

Lakehead University
Pension Investment Fund
Financial Statements
For the year ended December 31, 2013

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Independent Auditor's Report

To the Administrator Lakehead University Pension Investment Fund

We have audited the accompanying financial statements of Lakehead University Pension Investment Fund, which comprise the statement of financial position as at December 31, 2013, and the statement of changes in net assets available for benefits for the year then ended, and a summary of significant accounting policies and other explanatory information. These financial statements have been prepared by management based on the financial reporting provisions of Section 76 of Regulation 909 of the Pension Benefits Act of Ontario.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Section 76 of Regulation 909 of the Pension Benefits Act of Ontario, 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.

Auditor's Responsibility

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

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

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

Independent Auditor's Report (cont'd)

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2013, and the changes in net assets available for benefits for the year then ended in accordance with the financial reporting provisions of Section 76 of Regulation 909 of the Pension Benefits Act of Ontario.

Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to Note 2 in the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Administrator of the Fund to meet the requirements of the Financial Services Commission of Ontario. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Administrator of the Fund and the Financial Services Commission of Ontario and should not be used by parties other than the Administrator of the Fund or the Financial Services Commission of Ontario.

BDO Canada LLP

Chartered Accountants, Licensed Public Accountants

Thunder Bay, Ontario
June 6, 2014

Lakehead University Pension Investment Fund Statement of Financial Position

For the year ended December 31 (in thousands of dollars)

2013

2012

	Professional and Administrative Staff Plan (Ontario Registration Number 246058)	Employee Pension Plan (Ontario Registration Number 526921)	Total	Professional and Administrative Staff Plan (Ontario Registration Number 246058)	Employee Pension Plan (Ontario Registration Number 526921)	Total
Assets						
Cash	\$ 1,148	\$ 205	\$ 1,353	\$ 1,060	\$ 173	\$ 1,233
Investments, at market value (Note 3, Schedules 1 and 2) (cost 2013 - \$193,225; cost 2012 - \$202,386)	186,681	32,631	219,312	178,682	27,859	206,541
HST receivable	6	1	7	6	1	7
Interfund Pension Transfers Receivable (Note 5)	75	-	75	-	-	-
Sponsor's contributions receivable	449	71	520	-	-	-
Employees' contributions receivable	277	72	349	-	-	-
	188,636	32,980	221,616	179,748	28,033	207,781
Liabilities						
Accounts payable (Note 4)	227	41	268	247	34	281
Interfund Pension Transfers Payable (Note 5)	-	75	75	-	-	-
	227	116	343	247	34	281
Net assets available for benefits	\$188,409	\$32,864	\$221,273	\$179,501	\$27,999	\$207,500

On behalf of the Administrator

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

Lakehead University Pension Investment Fund Statement of Changes in Net Assets Available for Benefits

For the year ended December 31 (in thousands of dollars)	2013			2012		
	Professional and Administrative Staff Plan (Ontario Registration Number 246058)	Employee Pension Plan (Ontario Registration Number 526921)	Total	Professional and Administrative Staff Plan (Ontario Registration Number 246058)	Employee Pension Plan (Ontario Registration Number 526921)	Total
Income						
Investment income	\$ 4,637	\$ 829	\$ 5,466	\$ 5,337	\$ 871	\$ 6,208
Net realized gains on investments	7,244	1,295	8,539	4,779	780	5,559
Net unrealized change in market value of investments	18,128	3,805	21,933	6,934	176	7,110
Other cash receipts - pension transfers (Note 5)	30	-	30	20	-	20
Contributions (Note 6) - employees	2,389	661	3,050	2,347	649	2,996
- sponsor	4,450	636	5,086	4,416	619	5,035
	36,878	7,226	44,104	23,833	3,095	26,928
Expenses						
Administration and professional fees (Note 7)	781	144	925	680	111	791
Increase in net assets before benefits paid	36,097	7,082	43,179	23,153	2,984	26,137
Benefits Paid						
Pension benefits and refunds (Note 8)	27,264	2,142	29,406	15,293	2,265	17,558
Increase in net assets available for benefits	8,833	4,940	13,773	7,860	719	8,579
Net assets available for benefits, beginning of year	179,501	27,999	207,500	171,307	27,614	198,921
Interfund Pension Transfers (Note 5)	75	(75)	-	334	(334)	-
Net assets available for benefits, end of year	\$ 188,409	\$ 32,864	\$ 221,273	\$ 179,501	\$ 27,999	\$ 207,500

