



# Financial Statements

Global Iman Fund  
December 31, 2019



# Global Iman Fund

## Notes to the Financial Statements

December 31, 2019 and 2018

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## Management's Responsibility for Financial Reporting

The accompanying financial statements of the Global Iman Fund (the "Fund") are prepared by management and are approved by the Board of Directors of Global Growth Assets Inc. Management is responsible for the information and representations contained in these financial statements. The Board of Directors is responsible for reviewing and approving the financial statements and overseeing management's performance of its financial reporting responsibilities.

Global Growth Assets Inc. maintains appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgments, as described in Note 2 to the financial statements.

Deloitte LLP is the external auditor of the Fund. It has audited the financial statements in accordance with Canadian generally accepted auditing standards to enable it to express to the unitholders of the Fund its opinion on the financial statements. Its report is set out on the following pages.



Alex Manickaraj  
Chief Executive Officer

Toronto, Ontario  
March 17, 2020

# Independent Auditor's Report

To the Unitholders of Global Iman Fund

## Opinion

We have audited the financial statements of Global Iman Fund (the "Fund"), which comprise the statements of financial position as at December 31, 2019 and 2018, and the statements of income and comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

## Basis for Opinion

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

## Other Information

Management is responsible for the other information. The other information comprises:

- Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

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

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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

The image shows the signature of Deloitte LLP in a cursive, handwritten style.

Chartered Professional Accountants  
Licensed Public Accountants

Toronto, Ontario

March 17, 2020

# Global Iman Fund

## Statements of Financial Position


### As at December 31, 2019 and 2018

	2019	2018
	\$	\$
<b>Assets</b>		
Investments at fair value through profit or loss (Note 6)	71,487,882	51,999,865
Cash	1,636,877	1,244,262
Subscriptions receivable	253,226	219,237
Dividends receivable	41,554	25,044
<b>Total assets</b>	<b>73,419,539</b>	<b>53,488,408</b>
<b>Liabilities</b>		
Redemptions payable	258,442	241,199
Management fees payable (Note 8)	159,881	116,395
<b>Total liabilities</b>	<b>418,323</b>	<b>357,594</b>
<b>Net assets attributable to holders of redeemable units</b>	<b>73,001,216</b>	<b>53,130,814</b>
<b>Net assets attributable to holders of redeemable units by series</b>		
Series A	59,740,600	44,259,396
Series F	13,260,616	8,871,418
<b>Units issued and outstanding, end of period (Note 7)</b>		
Series A	2,387,807	2,209,175
Series F	474,112	400,602
<b>Net assets attributable to holders of redeemable units per unit</b>		
Series A	25.02	20.03
Series F	27.97	22.15

Approved by the Board of Directors of  
Global Growth Assets Inc., the Manager of the Fund



Fareed Amin  
Director



Nazreen Ali  
Director

# Global Iman Fund

## Statements of Income and Comprehensive Income

For the years ended December 31, 2019 and 2018

	2019	2018
	\$	\$
<b>Income</b>		
Dividend income	1,252,743	1,073,125
Other Income	303	816
Realized gain on disposal of investments	2,358,269	2,295,864
Change in unrealized appreciation of investments	13,266,488	241,151
Foreign exchange loss on cash	(58,531)	(34,193)
	<b>16,819,272</b>	<b>3,576,763</b>
<b>Expenses</b>		
Management fees (Note 8)	1,662,767	1,375,911
Valuation and administrative fees	283,367	289,305
Withholding taxes	210,939	157,269
Other expenses	14,579	26,055
Audit fees	60,193	60,192
Custodial fees	22,764	22,087
Registration fees	28,982	25,472
Transaction costs (Note 9)	3,046	11,807
Independent review committee fees	2,625	5,550
Less: expenses absorbed by the Fund Manager	(414,982)	(432,609)
	<b>1,874,280</b>	<b>1,541,039</b>
<b>Increase in net assets attributable to holders of redeemable units</b>	<b>14,944,992</b>	<b>2,035,724</b>
<b>Increase in net assets attributable to holders of redeemable units per series (Note 10)</b>		
Series A	12,206,615	1,732,021
Series F	2,738,377	303,703
<b>Increase in net assets attributable to holders of redeemable units per unit (Note 10)</b>		
Series A	5.32	0.81
Series F	6.09	0.91

