

**Lakehead University**  
**Pension Investment Fund**  
**Financial Statements**  
For the year ended December 31, 2015

**Contents**

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## Independent Auditor's Report

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### To the Administrator Lakehead University Pension Investment Fund

We have audited the accompanying financial statements of Lakehead University Pension Investment Fund ("the Fund"), which comprise the statement of financial position as at December 31, 2015, 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.

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## Independent Auditor's Report (cont'd)

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### Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2015, 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 Professional Accountants, Licensed Public Accountants

Thunder Bay, Ontario  
June 3, 2016

**Lakehead University Pension Investment Fund**  
**Statement of Financial Position**

December 31 (in thousands of dollars)	2015		2014		
	Professional and Administrative Staff Plan (Ontario) Registration Number 246058)	Employee Pension Plan (Ontario) Registration Number 526921)	Professional and Administrative Staff Plan (Ontario) Registration Number 246058)	Employee Pension Plan (Ontario) Registration Number 526921)	Total
<b>Assets</b>					
Cash and cash equivalents	\$ 1,242	\$ 224	\$ 888	\$ 170	\$ 1,058
Investments, at market value (Note 3, Schedules 1 and 2)					
(cost 2015 - \$184,954; cost 2014 - \$191,444)	176,717	31,697	185,254	35,267	220,521
HST receivable	5	1	6	1	7
Sponsor's contributions receivable	468	81	462	72	534
Employees' contributions receivable	293	86	289	73	362
	<b>178,725</b>	<b>32,089</b>	<b>186,899</b>	<b>35,583</b>	<b>222,482</b>
<b>Liabilities</b>					
Accounts payable (Note 4)	215	38	200	38	238
<b>Net assets available for benefits</b>	<b>\$178,510</b>	<b>\$32,051</b>	<b>\$186,699</b>	<b>\$35,545</b>	<b>\$222,244</b>
<b>On behalf of the Administrator</b>					

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)	2015		2014	
	Professional and Administrative Staff Plan (Ontario Registration Number 246058)	Employee Pension Plan (Ontario Registration Number 526921)	Professional and Administrative Staff Plan (Ontario Registration Number 246058)	Employee Pension Plan (Ontario Registration Number 526921)
	Total	Total	Total	Total
<b>Income</b>				
Investment income	\$ 5,123	\$ 923	\$ 6,046	\$ 982
Net realized gains on investments	7,460	1,343	8,803	1,913
Net unrealized change in market value of investments	(4,908)	(711)	(5,619)	826
Other cash receipts - pension transfers (Note 5)	22	-	22	-
Contributions (Note 6) - employees - sponsor	2,479	670	3,149	666
	4,569	638	5,207	637
	14,745	2,863	17,608	5,024
<b>Expenses</b>				
Administration and professional fees (Note 7)	796	141	937	155
Increase in net assets before benefits paid	13,949	2,722	16,671	4,869
<b>Benefits Paid</b>				
Pension benefits and refunds (Note 8)	22,447	5,907	28,354	2,103
Increase (decrease) in net assets available for benefits	(8,498)	(3,185)	(11,683)	2,766
Net assets available for benefits, beginning of year	186,699	35,545	222,244	188,409
Interfund Pension Transfers (Note 5)	309	(309)	-	85
<b>Net assets available for benefits, end of year</b>	<b>\$ 178,510</b>	<b>\$ 32,051</b>	<b>\$ 210,561</b>	<b>\$ 35,545</b>
			\$ 186,699	\$ 222,244

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

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# Lakehead University Pension Investment Fund

## Notes to Financial Statements

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December 31, 2015

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### 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. 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, 2015, the LUEPP held 558,928.006 units or 15.3%, and the Professional Plan held 3,091,662.7971 units or 84.7%, of a total of 3,650,590.8031 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% (2014 - 6.5%) of earnings were made by faculty and librarians and 8.05% (2014 - 8.05%) by the Plan sponsor. For other members, contributions of 8.05% (2014 - 8.05%) of earnings were made by employees and 8.05% (2014 - 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% (2014 - 7.9%) of their earnings except for contracted employees who contribute 7.15% (2014 - 7.15%) of their earnings. The Plan sponsor matches employee contributions. For contract lecturers, contributions of 6.5% (2014 - 6.5%) of earnings were made by employees and 7.9% (2014 - 7.9%) by the Plan sponsor.

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### 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 ("FSCO") 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 CPA Canada 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.

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## Lakehead University Pension Investment Fund Notes to Financial Statements

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December 31, 2015

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### 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.

#### Cash and Cash Equivalents

Cash and cash equivalents consist of cash on deposit and term deposits with maturity dates of less than 90 days from the date that they were acquired.

