

**TD Canadian Money
Market Fund**

531972
(03/18)

**TD Mutual Funds
Annual Financial Statements**

for the period ended December 31, 2017



Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by TD Asset Management Inc. ("TDAM") as manager of the TD Mutual Fund Trusts, TD Managed Assets Program Portfolios and TD Managed ETF Portfolios (collectively the "Funds" and individually the "Fund") and approved by TDAM's 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 TDAM 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 TDAM, manager of the Funds.



Bruce Cooper
Director and
Chief Executive Officer
March 16, 2018



David Lambie
Director and
Chief Financial Officer
March 16, 2018

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 Income Fund
TD Global Core Plus Bond Fund
TD Global Unconstrained Bond Fund
TD High Yield Bond Fund
TD Global Conservative Opportunities Fund
TD Global Balanced Opportunities 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. Dividend Growth Fund
TD U.S. Blue Chip Equity Fund
TD U.S. Quantitative Equity Fund
TD U.S. Equity Portfolio
TD North American Small-Cap Equity Fund
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 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
TD Managed Income ETF Portfolio
TD Managed Income & Moderate Growth
ETF Portfolio
TD Managed Balanced Growth ETF Portfolio
TD Managed Aggressive Growth ETF Portfolio
TD Managed Maximum Equity Growth
ETF 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 the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the 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, 2018

TD Canadian Money Market Fund

Statements of Financial Position (in 000s except per unit amounts) as at December 31, 2017 and 2016

	2017	2016
Assets		
Current Assets		
Investments	\$ 1,408,327	\$ 1,580,105
Reverse Repurchase Agreements	24,607	0
Cash	51,338	18,677
Interest Receivable	857	1,075
Subscriptions Receivable	3,324	6,239
	1,488,453	1,606,096
Liabilities		
Current Liabilities		
Redemptions Payable	2,892	4,500
Distributions Payable	7	4
	2,899	4,504
Net Assets Attributable to Holders of Redeemable Units	\$ 1,485,554	\$ 1,601,592
Net Assets Attributable to Holders of Redeemable Units – Per Series (Note 5)		
Investor Series	\$ 1,366,402	\$ 1,455,041
Institutional Series	\$ 5,361	\$ 5,892
Advisor Series	\$ 47,882	\$ 67,086
F-Series	\$ 7,573	\$ 10,509
O-Series	\$ 58,336	\$ 63,064
	\$ 1,485,554	\$ 1,601,592
Net Assets Attributable to Holders of Redeemable Units – Per Series Unit		
Investor Series	\$ 10.00	\$ 10.00
Institutional Series	\$ 10.00	\$ 10.00
Advisor Series	\$ 10.00	\$ 10.00
F-Series	\$ 10.00	\$ 10.00
O-Series	\$ 10.00	\$ 10.00

Statements of Comprehensive Income (in 000s except per unit amounts) for the periods ended December 31, 2017 and 2016

	2017	2016
Income		
Securities Lending Income	\$ 31	\$ 25
Net Gain (Loss) on Investments		
Interest for Distribution Purposes	15,278	13,227
Income from Reverse Repurchase Agreements	19	25
Net Gain (Loss) on Investments	15,297	13,252
Total Income (Net)	15,328	13,277
Expenses (Note 6)		
Management Fees	10,150	8,541
Independent Review Committee Fees	2	2
Total Expenses before Waivers	10,152	8,543
Less: Waived Expenses	(1,740)	(1)
Total Expenses (Net)	8,412	8,542
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units before Tax	6,916	4,735
Tax Reclaims (Withholding Taxes)	0	0
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$ 6,916	\$ 4,735
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units – Per Series		
Investor Series	\$ 5,986	\$ 3,925
Institutional Series	\$ 37	\$ 32
Advisor Series	\$ 247	\$ 197
F-Series	\$ 51	\$ 51
O-Series	\$ 595	\$ 530
	\$ 6,916	\$ 4,735
Weighted Average Units Outstanding for the Period – Per Series		
Investor Series	140,780	146,603
Institutional Series	551	641
Advisor Series	5,934	7,578
F-Series	953	1,308
O-Series	5,967	6,490
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units – Per Series Unit		
Investor Series	\$ 0.04	\$ 0.03
Institutional Series	\$ 0.07	\$ 0.05
Advisor Series	\$ 0.04	\$ 0.03
F-Series	\$ 0.05	\$ 0.04
O-Series	\$ 0.10	\$ 0.08