# Global Iman Fund

## Statements of Changes in Net Assets Attributable to Holders of Redeemable Units For the years ended December 31, 2019 and 2018

2019	Series A	Series F	Total
	\$	\$	\$
<b>Net assets attributable to holders of redeemable units at beginning of year</b>	44,259,396	8,871,418	53,130,814
<b>Increase in net assets attributable to holders of redeemable units</b>	12,206,615	2,738,377	14,944,992
<b>Distributions</b>			
From capital gain	(820,360)	(184,392)	(1,004,752)
<b>Total distributions to holders of redeemable units</b>	(820,360)	(184,392)	(1,004,752)
<b>Redeemable unit transactions</b>			
Proceeds from issuance of redeemable units	8,774,051	3,522,328	12,296,379
Reinvestments of distributions	808,429	168,098	976,527
Redemption of redeemable units	(5,487,531)	(1,855,213)	(7,342,744)
<b>Net increase from redeemable unit transactions</b>	4,094,949	1,835,213	5,930,162
<b>Net increase in net assets attributable to holders of redeemable units</b>	15,481,204	4,389,198	19,870,402
<b>Net assets attributable to holders of redeemable units at end of year</b>	59,740,600	13,260,616	73,001,216
2018	Series A	Series F	Total
	\$	\$	\$
Net assets attributable to holders of redeemable units at beginning of year	40,739,954	5,227,782	45,967,736
Increase in net assets attributable to holders of redeemable units	1,732,021	303,703	2,035,724
<b>Distributions</b>			
From capital gain	(1,002,097)	(202,766)	(1,204,863)
<b>Total distributions to holders of redeemable units</b>	(1,002,097)	(202,766)	(1,204,863)
<b>Redeemable unit transactions</b>			
Proceeds from issuance of redeemable units	7,816,474	4,387,457	12,203,931
Reinvestments of distributions	1,000,201	177,598	1,177,799
Redemption of redeemable units	(6,027,157)	(1,022,356)	(7,049,513)
<b>Net increase from redeemable unit transactions</b>	2,789,518	3,542,699	6,332,217
<b>Net increase in net assets attributable to holders of redeemable units</b>	3,519,442	3,643,636	7,163,078
<b>Net assets attributable to holders of redeemable units at end of year</b>	44,259,396	8,871,418	53,130,814



# Global Iman Fund

## Statements of Cash Flows

For the years ended December 31, 2019 and 2018

	2019	2018
	\$	\$
<b>Cash flows from operating activities</b>		
Increase in net assets attributable to holders of redeemable units	14,944,992	2,035,724
Adjustments for:		
Foreign exchange loss on cash	58,531	34,193
Realized gain on disposal of investments	(2,358,269)	(2,295,864)
Change in unrealized (appreciation) of investments	(13,266,488)	(241,151)
Commissions and other portfolio transaction costs	2	7,859
(Increase) decrease in dividend receivable	(16,510)	2,652
Decrease in other receivable	-	1,168
Increase in management fee payable	43,486	19,982
Proceeds from sale of investments	19,612,646	11,637,938
Purchase of investments	(23,475,908)	(16,590,595)
<b>Net cash from operating activities</b>	<b>(4,457,518)</b>	<b>(5,388,094)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of redeemable units	12,262,390	12,384,279
Redemption of redeemable units	(7,325,501)	(7,102,466)
Distributions to holders of redeemable units, net of reinvested distributions	(28,225)	(27,064)
<b>Net cash from financing activities</b>	<b>4,908,664</b>	<b>5,254,749</b>
Increase (Decrease) in cash	451,146	(133,345)
Cash at beginning of year	1,244,262	1,411,800
Foreign exchange loss on cash	(58,531)	(34,193)
<b>Cash at end of year</b>	<b>1,636,877</b>	<b>1,244,262</b>
<b>Dividends received, net of withholding taxes</b>	<b>1,025,294</b>	<b>918,506</b>