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

Lakehead University Pension Investment Fund

Notes to Financial Statements

December 31, 2013

1. Description of Plans

The Lakehead University Pension Investment Fund ("the Fund") consists of two plans. The following description of the Professional and Administrative Staff Plan ("PP") and the Lakehead University Employee Pension Plan ("LUEPP") is a summary only. For more complete information, reference should be made to the Plan Agreements.

The Fund consists of 100% ownership of a Master Trust, the assets of which are held by Northern Trust. Advisory Research Inc., Addenda Capital, CGOV Asset Management, Dimensional Fund Advisors Canada ULC, Jarislowsky Fraser Limited, Letko Brosseau & Associates Inc., and State Street Global Advisors act as managers for the Fund and have discretionary investment authority. As of December 31, 2013, the LUEPP held 668,517.3124 units or 15.5%, and the Professional Plan held 3,654,457.4810 units or 84.5%, of a total of 4,322,974.7934 units of the Master Trust.

The Fund is a Registered Pension Trust as defined in the Income Tax Act and is not subject to income taxes.

Professional and Administrative Staff Plan

The Plan is a contributory defined contribution pension plan. The Plan provides for a defined benefit guarantee for service prior to January 1, 1997. Under the Plan, contributions of 6.5% (2012 - 6.5%) of earnings were made by faculty and librarians and 8.05% (2012 - 8.05%) by the Plan sponsor. For other members, contributions of 8.05% (2012 - 8.05%) of earnings were made by employees and 8.05% (2012 - 8.05%) by the Plan sponsor.

Lakehead University Employee Pension Plan

The Plan is a contributory defined contribution pension plan. Under the Plan, employees contribute 7.9% (2012 - 7.9%) of their earnings except for contracted employees who contribute 7.15% (2012 - 7.15%) of their earnings. The Plan sponsor matches employee contributions. For contract lecturers, contributions of 6.5% (2012 - 6.5%) of earnings were made by employees and 7.9% (2012 - 7.9%) by the Plan sponsor.

2. Significant Accounting Policies

Basis of Presentation

These financial statements have been prepared in accordance with the significant accounting policies set out below to comply with the accounting requirements prescribed by the Financial Services Commission of Ontario for financial statements under Section 76 of Regulation 909 of the Pension Benefits Act of the Province of Ontario. These regulations require pension plans to adhere to the provisions of *Section 4600 - Pension Plans in Part IV - Accounting Standards for Pension Plans* of the Canadian Institute of Chartered Accountants (CICA) Handbook, although they permit the exclusion of the actuarial liabilities of the Plan. Consequently, these financial statements do not purport to show the adequacy of the Plan's assets to meet its pension obligations. These financial statements have been prepared to assist in meeting the requirements of FSCO.

Lakehead University Pension Investment Fund Notes to Financial Statements

December 31, 2013

2. Significant Accounting Policies (cont'd)

They are intended solely for the Administrator of the Fund and FSCO and should not be used by parties other than the Administrator of the Fund or FSCO.

Investments

Investments are stated at fair value which is based on closing quoted market prices.

Dividend income is recognized as of the ex-dividend date. The purchase and sale of securities are recorded on a trade date basis.

Realized gains and losses from security transactions are based on the average cost of the security.

Use of Estimates

The preparation of financial statements in accordance with the accounting principles described in the significant accounting policies requires the Fund Administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the Fund Administrator's best estimates as additional information becomes available in the future.

Foreign Currency Translation

At the transaction date, each asset, liability, revenue and expense is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the year-end date, monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at that date and the resulting foreign exchange gains and losses are included in income in the current period.

