

TD Balanced Growth Fund

532036
(03/17)

TD Mutual Funds Annual Financial Statements

for the period ended December 31, 2016



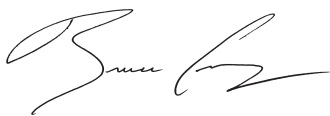
Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by TD Asset Management Inc. as manager of the TD Mutual Fund Trusts and TD Managed Assets Program Portfolios (collectively the "Funds" and individually the "Fund") and in the case of the latter approved by its board of directors. The manager is responsible for the integrity, objectivity and reliability of the data presented. This responsibility includes selecting appropriate accounting principles and making judgments and estimates consistent with International Financial Reporting Standards ("IFRS"). The manager is also responsible for the development of internal controls over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced, and the safeguarding of all assets of the Funds.

The board of directors of TD Asset Management Inc. is responsible for reviewing and approving the financial statements and overseeing management's performance of its financial reporting responsibilities.

PricewaterhouseCoopers LLP is the external auditor of the Funds. The auditor has audited the financial statements in accordance with Canadian generally accepted auditing standards to enable them to express their opinion on the financial statements. The auditor's report is included on the following page of this annual report.

On behalf of TD Asset Management Inc., manager of the Funds



Bruce Cooper
Director and
Chief Executive Officer
March 16, 2017



Atanaska Novakova
Director and
Chief Financial Officer
March 16, 2017

Independent Auditor's Report

To the Unitholders and Trustee of:

TD Canadian Money Market Fund
TD Premium Money Market Fund
TD U.S. Money Market Fund
TD Ultra Short Term Bond Fund
TD Short Term Bond Fund
TD Canadian Bond Fund
TD Income Advantage Portfolio
TD Canadian Core Plus Bond Fund
TD Canadian Corporate Bond Fund
TD Corporate Bond Plus Fund
TD U.S. Corporate Bond Fund
TD Real Return Bond Fund
TD Global Bond Fund
TD High Yield Bond Fund
TD Monthly Income Fund
TD Tactical Monthly Income Fund
TD U.S. Monthly Income Fund
TD U.S. Monthly Income Fund – C\$
TD Balanced Income Fund
TD Diversified Monthly Income Fund
TD Strategic Yield Fund
TD Balanced Growth Fund
TD Dividend Income Fund
TD Canadian Diversified Yield Fund
TD Canadian Low Volatility Fund
TD Dividend Growth Fund
TD Canadian Blue Chip Dividend Fund
TD Canadian Large-Cap Equity Fund
TD Canadian Equity Fund
TD Core Canadian Value Fund
TD Canadian Value Fund
TD Canadian Small-Cap Equity Fund
TD U.S. Risk Managed Equity Fund
TD U.S. Low Volatility Fund
TD U.S. Low Volatility Currency Neutral Fund
TD North American Dividend Fund
TD U.S. Blue Chip Equity Fund
TD U.S. Quantitative Equity Fund
TD U.S. Equity Portfolio
TD U.S. Mid-Cap Growth Fund
TD U.S. Small-Cap Equity Fund
TD Global Risk Managed Equity Fund
TD Global Low Volatility Fund
TD International Growth Fund
TD International Stock Fund
TD Emerging Markets Low Volatility Fund
TD Asian Growth Fund
TD Emerging Markets Fund
Epoch U.S. Shareholder Yield Fund
Epoch U.S. Blue Chip Equity Fund
Epoch U.S. Blue Chip Equity
 Currency Neutral Fund
Epoch U.S. Large-Cap Value Fund
Epoch Global Shareholder Yield Fund
Epoch Global Shareholder Yield
 Currency Neutral Fund
Epoch Global Equity Fund
Epoch International Equity Fund
Epoch European Equity Fund
TD Resource Fund
TD Precious Metals Fund
TD Entertainment & Communications Fund
TD Science & Technology Fund
TD Health Sciences Fund
TD Canadian Bond Index Fund
TD Balanced Index Fund
TD Canadian Index Fund
TD Dow Jones Industrial Average Index Fund
TD U.S. Index Fund
TD U.S. Index Currency Neutral Fund
TD Nasdaq® Index Fund
TD International Index Fund
TD International Index
 Currency Neutral Fund
TD European Index Fund
TD Target Return Conservative Fund
TD Target Return Balanced Fund
TD US\$ Retirement Portfolio
TD Retirement Conservative Portfolio
TD Retirement Balanced Portfolio
TD Advantage Balanced Income Portfolio
TD Advantage Balanced Portfolio
TD Advantage Balanced Growth Portfolio
TD Advantage Growth Portfolio
TD Advantage Aggressive Growth Portfolio
TD Comfort Conservative Income Portfolio
TD Comfort Balanced Income Portfolio
TD Comfort Balanced Portfolio
TD Comfort Balanced Growth Portfolio
TD Comfort Growth Portfolio
TD Comfort Aggressive Growth Portfolio
TD Fixed Income Pool
TD Risk Management Pool
TD Canadian Equity Pool
TD Global Equity Pool
TD Tactical Pool
TD Managed Income Portfolio
TD Managed Income & Moderate
 Growth Portfolio
TD Managed Balanced Growth Portfolio
TD Managed Aggressive Growth Portfolio
TD Managed Maximum Equity
 Growth Portfolio
TD FundSmart Managed Income
 & Moderate Growth Portfolio
TD FundSmart Managed
 Balanced Growth Portfolio
TD FundSmart Managed
 Aggressive Growth Portfolio
TD Managed Index Income Portfolio
TD Managed Index Income
 & Moderate Growth Portfolio
TD Managed Index Balanced
 Growth Portfolio
TD Managed Index Aggressive
 Growth Portfolio
TD Managed Index Maximum Equity
 Growth Portfolio
(collectively, the “Funds”)

Independent Auditor's Report

We have audited the accompanying financial statements of each of the Funds, which comprise the statements of financial position, comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows as at and for the periods indicated in note 1, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements of each of the Funds based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an 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 overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements of each of the Funds present fairly, in all material respects, the financial position, financial performance and cash flows of each of the Funds as at and for the periods indicated in note 1 in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario

March 16, 2017

TD Balanced Growth Fund

Statements of Financial Position (in 000s except per unit amounts) as at December 31, 2016 and 2015

	2016	2015
Assets		
Current Assets		
Investments	\$ 813,044	\$ 825,219
Cash	8,452	512
Interest Receivable	1,644	1,786
Dividends Receivable	1,290	1,143
Subscriptions Receivable	421	369
Receivable for Investments Sold	1,789	0
Derivative Assets		
Unrealized Appreciation on Open Foreign Exchange Forward Contracts	1,210	1,799
	827,850	830,828
Liabilities		
Current Liabilities		
Accrued Liabilities	59	1,567
Redemptions Payable	768	671
Payable for Investments Purchased	1,756	0
Derivative Liabilities		
Unrealized Depreciation on Open Foreign Exchange Forward Contracts	1	4
	2,584	2,242
Net Assets Attributable to Holders of Redeemable Units	\$ 825,266	\$ 828,586
Net Assets Attributable to Holders of Redeemable Units – Per Series (Note 5)		
Investor Series	\$ 794,969	\$ 799,596
Advisor Series	\$ 23,267	\$ 25,150
F-Series	\$ 7,030	\$ 3,840
	\$ 825,266	\$ 828,586
Net Assets Attributable to Holders of Redeemable Units – Per Series Unit		
Investor Series	\$ 26.04	\$ 24.33
Advisor Series	\$ 13.61	\$ 12.71
F-Series	\$ 13.73	\$ 12.74

Statements of Comprehensive Income (in 000s except per unit amounts) for the periods ended December 31, 2016 and 2015

	2016	2015
Income		
Foreign Exchange Gain (Loss) on Cash	\$ 67	\$ (57)
Securities Lending Income	121	186
Net Gain (Loss) on Investments and Derivatives		
Net Gain (Loss) on Investments		
Interest for Distribution Purposes	8,549	9,550
Dividend Income	16,682	19,309
Net Realized Gain (Loss)	27,187	37,318
Net Change in Unrealized Appreciation (Depreciation)	33,423	(26,408)
Net Gain (Loss) on Investments	85,841	39,769
Net Gain (Loss) on Derivatives		
Net Realized Gain (Loss)	5,063	(4,713)
Net Change in Unrealized Appreciation (Depreciation)	(586)	1,795
Net Gain (Loss) on Derivatives	4,477	(2,918)
Total Net Gain (Loss) on Investments and Derivatives	90,318	36,851
Total Income (Net)	90,506	36,980
Expenses (Note 6)		
Management Fees	17,374	18,783
Administration Fees	717	776
Independent Review Committee Fees	2	1
Transaction Costs	594	568
Interest Charges	1	1
Total Expenses before Waivers	18,688	20,129
Less: Waived Expenses	(1)	(1)
Total Expenses (Net)	18,687	20,128
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units before Tax	71,819	16,852
Tax Reclaims (Withholding Taxes)	(880)	(840)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$ 70,939	\$ 16,012
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units – Per Series		
Investor Series	\$ 68,346	\$ 15,431
Advisor Series	\$ 2,087	\$ 524
F-Series	\$ 506	\$ 57
	\$ 70,939	\$ 16,012
Weighted Average Units Outstanding for the Period – Per Series		
Investor Series	31,534	33,698
Advisor Series	1,855	2,085
F-Series	382	262
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units – Per Series Unit		
Investor Series	\$ 2.17	\$ 0.46
Advisor Series	\$ 1.13	\$ 0.25
F-Series	\$ 1.33	\$ 0.22

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

TD Balanced Growth Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (in 000s)

for the periods ended December 31, 2016 and 2015

	Investor Series		Advisor Series	
	2016	2015	2016	2015
Net Assets Attributable to Holders of Redeemable Units at Beginning of the Period	\$ 799,596	\$ 867,780	\$ 25,150	\$ 28,926
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	68,346	15,431	2,087	524
Distributions to Holders of Redeemable Units				
From Net Investment Income	(5,359)	(7,356)	(163)	(233)
From Net Realized Gains on Investments	(9,063)	(15,856)	(279)	(510)
	(14,422)	(23,212)	(442)	(743)
Redeemable Unit Transactions				
Proceeds from Redeemable Units Issued	54,090	65,238	3,288	3,302
Reinvestments of Distributions to Holders of Redeemable Units	14,340	23,091	433	728
Early Redemption Fees on Redeemable Units	4	7	0	0
Redemption of Redeemable Units	(126,985)	(148,739)	(7,249)	(7,587)
Net Increase (Decrease) from Redeemable Unit Transactions	(58,551)	(60,403)	(3,528)	(3,557)
Net Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	(4,627)	(68,184)	(1,883)	(3,776)
Net Assets Attributable to Holders of Redeemable Units at End of the Period	\$ 794,969	\$ 799,596	\$ 23,267	\$ 25,150
Redeemable Unit Transactions				
Redeemable Units Outstanding, Beginning of the Period	32,870	35,233	1,978	2,246
Redeemable Units Issued	2,174	2,574	251	249
Redeemable Units Issued on Reinvestments	557	944	32	57
Redeemable Units Redeemed	(5,078)	(5,881)	(551)	(574)
Redeemable Units Outstanding, End of the Period	30,523	32,870	1,710	1,978
	F-Series		TOTAL	
	2016	2015	2016	2015
Net Assets Attributable to Holders of Redeemable Units at Beginning of the Period	\$ 3,840	\$ 2,484	\$ 828,586	\$ 899,190
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	506	57	70,939	16,012
Distributions to Holders of Redeemable Units				
From Net Investment Income	(70)	(69)	(5,592)	(7,658)
From Net Realized Gains on Investments	(56)	(76)	(9,398)	(16,442)
	(126)	(145)	(14,990)	(24,100)
Redeemable Unit Transactions				
Proceeds from Redeemable Units Issued	3,667	1,774	61,045	70,314
Reinvestments of Distributions to Holders of Redeemable Units	85	92	14,858	23,911
Early Redemption Fees on Redeemable Units	0	0	4	7
Redemption of Redeemable Units	(942)	(422)	(135,176)	(156,748)
Net Increase (Decrease) from Redeemable Unit Transactions	2,810	1,444	(59,269)	(62,516)
Net Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	3,190	1,356	(3,320)	(70,604)
Net Assets Attributable to Holders of Redeemable Units at End of the Period	\$ 7,030	\$ 3,840	\$ 825,266	\$ 828,586
Redeemable Unit Transactions				
Redeemable Units Outstanding, Beginning of the Period	301	193		
Redeemable Units Issued	277	133		
Redeemable Units Issued on Reinvestments	6	7		
Redeemable Units Redeemed	(72)	(32)		
Redeemable Units Outstanding, End of the Period	512	301		