# Global Iman Fund

## Schedule of Investment Portfolio

### As at December 31, 2019

	Number of shares	Average cost	Fair value
		\$	\$
<b>Equities (97.9%)</b>			
<b>Cayman Islands (3.1%)</b>			
Tencent Holdings Limited ADR	36,711	1,466,593	2,282,788
<b>France (3.0%)</b>			
Sanofi	16,840	1,923,029	2,195,073
<b>Germany (3.2%)</b>			
SAP SE	13,224	1,532,248	2,314,210
<b>Ireland (3.5%)</b>			
Medtronic PLC	17,301	1,962,985	2,542,222
<b>Netherlands (5.9%)</b>			
ASML Holding NV	6,731	1,226,922	2,581,617
Unilever NV Amsterdam	23,134	1,408,477	1,723,761
		2,635,399	4,305,378
<b>Switzerland (6.4%)</b>			
Nestle SA	18,215	1,807,314	2,554,737
Roche Holding AG	4,979	1,535,738	2,092,717
		3,343,052	4,647,454
<b>Taiwan (3.5%)</b>			
Taiwan Semiconductor Manufacturing company limited ADR	34,205	2,090,729	2,573,970
<b>U.S. (69.3%)</b>			
Alibaba Group Holding Limited ADR	11,102	2,401,574	3,049,858
Alphabet Inc. Class C	3,462	3,884,648	5,995,186
Amgen Inc.	7,299	1,896,066	2,278,999
Apple Inc.	18,209	2,878,734	6,925,544
Chevron Corporation	15,815	2,347,303	2,468,482
Eli Lilly and Company	12,609	2,002,826	2,146,411
Facebook Inc. Class A	10,331	2,615,699	2,746,396
Johnson & Johnson	17,322	2,310,069	3,272,666
Microsoft Corporation	32,677	2,745,811	6,674,390
Nike Inc. Class B	16,888	1,142,465	2,215,992
PepsiCo, Inc.	10,642	1,559,655	1,883,797
Starbucks Corporation	19,094	1,532,511	2,174,314
The Procter & Gamble Company	15,801	1,665,678	2,556,140
Union Pacific Corporation	6,540	1,157,252	1,531,404
United Parcel Service Inc. Class B	10,321	1,492,033	1,564,833
Visa Inc. Class A	12,912	1,497,494	3,142,375
		33,129,818	50,626,787
<b>Total cost and fair value of investments (97.9%)</b>		48,083,853	71,487,882
<b>Cash (2.2%)</b>			1,636,877
<b>Other assets less other liabilities (-0.1%)</b>			(123,543)
<b>Net assets attributable to holders of redeemable units (100.0%)</b>			73,001,216

# Global Iman Fund

## Notes to the Financial Statements

December 31, 2019

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### 1. Reporting entity

The Global Iman Fund (the "Fund") is an open-ended investment unit trust established under the laws of the Province of Ontario. The Fund was established on February 6, 2009, and commenced operations on March 10, 2009. Global Growth Assets Inc. ("GGAI" or the "Fund Manager") is the fund manager and CIBC Mellon is the Fund's custodian.

The address of the Fund's registered office is 100 Mural Street Suite 201, Richmond Hill, Ontario L4B 1J3.

These financial statements were authorized for issue by the Fund Manager on March 17, 2020.

### 2. Basis of presentation

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

### 3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

#### *Financial instruments for fair value*

#### a) Classification and recognition

Investments include financial assets such as equity securities. Upon initial recognition, financial instruments are classified as fair value through profit or loss ("FVTPL"). All financial assets and liabilities are recognized in the Statement of Financial Position when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flow from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date.

Financial instruments such as investments are subsequently measured at fair value with changes in fair value recognized in the Statement of Income and Comprehensive income, since the Fund's business model and performance continues to be managed on a fair value basis. All other financial assets such as cash, subscriptions receivable and dividends receivables are recorded at amortized cost. Financial liabilities such as redemptions payable and management fees payable are classified as other financial liabilities and recorded at amortized cost.

The cost of investments is based on the weighted average cost of investments. Realized gains and losses on disposition, including foreign exchange gains or losses on such investments, are determined based on the average cost of investments. Gains and losses arising from changes in the fair value of the investments are included in the Statement of Income and Comprehensive Income for the period in which they arise.

#### b) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded securities) are valued at their close prices at the close of trading on the reporting date. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

# Global Iman Fund

## Notes to the Financial Statements

December 31, 2019

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### 3. Significant accounting policies (continued)

#### *Financial instruments for fair value (continued)*

##### b) Fair value measurement (continued)

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

#### *Investment income*

Dividend income is recognized on the ex-dividend date. Realized and unrealized gains and losses from investment transactions are calculated on a weighted average cost basis. Income, realized gains (losses) and unrealized appreciation (depreciation) are allocated among the series on a pro-rata basis.