Lakehead University Pension Investment Fund Notes to Financial Statements

December 31, 2013

3. Investments (in thousands of dollars)

	2013		2012	
	Market Value	Cost	Market Value	Cost
Canadian equities	\$ 31,944	\$ 26,692	\$ 27,046	\$ 24,715
Canadian unit trust equities	78,147	69,573	91,489	91,313
US unit trust equities	39,605	29,323	25,000	24,990
Canadian unit trust bonds	58,335	60,142	54,796	53,766
US partnerships	11,281	7,495	8,103	7,495
Accrued income	-	-	107	107
	\$ 219,312	\$ 193,225	\$ 206,541	\$ 202,386

Lakehead University Pension Investment Fund Notes to Financial Statements

December 31, 2013

3. Investments (cont'd)

Individually significant investments (in thousands of dollars)

The cost or market value of the following investments exceeds 1% of the cost or market value of total pension fund investments at December 31, 2013:

	2013 Cost	2013 Market Value
Canadian Equity Fund		
Jarislowky Fraser Investments - Equity Fund (1)	\$ 27,785	\$ 30,976
Letko Brosseau - RSP Equity Fund (2)	9,716	11,641
Bond Fund		
Addenda Capital (6)	37,256	36,291
Jarislowky Fraser Investments Bond Fund (1)	22,886	22,044
Letko Brosseau - RSP Balanced Fund (2)	27,863	31,322
Foreign Equity Fund		
Advisory Research - Small Cap Value Fund II (3)	7,495	11,281
State Street Global Advisors - Global Equity Unit Trust (5)	19,963	29,866
Dimensional Fund Advisors - International Small Cap (4)	9,361	9,738
Miscellaneous - Other		
Jarislowky Fraser Investments - Short Term Investments (1)	4,208	4,208
CGOV - Canadian common stocks (7)	\$ 26,692	\$ 31,945

- (1) Jarislowky Fraser investments are pooled funds administered by Jarislowky Fraser Limited.
- (2) Letko Brosseau investments are pooled funds administered by Letko, Brosseau & Associates Inc.
- (3) Advisory Research investments are pooled funds administered by Advisory Research Inc.
- (4) Dimensional Fund investments are pooled funds administered by Dimensional Fund Advisors Canada ULC
- (5) State Street Global Advisors investments are a pooled fund administered by State Street Global Advisors, Ltd.
- (6) Addenda Capital investments are a pooled fund administered by Addenda Capital.
- (7) CGOV investments are a segregated fund administered by CGOV Asset Management

Lakehead University Pension Investment Fund Notes to Financial Statements

December 31, 2013

4. Accounts Payable (in thousands of dollars)

	2013	2012
Investment Management		
Addenda Capital	\$ 42	\$ 17
CGOV Asset Management	33	29
Jarislowky Fraser Limited	36	45
State Street Global Advisors, Ltd.	8	10
Other		
BDO Canada LLP - Audit	9	10
Eckler Ltd. - Actuarial	30	57
Proteus - Investment Advisors	32	27
Northern Trust - Custodial Services	14	13
Ontario Pension Commission	9	12
Administration	55	61
	\$ 268	\$ 281

5. Pension Transfers (in thousands of dollars)

Pension transfers into the Lakehead University Plans were \$30 (2012 - \$20).

Transfers between the Lakehead University Employee Pension Plan and the Professional and Administrative Staff Plan were \$75 (2012 - \$334). Funds are transferred for members of the Lakehead University Employee Pension Plan that transfer to the Professional and Administrative Staff Plan when changing benefit classification effective January 1, 2013.

Lakehead University Pension Investment Fund
Notes to Financial Statements

December 31, 2013

6. Contributions (in thousands of dollars)

	Professional Plan 2013	LUEPP 2013	Total 2013	Professional Plan 2012	LUEPP 2012	Total 2012
Employee						
Current Service Contributions	\$ 2,389	\$ 661	\$ 3,050	\$ 2,347	\$ 649	\$ 2,996
Sponsor						
Current Service Contributions	2,931	636	3,567	2,897	619	3,516
Going Concern and Solvency Special Payments	1,519	-	1,519	1,519	-	1,519
	<u>4,450</u>	<u>636</u>	<u>5,086</u>	<u>4,416</u>	<u>619</u>	<u>5,035</u>
	<u>\$ 6,839</u>	<u>\$ 1,297</u>	<u>\$ 8,136</u>	<u>\$ 6,763</u>	<u>\$ 1,268</u>	<u>\$ 8,031</u>

As of December 31, 2013 no required contributions were past due.