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

TD Balanced Growth Fund

Statements of Cash Flows (in 000s)

for the periods ended December 31, 2016 and 2015

	2016	2015
Cash Flows from (used in) Operating Activities		
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$ 70,939	\$ 16,012
Adjustment For:		
Unrealized Foreign Exchange (Gain) Loss on Cash	(13)	0
Net Realized (Gain) Loss on Sale of Investments and Derivatives	(32,250)	(32,605)
Net Change in Unrealized (Appreciation) Depreciation of Investments and Derivatives	(32,837)	24,613
Purchase of Investments	(1,377,998)	(3,710,116)
Proceeds from Sale and/or Maturity of Investments	1,455,819	3,789,463
(Increase) Decrease in Interest Receivable	136	(121)
(Increase) Decrease in Dividends Receivable	(147)	(29)
Increase (Decrease) in Accrued Liabilities	(1,508)	(122)
Net Cash from (used in) Operating Activities	82,141	87,095
Cash Flows from (used in) Financing Activities		
Distributions Paid to Holders of Redeemable Units, Net of Reinvested Distributions	(132)	(189)
Proceeds from Issuances of Redeemable Units	56,343	67,798
Amounts Paid on Redemption of Redeemable Units, Net of Redemption Fees	(130,425)	(154,828)
Net Cash from (used in) Financing Activities	(74,214)	(87,219)
Unrealized Foreign Exchange Gain (Loss) on Cash	13	0
Net Increase (Decrease) in Cash	7,927	(124)
Cash (Bank Overdraft) at Beginning of the Period	512	636
Cash (Bank Overdraft) at End of the Period	\$ 8,452	\$ 512
Interest for Distribution Purposes Received*, Net of Withholding Taxes	8,685	9,429
Dividends Received*, Net of Withholding Taxes	15,654	18,446

* Included as part of Cash Flows from (used in) Operating Activities.

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

TD Balanced Growth Fund

Schedule of Investment Portfolio (in 000s except number of Shares or Units/Par Value) as at December 31, 2016

No. of Shares or Units/Par Value	Description	Cost	Fair Value
Canadian Equities – 43.0%			
ENERGY – 10.9%			
280,000	ARC Resources Ltd.	\$ 5,963	\$ 6,471
300,000	Canadian Natural Resources Limited	9,090	12,837
300,000	Enbridge Inc.	12,451	16,950
300,000	Pason Systems Inc.	6,166	5,892
200,000	Seven Generations Energy Ltd.	3,054	6,262
75,000	Seven Generations Energy Ltd., Subscription Receipts	1,826	2,348
200,000	Suncor Energy Inc.	6,446	8,780
300,000	TransCanada Corporation	13,958	18,162
150,000	Vermilion Energy Inc.	6,392	8,474
300,000	Whitecap Resources Inc.	2,972	3,648
		68,318	89,824
MATERIALS – 3.2%			
60,000	Agnico Eagle Mines Limited	2,818	3,387
60,000	Agrium Inc.	7,866	8,098
200,000	Barrick Gold Corporation	3,365	4,298
40,000	Franco-Nevada Corporation	1,898	3,211
150,000	Goldcorp Inc.	4,448	2,742
37,500	Methanex Corporation	2,224	2,208
100,000	Silver Wheaton Corp.	2,972	2,594
		25,591	26,538
INDUSTRIALS – 3.9%			
450,000	CAE Inc.	5,041	8,451
160,000	Canadian National Railway Company	6,805	14,458
40,000	Canadian Pacific Railway Limited	7,473	7,662
60,000	Finning International Inc.	1,598	1,577
		20,917	32,148
CONSUMER DISCRETIONARY – 2.1%			
60,000	Dollarama Inc.	1,630	5,903
100,000	Gildan Activewear Inc.	3,232	3,409
120,000	Restaurant Brands International Inc.	5,692	7,674
		10,554	16,986
CONSUMER STAPLES – 1.6%			
30,000	Alimentation Couche-Tard Inc., Class B SV	504	1,827
160,000	Loblaws Companies Limited	8,554	11,334
		9,058	13,161
FINANCIALS – 16.3%			
300,000	The Bank of Nova Scotia	16,341	22,428
325,000	Brookfield Asset Management Inc., Class A	6,883	14,398
115,000	Canadian Imperial Bank of Commerce	9,568	12,599
400,000	Fairfax India Holdings Corporation	4,870	6,203
40,000	Intact Financial Corporation	2,730	3,844
635,000	Manulife Financial Corporation	10,071	15,183
330,000	Royal Bank of Canada	19,505	29,987
450,000	The Toronto-Dominion Bank*	16,257	29,799
		86,225	134,441
INFORMATION TECHNOLOGY – 0.5%			
78,300	Shopify Inc., Class A	3,207	4,518

No. of Shares or Units/Par Value	Description	Cost	Fair Value
TELECOMMUNICATION SERVICES – 2.1%			
195,000	BCE Inc.	\$ 10,999	\$ 11,316
150,000	TELUS Corporation	4,468	6,412
		15,467	17,728
ROYALTY/INCOME TRUSTS – 1.4%			
250,000	Brookfield Infrastructure Partners L.P.	6,302	11,230
INDEX EQUIVALENTS – 1.0%			
400,000	iShares S&P/TSX 60 Index ETF	7,810	9,056
	Total Canadian Equities	253,449	355,630
U.S. Equities – 16.0%			
ENERGY – 1.6%			
35,000	EOG Resources Inc.	3,856	4,751
50,000	Schlumberger Ltd.	4,818	5,636
48,000	Spectra Energy Corporation	1,742	2,648
		10,416	13,035
MATERIALS – 0.5%			
50,000	CF Industries Holdings Inc.	1,992	2,113
100,000	Freeport-McMoRan Inc.	1,943	1,771
		3,935	3,884
INDUSTRIALS – 2.0%			
18,000	The Boeing Company	3,267	3,762
19,000	Honeywell International Inc.	1,693	2,955
60,000	Nielsen Holdings PLC	3,585	3,380
18,000	Parker-Hannifin Corporation	2,647	3,384
25,000	Union Pacific Corporation	2,944	3,480
		14,136	16,961
CONSUMER DISCRETIONARY – 2.2%			
3,500	Amazon.com Inc.	2,734	3,524
43,000	Comcast Corporation, Class A	2,734	3,986
20,000	The Home Depot Inc.	2,290	3,600
35,000	NIKE Inc., Class B	2,458	2,389
450,000	Samsonite International SA	1,550	1,726
20,000	Time Warner Inc.	2,099	2,592
		13,865	17,817
CONSUMER STAPLES – 1.4%			
40,000	The Coca-Cola Company	2,125	2,227
29,000	Molson Coors Brewing Company, Class B NV	3,540	3,789
43,000	Philip Morris International Inc.	3,749	5,282
		9,414	11,298
HEALTH CARE – 1.4%			
14,500	Amgen Inc.	2,843	2,847
18,000	Celgene Corporation	2,872	2,797
30,000	Gilead Sciences Inc.	3,959	2,884
40,000	Merck & Co., Inc.	2,077	3,162
		11,751	11,690
FINANCIALS – 2.8%			
55,000	American International Group Inc.	3,877	4,823
25,000	Ameriprise Financial Inc.	3,353	3,724
61,000	JPMorgan Chase & Co.	4,016	7,067
126,000	Morgan Stanley	4,538	7,147
		15,784	22,761

TD Balanced Growth Fund

No. of Shares or Units/ Par Value	Description	Cost	Fair Value
INFORMATION TECHNOLOGY – 3.8%			
3,800	Alphabet Inc., Class A	\$ 2,546	\$ 4,043
29,000	Apple Inc.	3,624	4,510
48,000	Broadridge Financial Solutions Inc.	1,895	4,273
68,000	Cisco Systems Inc.	1,777	2,759
10,000	International Business Machines Corporation	2,124	2,229
58,000	Microsoft Corporation	3,050	4,839
77,000	Oracle Corporation	3,188	3,975
48,000	Visa Inc., Class A	3,313	5,028
		21,517	31,656
REAL ESTATE – 0.3%			
20,000	Brookfield Property Partners L.P.	423	587
4,500	Equinix Inc.	2,175	2,159
		2,598	2,746
Total U.S. Equities			
		103,416	131,848
International Equities – 10.3%			
BELGIUM – 0.4%			
23,000	Anheuser-Busch InBev NV	3,156	3,269
DENMARK – 0.1%			
25,000	Novo Nordisk AS, Class B	1,843	1,210
FRANCE – 0.7%			
40,000	Airbus Group SE	3,372	3,553
35,000	TOTAL SA	2,105	2,410
		5,477	5,963
GERMANY – 0.6%			
10,000	Allianz SE	2,110	2,219
60,000	Innogy SE	3,219	2,799
		5,329	5,018
HONG KONG – 0.4%			
250,000	AIA Group Ltd.	1,392	1,894
100,000	China Mobile Limited	1,358	1,423
10,000	CK Hutchison Holdings Ltd.	218	152
		2,968	3,469
IRELAND – 0.7%			
19,000	Accenture PLC, Class A	2,777	2,988
25,000	Medtronic PLC	1,653	2,391
		4,430	5,379
ISRAEL – 0.1%			
10,000	Check Point Software Technologies Ltd.	851	1,134
ITALY – 0.2%			
80,000	Moncler SpA	1,699	1,869
JAPAN – 1.5%			
10,000	Daito Trust Construction Co., Ltd.	2,135	2,020
11,000	FANUC Corporation	2,569	2,504
120,000	Kubota Corporation	1,967	2,300
400,000	Resona Holdings Inc.	2,285	2,755
38,000	Sawai Pharmaceutical Co., Ltd.	2,987	2,741
		11,943	12,320
NETHERLANDS – 1.5%			
200,000	ING Groep NV	3,271	3,779
825,000	Koninklijke KPN NV	3,603	3,281
110,000	NN Group NV	4,955	5,006
		11,829	12,066
NEW ZEALAND – 0.3%			
700,000	Spark New Zealand Limited	2,320	2,226

No. of Shares or Units/ Par Value	Description	Cost	Fair Value
NORWAY – 0.3%			
90,000	Statoil ASA	\$ 2,348	\$ 2,216
SPAIN – 0.6%			
40,000	Amadeus IT Holding SA	1,772	2,441
360,000	Banco Santander SA	2,233	2,523
		4,005	4,964
SWEDEN – 1.2%			
90,000	Atlas Copco AB, Class A	2,967	3,681
500,000	Com Hem Holding AB	5,584	6,403
		8,551	10,084
SWITZERLAND – 0.5%			
20,000	Nestle SA	1,280	1,927
6,000	Valora Holding AG	1,758	2,288
		3,038	4,215
UNITED KINGDOM – 1.2%			
100,000	Diageo PLC	3,717	3,491
700,000	ITV PLC	2,575	2,391
50,000	Johnson Matthey PLC	2,801	2,633
300,000	Vodafone Group PLC	1,368	992
		10,461	9,507
Total International Equities			
		80,248	84,909
Canadian Bonds – 26.2%			
FEDERAL BONDS & GUARANTEES – 3.5%			
Canada Housing Trust No. 1			
4,000,000	3.75% due March 15, 2020	4,464	4,322
4,000,000	3.15% due September 15, 2023	4,463	4,332
Canada Post Corporation			
2,400,000	4.08% due July 16, 2025	2,398	2,755
Government of Canada			
900,000	0.75% due March 01, 2021	900	888
2,230,000	0.75% due September 01, 2021	2,223	2,193
1,870,000	2.75% due June 01, 2022	2,073	2,016
180,000	1.50% due June 01, 2023	164	181
9,800,000	3.50% due December 01, 2045	12,995	12,184
		29,680	28,871
PROVINCIAL BONDS & GUARANTEES – 6.5%			
Hydro One Inc.			
1,000,000	Callable 4.17% due June 06, 2044	1,050	1,062
Ontrea Inc.			
989,302	4.619% due April 09, 2018	989	1,013
Province of Alberta			
3,000,000	2.35% due June 01, 2025	3,008	2,982
1,920,000	2.20% due June 01, 2026	1,915	1,865
1,360,000	3.30% due December 01, 2046	1,360	1,357
Province of British Columbia			
1,580,000	5.62% due August 17, 2028	1,949	2,013
Province of Manitoba			
2,700,000	2.45% due June 02, 2025	2,743	2,700
3,170,000	5.70% due March 05, 2037	4,438	4,244
2,900,000	4.10% due March 05, 2041	3,579	3,230
Province of Nova Scotia			
3,000,000	4.50% due June 01, 2037	3,411	3,484
Province of Ontario			
12,170,000	2.85% due June 02, 2023	12,848	12,752
16,650,000	2.90% due December 02, 2046	16,045	15,606
Province of Ontario Residual			
3,000,000	3.30% due June 02, 2045	1,212	1,193
		54,547	53,501