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

#### *Foreign currency translation*

The Fund's subscriptions and redemptions are denominated in Canadian dollars, which is also its functional and presentation currency. This is the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions of the Fund. Foreign currency transactions are translated into the functional currency using the exchange rate prevailing on the trade date. Foreign currency assets and liabilities denominated in a foreign currency are translated into the functional currency using the exchange rate prevailing at the measurement date. Foreign exchange gains and losses relating to cash are presented as "Foreign exchange gain (loss) on cash" and those relating to other financial assets and liabilities are represented within "Realized gain on disposal of investments" and "Change in unrealized (depreciation) appreciation of investments" in the Statements of Income and Comprehensive Income.

#### *Cash*

Cash is comprised of deposits with financial institutions.

#### *Distributions*

Income earned by the Fund is distributed to unitholders at least once a year and these distributions are generally reinvested by unitholders of the Fund. Net realized capital gains (reduced by loss carry-forwards, if any) are distributed in December of each year to unitholders.

Unrealized gains and losses are included in the net assets attributable to unitholders and are not distributable until realized. Capital losses are not distributed to unitholders but are retained to be offset against any future realized capital gains.

#### *Transaction costs*

Transaction costs are expensed and are included in 'Transaction costs' in the Statements of Income and Comprehensive Income. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers.

#### *Net asset value attributable to holders of redeemable units per unit*

A separate Net asset value ("NAV") is calculated for each series of units of the Fund by taking the series' proportionate share of the Fund's common assets less that series' proportionate share of the Fund's common liabilities and deducting from this amount all liabilities that relate solely to a specific series. The NAV per unit for each series is determined by dividing the NAV of each series by the number of units of that series outstanding on the valuation date.

# Global Iman Fund

## Notes to the Financial Statements

December 31, 2019

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### 3. Significant accounting policies (continued)

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

Increase (decrease) in net assets attributable to holders of redeemable units per unit in the Statements of Income and Comprehensive Income is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units by the weighted average number of units outstanding during the year.

### 4. Critical accounting estimates and judgments

The preparation of financial statements requires management to use judgement in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgements and estimates that the Fund has made in preparing the financial statements:

*Classification of Redeemable Units Issued by the Fund*

Under IFRS, International Accounting Standards ("IAS") 32 requires that units of an entity that include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset be classified as a financial liability.

### 5. Financial instruments risk

The Fund's activities expose it to various types of financial risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most significant risks include credit risk, liquidity risk and market risk (including price risk and currency risk). The level of risk depends on the Fund's investment objectives and the type of securities it invests in. These risks and related risk management practices employed by the Fund are discussed below:

#### (a) Credit risk

The Fund is exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. All transactions in listed securities are settled 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 obligations.

The Fund's credit risk is assessed as minimal as cash represents a small portion of the total portfolio of investments.

#### b) Liquidity risk

Liquidity risk is the possibility that investments of the Fund cannot be readily converted into cash when required. The Fund may be subject to liquidity constraints because of insufficient volume in the markets for the securities of the Fund or the securities may be subject to legal or contractual restrictions on their resale. In addition, the Fund is exposed to daily cash redemptions of redeemable units. The units of the Fund are redeemable on demand at the current net asset value per unit at the option of the unitholder. Liquidity risk is managed by investing the majority of the Fund's assets in investments that are traded in an active market and can be readily disposed. In addition, the Fund maintains sufficient cash on hand to fund anticipated redemptions.

All of the Fund's financial liabilities as at December 31, 2019 and 2018 are due within three months.

#### (c) Market risk

The Fund's investments are subject to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The following include sensitivity analyses that show how the net assets attributable to holders of redeemable units would have been affected by a reasonably possible change in the relevant risk variable at each reporting date. In practice the actual results may differ and the differences may be material.

# Global Iman Fund

## Notes to the Financial Statements

December 31, 2019

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### 5. Financial instruments risk (continued)

#### (c) Market risk (continued)

##### i) Currency risk

The Fund holds assets and liabilities that are denominated in currencies other than the Canadian dollar, the functional currency. It is therefore exposed to currency risk, as the value of the securities denominated in other currencies will fluctuate due to changes in exchange rates. As well, the Fund may enter into forward foreign exchange contracts primarily with the intention to offset or reduce exchange rate risks associated with the investments and also, periodically, to enhance returns to the portfolio.