Lakehead University Pension Investment Fund Notes to Financial Statements

December 31, 2013

7. Administrative Expenses and Professional Fees (in thousands of dollars)

	2013	2012
Investment management fees	\$ 523	\$ 360
Actuarial fees	148	171
Investment counselling	109	108
Audit fees	9	11
Custodial service fees	56	53
Other - Pension Commission	9	12
Administration	83	84
Goods and services tax rebate	(12)	(8)
	\$ 925	\$ 791

8. Pension Benefits and Refunds (in thousands of dollars)

	2013	2012
Pension benefits	\$ 7,478	\$ 7,482
Refunds	21,928	10,076
	\$ 29,406	\$ 17,558

9. Related Party Transactions

The Pension Fund does not hold any securities of the employer sponsor or its related parties.

10. Income Taxes

The Fund is not subject to income tax since it is a Registered Pension Trust as defined by the Income Tax Act (Canada).

11. Statement of Cash Flows

A statement of cash flows is not presented since the cash flow information is readily apparent from other financial statements or is adequately disclosed in the notes to the financial statements.

Lakehead University Pension Investment Fund Notes to Financial Statements

December 31, 2013

12. Financial Instruments

The objective of the Fund is to maximize the long-term return for its defined contribution members, balanced with the relative preservation of capital, followed by capital growth in its Retirement Account. The Fund's investment policy is established by the Board of Governors and is set out in the statement of investment policies and procedures ("SIPP"). The SIPP was last amended May 20, 2010, and is scheduled for review by the Board of Governors in June, 2014. The SIPP permits cash and cash equivalents, and fixed income investments in: bonds, debentures, coupons and residuals, mortgage and mortgage backed securities, asset-backed securities and preferred shares. It additionally permits equity investments in: publicly traded common stocks; rights, warrants, installment receipts, convertible debentures and other instruments convertible into common stocks; income trust units issued and/or registered in jurisdictions where appropriate legislation is in place to limit the liability of unitholders; American Depositary Receipts; and Global Depositary Receipts. Investments in alternative strategies that are permitted include: private equity, real estate, and hedge funds. The SIPP outlines an asset allocation target of:

Asset Class	Permissible Range
Canadian Money Market	0-20%
Canadian Fixed Income	30-50%
Canadian Equities	20-40%
Global Equities	20-40%
Alternative Assets	0-10%

The Fund is in compliance with the SIPP's allowable asset allocation, as at December 31, 2013.

The Plan's investment performance is expected to:

- a) exceed the investment performance of the benchmark index over 3-7 year periods, with an emphasis on rolling 4-year periods; or
- b) rank in the top 50% of comparable portfolios over rolling 3-7 year periods, with an emphasis on rolling 4-year period in terms of return.

The performance of the investment manager(s) relative to an appropriate benchmark and/or peer group over 3-7 year periods will be evaluated quarterly. The performance of individual asset classes is expected to:

- a) exceed the return of their corresponding benchmark indices by a average of 1%; or
- b) rank in the top 50% of the appropriate investment manager performance measurement universes over 3-7 year periods, with an emphasis on rolling 4-year periods in terms of return

In 2013, the Fund had a one year rate of return of 18.8% and a four year return of 9.5%, measured against a one year benchmark of 13.3% and a four year benchmark of 7.7%.

Lakehead University Pension Investment Fund Notes to Financial Statements

December 31, 2013

12. Financial Instruments (cont'd)

The carrying value of HST, sponsor's and employees' contributions receivable, and accounts payable approximates their fair value because of their short-term nature.

Risks arising from financial instruments:

Interest Rate Risk

Interest rate risk refers to the adverse consequences of interest rate changes on the Fund's financial position and revenue. This risk arises from the Fund's investments whose returns are linked to interest rates. The Plan invests in pooled funds that may hold debt instruments linked to interest rates.