TD Balanced Growth Fund

No. of Shares or Units/				No. of Shares or Units/			
Par Value	Description	Cost	Fair Value	Par Value	Description	Cost	Fair Value
CORPORATE BONDS – 16.2%							
248,791	777 Bay Limited Partnership 3.185% due July 17, 2026	\$ 249	\$ 241	355,008	Grand Renewable Solar L.P. 3.926% due Jan 31, 2035	\$ 355	\$ 352
740,000	Bank of Montreal 1.88% due to March 31, 2021	740	739	600,000	HCN Canadian Holdings-1 L.P. 3.35% due November 25, 2020	598	617
1,500,000	3.40% due April 23, 2021	1,642	1,591	400,000	Honda Canada Finance Inc. 2.155% due February 18, 2021	400	403
1,330,000	1.61% due October 28, 2021	1,330	1,305	2,900,000	HSBC Bank Canada 2.491% due May 13, 2019	2,943	2,952
560,000	Callable 3.12% due September 19, 2024	560	567	200,000	2.938% due January 14, 2020	200	206
830,000	Callable 3.34% due December 08, 2025	830	846	1,910,000	1.816% due July 07, 2020	1,910	1,899
1,850,000	The Bank of Nova Scotia 2.13% due June 15, 2020	1,849	1,873	1,900,000	2.449% due January 29, 2021	1,903	1,927
1,050,000	2.09% due September 09, 2020	1,050	1,061	1,900,000	2.908% due September 29, 2021	1,925	1,957
2,820,000	3.27% due January 11, 2021	2,945	2,971	500,000	Industrial Alliance Insurance and Financial Services Inc. Callable 3.30% due September 15, 2028	500	505
1,060,000	1.90% due December 02, 2021	1,060	1,052	208,695	Institutional Mortgage Securities Canada Inc. Callable 3.69% due April 12, 2020	209	215
1,280,000	Callable 3.367% due December 08, 2025	1,280	1,305	580,000	Kingston Solar LP 3.571% due July 31, 2035	580	558
2,810,000	Callable 2.58% due March 30, 2027	2,779	2,735	490,000	The Manufacturers Life Insurance Company Callable 2.64% due January 15, 2025	490	497
190,000	bclMC Realty Corporation 2.79% due August 02, 2018	190	194	1,520,000	Callable 2.10% due June 01, 2025	1,520	1,514
1,700,000	2.96% due March 07, 2019	1,699	1,753	1,110,000	Callable 3.181% due November 22, 2027	1,110	1,142
1,560,000	Callable 2.84% due June 03, 2025	1,559	1,568	2,000,000	Manulife Financial Capital Trust II Callable 7.405% due December 31, 2019	2,301	2,277
2,000,000	Bell Canada 3.35% due June 18, 2019	2,002	2,081	1,140,000	National Bank of Canada Callable 3.261% due April 11, 2022	1,140	1,146
2,680,000	3.25% due June 17, 2020	2,769	2,799	690,000	North West Redwater Partnership/ NWR Financing Co.,Ltd. Callable 2.10% due February 23, 2022	689	689
770,000	2.00% due October 01, 2021	768	762	340,000	Callable 3.20% due July 22, 2024	339	353
1,270,000	Callable 3.00% due October 03, 2022	1,265	1,305	458,000	Callable 3.20% due April 24, 2026	439	467
346,000	BMO Capital Trust II Callable 10.221% due December 31, 2018	477	400	1,240,000	Callable 4.25% due June 01, 2029	1,237	1,328
620,000	BMW Canada Inc. 1.78% due October 19, 2020	620	618	440,000	Callable 3.70% due February 23, 2043	438	422
1,300,000	Bow Centre Street L.P. 3.69% due June 14, 2021	1,300	1,294	370,000	Callable 4.05% due July 22, 2044	369	378
630,000	Canadian Imperial Bank of Commerce 1.90% due April 26, 2021	630	630	2,960,000	OMERS Realty Corporation 3.203% due July 24, 2020	2,991	3,101
900,000	1.64% due July 12, 2021	900	887	510,000	2.971% due April 05, 2021	510	531
500,000	Callable 3.00% due October 28, 2024	515	504	650,000	Callable 2.858% due February 23, 2024	650	663
1,570,000	Callable 3.42% due January 26, 2026	1,570	1,600	570,000	3.328% due November 12, 2024	570	596
1,450,000	Canadian Natural Resources Limited 2.89% due August 14, 2020	1,478	1,469	100,000	Open Text Corporation (USD) Callable 5.625% due January 15, 2023	134	141
1,360,000	3.31% due February 11, 2022	1,360	1,389	620,000	Original Wempi Inc. 4.309% due February 13, 2024	620	648
200,000	Chaudiere Hydro L.P., Series 2016-1 4.08% due March 31, 2057	200	185	300,000	Plenary Roads Winnipeg Transitway L.P. 4.148% due May 31, 2049	300	290
1,180,000	Daimler Canada Finance Inc. 2.27% due March 26, 2018	1,180	1,193	190,000	Powell River Energy Inc. 4.45% due August 31, 2026	190	185
700,000	2.23% due December 16, 2021	700	699	422,548	Real Estate Asset Liquidity Trust Callable 2.356% due January 12, 2025	423	420
1,570,000	Enbridge Gas Distribution Inc. 4.04% due November 23, 2020	1,569	1,703	470,000	Callable 3.239% due May 12, 2025	470	464
560,000	Callable 3.31% due September 11, 2025	560	586	510,000	Callable 2.588% due October 12, 2025	510	499
750,000	Callable 2.50% due August 05, 2026	749	730	125,000	Resolute Forest Products Inc. (USD) Callable 5.875% due May 15, 2023	135	152
70,000	Enbridge Pipelines Inc. 6.62% due November 19, 2018	84	77				
1,700,000	4.49% due November 12, 2019	1,741	1,841				
2,130,000	4.45% due April 06, 2020	2,149	2,309				
680,000	Callable 3.00% due August 10, 2026	680	674				
1,000,000	Finning International Inc. 6.02% due June 01, 2018	1,121	1,056				
2,630,000	First Capital Realty Inc. 5.70% due November 30, 2017	2,856	2,730				
1,280,000	Ford Credit Canada Limited 3.14% due June 14, 2019	1,285	1,312				
1,040,000	2.923% due September 16, 2020	1,040	1,052				

TD Balanced Growth Fund

No. of Shares or Units/ Par Value	Description	Cost	Fair Value
	RioCan Real Estate Investment Trust		
650,000	3.80% due March 01, 2017	\$ 649	\$ 653
450,000	2.185% due August 26, 2020	450	448
1,200,000	3.716% due December 13, 2021	1,281	1,259
	Rogers Communications Inc.		
490,000	5.38% due November 04, 2019	537	539
670,000	4.00% due June 06, 2022	667	724
	Royal Bank of Canada		
100,000	2.77% due December 11, 2018	100	103
2,320,000	2.35% due December 09, 2019	2,354	2,368
1,420,000	2.86% due March 04, 2021	1,420	1,472
1,710,000	2.03% due March 15, 2021	1,709	1,716
930,000	5.75% due September 13, 2021	930	911
2,120,000	Callable 2.99% due December 06, 2024	2,110	2,188
870,000	Callable 2.48% due June 04, 2025	870	862
1,320,000	Callable 3.31% due January 20, 2026	1,319	1,340
820,000	Callable 3.45% due September 29, 2026	820	836
	Scotiabank Tier 1 Trust		
1,700,000	Callable 7.802% due June 30, 2019	2,048	1,911
	Shaw Communications Inc.		
1,900,000	5.70% due March 02, 2017	2,021	1,913
1,900,000	5.65% due October 01, 2019	1,976	2,073
	Sun Life Capital Trust II		
1,600,000	Callable 5.863% due December 31, 2019	1,677	1,753
	TD Capital Trust IV*		
3,000,000	Callable 6.631% due June 30, 2021	3,365	3,469
	TELUS Corporation		
2,315,000	Callable 3.20% due April 05, 2021	2,339	2,406
	The Toronto-Dominion Bank*		
1,300,000	1.909% due July 18, 2023	1,301	1,265
2,800,000	3.226% due July 24, 2024	2,856	2,944
2,020,000	Callable 2.692% due June 24, 2025	2,020	2,016
990,000	Callable 4.859% due March 04, 2031	990	1,084
2,500,000	Callable 5.763% due December 18, 2106	2,815	2,601
	Toyota Credit Canada Inc.		
920,000	2.80% due November 21, 2018	920	943
1,010,000	2.48% due November 19, 2019	1,010	1,034
	TransCanada PipeLines Limited		
340,000	Callable 3.69% due July 19, 2023	361	365
1,370,000	Callable 3.30% due July 17, 2025	1,368	1,422
	Union Gas Limited		
390,000	Callable 4.20% due June 02, 2044	383	413
	Ventas Canada Finance Limited		
810,000	3.00% due September 30, 2019	808	831
	Ventas Canada Finance Limited (USD)		
810,000	Callable 3.30% due February 01, 2022	810	829
	VW Credit Canada Inc.		
1,820,000	2.45% due November 14, 2017	1,817	1,836
380,000	2.80% due August 20, 2018	380	386
1,240,000	2.50% due October 01, 2019	1,239	1,254
2,310,000	2.15% due June 24, 2020	2,322	2,299
	Wells Fargo Canada Corporation		
930,000	2.944% due July 25, 2019	930	961
1,100,000	3.04% due January 29, 2021	1,163	1,147
		132,563	133,754
	Total Canadian Bonds	216,790	216,126

No. of Shares or Units/ Par Value	Description	Cost	Fair Value
	Global Bonds – 3.0%		
	GERMANY – 0.0%		
	Unitymedia Hessen GmbH & Co. KG/ Unitymedia NRW GmbH (USD)		
200,000	Callable 5.50% due January 15, 2023	\$ 272	\$ 280
	NETHERLANDS – 0.0%		
	Schaeffler Finance BV (USD)		
200,000	Callable 4.25% due May 15, 2021	261	275
	UNITED KINGDOM – 0.2%		
	HSBC Holdings PLC		
1,520,000	3.196% due December 5, 2023	1,520	1,517
	UNITED STATES – 2.6%		
	The ADT Corporation (USD)		
70,000	3.50% due July 15, 2022	87	90
	AECOM (USD)		
175,000	Callable 5.75% due October 15, 2022	238	250
	Ally Financial Inc. (USD)		
225,000	4.125% due March 30, 2020	300	306
	ANTM CTL PT Trust, Series A2 (USD)		
320,000	4.12% due November 30, 2023	429	419
	Ashland Inc. (USD)		
150,000	Callable 4.75% due August 15, 2022	198	210
	Best Buy Co., Inc. (USD)		
250,000	Callable 5.50% due March 15, 2021	352	367
	Calpine Corporation (USD)		
162,000	Callable 7.875% due January 15, 2023	232	228
	Case New Holland Industrial Inc. (USD)		
150,000	7.875% due December 01, 2017	207	212
	CCO Holdings LLC/ CCO Holdings Capital Corporation (USD)		
150,000	Callable 5.125% due May 01, 2023	204	208
	CenturyLink Inc. (USD)		
175,000	5.625% due April 01, 2020	233	249
	CHS/Community Health Systems Inc. (USD)		
111,000	Callable 5.125% due August 15, 2018	145	146
	CIT Group Inc. (USD)		
250,000	6.625% due April 01, 2018	354	355
	CNH Industrial Capital LLC (USD)		
200,000	3.625% due April 15, 2018	266	273
	Constellation Brands Inc. (USD)		
225,000	3.875% due November 15, 2019	306	313
	Crown Castle International Corp. (USD)		
100,000	4.875% due April 15, 2022	137	143
	Dana Holding Corporation (USD)		
250,000	Callable 5.375% due September 15, 2021	331	349
	Diamond 1 Finance Corp/ Diamond 2 Finance Corporation (USD)		
150,000	Callable 5.875% due June 15, 2021	208	214
	First Data Corporation (USD)		
130,000	Callable 5.375% due August 15, 2023	180	182
	Frontier Communications Corporation (USD)		
150,000	Callable 10.50% due September 15, 2022	198	213
100,000	7.625% due April 15, 2024	120	121