#### 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.

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## Lakehead University Pension Investment Fund Notes to Financial Statements

December 31, 2015

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### 3. Investments (in thousands of dollars)

	2015		2014	
	Market Value	Cost	Market Value	Cost
Canadian equities	\$ 26,718	\$ 28,837	\$ 32,380	\$ 28,989
Canadian unit trust equities	62,735	58,506	77,244	67,030
US unit trust equities	57,981	35,759	52,369	37,343
Canadian unit trust bonds	60,884	61,756	58,431	57,985
Accrued income	96	96	97	97
	<b>\$ 208,414</b>	<b>\$ 184,954</b>	<b>\$ 220,521</b>	<b>\$ 191,444</b>



## Lakehead University Pension Investment Fund Notes to Financial Statements

December 31, 2015

### 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, 2015:

	2015 Cost	2015 Market Value
<b>Canadian Equity Fund</b>		
Jarislowky Fraser Investments - Equity Fund (1)	\$ 29,145	\$ 28,037
Letko Brosseau - RSP Equity Fund (2)	7,183	9,033
<b>Bond Fund</b>		
Addenda Capital (5)	39,914	39,368
Jarislowky Fraser Investments Bond Fund (1)	21,842	21,516
Letko Brosseau - RSP Balanced Fund (2)	21,479	24,966
<b>Foreign Equity Fund</b>		
State Street Global Advisors - Global Equity Unit Trust (4)	18,610	38,108
Dimensional Fund Advisors - International Small Cap (3)	17,149	19,873
<b>Miscellaneous - Other</b>		
CGOV - Canadian common stocks (6)	\$ 28,933	\$ 26,814

- (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) Dimensional Fund investments are pooled funds administered by Dimensional Fund Advisors Canada ULC
- (4) State Street Global Advisors investments are a pooled fund administered by State Street Global Advisors, Ltd.
- (5) Addenda Capital investments are a pooled fund administered by Addenda Capital.
- (6) CGOV investments are a segregated fund administered by CGOV Asset Management

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## Lakehead University Pension Investment Fund Notes to Financial Statements

December 31, 2015

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#### 4. Accounts Payable (in thousands of dollars)

	2015	2014
<b>Investment Management</b>		
Addenda Capital	\$ 22	\$ 22
CGOV Asset Management	31	36
Jarislowsky Fraser Limited	34	35
State Street Global Advisors, Ltd.	11	10
<b>Other</b>		
BDO Canada LLP - Audit	9	11
Eckler Ltd. - Actuarial	31	29
Proteus - Investment Advisors	29	29
Northern Trust - Custodial Services	14	13
Minister of Finance	10	8
Lakehead University	62	45
	\$ 253	\$ 238

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#### 5. Pension Transfers (in thousands of dollars)

Pension transfers into the Lakehead University Plans were \$22 (2014 - \$nil).

Transfers between the Lakehead University Employee Pension Plan and the Professional and Administrative Staff Plan were \$309 (2014 - \$85). 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, 2015.

**Lakehead University Pension Investment Fund**  
**Notes to Financial Statements**

December 31, 2015

6. Contributions (in thousands of dollars)

	Professional Plan 2015	LUEPP 2015	Total 2015	Professional Plan 2014	LUEPP 2014	Total 2014
<b>Employee</b>						
Current Service Contributions	\$ 2,479	\$ 670	\$ 3,149	\$ 2,453	\$ 666	\$ 3,119
<b>Sponsor</b>						
Current Service Contributions	3,050	638	3,688	3,015	637	3,652
Going Concern and Solvency Special Payments	1,519	-	1,519	1,519	-	1,519
	4,569	638	5,207	4,534	637	5,171
	\$ 7,048	\$ 1,308	\$ 8,356	\$ 6,987	\$ 1,303	\$ 8,290

As of December 31, 2015 no required contributions were past due.

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## Lakehead University Pension Investment Fund Notes to Financial Statements

December 31, 2015

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

	2015	2014
Investment management fees	\$ 536	\$ 559
Actuarial fees	120	134
Investment counselling	115	115
Audit fees	10	9
Custodial service fees	53	56
Other - Pension Commission	10	9
Administration	101	75
Goods and services tax rebate	(8)	(7)
	\$ 937	\$ 950

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

	2015	2014
Pension benefits	\$ 7,487	\$ 7,459
Refunds	20,867	19,975
	\$ 28,354	\$ 27,434

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### 9. Related Party Transactions

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

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### 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).

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### 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, 2015

### 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 January 29, 2016 to add the following provision to comply with legislation:

#### 13.1 Environmental, Social, and Governance (ESG) Investment Criteria

The Plan's investment managers may consider all qualitative and quantitative factors affecting financial performance of existing and potential investments, including environmental, social and governance (ESG) factors. An investment manager's ability and desire to incorporate ESG factors into their investment selection process may be used as part of the decision criteria when evaluating investment opportunities.

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%

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## Lakehead University Pension Investment Fund Notes to Financial Statements

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December 31, 2015

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### 12. Financial Instruments (cont'd)

The Fund is in compliance with the SIPP's allowable asset allocation, as at December 31, 2015.