Foreign Currency Risk

Foreign currency exposure arises from the Fund's holdings of foreign equity or debt instruments. The Fund invests in mutual funds that may hold debt or equity instruments denominated in a foreign currency and as such would be exposed to fluctuations in currency risks. All of the Fund's investments are denominated in Canadian or US Dollars. US Dollar investments are translated into Canadian Dollars at the market rate at the end of the fiscal period. Investments denominated in foreign currencies are noted on the Schedule of Cost and Market Value of Investments by type (Schedule 1). An increase or decrease of 1% in the US exchange rate would result in an increase or decrease of net assets available for benefits of \$509,000.

Market Risk

Concentrations of market risk exist when a significant portion of the portfolio is invested in securities with similar characteristics and/or similar economic, political or other conditions that may prevail. The Fund Administrator believes that the investments in which the Fund invests spreads the market risk over different market sectors. The Fund Administrator uses a variety of investment management companies to ensure the portfolio is balanced to help mitigate market risk. An increase or decrease of 1% of the Fund's investment portfolio would result in an increase or decrease of net assets available for benefits of \$2,193,000.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The maximum credit exposure to the Fund is represented by the fair value of the contributions receivable and investments presented in the Statement of Net Assets Available for Benefits. A portion of the Fund's cash equivalents are invested in short term debt instruments guaranteed by the Federal and certain provincial governments.

Lakehead University Pension Investment Fund Notes to Financial Statements

December 31, 2013

12. Financial Instruments (cont'd)

Financial Instruments Fair Value Hierarchy

Disclosure of a three-level hierarchy for fair value measurements is based upon transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1:

For securities valued based on unadjusted quoted prices in active markets for identical assets.

Level 2:

For securities valued based on inputs, other than quoted prices included in Level 1, that are observable for the asset, either directly or indirectly.

Level 3:

For securities valued based on inputs that are based on unobservable market data.

The following tables present the Fund's financial investments evaluated at fair value as at December 31st (in thousands of dollars), classified according to the fair value hierarchy described above:

	Level 1	Level 2	Level 3	2013 Total
Canadian				
Cash and cash equivalents	\$ 1,353			\$ 1,353
Equities - Common Stock	31,944			31,944
Unit Trusts - Bonds and debentures	58,335			58,335
Unit Trusts - Equities	78,147			78,147
Foreign				
Unit Trusts - Equities	39,605			39,605
Partnerships	11,281			11,281
	<u>\$ 220,665</u>		-	<u>\$ 220,665</u>

	Level 1	Level 2	Level 3	2012 Total
Canadian				
Cash and cash equivalents	\$ 1,340			\$ 1,340
Equities - Common Stock	27,046			27,046
Unit Trusts - Bonds and debentures	54,796			54,796
Unit Trusts - Equities	91,489			91,489
Foreign				
Unit Trusts - Equities	25,000			25,000
Partnerships	8,103			8,103
	<u>\$ 207,774</u>		-	<u>\$ 207,774</u>

Lakehead University Pension Investment Fund Notes to Financial Statements

December 31, 2013

12. Financial Instruments (cont'd)

The following is an analysis of the investments of the Fund using the hierarchy related to the inputs to fair value measurement.

Level 1

The Fund's equity positions are classified as Level 1 when the security or unit trust is actively traded and a reliable quote is observable. The Fund's bond and debenture positions are classified as Level 1 when in a unit trust and a reliable quote is observable. US partnerships are classified as Level 1 when they are held in a pooled fund and a reliable quote is observable. Cash, short-term notes and treasury bills are classified as Level 1. These instruments mature within one year and are stated at cost, which, when combined with accrued interest income, approximates market value.

Level 2

These instruments mature within one year and are stated at cost, which, when combined with accrued interest income, approximates market value. The Fund has no investments classified as Level 2.

Level 3

The Fund has no investments classified as Level 3.

As at December 31, 2013 and 2012 the Fund's investments are Level 1 within the fair value hierarchy. There were no transfers between levels during the year.

13. Capital Management

The Fund's capital is its net assets available for benefits. The Fund's objective when managing capital is to safeguard the Fund's ability to continue to provide pension and related payments to its members. The Fund is not exposed to any externally imposed capital restrictions.