TD Balanced Growth Fund

No. of Shares or Units/				No. of Shares or Units/			
Par Value	Description	Cost	Fair Value	Par Value	Description	Cost	Fair Value
100,000	GameStop Corp. (USD) Callable 6.75% due March 15, 2021	\$ 132	\$ 136	277,122	UNA CTL PT Trust, Series A1 (USD) 3.47% due June 15, 2033	\$ 363	\$ 354
150,000	The Goodyear Tire & Rubber Company (USD) Callable 5.125% due November 15, 2023	203	208	129,838	UNA CTL PT Trust, Series A2 (USD) 4.03% due June 15, 2033	170	165
350,000	HCA Inc. (USD) 6.50% due February 15, 2020	514	515	30,752	UNA CTL PT Trust, Series A3 (USD) 14.00% due June 15, 2033	41	38
225,000	The Hertz Corporation (USD) Callable 5.875% due October 15, 2020	302	297	200,000	United Rentals North America Inc. (USD) Callable 7.625% due April 15, 2022	276	284
250,000	Hilton Worldwide Finance LLC/ Hilton Worldwide Finance Corporation (USD) Callable 5.625% due October 15, 2021	344	347	3,300,000	United States Treasury Inflation Indexed Bonds (USD) 1.375% due February 15, 2044	5,236	5,023
250,000	Hologic Inc. (USD) Callable 5.25% due July 15, 2022	343	355	200,000	VA Tal CTL Trust, Series A2 (USD) 4.09% due July 15, 2036	264	250
225,000	International Lease Finance Corporation (USD) 6.25% due May 15, 2019	322	326	64,000	Valeant Pharmaceuticals International Inc. (USD) Callable 6.375% due October 15, 2020	89	74
161,687	Kawa SBA IO Trust 2016-1 A (USD) 4.00% due October 25, 2019	217	216	1,490,000	Wells Fargo & Company 2.222% due March 15, 2021	1,490	1,490
250,000	L Brands Inc. (USD) 8.50% due June 15, 2019	391	388	1,060,000	2.509% due October 27, 2023	1,060	1,042
125,000	Lamar Media Corp. (USD) Callable 5.875% due February 01, 2022	174	173	10,000	WESCO Distribution Inc. (USD) Callable 5.375% due June 15, 2024	13	14
81,000	Match Group Inc. (USD) Callable 6.75% due December 15, 2022	113	115	150,000	ZF North America Capital Inc. (USD) 4.00% due April 29, 2020	198	210
221,000	MSCI Inc. (USD) Callable 5.25% due November 15, 2024	299	313			20,472	20,453
44,000	Neptune Finco Corp. (USD) Callable 6.625% due October 15, 2025	65	65		SUPRANATIONALS – 0.2% Inter-American Development Bank 4.40% due January 26, 2026	1,725	2,006
170,000	Nielsen Finance LLC/Nielsen Finance Co. (USD) Callable 5.00% due April 15, 2022	220	233		Total Global Bonds	24,250	24,531
225,000	PVH Corp. (USD) Callable 4.50% due December 15, 2022	299	308		Transaction Costs	(493)	0
129,627	Reynolds Group Issuer Inc. (USD) Callable 6.875% due February 15, 2021	180	179		TOTAL INVESTMENT		
100,000	SBA Communications Corporation (USD) Callable 4.875% due July 15, 2022	133	137		PORTFOLIO – 98.5%	\$ 677,660	\$ 813,044
148,081	SHW CTL PS Trust, Series A1 (USD) 3.67% due May 15, 2029	191	191		FORWARD CONTRACTS		
220,000	SHW CTL PS Trust, Series A2 (USD) 4.41% due May 15, 2029	284	277		(SCHEDULE 1) – 0.1%		1,209
200,000	Sinclair Television Group Inc. (USD) Callable 5.375% due April 01, 2021	266	277		OTHER NET ASSETS		
100,000	Sirius XM Radio Inc. (USD) Callable 5.75% due August 01, 2021	137	140		(LIABILITIES) – 1.4%		11,013
62,000	Callable 6.00% due July 15, 2024	86	87		TOTAL NET ASSETS – 100.0%		\$ 825,266
250,000	Smithfield Foods Inc. (USD) Callable 5.875% due August 01, 2021	345	352				
225,000	Sprint Corporation (USD) 7.00% due August 15, 2020	293	321				
45,000	Steel Dynamics Inc. (USD) Callable 5.00% due December 15, 2026	61	60				
290,000	Thomson Reuters Corporation Callable 3.309% due November 12, 2021	290	301				
250,000	T-Mobile US Inc. (USD) Callable 6.625% due November 15, 2020	343	344				

* Related party to the Fund as an affiliated entity of TD Asset Management Inc.

Schedule 1

Foreign Exchange Forward Contracts (in 000s except contract price and total number of contract(s))

Settlement Date	Currency to be Delivered		Canadian Value as at December 31, 2016	Currency to be Received		Canadian Value as at December 31, 2016	Contract Price	CAD Unrealized Appreciation
January 31, 2017	39,223	CAD	\$ 39,223	29,400	USD	\$ 39,458	1.33412	\$ 235
January 31, 2017	1,541	CAD	1,541	1,154	USD	1,548	1.33459	
							to 1.33780	7
January 31, 2017	10,776	EUR	15,250	15,716	CAD	15,716	1.45848	466
January 31, 2017	2,990	EUR	4,232	4,361	CAD	4,361	1.45843	129
January 31, 2017	989,682	JPY	11,386	12,000	CAD	12,000	82.47350	614
February 28, 2017	5,091	USD	6,830	6,864	CAD	6,864	1.34840	34
February 28, 2017	3,766	USD	5,053	5,078	CAD	5,078	1.34844	25
February 28, 2017	15	USD	20	20	CAD	20	1.34842	0
March 31, 2017	253	CAD	253	181	EUR	257	1.39517	4
March 31, 2017	951	CAD	951	711	USD	954	1.33727	3
			\$ 84,739			\$ 86,256		\$ 1,517

Settlement Date	Currency to be Delivered		Canadian Value as at December 31, 2016	Currency to be Received		Canadian Value as at December 31, 2016	Contract Price	CAD Unrealized Depreciation
January 31, 2017	2,811	GBP	\$ 4,654	4,588	CAD	\$ 4,588	1.63185	\$ (66)
January 31, 2017	29,405	USD	39,464	39,229	CAD	39,229	1.33412	(235)
February 28, 2017	15	CAD	15	11	USD	15	1.34840	0
March 31, 2017	1,485	USD	1,991	1,985	CAD	1,985	1.33727	(6)
March 31, 2017	300	USD	402	401	CAD	401	1.33730	(1)
			\$ 46,526			\$ 46,218		\$ (308)

TOTAL NUMBER OF CONTRACT(S): 22						CAD NET UNREALIZED APPRECIATION		\$ 1,209
--	--	--	--	--	--	--	--	----------

TD Balanced Growth Fund

Fund-Specific Notes to the Financial Statements

(A) The Fund

(I) The Fund start date was September 4, 1987.

(II) TDAM is the manager, portfolio adviser and trustee of the Fund. TDIS is the principal distributor of the Investor Series units of the Fund.

(III) The presentation and functional currency of the Fund is the Canadian dollar.

(IV) The investment objective of the Fund is to seek to provide capital growth and income by investing primarily in equity and fixed income securities of issuers in Canada. In seeking to achieve this objective, the Fund balances the major asset classes based on relative valuation parameters between such asset classes and focuses on high-quality investments. Common stock investments concentrate on those companies which are expected to have above-average earnings growth over the course of a market cycle. The Fund may invest in exchange-traded funds, investment and non-investment grade bonds, debt-like instruments (including investments in loans) and any other debt obligations.

(V) Any related party holdings as at December 31, 2016 (2015: 5.0%), are disclosed in the Schedule of Investment Portfolio.

(B) Management Fees and Administration Fees (Note 6)

for the periods ended December 31, 2016 and 2015

(I) MANAGEMENT FEES (%)

Series	Maximum	Actual* Annual Rate (exclusive of GST and HST)	
		2016	2015
Investor Series	2.00	1.93	1.93
Advisor Series	2.00	1.93	1.93
F-Series	1.00	1.00	1.00

* Includes management fees paid by the Fund and the proportionate management fees, if any, of the underlying funds managed by TDAM held by the Fund. However there is no duplication of management fees.

The amount payable (in 000s) to TDAM as at December 31, 2016 for management fees is \$0 (2015: \$1,364) which is included in Accrued Liabilities on the Statements of Financial Position.

(II) ADMINISTRATION FEES (%)

Series	Annual Rate (exclusive of GST and HST)	
	2016	2015
Investor Series	0.08	0.08
Advisor Series	0.08	0.08

The amount payable (in 000s) to TDAM as at December 31, 2016 for administration fees is \$54 (2015: \$56) which is included in Accrued Liabilities on the Statements of Financial Position.

(C) Brokerage Commissions and Soft Dollars (in 000s) (Notes 3 and 6) for the periods ended December 31, 2016 and 2015

(I) BROKERAGE COMMISSIONS

	2016	2015
Total Brokerage Commissions	\$ 594	\$ 568
Paid to Related Parties	60	51

(II) SOFT DOLLARS

	2016	2015
Soft Dollars	\$ 9	\$ 9
Percentage of Total Commissions (%)	1.5	1.6

(D) Tax Loss Carry Forwards (in 000s) (Note 7)

as at December 31, 2016

None for the Fund.

(E) Securities Lent (Note 3)

(I) SECURITIES LENDING INCOME

A reconciliation of the gross amount generated from the securities lending transactions to the securities lending income to the Fund for the periods ended December 31, 2016 and 2015 is as follows:

	Amount (in 000s)		Percentage of Total Amount (%)	
	2016	2015	2016	2015
Gross Securities				
Lending Income	\$ 152	\$ 230	100.0	100.0
Agent fees – The Bank of New York Mellon Corp.	(31)	(44)	(20.4)	(19.1)
Securities Lending				
Income to the Fund before Tax Reclaims (Withholding Taxes)	121	186	79.6	80.9
Tax Reclaims (Withholding Taxes)	1	(7)	0.7	(3.0)
Net Securities Lending Income	\$ 122	\$ 179	80.3	77.9

(II) SECURITIES LENT AND COLLATERAL HELD (in 000s)

The table below summarizes the aggregate securities lent and related collateral held by the Fund as at December 31, 2016 and 2015.

	2016	2015
Fair Value of Securities Lent	\$ 67,810	\$ 63,912
Fair Value of Collateral Held	71,481	67,277

Collateral held is in the form of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments or corporations and is not included in the Statements of Financial Position.

(F) Financial Risk Management (Notes 3, 4 and 8)

as at December 31, 2016 and 2015

(I) INTEREST RATE RISK

The table below summarizes the Fund's exposure to interest rate risk as at December 31, 2016 and 2015 by remaining term to maturity. The table also illustrates the potential impact to the Fund's net assets had the prevailing interest rates changed by 1 percent, assuming a parallel shift in the yield curve, with all other variables held constant. The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, the actual trading results may differ from these approximate sensitivity analysis amounts and the differences could be material.

Term to Maturity Bonds	Total Exposure (in 000s)	
	2016	2015
Less than 1 year	\$ 7,344	\$ 29
1-5 years	97,267	102,777
5-10 years	73,382	70,946
> 10 years	62,664	87,039
Total	\$ 240,657	\$ 260,791
Impact on Net Assets (000s)	\$ 17,254	\$ 18,516
Impact on Net Assets (%)	2.1	2.2

(II) CURRENCY RISK

The table below indicates the foreign currencies to which the Fund had exposure as at December 31, 2016 and 2015 in Canadian dollar terms, including the impact of the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets if the Fund's functional currency, the Canadian dollar, had strengthened or weakened by 5 percent in relation to all other currencies, with all other variables held constant. In practice, the actual trading results may differ from these approximate sensitivity amounts and the differences could be material.

