of the Fund. Each unit of each series entitles the holder to one vote and to participate equally with respect to any and all distributions made by the Fund. Redeemable units of a series may be consolidated and/or sub-divided by the Manager.

Redeemable units of the Fund may be surrendered for redemption on a daily basis, for a redemption price per series per unit equal to the series Net Asset Value per unit calculated as at the close of business on the Redemption Date.

The following is a summary of the changes in the Fund's outstanding units during the periods.

	Redeemable units, beginning of period	Redeemable units issued	Redeemable units redeemed	Reinvestment of Redeemable units, redeemable units	Redeemable units, end of period
June 30, 2019					
Series A	640,542	4,315	(74,781)	12,717	582,793
Series F	852,009	5,804	(35,331)	9,364	831,846
June 30, 2018					
Series A	677,764	11,873	(44,387)	13,530	658,780
Series F	866,509	26,930	(27,062)	9,044	875,421

Capital disclosure

The capital of the Fund is represented by issued redeemable units. The redeemable units are entitled to distributions, if any, and to payment of a proportionate share based on the Fund's Net Asset Value per series unit upon redemption. The Fund has no restrictions or specific capital requirements on the subscriptions and redemptions of redeemable units. The relevant movements are shown on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units. In accordance with its investment objectives and strategies, and the risk management practices outlined in Note 11, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments where necessary.

CLEARPOINT GLOBAL DIVIDEND FUND

Notes to the Financial Statements

June 30, 2019 (Unaudited)

10. TAX STATUS

Taxation of open-ended mutual fund trusts

The Fund qualifies as mutual fund trusts under the Income Tax Act (Canada). The Fund has a December 15 year end for income tax purposes. The financial statements of the Fund do not include a provision for income taxes because any net investment income, including capital gains, is distributed throughout the year to unitholders or is distributable to unitholders and is taxable in their hands. Income tax on capital gains not paid to unitholders is recoverable pursuant to a formula based upon redemption of units of the Fund. Any tax losses are not deductible by the unitholders but may be carried forward by the Fund as permitted by the Income Tax Act (Canada). Withholding taxes on foreign dividend income are deducted at source.

Losses carried forward

Net realized capital losses of the Fund may be carried forward indefinitely to reduce future net realized capital gains. Gross capital losses for the Fund at each year end are as follows:

	<u>2018</u>	<u>2017</u>
	\$	\$
Clearpoint Global Dividend Fund	9,316,221	10,269,035

Non-capital losses may be carried forward to reduce taxable income for up to twenty years. Non-capital losses for the Fund at each year end are as follows:

	<u>2018</u>	<u>2017</u>
	\$	\$
Clearpoint Global Dividend Fund	142,806	142,806

11. CAPITAL MANAGEMENT AND FINANCIAL INSTRUMENTS RISK

Capital Management

The Fund defines its capital as its net assets or equity, which is primarily composed of its investments. The Fund manages its investments in line with its investment objectives and the Fund does not have any externally imposed capital requirements.

Financial risk management

The Fund's investment activities expose it to various types of risks associated with financial instruments and markets in which it invests directly. The Manager seeks to minimize potential adverse effects of these risks on a Fund's performance by employing professional, experienced portfolio advisors, daily monitoring of the Fund's holdings and market events, and diversifying the investment portfolio within the constraints of the investment objectives.

To assist in managing risks, the Manager also uses internal guidelines to oversee the Fund's investment activities and monitors compliance with the Fund's investment strategy. The following is a summary of the main risks:

CLEARPOINT GLOBAL DIVIDEND FUND

Notes to the Financial Statements

June 30, 2019 (Unaudited)

11. CAPITAL MANAGEMENT AND FINANCIAL INSTRUMENTS RISK (CONTINUED)

Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. Any equity and derivative instruments that the Fund may hold are susceptible to market price risk arising from uncertainties about future prices of the instruments. Management moderates this risk through a careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

Liquidity risk

The Fund must maintain sufficient cash and marketable securities and manage liquidity risk through their ability to close out market positions.

Currency risk

The Fund may invest in securities denominated in currencies other than their reporting currency. Consequently, the Fund is exposed to risks that the exchange rate of the reporting currency, Canadian dollars, relative to the other currencies may change in a manner which has an adverse effect on the reported value of that portion of the Fund's assets.

Interest rate risk

The Fund may invest in fixed and floating rate securities. The income of the Fund may be affected by changes in interest rates relevant to particular securities or as a result of management being unable to secure similar returns on the expiry of contracts or sale of securities. The value of fixed interest securities may be affected by interest rate movements or the expectation of such movement in the future.

Credit risk

Financial assets which potentially expose the Fund to credit risk consist principally of cash, investments in bonds and amounts due from brokers. The Fund seeks to mitigate its exposure to credit risk by placing their cash and transacting their securities activity with large financial institutions. The extent of the Fund's exposure to credit risk in respect of these financial assets is reflected in their carrying value as recorded in the Fund's Statements of Net Assets Attributable to Holders of Redeemable Units.

Concentration risk

Concentration indicates the relative sensitivity of the Fund's performance to developments affecting a particular industry or geographical location. Concentrations of risk arise when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of liquidity risk may arise from the repayment terms of financial liabilities, sources of borrowing facilities or reliance on a particular market in which to realize liquid assets. Concentrations of foreign exchange risk may arise if the Fund has a significant net open position in a single foreign currency, or aggregate net open positions in several currencies that tend to move together. In order to avoid excessive concentrations of risk, the Fund's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. The Investment Manager is instructed to reduce exposure or to use derivative instruments to manage excessive risk concentrations when they arise.

Refer to Discussion of Financial Risk Management for the Fund's risk disclosures.

CLEARPOINT GLOBAL DIVIDEND FUND

Notes to the Financial Statements

June 30, 2019 (Unaudited)

12. INCREASE IN NET ASSETS PER UNIT ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

The increase in net assets attributable to holders of redeemable units per unit for the periods ended June 30, 2019 and 2018 is calculated as follows:

Series A	2019	2018
Increase in net assets attributable to holders of redeemable units	\$ 310,896	\$ 155,690
Weighted average of redeemable units outstanding during the period	609,907	670,686
Increase in net assets attributable to holders of redeemable units per unit	\$ 0.51	\$ 0.23

Series F	2019	2018
Increase in net assets attributable to holders of redeemable units	\$ 538,744	\$ 279,046
Weighted average of redeemable units outstanding during the period	836,377	869,769
Increase in net assets attributable to holders of redeemable units per unit	\$ 0.64	\$ 0.32

13. EVENTS AFTER STATEMENT OF FINANCIAL POSITION DATE

There has been no significant event after the Statement of Financial Position date and the date of authorization of the financial statements which in the opinion of management requires additional disclosure in the financial statements.

14. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Manager and Trustee of the Fund and authorized for issue on August 21, 2019.