Lakehead University Pension Investment Fund Notes to Financial Statements

December 31, 2013

14. Actuarial Valuation

In the event that an actuarial valuation discloses a going concern unfunded liability or a solvency deficiency as defined by the Pension Benefits Act (1987), the University will be obligated to make additional contributions as required by the Act. The most recent actuarial valuation of the Plan at December 31, 2012, reported that based on then current provisions, the Plan had both a going concern unfunded liability and a solvency deficiency, and that additional University contributions would be required upon filing. The University is making special payments under Regulation 990 of the Pension Benefits Act of \$126,600 monthly to the Plan. These payments are expected to continue until the next scheduled actuarial valuation for the year ended December 31, 2015, at which point they will be reassessed.

15. Contingent Liability

The Financial Services Commission of Ontario (FSCO) has raised an issue with a Plan amendment made to the Professional and Administrative Staff Plan in 2000 and another in 2007. Amendment 2000/1 provided that pensioner increases would be granted only to the extent that the funds in the Retirement Account of the Plan are sufficient to support the increase. Amendment 2007/1 provided a framework for providing increases to pensioners. FSCO has indicated that one or both amendments may be considered void unless a court agrees the amendments are necessary to rectify the language of the Plan to reflect its original intent, or the Plan is further amended to comply with requirements of the Pension Benefits Act. FSCO has additionally made inquiries about plan revisions from 1992 as part of its review process.

The University believes that the plan amendments have been properly applied and has retained legal counsel to assist with the matter. While the ultimate outcome is uncertain, it is possible that the amendment should not have been applied to pensions which commenced before January 1, 2008 (scenario 1 below) or, alternatively, before February 25, 2000 (scenario 2 below). In each case, the assets of the Plan would be reduced by an amount payable for pension increases that should have been paid between 2000 and 2010, and future obligations (for additional benefits payable after December 31, 2010) would be increased. The Plan Actuary has estimated the potential impact as follows:

	Account Payable for Pension Increases Since 2000	Increases in Future Obligations for Pension Increases After 2010
For all pensions commencing before January 1, 2008 (Scenario 1)	\$8.4 million	\$20.4 million
For all pensions commencing before February 25, 2000 (Scenario 2)	\$4.1 million	\$7.6 million

Lakehead University Pension Investment Fund

Schedule 1 - Cost and Market Value of Investments by Type

For the year ended December 31
(in thousands of dollars)

2013

2012

	Cost	Market value	Cost	Market Value
Equities				
Common stock				
Canada - CAD	\$ 26,692	\$ 31,944	\$ 24,715	\$ 27,046
Unit trust equity				
Canada - CAD	69,573	78,147	91,313	91,489
Foreign - USD	29,323	39,605	24,990	25,000
Total unit trust equity	98,896	117,752	116,303	116,489
Total equities	125,588	149,696	141,018	143,535
Fixed Income				
Unit trust bonds				
Canada - CAD	60,142	58,335	53,766	54,796
Partnerships				
Foreign - USD	7,495	11,281	7,495	8,103
	193,225	219,312	202,279	206,434
Accrued income	-	-	107	107
Total investments	\$ 193,225	\$ 219,312	\$ 202,386	\$ 206,541

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

**Lakehead University Pension Investment Fund
Schedule 2 - Cost and Market Value of Investments
by Investment Manager**

For the year ended December 31
(in thousands of dollars)

2013

2012

	Cost	Market Value	Cost	Market Value
Advisory Research Inc.	\$ 7,495	\$ 11,281	\$ 7,495	\$ 8,103
Addenda Capital	37,256	36,291	24,536	24,961
Dimensional Fund Advisors Canada ULC	9,361	9,738	9,024	6,894
CGOV Asset Management	26,692	31,945	24,816	27,148
Jarislowsky Fraser Limited	54,879	57,228	71,294	74,113
Letko, Brosseau & Associates Inc.	37,579	42,963	49,249	47,210
State Street Global Advisors	19,963	29,866	15,972	18,112
	\$ 193,225	\$ 219,312	\$202,386	\$206,541

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