Currency	Total Exposure* (in 000s)		Impact on Net Assets* (in 000s)	
	2016	2015	2016	2015
British Pound	\$ 4,890	\$ 2,392	\$ 244	\$ 120
Danish Krone	1,210	3,216	61	161
Euro	13,949	38,747	697	1,938
Hong Kong Dollar	5,195	10,023	260	501
Japanese Yen	953	16,482	48	824
New Zealand Dollar	2,226	0	111	0
Norwegian Krone	2,217	2,906	111	145
Swedish Krona	10,084	2,725	504	136
Swiss Franc	4,215	11,747	211	587
United States Dollar	152,584	115,721	7,629	5,786
Total	\$ 197,523	\$ 203,959	\$ 9,876	\$ 10,198
As Percentage of Net Assets (%)	23.9	24.6	1.2	1.2

* Includes both monetary and non-monetary instruments, where applicable.

(III) OTHER PRICE RISK

The table below summarizes the impact of other price risk to the Fund. As at December 31, 2016 and 2015, had the benchmark of the Fund increased or decreased by 5 percent, with all other variables held constant, the net assets of the Fund would have increased or decreased by approximately:

Benchmark	Impact on Net Assets (in 000s)		Impact on Net Assets (%)	
	2016	2015	2016	2015
45% S&P/TSX Composite Total Return Index, 35% FTSE TMX Canada Universe Bond Index, 20% MSCI World Index (Net Dividend, C\$)	\$ 29,827	\$ 28,137	3.6	3.4

In practice, the actual trading results may differ from the above estimated amounts and the differences could be material.

(IV) CREDIT RISK

The table below summarizes the debt instruments by credit ratings as at December 31, 2016 and 2015.

Credit Rating ^o	Percentage of Total Bonds (%)		Percentage of Total Net Assets (%)	
	2016	2015	2016	2015
AAA	16.4	24.1	4.8	7.6
AA	33.3	32.0	9.7	10.1
A	20.2	22.6	5.9	7.1
BBB	24.5	16.1	7.2	5.1
BB	3.1	0.0	0.9	0.0
B	1.2	3.3	0.3	1.0
CCC	0.1	1.8	0.1	0.6
No Rating	1.2	0.1	0.3	0.0
Total	100.0	100.0	29.2	31.5

^o Credit ratings are obtained from Standard & Poor's, Moody's or DBRS rating agencies.

(V) FINANCIAL INSTRUMENTS BY THE LEVEL IN THE FAIR VALUE HIERARCHY
(in 000s)

The table below illustrates the classification of the Fund's financial instruments within the fair value hierarchy as at December 31, 2016 and 2015.

	Level 1	Level 2	Level 3	Total
December 31, 2016				
Common Shares	\$ 563,836	\$ 8,551	\$ 0	\$ 572,387
Bonds	0	237,845	2,812	240,657
Forward Contracts	0	1,210	0	1,210
	563,836	247,606	2,812	814,254
Forward Contracts	0	(1)	0	(1)
	\$ 563,836	\$ 247,605	\$ 2,812	\$ 814,253

As at the end of the period, equity positions with a fair value of \$11,352 were transferred from Level 2 to Level 1 as a result of increased activity in the market for those securities.

	Level 1	Level 2	Level 3	Total
December 31, 2015				
Common Shares	\$ 528,544	\$ 26,833	\$ 0	\$ 555,377
Short-Term Investments	0	9,051	0	9,051
Bonds	0	260,791	0	260,791
Forward Contracts	0	1,799	0	1,799
	528,544	298,474	0	827,018
Forward Contracts	0	(4)	0	(4)
	\$ 528,544	\$ 298,470	\$ 0	\$ 827,014

As at the end of the period, equity positions with a fair value of \$42,369 were transferred from Level 2 to Level 1 as a result of increased activity in the market for those securities.

(VI) RECONCILIATION OF LEVEL 3 FAIR VALUE MEASUREMENTS (in 000s)

The table below reconciles the Fund's Level 3 fair value measurements from January 1, 2016 to December 31, 2016.

	Bonds
Balance at January 1, 2016	\$ 0
Purchases	2,916
Sales	(18)
Gains (Losses)	
Net Change in Unrealized Appreciation (Depreciation) of Investments	(86)
Balance at December 31, 2016	\$ 2,812
Total Change in Unrealized Appreciation (Depreciation) for Assets Held at December 31, 2016	\$ (86)

From January 1, 2015 to December 31, 2015 the Fund did not hold financial instruments within Level 3 of the fair value hierarchy.

(VII) CONTRACTUAL MATURITIES ANALYSIS FOR FINANCIAL LIABILITIES

As at December 31, 2016 and 2015, the Fund's net assets are due on demand. All other financial liabilities of the Fund are due in less than three months.

(G) Investment Portfolio Concentration (%) (Note 8)

As at December 31, 2016 and 2015, the Fund's investment portfolio concentration can be summarized as follows:

	2016	2015
Canadian Equities		
Energy	10.9	8.7
Materials	3.2	2.5
Industrials	3.9	3.3
Consumer Discretionary	2.1	3.2
Consumer Staples	1.6	1.9
Financials	16.3	16.5
Information Technology	0.5	0.1
Telecommunication Services	2.1	1.8
Royalty/Income Trusts	1.4	0.9
Index Equivalents	1.0	1.6
U.S. Equities		
Energy	1.6	1.6
Materials	0.5	0.4
Industrials	2.0	1.6
Consumer Discretionary	2.2	2.0
Consumer Staples	1.4	1.3
Health Care	1.4	1.2
Financials	2.8	2.1
Information Technology	3.8	3.7
Real Estate	0.3	N/A
Telecommunication Services	0.0	0.2
International Equities		
Australia	0.0	0.1
Belgium	0.4	0.5
Denmark	0.1	0.4
Finland	0.0	0.2
France	0.7	1.4
Germany	0.6	1.0
Hong Kong	0.4	1.0
Ireland	0.7	0.6
Israel	0.1	0.3
Italy	0.2	0.2
Japan	1.5	1.5
Netherlands	1.5	0.8
New Zealand	0.3	0.0
Norway	0.3	0.4
Spain	0.6	0.4
Sweden	1.2	0.3
Switzerland	0.5	1.4
United Kingdom	1.2	1.9
Canadian Bonds		
Federal Bonds & Guarantees	3.5	6.2
Provincial Bonds & Guarantees	6.5	6.4
Corporate Bonds	16.2	17.1
Global Bonds		
Germany	0.0	0.0
Netherlands	0.0	0.1
United Kingdom	0.2	0.0
United States	2.6	1.4
Supranationals	0.2	0.3
Short-Term Investments	0.0	1.1
Forward Contracts	0.1	0.2
Other Net Assets (Liabilities)	1.4	0.2
	100.0	100.0

(H) Interest in Unconsolidated Structured Entities (in 000s) (Note 3)

The table below illustrates the Fund's investment details in the underlying funds and exchange-traded funds as at December 31, 2016 and 2015.

Underlying Funds/Common Shares	Fair Value of Fund's Investment	Underlying Fund's Net Assets
December 31, 2016		
iShares S&P/TSX 60 Index ETF	\$ 9,056	\$ 12,295,126
December 31, 2015		
iShares S&P/TSX 60 Index ETF	\$ 13,070	\$ 11,189,587

(I) Offsetting of Financial Assets and Liabilities (in 000s) (Note 3)

The following table presents the recognized financial instruments that are offset, or subject to enforceable master netting arrangements, if certain conditions arise, or other similar agreements but that are not offset, and cash and financial instruments collateral received or pledged, as at December 31, 2016 and 2015, and shows in the Net Amount column what the impact would be on the Fund's Statements of Financial Position if all set-off rights were exercised.

	Gross Amounts of Recognized Financial Assets (Liabilities)	Amounts Set-Off on the Statements of Financial Position	Net Amounts Presented on the Statements of Financial Position	Related Amounts Not Set-Off on the Statements of Financial Position		
				Financial Instruments	Cash	Net Amount
December 31, 2016						
Derivative Assets	\$ 1,517	\$ (307)	\$ 1,210	\$ (1)	\$ 0	\$ 1,209
Derivative Liabilities	(308)	307	(1)	1	0	0
December 31, 2015						
Derivative Assets	\$ 2,135	\$ (336)	\$ 1,799	\$ (3)	\$ 0	\$ 1,796
Derivative Liabilities	(340)	336	(4)	3	0	(1)

Notes to the Financial Statements

1. The Fund

The TD Mutual Fund Trusts and TD Managed Assets Program Portfolios (collectively, the "Funds" and individually, the "Fund") are open-end mutual funds established under the laws of Ontario and governed by the Declaration of Trust, as amended from time to time.

The TD Managed Assets Program Portfolios invest primarily in units of other mutual funds.

TD Asset Management Inc. ("TDAM") is the manager, portfolio adviser and trustee of the Funds. TDAM, TDAM USA Inc., TD Investment Services Inc. ("TDIS"), TD Waterhouse Canada Inc. ("TDW") and Epoch Investment Partners, Inc. ("Epoch") are wholly-owned subsidiaries of The Toronto-Dominion Bank ("TD"). The registered address of the Funds is P.O. Box 100, 66 Wellington Street West, TD Bank Tower, Toronto-Dominion Centre, Toronto, Ontario M5K 1G8.

The financial year-end for the Funds is December 31. The Statements of Financial Position are presented as at December 31, 2016 and 2015. The Statements of Comprehensive Income, Statements of Changes in Net Assets Attributable to Holders of Redeemable Units and Statements of Cash Flows are presented for the periods ended December 31, 2016 and 2015. Where a Fund or series of a Fund was established during either period, the information for the Fund or series is provided from the inception date. A comparative statement has only been presented for any period for which the Fund was in existence as at the reporting date.

The Fund's start date as indicated in the Fund-Specific Notes to the Financial Statements is the date that the Fund commenced operations or in the case of a new series, the date the series was first offered and not its inception date.

These financial statements were authorized for issue by TDAM on March 16, 2017.

2. Basis of Presentation

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board ("IASB"). These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss ("FVTPL").

3. Summary of Significant Accounting Policies

Financial Instruments

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments not measured at FVTPL. Regular way purchases and sales of financial instruments are recognized at their trade date. The Fund's non-derivative investments, which are designated at FVTPL, and derivative assets and liabilities, which are classified as held for trading ("HFT"), are measured at FVTPL.

All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate.

The Fund has determined that it meets the definition of an 'investment entity' and as a result, it measures subsidiaries, if any, at FVTPL. An investment entity is an entity that: obtains funds from one or more investors for the purpose of providing them with investment management services; commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and measures and evaluates the performance of substantially all of its investments on a fair value basis. The significant judgment that the Fund has made in determining that it meets this definition is that fair value is the primary measurement attribute used to measure and evaluate the performance of substantially all of its investments. The Fund's investments may also include associates and joint ventures which are designated at FVTPL.

The Fund's outstanding redeemable units' entitlements include a contractual obligation to distribute any net income and net realized capital gains in cash (at the request of the unitholder) and therefore the ongoing redemption feature is not the Fund's only contractual obligation. Consequently, the Fund's outstanding redeemable units are classified as financial liabilities in accordance with the requirements of IAS 32, "Financial Instruments: Presentation" ("IAS 32"). The Fund's obligations for Net Assets Attributable to Holders of Redeemable Units are presented at the redemption amount.

The Fund's accounting policies for measuring the fair value of its investments and derivatives are substantially similar to those used in measuring its net asset value ("NAV") for transactions with unitholders. The NAV is the value of the total assets of a fund less the value of its total liabilities determined, on each valuation day, in accordance with Part 14 of National Instrument 81-106, "Investment Fund Continuous Disclosure", for the purpose of processing unitholder transactions. Net Assets Attributable to Holders of Redeemable Units, also referred to as net assets, refers to net assets calculated in accordance with IFRS. As at all dates presented, there were no differences between the Fund's NAV per series unit and net assets per series unit.

Notes to the Financial Statements

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 derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date. The Fund uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, TDAM determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other techniques commonly used by market participants and which make the maximum use of observable inputs.

The valuation methodology for specific types of investments held by the Fund is summarized below.