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 0.5%; 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 2015, the Fund had a one year rate of return of 4.2% and a four year return of 10.7%, measured against a one year benchmark of 4.3% and a four year benchmark of 9.0%.

The carrying value of cash and cash equivalents, 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 5% in the US exchange rate would result in an increase or decrease of net assets available for benefits of \$2,899,000.

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## Lakehead University Pension Investment Fund Notes to Financial Statements

December 31, 2015

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### 12. Financial Instruments (cont'd)

#### 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 10% of the Fund's investment portfolio would result in an increase or decrease of net assets available for benefits of \$20,841,000.

An increase or decrease of 10% in the portion of the portfolio invested in Canadian Equities would result in an increase or decrease of net assets available for benefits of \$8,955,000.

An increase or decrease of 10% in the portion of the portfolio invested in Foreign Equities would result in an increase or decrease of net assets available for benefits of \$5,798,000.

#### 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, 2015

### 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 31<sup>st</sup> (in thousands of dollars), classified according to the fair value hierarchy described above:

	Level 1	Level 2	Level 3	2015 Total
<b>Canadian</b>				
Cash and cash equivalents	\$ 1,466	-	-	\$ 1,466
Equities - Common Stock	26,814	-	-	26,814
Unit Trusts - Bonds and debentures	-	60,884	-	60,884
Unit Trusts - Equities	-	62,735	-	62,735
<b>Foreign</b>				
Unit Trusts - Equities	-	57,981	-	57,981
	<u>\$ 28,280</u>	<u>181,600</u>	<u>-</u>	<u>\$ 209,880</u>

	Level 1	Level 2	Level 3	2014 Total
<b>Canadian</b>				
Cash and cash equivalents	\$ 1,058	-	-	\$ 1,058
Equities - Common Stock	32,477	-	-	32,477
Unit Trusts - Bonds and debentures	-	58,431	-	58,431
Unit Trusts - Equities	-	77,244	-	77,244
<b>Foreign</b>				
Unit Trusts - Equities	-	52,369	-	52,369
	<u>\$ 33,535</u>	<u>188,044</u>	<u>-</u>	<u>\$ 221,579</u>



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## Lakehead University Pension Investment Fund Notes to Financial Statements

December 31, 2015

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### 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 is actively traded 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 classified unit trusts as Level 2.

#### Level 3

The Fund has no investments classified as Level 3.

As at December 31, 2015 and 2014 the Fund's investments are Level 1 and 2 within the fair value hierarchy. There were no transfers between levels during the year.

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### 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.

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## Lakehead University Pension Investment Fund Notes to Financial Statements

December 31, 2015

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### 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.

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### 15. Contingency

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 clarified a framework for calculating increases to pensioners. FSCO has indicated that the amendment may be considered void unless a court agrees the amendment is 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.

While the ultimate outcome is uncertain, it is possible that the amendment should not have been applied to pensions which commenced before February 25, 2000. The Plan Actuary has estimated the potential impact as follows:

	Liability for Pension Increases Since 2000	Increases in Future Obligations for Pension Increases After 2010
For all pensions commencing before February 25, 2000	\$7.3 million	\$5.4 million

## Lakehead University Pension Investment Fund Schedule 1 - Cost and Market Value of Investments by Type

December 31 (in thousands of dollars)	2015		2014	
	Cost	Market value	Cost	Market value
<b>Equities</b>				
<b>Common stock</b>				
Canada - CAD	\$ 28,837	\$ 26,718	\$ 28,989	\$ 32,380
<b>Unit trust equity</b>				
Canada - CAD	58,506	62,735	67,030	77,244
Foreign - USD	35,759	57,981	37,343	52,369
<b>Total unit trust equity</b>	<b>94,265</b>	<b>120,716</b>	<b>104,373</b>	<b>129,613</b>
<b>Total equities</b>	<b>123,102</b>	<b>147,434</b>	<b>133,362</b>	<b>161,993</b>
<b>Fixed Income</b>				
<b>Unit trust bonds</b>				
Canada - CAD	61,756	60,884	57,985	58,431
	184,858	208,318	191,347	220,424
Accrued income	96	96	97	97
<b>Total investments</b>	<b>\$ 184,954</b>	<b>\$ 208,414</b>	<b>\$ 191,444</b>	<b>\$ 220,521</b>

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**

December 31 (in thousands of dollars)	2015		2014	
	Cost	Market Value	Cost	Market Value
Addenda Capital	\$ 39,914	\$ 39,368	\$ 35,761	\$ 36,273
CGOV Asset Management	28,933	26,814	27,750	31,141
Dimensional Fund Advisors Canada ULC	17,149	19,873	17,380	18,100
Jarislowsky Fraser Limited	51,686	50,252	51,311	53,931
Letko, Brosseau & Associates Inc.	28,662	33,999	39,279	46,807
State Street Global Advisors	18,610	38,108	19,963	34,269
	<b>\$ 184,954</b>	<b>\$ 208,414</b>	<b>\$ 191,444</b>	<b>\$ 220,521</b>

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