The tables below summarize the Fund's exposure to currency risks as at December 31, 2019 and 2018. Had the exchange rate between the Canadian dollar and the foreign currencies increased (decreased) by 10%, with all other variables held constant, net assets attributable to holders of redeemable units would have increased (decreased) by \$7,149,117 as at December 31, 2019 (December 31, 2018 - \$5,200,364). In practice, actual results may differ from this sensitivity analysis.

<b>December 31, 2019</b>	<b>Monetary assets</b>	<b>Non- monetary assets</b>	<b>Net exposure</b>	<b>Percentage of net assets</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>%</b>
Euro	-	8,814,661	8,814,661	12.1%
Swiss Franc	-	4,647,454	4,647,454	6.4%
U.S. Dollar	3,292	58,025,767	58,029,059	79.5%
<b>Total</b>	<b>3,292</b>	<b>71,487,882</b>	<b>71,491,174</b>	<b>98.0%</b>

#### December 31, 2018

	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>%</b>
Pound Sterling	-	1,407,038	1,407,038	2.6
Euro	-	6,365,702	6,365,702	12.0
Swiss Franc	-	3,433,325	3,433,325	6.5
U.S. Dollar	3,770	40,793,800	40,797,570	76.8
<b>Total</b>	<b>3,770</b>	<b>51,999,865</b>	<b>52,003,635</b>	<b>97.9</b>

# Global Iman Fund

## Notes to the Financial Statements

December 31, 2019

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### 5. Financial instruments risk (continued)

#### (c) Market risk (continued)

##### i) 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 Fund Manager aims to moderate this risk through a careful selection and diversification of securities and other financial instruments within the limits of the Fund's investment objectives and strategy.

The impact on net assets of the Fund due to a 10% change in the Dow Jones Sustainability World Indexes and the Dow Jones Islamic Market Titans 100 index benchmarks (the "benchmark"), using a historical correlation between the return of the Fund as compared to the return of the Fund's benchmark, as at December 31, 2019 and 2018, with all other variables held constant, is included in the following table

	December 31, 2019	December 31, 2018
	\$	\$
Impact on net assets	<b>7,300,122</b>	5,313,081

This analysis assumes that all other variables remained unchanged. The historical correlation may not be representative of the future correlation.

#### (d) Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. The following is a summary of the Fund's concentration risk:

Market Segment	December 31, 2019	December 31, 2018
	%	%
Health Care	<b>19.9%</b>	23.5%
Information Technology	<b>33.2%</b>	32.8%
Consumer Staples	<b>11.9%</b>	12.6%
Consumer Discretionary	<b>10.2%</b>	11.2%
Industrials	<b>4.2%</b>	4.7%
Telecommunication Services	<b>15.1%</b>	6.7%
Energy	<b>3.4%</b>	4.6%
Materials	-	1.8%
<b>Total</b>	<b>97.9%</b>	97.9%

# Global Iman Fund

## Notes to the Financial Statements

December 31, 2019

### 6. Fair value measurement

The Fund classifies the fair value of its financial instruments within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are as follows:

Level 1: Fair value based on unadjusted quoted prices in active markets for identical assets or liabilities that the fund Manager has the ability to access at the measurement date.

Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3: Inputs based on at least one significant non-observable input that is not supported by market data. There is little if any market activity. Inputs into the determination of fair value require significant management judgment or estimation.

If inputs of different levels are used to measure an asset's or liability's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. The following fair value hierarchy tables present information about the Fund's assets and liabilities measured at fair value within the fair value hierarchy as at December 31, 2019 and 2018.

<b>December 31, 2019</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	\$	\$	\$	\$
Financial Assets				
Equities	<b>71,487,882</b>	-	-	<b>71,487,882</b>
<b>Total Financial Assets</b>	<b>71,487,882</b>	-	-	<b>71,487,882</b>
<b>December 31, 2018</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	\$	\$	\$	\$
Financial Assets				
Equities	51,999,865	-	-	51,999,865
<b>Total Financial Assets</b>	<b>51,999,865</b>	-	-	<b>51,999,865</b>

There have been no transfers between levels during the periods ended December 31, 2019 and 2018.