- (a) Securities not listed on any recognized public securities exchange are valued based on available quotations from recognized dealers in such securities, where readily available. If securities held in the Fund, if any, have no available broker-dealer bid/ask quotes, TDAM uses its own pricing model to price the securities. The pricing model will generally include the discounted cash flow valuation approach, the identification of a "uniqueness" premium and the use of such credit and yield analysis comparables as TDAM believes are relevant in the circumstances. Debt instruments are valued based on mid prices, where readily available.
- (b) Short-term debt instruments, repurchase and reverse repurchase agreements are valued based on quotations received from recognized investment dealers.
- (c) Real return bonds are valued based on the available public quotations from recognized dealers. Changes in the inflation factor are reported in Interest for Distribution Purposes on the Statements of Comprehensive Income.
- (d) The Fund may use foreign exchange forward contracts to hedge against or profit from fluctuations in foreign exchange rates. These contracts are valued on each valuation day based on the difference between the contract rates and the current forward rates at the measurement date applied to the contracts' notional amount. The net change in unrealized appreciation or depreciation and the net realized gain or loss from closing out contracts are reflected on the Statements of Comprehensive Income as part of Net Gain (Loss) on Derivatives.
- (e) The Fund may enter into a forward contract to obtain exposure to a specific type of investment without actually investing directly in such investment. These contracts are valued based on the difference between the contract rate and the current market rate for the underlying investment, at the measurement date. The unrealized gain or loss and the net realized gain or loss from closing out contracts are reflected on the Statements of Comprehensive Income as part of Net Gain (Loss) on Derivatives.
- (f) The Fund may purchase standardized, exchange-traded futures contracts. Any outstanding futures contracts as at December 31, 2016 are listed in the Schedule of Investment Portfolio. Any difference between the value at the close of business on the current valuation day and that of the previous valuation day is settled in cash daily and recorded on the Statements of Comprehensive Income as Derivatives Income (Loss). Any amounts receivable (payable) from settlement of futures contracts are reflected on the Statements of Financial Position as Futures Margin Receivable (Payable). Short-term debt instruments as indicated in the Schedule of Investment Portfolio have been segregated and are held as margin against the futures contracts purchased by the Fund.
- (g) Options contracts that are traded in exchange markets are valued at their closing prices on each valuation day. The premium received or paid on options written or purchased is included in the cost of the options. Any difference between the current value of the contract and the value of the contract originated is recognized as net change in unrealized appreciation (depreciation) on derivatives. When options are closed or exercised, the difference between the premium and the amount paid or received, or the full amount of the premium if the option expires worthless, is reflected on the Statements of Comprehensive Income as part of Net Gain (Loss) on Derivatives. The cost of a security purchased will be reduced by the premium received on options when a written put option is exercised.
- (h) Investments in underlying funds (mutual funds) are generally valued at the NAV per series unit of the underlying funds as reported by the underlying funds' managers.
- (i) The exchange-traded funds (ETFs) are valued based on quoted market prices at the close of trading on the reporting date.

Fair Value Hierarchy

The Fund classifies its investment into fair value measurements within a hierarchy that prioritizes the inputs to fair value measurement. The fair value hierarchy has the following three levels:

- Level 1 Quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2 Inputs other than quoted prices that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3 Inputs that are not based on observable market data (that is, unobservable inputs).

Notes to the Financial Statements

All fair value measurements are recurring. The carrying values of Cash, Subscriptions Receivable, Interest Receivable, Dividends Receivable, Receivable for Investments Sold, Payable for Investments Purchased, Redemptions Payable, Distributions Payable, Accrued Liabilities and the Fund's obligation for Net Assets Attributable to Holders of Redeemable Units approximate their fair values due to their short-term nature.

Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

The hierarchy 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 classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment. Observable data is considered to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

TDAM has a Global Fair Value Committee which oversees the performance of the fair value measurements included in the financial statements of the Fund, including any Level 3 measurements. The committee meets regularly to perform detailed reviews of the valuations of investments held by the Fund.

TDAM utilizes a variety of methods in determining the fair value of securities classified as Level 3. These methods include the use of comparable recent arm's length transactions, discounted cash flow analysis, option pricing models and other techniques commonly used by market participants and which make the use of observable inputs. These methods are based on key inputs such as broker quotations, industry multipliers and discount rates.

The classification of the Fund's financial instruments within the fair value hierarchy as at December 31, 2016 and 2015, and any transfers between levels at end of the period as a result of changes in the lowest level input that is significant to the fair value measurement are disclosed in the Fund-Specific Notes to the Financial Statements, where applicable.

Interest in Unconsolidated Structured Entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. TDAM has determined that all of the underlying funds and ETFs in which the Fund invests are unconsolidated structured entities. In making this determination, TDAM evaluated the fact that decision making about underlying funds' and ETF's activities are generally not governed by voting or similar rights held by the Fund and other investors in any underlying funds and ETFs.

The Fund may invest in underlying funds and ETFs whose investment objectives range from achieving short- to long-term income and capital growth potential. The Fund's interests in these securities as at December 31, 2016 and 2015 are included at their fair value on the Statements of Financial Position, which represent the Fund's exposure in these underlying funds and ETFs. The Fund does not provide and has not committed to provide any additional significant financial or other support to the underlying funds and ETFs. The change in fair value of each of the underlying funds and ETFs during the reporting periods is included in Net Change in Unrealized Appreciation (Depreciation) on the Statements of Comprehensive Income in Net Gain (Loss) on Investments. Additional information on the Fund's interest in underlying funds and ETFs, where applicable, is provided in the Fund-Specific Notes to the Financial Statements.

TD MUTUAL FUND TRUSTS

The TD Mutual Fund Trusts may also invest in mortgage-related and other asset-backed securities that directly or indirectly represent a participation in, or are secured by and payable from, mortgage loans on real property. Mortgage-related securities are created from pools of residential or commercial mortgage loans, including mortgage loans made by savings and loan institutions, mortgage bankers, commercial banks and others. The debt and equity securities issued by these securities may include tranches with varying levels of subordination. The Fund may also invest in senior notes that have a first lien on assets and have minimum exposure to junior or subordinate tranches. These securities may provide a monthly payment which consists of both interest and principal payments. Other asset-backed securities are created from many types of assets, including auto loans, credit card receivables, home equity loans, and student loans.

As at December 31, 2016 and 2015, the fair value of mortgage-related and other asset-backed securities of the Fund, where applicable, is disclosed as part of the Investments on the Statements of Financial Position. This amount represents the maximum exposure to losses at that date. The change in fair value of mortgage-related and other asset-backed securities during the reporting periods are included in the Net Change in Unrealized Appreciation (Depreciation) on Statements of Comprehensive Income in Net Gain (Loss) on Investments.

Notes to the Financial Statements

Translation of Foreign Currencies

The Fund's functional currency, as disclosed in the Fund-Specific Notes to the Financial Statements, represents the currency that TDAM views to most faithfully represent the economic effects of the Fund's underlying transactions, events and conditions taking into consideration how units are issued or redeemed and how returns are measured. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates that transactions occur. 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 on the sale of investments are included in Net Realized Gain (Loss) on Investments. Unrealized foreign exchange gains and losses on investments held are included in Net Change in Unrealized Appreciation (Depreciation) on Investments. Realized and unrealized foreign exchange gains and losses relating to cash are presented as Foreign Exchange Gain (Loss) on Cash on the Statements of Comprehensive Income.

Offsetting Financial Assets and Liabilities

Financial assets and liabilities are offset and the net amount reported on the Statements of Financial Position where the Fund has a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. In all other situations they are presented on a gross basis. In the normal course of business, the Fund may enter into various master netting agreements or other similar arrangements that do not meet the criteria for offsetting on the Statements of Financial Position but still allow for the related amounts to be set-off in certain circumstances, such as bankruptcy or the termination of the contracts. Offsetting information, where applicable, is presented in the Fund-Specific Notes to the Financial Statements.

Reverse Repurchase Agreements

The Fund may enter into reverse repurchase transactions. In a reverse repurchase transaction, the Fund buys a security at one price from a third party and agrees to sell the same security back to the same party at a specified price on an agreed future date and the difference is included as Net Gain (Loss) on Investments on the Statements of Comprehensive Income.

The risk with these types of transactions is that the other party may default under the agreement or go bankrupt. These risks are reduced by requiring the other party to provide collateral to the Fund. The value of the collateral has to be at least 102 percent of the market value of the security and the collateral is marked to market on each business day. The type of securities received and related collateral held by the Fund, where applicable, are listed in the Schedule of Investment Portfolio.

Cash

Cash is comprised of deposits with financial institutions. Bank overdrafts are shown under Current Liabilities on the Statements of Financial Position.

Receivable for Investments Sold/Payable for Investments Purchased

Receivable for Investments Sold and Payable for Investments Purchased represent trades that have been contracted for but not yet settled or delivered in the Statements of Financial Position dates.

Impairment of Financial Assets

At each reporting date, the Fund assesses whether there is objective evidence that a financial asset at amortized cost is impaired. If such evidence exists, the Fund recognizes an impairment loss as the difference between the amortized cost of the financial asset and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. Impairment losses on financial assets at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

Valuation of Series Units

TDAM generally calculates the NAV for each series of the Fund as at 4 p.m. Eastern Time on each day that the Toronto Stock Exchange is open for trading. However, in some unusual circumstances, the series NAV per unit may be calculated at another time where it is in the best interests of unitholders to do so.

The NAV is calculated, for processing purchase, switch, conversion or redemption orders of series units, 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 that specific series.

The Net Assets Attributable to Holders of Redeemable Units – Per Series Unit is determined by dividing the total Net Assets Attributable to Holders of Redeemable Units of each series of the Fund by the total number of units outstanding of that series at the reporting date.

Income Recognition

Interest for Distribution Purposes as shown on the Statements of Comprehensive Income includes interest income from cash and the coupon interest on debt instruments accounted for on an accrual basis. Interest Receivable is disclosed on the Statements of Financial Position based on the debt instruments' stated rates of interest. The Fund does not amortize premiums paid or discounts received on the purchase of debt securities except for zero coupon bonds which are amortized.

Dividend income and distributions from any underlying funds and ETFs, are recognized on the ex-dividend and ex-distribution date respectively.

The TD Mutual Fund Trusts may engage in securities lending pursuant to the terms of an agreement which includes restrictions as set out in Canadian securities legislation. The income earned from securities lending, where applicable, is included in the Statements of Comprehensive Income as it is earned. The fair value of the securities loaned and fair value of the collateral held is determined daily. The details of security lending income, aggregate values of securities on loan and related collateral held by the Fund is provided in the Fund-Specific Notes to the Financial Statements, where applicable.

Notes to the Financial Statements

Investment Transactions and Transaction Costs

The cost of each investment security (excluding transaction costs), realized and unrealized gains and losses from investment transactions are determined on an average cost basis.

Transaction costs, such as brokerage commissions, incurred by the Fund in the purchase and sale of investments at fair value are recognized in the Statements of Comprehensive Income in the period incurred. Commissions paid, where applicable, are described in the Fund-Specific Notes to the Financial Statements. No transaction costs are incurred when the Fund invests in underlying funds. However, the underlying funds' investments may be subject to transaction costs.

Allocation of Income and Expenses, Realized and Unrealized Gains (Losses)

Expenses are accrued on a daily basis; separately for each series (excluding interest charges and portfolio transaction costs), while income, gains and losses are allocated to each series based on their respective Net Assets Attributable to Holders of Redeemable Units.

Increase (Decrease) in Net assets Attributable to Holders of Redeemable Units – Per Series Unit

The Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units – Per Series Unit is calculated by dividing the Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units of each series by the weighted average units outstanding of that series for the period except Weighted Average Units Outstanding for the Period – Per Series which is calculated from the start date.

Accounting Standards Issued but Not Yet Adopted

The final version of IFRS 9, "*Financial Instruments*" ("IFRS 9") was issued by the IASB in July 2014 and will replace International Accounting Standards ("IAS") 39, "*Financial Instruments: Recognition and Measurement*" ("IAS 39"). IFRS 9 introduces a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. The new single, principle based approach for determining the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, which will require more timely recognition of expected credit losses. It also includes changes in respect of own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognized in profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, however it is available for early adoption. In addition, the own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The manager is in the process of assessing the impact of IFRS 9 and has not yet determined when it will early adopt the new standard.

4. Critical Accounting Estimates and Judgments

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

Fair Value Measurement of Derivatives and Securities Not Quoted in an Active Market

The Fund may hold financial instruments that are not quoted in active markets, including derivatives. As described in Note 3, the use of valuation techniques for financial instruments and derivatives that are not quoted in an active market requires TDAM to make assumptions that are based on market conditions existing as at the date of financial statements. Changes in assumptions about these factors could affect the reported fair values of financial instruments. Refer to the Fund-Specific Notes to the Financial Statements for further information about the fair value measurement of the Fund's financial instruments, where applicable.

Classification and Measurement of Investments and Application of the Fair Value Option

In classifying and measuring financial instruments held by the Fund, TDAM is required to make significant judgments about whether or not the business of the Fund is to invest on a total return basis for the purpose of applying the fair value option for financial assets under IAS 39. The most significant judgments made include the determination that certain investments are HFT and that the fair value option can be applied to those which are not.

Investment Entity

In determining whether the Fund is an investment entity, TDAM may be required to make significant judgments about whether the Fund has the typical characteristics of an investment entity. The Fund may hold only one investment, an underlying fund (or have only one investor or have investors that are its related parties), however, consistent with the investment entity definition, the Fund primarily obtains funds from one or more investors for the purpose of providing investment management services, commits to its investors that the business purpose is to invest the funds solely for returns from capital appreciation, investment income or both, and measures and evaluates the performance of its investments on a fair value basis.

Notes to the Financial Statements

5. Redeemable Units

TD Mutual Fund Trusts

Each Fund is authorized to issue an unlimited number of units of multiple series that rank equally and are available for sale under a single simplified prospectus. In addition, the Fund is also authorized to issue unlimited number of units of multiple series to be sold under a confidential offering memorandum or other separate simplified prospectus. The various series that may be offered by the Fund are as described below.

Investor Series:	Offered on a no-load basis to investors.
H-Series:	Offered on a no-load basis to investors who wish to receive a regular monthly cash flow from the Fund. Monthly distributions may consist of net income, net realized capital gains and/or a return of capital.
Premium Series:	Offered on a no-load basis to large investors and others who make the required minimum investment, as determined by TDAM from time to time.
K-Series:	Offered on a no-load basis to large investors and others who make the required minimum investment, as determined by TDAM from time to time, and who wish to receive a regular monthly cash flow from the Fund. Monthly distributions may consist of net income, net realized capital gains, and/or a return of capital.
e-Series:	Offered on a no-load basis to investors who want to complete their transactions electronically.
D-Series:	Offered on a no-load basis to investors who want to complete their transactions through TD Direct Investing, a division of TDW, or other discount brokers.
Advisor Series:	Offered to investors who seek investment advice and want the option of transacting on a front-end load, back-end load, low-load or low-load-2 basis.
T-Series:	Offered to investors who seek investment advice; want the option of transacting on a front-end load, back-end load, low-load or low-load-2 basis; and who wish to receive a regular monthly cash flow from the Fund. Monthly distributions may consist of net income, net realized capital gains and/or a return of capital.
F-Series:	Offered to investors, through fee-based financial advisors or dealer-sponsored "wrap accounts", and others who pay an annual fee to their dealer instead of transactional sales charges.
S-Series:	Offered to investors who wish to receive a regular monthly cash flow from the Fund, through fee-based financial advisors or dealer-sponsored "wrap accounts". This series may also be offered to other investors who pay an annual fee to their dealer instead of transactional sales charges. Monthly distributions may consist of net income, net realized capital gains, and/or a return of capital.

Premium F-Series:	Offered to large investors, through fee-based financial advisors or dealer-sponsored "wrap accounts", and others who pay an annual fee to their dealer instead of transactional sales charges. For this series, investors must make the required minimum investment, as determined by TDAM from time to time.
PS Series:	Offered to large investors who wish to receive a regular monthly cash flow from the Fund, through fee-based financial advisors or dealer-sponsored "wrap accounts", and others who pay an annual fee to their dealer instead of transactional sales charges. For this services, investors must make the required minimum investment, as determined by TDAM from time to time. Monthly distributions may consist of net income, net realized capital gains, and/ a return of capital.
W-Series:	Offered to investors, through certain wealth management businesses of TD Bank Group, including certain divisions of TDW, or other dealers authorized by TDAM, who pay an annual fee to their dealer instead of transactional sales charges.
Private Series:	Offered on a no-load basis to large investors who make the required minimum investment as determined by TDAM, and have entered into a Private Series agreement with TDAM.
Institutional Series:	Offered on a no-load basis to large investors, such as group savings plans and others who make the required minimum investment, as determined by TDAM from time to time.
Q-Series:	Offered on a no-load basis to large investors such as group savings plans and others who wish to receive a regular monthly cash flow from the Fund, and who make the required minimum investment, as determined by TDAM from time to time. Monthly distributions may consist of net income, net realized capital gains and/or a return of capital.
C-Series	Offered on a no-load basis to large investors who make the required minimum investment as determined by TDAM and have entered into a C-Series agreement with TDAM.
O-Series:	Offered on a no-load basis to large investors who make the required minimum investment as determined by TDAM, and have entered into an O-Series agreement with TDAM.

Units of the Fund are redeemable at the option of the unitholder in accordance with the provisions of the Declaration of Trust. Units of the Fund are issued or redeemed on a daily basis at the NAV per series unit next determined after the purchase, switch, conversion order or redemption request, respectively, is received by TDAM. Purchases and redemptions include units exchanged from one series to another series within a Fund on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units. However, switches between series within a Fund are excluded from Proceeds from Issuances of Redeemable Units and Amounts Paid on Redeemable Units, Net of Redemption Fees on the Statements of Cash Flows.

Notes to the Financial Statements

TD Managed Assets Program Portfolios

Each Fund is authorized to issue an unlimited number of units of multiple series that rank equally and are available for sale under a single simplified prospectus. The various series that may be offered by the Fund are as described below.

Investor Series:	Offered on a no-load basis to investors.
H-Series:	Offered on a no-load basis to investors who wish to receive a regular monthly cash flow from the Fund. Monthly distributions may consist of net income, net realized capital gains and/or a return of capital.
Premium Series:	Offered on a no-load basis to large investors and others who make the required minimum investment, as determined by TDAM from time to time.
K-Series:	Offered on a no-load basis to large investors and others who make the required minimum investment, as determined by TDAM from time to time, and who wish to receive a regular monthly cash flow from the Fund. Monthly distributions may consist of net income, net realized capital gains, and/or a return of capital.
e-Series:	Offered on a no-load basis to investors who want to complete their transactions electronically.
Advisor Series:	Offered to investors who seek investment advice and want the option of transacting on a front-end load, back-end load, low-load or low-load-2 basis.
T-Series:	Offered to investors who seek investment advice; want the option of transacting on a front-end load, back-end load, low-load or low-load-2 basis; and who wish to receive a regular monthly cash flow from the Fund. Monthly distributions may consist of net income, net realized capital gains and/or a return of capital.
F-Series:	Offered to investors, through fee-based financial advisors or dealer-sponsored "wrap accounts", and others who pay an annual fee to their dealer instead of transactional sales charges.
S-Series:	Offered to investors who wish to receive a regular monthly cash flow from the Fund, through fee-based financial advisors or dealer-sponsored "wrap accounts". This series may also be offered to other investors who pay an annual fee to their dealer instead of transactional sales charges. Monthly distributions may consist of net income, net realized capital gains, and/or a return of capital.

For both TD Mutual Fund Trusts and TD Managed Assets Program Portfolios, each individual series of units is sold under differing purchase options and may have higher or lower management fees based on their specific attributes, as summarized above, reflecting the extent of the investment advice provided. The management fee rates for the Fund and its various series are provided in the Fund-Specific Notes to the Financial Statements.

6. Related Party Transactions

Management Fees

TD MUTUAL FUND TRUSTS

In consideration for the provision of management, distribution and portfolio management services and oversight of any portfolio sub-advisory services provided to the Fund, TDAM receives an annual management fee in respect of certain series of the Fund. The management fee is calculated and accrued on a daily basis for each series based on the NAV of that series of the Fund and paid monthly to TDAM. Where a Fund invests in any underlying funds, there may be fees and expenses payable by the underlying funds in addition to those paid by the Fund. However, there is no duplication of management fees.

No management fees are charged with respect to Private Series and O-Series units. Instead, unitholders in Private Series and O-Series units may be charged a fee directly by TDAM.

The maximum management fee is the maximum fee that can be charged to each series of units of the Fund according to the simplified prospectus. TDAM may charge a management fee that is less than the management fee TDAM is otherwise entitled to charge each series of units of the Fund. The actual management fee is the annualized fee that was charged to each series of the Fund for the reporting periods. TDAM may charge the maximum management fee without notice to unitholders. Actual and maximum management fees for each series of the Fund are provided in the Fund-Specific Notes to the Financial Statements.

TD MANAGED ASSETS PROGRAM PORTFOLIOS

In consideration for the provision of management, distribution and portfolio management services to the Fund, each series of the Fund pays TDAM a management fee. The management fee is a variable fee dependent upon the amount of all other fees and expenses, including applicable goods and services tax ("GST") and harmonized sales tax ("HST"). GST and HST are paid or payable by the Fund based on the province or territory of residence of the unitholders in each series of the Fund. Where a Fund invests in any underlying funds, there are fees and expenses payable by the underlying funds in addition to those paid by the Fund. However, there is no duplication of management fees.

The maximum management fee is the amount that would be necessary to reach the cap, when combined with all expenses of the Fund and its share of the underlying funds' expenses. Actual management fees for each series of the Fund are provided in the Fund-Specific Notes to the Financial Statements.

The management fee is calculated and accrued on a daily basis for each series based on the NAV of that series of the Fund and paid monthly to TDAM. The management fee payable as at December 31, 2016 and 2015 are recognized as part of Accrued Liabilities on the Statements of Financial Position.

Notes to the Financial Statements

Administration Fees

TD MUTUAL FUND TRUSTS

In consideration for paying certain operating expenses, TDAM is paid an annual administration fee with respect to certain series of the Fund. The administration fee includes recordkeeping and communication costs, custodial costs, certain legal fees, audit fees, regulatory filing fees and bank charges. The administration fee is calculated and accrued on a daily basis for each series based on the NAV of the applicable series of the Fund and paid monthly to TDAM. Annual administration fees for each series of the Fund, where applicable, are provided in the Fund-Specific Notes to the Financial Statements.

The administration fee is payable in respect of Investor Series, H-Series, K-Series, D-Series, Advisor Series and T-Series of the Fund, as applicable, other than the money market funds, TD Ultra Short Term Bond Fund, TD Short Term Bond Fund, TD Canadian Bond Fund, the index funds, the Target Return Funds and Advisor Series units of TD U.S. Equity Portfolio. The administration fee is also payable in respect of Premium Series of the Fund, as applicable, other than TD U.S. Money Market Fund, TD Short Term Bond Fund, TD Canadian Bond Fund, TD Income Advantage Portfolio, TD Canadian Core Plus Bond Fund, TD Corporate Bond Plus Fund and the Target Return Funds.

No administration fee is charged with respect to other series of the Fund according to the simplified prospectus.

Operating Expenses

Fund's Independent Review Committee ("IRC")

TDAM is responsible for management of the Fund's investment portfolio, including the making of decisions relating to the investment of the Fund's assets.

TDAM has established an IRC in respect of the Fund and the underlying funds managed by TDAM. The IRC acts as an impartial and independent committee to review and provide recommendations or, if appropriate, approvals respecting any transactions in which TDAM may have a conflict of interest.

The IRC has approved standing instructions to permit the Fund and/or underlying funds managed by TDAM to enter into the following securities transactions:

- (a) trades in securities of TD or any affiliate or associate thereof;
- (b) investments in the securities of an issuer where TD Securities Inc., TDW, or any other affiliate of TDAM (a "Related Dealer") acted as an underwriter during the distribution of such securities and the 60-day period following the completion of the distribution of the underwritten securities;
- (c) purchases or sales of securities of an issuer from or to another investment fund or discretionary managed account managed by TDAM; and
- (d) purchases of securities from or sales of securities to a Related Dealer, where it acted as principal.

Investments in securities of TD, interests in underlying funds managed by TDAM, or investments in any affiliates that were held by the Fund at the end of the reporting period are disclosed in the Schedule of Investment Portfolio and/or the Fund-Specific Notes to the Financial Statements.

The compensation and relevant expenses of IRC members were allocated among the investment funds managed by TDAM and disclosed on the Statements of Comprehensive Income as Independent Review Committee Fees.

TD MANAGED ASSETS PROGRAM PORTFOLIOS

All operating expenses of the Fund (including for services provided by TDAM or its affiliates) are paid for by TDAM, including costs of the Fund's IRC; recordkeeping and communication costs; custodial, legal, audit and filing fees; bank charges; borrowing costs; and all taxes.