The carrying value of cash, subscriptions receivable, dividends receivable, redemptions payable and management fees payable approximate their fair value given their short term nature.

### 7. Redeemable units

The Fund may issue an unlimited number of units of each series.

During the years ended December 31, 2019 and 2018, the number of units issued redeemed and outstanding was as follows:

	Series A		Series F	
	2019	2018	2019	2018
Units outstanding - beginning of year	<b>2,209,175</b>	2,069,178	<b>400,602</b>	242,952
Redeemable units issued	<b>385,024</b>	382,230	<b>125,637</b>	118,808
Redeemable units redeemed	<b>(221,082)</b>	(208,431)	<b>(74,068)</b>	(44,946)
Units issued on reinvestment of distributions	<b>32,359</b>	49,544	<b>6,022</b>	7,963
Exchanges in	<b>4,914</b>	944	<b>15,919</b>	75,825
Exchanges out	<b>(22,583)</b>	(84,290)	-	-
<b>Units outstanding - end of year</b>	<b>2,387,807</b>	2,209,175	<b>474,112</b>	400,602



# Global Iman Fund

## Notes to the Financial Statements

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### 8. Management fees and expenses

#### *Management fees and related party transactions*

The Fund pays the Fund Manager an annual management fee of up to 2.5% in the case of Series A units and up to 1.5% in the case of Series F, subject to Harmonized Sales Taxes as applicable, to cover management expenses. The management fee is calculated and accrued daily and is paid on the last day of each month based on the average daily net asset value of the Fund. For the year ended December 31, 2019, the management fee was \$1,662,767 (December 31, 2018 - \$1,375,911), of which \$159,881 (December 31, 2018 - \$116,395) remains payable.

As at December 31, 2019, Global RESP Corporation held \$1,446,725 (December 31, 2018 - \$1,587,261) of the units of the Fund. During the fiscal year, Global RESP Corporation received \$19,894 (December 31, 2018 - \$36,272) of distributions.

#### *Expenses*

The Fund is responsible for the payment of all direct expenses related to its operations, such as brokerage commissions and fees, taxes, audit and legal fees, safekeeping and custodial fees and other expenses. Each series of units of the Fund is responsible for the operating expenses that relate specifically to that series.

The remuneration paid to members on the Independent Review Committee by the Fund during the year ended December 31, 2019 was \$ 2,625 (December 31, 2018 - \$5,550).

Certain expenses have been absorbed by the Manager. These expenses are noted on the Statements of Income and Comprehensive Income. Such absorption can be terminated by the Fund Manager at any time without notice.

### 9. Brokerage commissions and soft dollars

The Fund paid \$3,046 (December 31, 2018 - \$11,807) in brokerage commissions and other transaction costs for portfolio transactions for the year ended December 31, 2019.

### 10. Increase in net assets attributable to holders of redeemable units per unit

The increase in net assets attributable to holders of redeemable units per unit for the year ended December 31, 2019 and 2018 is calculated as follows:

	December 31, 2019	December 31, 2018
<b>Series A</b>	<b>\$</b>	<b>\$</b>
Increase in net assets attributable to holders of redeemable units	12,206,615	1,732,021
Weighted average units outstanding during the year	2,294,803	2,132,321
Increase in net assets attributable to holders of redeemable units per unit	5.32	0.81
<b>Series F</b>	<b>\$</b>	<b>\$</b>
Increase in net assets attributable to holders of redeemable units	2,738,377	303,703
Weighted average units outstanding during the year	449,848	333,688
Increase in net assets attributable to holders of redeemable units per unit	6.09	0.91

# Global Iman Fund

## Notes to the Financial Statements

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### 11. Income tax

The Fund qualifies as a mutual fund trust under the provisions of the *Income Tax Act* (Canada) ("ITA"). The Fund is subject to tax on its income, including net realized capital gains, for the year in which it is not paid or payable to the unitholders as at the end of the year. Income taxes on net realized gains not paid or payable by the Fund is generally recovered by virtue of refunding provisions contained in the ITA and provincial income tax acts, as redemptions occur. The Fund ensures sufficient distributions of income and of net realized capital gains are made to unitholders of record for the Fund, so that no provision for income taxes is required in the financial statements.

The Fund has no non-capital loss carryforward balances. No value has been recognized in the Statements of Financial Positions with regards to the loss carryforwards.