While securities legislation requires the Fund to pay its proportionate share of all reasonable costs and expenses associated with the IRC from its assets, TDAM will reimburse the Fund for such costs and expenses.

Other Operating Expenses

TD MUTUAL FUND TRUSTS

Except in respect of Private Series of the Fund and Advisor Series of TD U.S. Equity Portfolio, TDAM pays all of the operating expenses for the Fund (including services provided by TDAM or affiliates of TDAM), other than expenses associated with taxes of all kinds to which a Fund is or might be subject; borrowing; IRC and other costs relating to compliance with any new governmental and regulatory requirements. Any new types of governmental and regulatory expenses are disclosed as "Other Trust Fund Costs" on the Statements of Comprehensive Income.

TDAM pays the operating expenses with respect to O-Series units of the Fund.

TDAM, at its discretion, may waive or absorb a portion of the operating expenses otherwise payable by the Fund. These waivers or absorptions may be terminated at any time without notice. The amount of expenses waived or absorbed is disclosed in the Statements of Comprehensive Income as Waived Expenses, where applicable.

Brokerage Commissions and Soft Dollars

TD MUTUAL FUND TRUSTS

Brokerage commissions (including other transaction costs) paid on securities transactions and amounts paid to related parties of TD for brokerage services provided to the Fund for the periods ended December 31, where applicable, are disclosed in the Fund-Specific Notes to the Financial Statements.

Client brokerage commissions are used as payment for order execution services or research services. The portfolio advisers or TDAM may select brokers including its affiliates, who charge a commission in excess of that charged by other brokers ("soft dollars") if they determine in good faith that the commission is reasonable in relation to the order execution and research services utilized.

Notes to the Financial Statements

For debt instruments traded in the over the counter markets where client brokerage commissions are not charged, soft dollars or client brokerage commissions are not generated. For equities or other securities where client brokerage commissions are charged, the soft dollar portion of the amount paid or payable for goods and services other than order execution for the Fund is not generally ascertainable. Any ascertainable soft dollar value received as a percentage of total brokerage commissions paid under the soft dollar arrangement entered into by the portfolio advisers or TDAM, where applicable, is disclosed in the Fund-Specific Notes to the Financial Statements.

TD MANAGED ASSETS PROGRAM PORTFOLIOS

The Fund did not incur any brokerage commissions during the periods ended December 31, 2016 and 2015 to execute transactions in the underlying funds and debt instruments, and accordingly did not receive any investment or research services from brokers in exchange for commissions paid by the Fund.

Certain of the underlying funds have incurred brokerage commissions, a portion of which may have been received by the underlying funds' investment advisers in the form of investment or research services ("soft dollars"). Such amounts for each of the underlying funds are disclosed in the underlying funds' financial statements, where ascertainable.

7. Taxation

The Fund qualifies, or intends to qualify if launched during the current period, as a mutual fund trust under the *Income Tax Act* (Canada). All or substantially all of the net investment income and sufficient amounts of net capital gains realized in any period are distributed to unitholders such that no income tax is payable by the Fund. As a result, the Fund has determined that it is in substance not taxable and therefore does not record income taxes in the Statements of Comprehensive Income nor does it recognize any deferred tax assets or liabilities in the Statements of Financial Position. The Fund's capital and/or non-capital losses, where applicable, are provided in the Fund-Specific Notes to the Financial Statements. Capital losses have no expiry. Non-Capital losses can be carried forward for up to twenty years.

The Fund currently incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are reported as Tax Reclaims (Withholding Taxes) on the Statements of Comprehensive Income.

8. Financial Risk Management

Financial Risk Factors

The Fund is exposed to a variety of financial risks: market risk (including interest rate risk, currency risk, and other price risk), credit risk, liquidity risk and concentration risk. All investments present a risk of loss of capital.

TDAM seeks to reduce financial risks by employing and overseeing professional and experienced portfolio advisers that regularly monitor the Fund's positions, market events and diversify investment portfolios within the constraints of the Fund's investment objectives, investment strategies and applicable TDAM policies and procedures (collectively referred to as "Investment Restrictions").

If the Fund invests in underlying funds, TDAM seeks to reduce financial risks by diversifying investments across the three main asset classes: money market investments for safety, bonds for income and equity investments for growth, where applicable. Since different types of investments tend to move independently from one another, positive performance in one asset class can help offset negative performance in another, thereby reducing volatility and overall risk in the long-term.

The Fund is managed in accordance with its Investment Restrictions.

(a) Market Risk

(i) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect the future cash flows or the fair values of interest-bearing investments.

The Fund's exposure to interest rate risk is concentrated in its investments in debt instruments (such as bonds, debentures and mortgages) and interest rate derivative instruments, if any. Short-term investments, currencies and other assets and liabilities are short-term in nature and/or non-interest bearing and not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

If the Fund invests in underlying funds, it is exposed to indirect interest rate risk to the extent of the interest-bearing financial instruments held by the underlying funds. The Fund's exposure to interest rate risk, where significant, is disclosed in the Fund-Specific Notes to the Financial Statements.

(ii) Currency Risk

The Fund may hold assets denominated in currencies other than its functional currency (which is the Canadian dollar for the TD Managed Assets Program Portfolios). The Fund is therefore exposed to currency risk, as the value of the securities denominated in other currencies will fluctuate due to changes in the foreign exchange rates of those currencies in relation to the Fund's functional currency. Where the Fund invests in any underlying funds, it is exposed to indirect currency risk in the event that the underlying funds invest in financial instruments that are denominated in a currency other than the underlying funds' functional currency.

The Fund may also enter into foreign exchange forward contracts for hedging purposes to reduce its foreign currency exposure or to establish exposure to foreign currencies.

The Fund's exposure to currency risk, where significant, is disclosed in the Fund-Specific Notes to the Financial Statements.

Notes to the Financial Statements

(iii) Other Price Risk

Other price risk is the risk that securities will fluctuate in value because of changes in market prices (other than those arising from interest rate risk or currency risk). TDAM seeks to reduce this risk through its Investment Restrictions.

In determining the Fund's impact from exposure to other price risk, a historical beta may be used when applicable. Historical beta, a measure of the sensitivity of the Fund's returns to market returns, is derived from comparing 36 months of returns between the benchmark and the Fund. As such, beta inherently includes effects previously reflected in the interest rate and currency risks. Historical beta may not be representative of future beta.

Where the Fund invests in underlying funds, it is exposed to indirect other price risk in the event that the underlying funds invest in securities that trade on a market. The impact from indirect exposure to other price risk would be limited to the weighting of securities that trade on a market (equity component) in the underlying funds and may not reflect the Fund's entire indirect proportional ownership of the underlying funds. The Fund's impact from exposure to other price risk, where applicable, is disclosed in the Fund-Specific Notes to the Financial Statements.

For the TD Mutual Fund Trusts, except for written options and equities sold short, the maximum risk resulting from financial instruments is the fair value of the financial instruments as presented on the Statements of Financial Position. Possible losses from written options and equities sold short can be unlimited.

(b) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. Where applicable, the Fund's main credit risk concentration is in debt instruments and derivative instruments it holds. The Fund's exposure to credit risk is the risk that an issuer of investments or a counterparty to derivative instruments will be unable to pay amounts in full when due. All transactions in listed securities are settled or paid for upon delivery using approved brokers. The risk of default with a broker is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The Fund may also be exposed indirectly to credit risk if it invests in underlying funds in the event that the underlying funds invest in debt instruments and derivatives. Where applicable, detailed information is disclosed in the Fund-Specific Notes to the Financial Statements.

The Fund and the underlying funds only buy and hold short-term notes with a minimum R1- Low credit rating by DBRS or an equivalent rating from another recognized credit rating agency. The credit risk from the use of counterparties for foreign exchange forward contracts is, where applicable, minimized by:

- (i) using counterparties with a minimum credit rating of A by Standard & Poor's ("S&P") or an equivalent rating from another recognized credit rating agency;
- (ii) limiting the term of the foreign exchange forward contracts to a maximum of 365 days; and,
- (iii) limiting the mark-to-market exposure to any one counterparty to 10 percent of the portfolio value.

The Fund's investments in short term and/or debt instruments, by ratings categories, where applicable, are disclosed in the Fund-Specific Notes to the Financial Statements.

The TD Mutual Fund Trusts may also engage in securities lending transactions with counterparties that have a minimum credit rating of A by S&P or an equivalent rating from another credit agency. The value of cash or securities held as collateral by the Fund in connection with these transactions is at least 102 percent of the fair value of the securities loaned. The collateral and loaned securities are marked to market on each business day. Information about the fair values of securities lent and collateral held by the Fund, where applicable, is disclosed in the Fund-Specific Notes to the Financial Statements.

In the TD Managed Assets Program Portfolios, where applicable, the portfolio adviser reviews the Fund's credit positions as part of the investment management process.

(c) Liquidity Risk

Liquidity risk is defined as the risk that a fund may not be able to settle or meet its obligations on time or at a reasonable price. The Fund's exposure to this risk is concentrated in the daily cash redemptions of redeemable units. The Fund primarily invests in securities that are traded in active markets and can be readily disposed. In addition, the Fund retains sufficient cash and cash equivalents to maintain liquidity, and has the ability to borrow up to 5 percent of its NAV for the purpose of funding redemptions.

The contractual maturities analysis for the Fund's financial liabilities, where applicable, is disclosed in the Fund-Specific Notes to the Financial Statements.

(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 or industry sector. The Fund's concentration risk is disclosed in the Fund-Specific Notes to the Financial Statements.

Notes to the Financial Statements

9. Capital Risk Management

Units issued and outstanding represent the capital of the Fund. The Fund does not have any specific capital requirements on the subscription and redemption of units, other than certain minimum subscription requirements. Changes in the Fund's capital during the periods are reflected on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units. TDAM is responsible for managing the capital of the Fund in accordance with the Fund's investment objectives and for managing liquidity in order to meet redemption requests.

10. Revision of Comparative Information

Where applicable, certain comparative figures on the Statements of Cash Flows have also been revised. Amounts reclassified to Distributions In-Kind from Underlying Funds have been presented separately from amounts related to Purchases of Investments to appropriately reflect the non-cash components of investments purchased. The impact on the Net Cash from (used in) Operating Activities is nil.

If applicable, the most recent financial statements of the underlying TD Investment funds are available, without charge, by writing to:

TD Asset Management Inc.
P.O. Box 100
66 Wellington Street West
TD Bank Tower
Toronto-Dominion Centre
Toronto, Ontario
M5K 1G8

Currency codes used throughout the report:

Currency Code	Description
AUD	Australian Dollar
BRL	Brazilian Real
CAD/C\$	Canadian Dollar
CHF	Swiss Franc
DKK	Danish Krone
EUR	Euro
GBP	British Pound
HKD	Hong Kong Dollar
ILS	Israeli Shekel
JPY	Japanese Yen
KRW	South Korean Won
MXN	Mexican Peso
MYR	Malaysian Ringgit
NOK	Norwegian Krone
NZD	New Zealand Dollar
SEK	Swedish Krona
SGD	Singapore Dollar
THB	Thai Baht
USD	United States Dollar
ZAR	South African Rand

For Funds with references to FTSE TMX Canada indices:

FTSE TMX Global Debt Capital Markets Inc © 2017 “FTSE®” is a trade mark of FTSE International Ltd and is used under licence. “TMX” is a trade mark of TSX Inc. and is used under licence. All rights in the FTSE TMX Global Debt Capital Markets Inc’s indices and/or FTSE TMX Global Debt Capital Markets Inc’s ratings vest in FTSE TMX Global Debt Capital Markets Inc and/or its licensors. Neither FTSE TMX Global Debt Capital Markets Inc nor its licensors accept any liability for any errors or omissions in such indices and/or ratings or underlying data. No further distribution of FTSE TMX Global Debt Capital Markets Inc’s data is permitted without FTSE TMX Global Debt Capital Markets Inc’s express written consent.

TD Mutual Funds, TD Pools and the TD Managed Assets Program portfolios are managed by TD Asset Management Inc., a wholly-owned subsidiary of The Toronto-Dominion Bank and are available through authorized dealers.

Epoch Investment Partners, Inc. (“Epoch”) is a wholly-owned subsidiary of The Toronto-Dominion Bank and an affiliate of TD Asset Management. TD Asset Management operates in Canada through TD Asset Management, Inc. and in the U.S. through TDAM USA Inc.

All trademarks are the property of their respective owners.

® The TD logo and other trade-marks are the property of The Toronto-Dominion Bank.