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

TD Canadian Money Market Fund

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

for the periods ended December 31, 2017 and 2016

	Investor Series		Institutional Series		Advisor Series	
	2017	2016	2017	2016	2017	2016
Net Assets Attributable to Holders of Redeemable Units at Beginning of the Period	\$ 1,455,041	\$ 1,438,139	\$ 5,892	\$ 6,812	\$ 67,086	\$ 79,077
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	5,986	3,925	37	32	247	197
Distributions to Holders of Redeemable Units						
From Net Investment Income	(5,986)	(3,925)	(37)	(32)	(247)	(197)
Redeemable Unit Transactions						
Proceeds from Redeemable Units Issued	757,899	937,058	3,172	3,104	50,614	68,931
Reinvestments of Distributions to Holders of Redeemable Units	5,924	3,888	37	32	237	192
Early Redemption Fees on Redeemable Units	0	0	0	0	0	0
Redemption of Redeemable Units	(852,462)	(924,044)	(3,740)	(4,056)	(70,055)	(81,114)
Net Increase (Decrease) from Redeemable Unit Transactions	(88,639)	16,902	(531)	(920)	(19,204)	(11,991)
Net Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	(88,639)	16,902	(531)	(920)	(19,204)	(11,991)
Net Assets Attributable to Holders of Redeemable Units at End of the Period	\$ 1,366,402	\$ 1,455,041	\$ 5,361	\$ 5,892	\$ 47,882	\$ 67,086
Redeemable Unit Transactions						
Redeemable Units Outstanding, Beginning of the Period	145,504	143,814	589	681	6,709	7,908
Redeemable Units Issued	75,790	93,705	317	311	5,061	6,893
Redeemable Units Issued on Reinvestments	592	389	4	3	24	19
Redeemable Units Redeemed	(85,246)	(92,404)	(374)	(406)	(7,006)	(8,111)
Redeemable Units Outstanding, End of the Period	136,640	145,504	536	589	4,788	6,709

	F-Series		O-Series		TOTAL	
	2017	2016	2017	2016	2017	2016
Net Assets Attributable to Holders of Redeemable Units at Beginning of the Period	\$ 10,509	\$ 14,779	\$ 63,064	\$ 65,962	\$ 1,601,592	\$ 1,604,769
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	51	51	595	530	6,916	4,735
Distributions to Holders of Redeemable Units						
From Net Investment Income	(51)	(51)	(595)	(530)	(6,916)	(4,735)
Redeemable Unit Transactions						
Proceeds from Redeemable Units Issued	17,743	28,337	24,987	28,927	854,415	1,066,357
Reinvestments of Distributions to Holders of Redeemable Units	50	50	595	530	6,843	4,692
Early Redemption Fees on Redeemable Units	0	0	0	0	0	0
Redemption of Redeemable Units	(20,729)	(32,657)	(30,310)	(32,355)	(977,296)	(1,074,226)
Net Increase (Decrease) from Redeemable Unit Transactions	(2,936)	(4,270)	(4,728)	(2,898)	(116,038)	(3,177)
Net Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	(2,936)	(4,270)	(4,728)	(2,898)	(116,038)	(3,177)
Net Assets Attributable to Holders of Redeemable Units at End of the Period	\$ 7,573	\$ 10,509	\$ 58,336	\$ 63,064	\$ 1,485,554	\$ 1,601,592
Redeemable Unit Transactions						
Redeemable Units Outstanding, Beginning of the Period	1,051	1,478	6,306	6,596		
Redeemable Units Issued	1,774	2,834	2,499	2,893		
Redeemable Units Issued on Reinvestments	5	5	60	53		
Redeemable Units Redeemed	(2,073)	(3,266)	(3,031)	(3,236)		
Redeemable Units Outstanding, End of the Period	757	1,051	5,834	6,306		

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

TD Canadian Money Market Fund

Statements of Cash Flows (in 000s)

for the periods ended December 31, 2017 and 2016

	2017	2016
Cash Flows from (used in) Operating Activities		
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$ 6,916	\$ 4,735
Adjustment For:		
Purchase of Investments	(7,160,770)	(9,021,395)
Proceeds from Sale and/or Maturity of Investments	7,307,941	9,045,483
(Increase) Decrease in Interest Receivable	218	842
Increase (Decrease) in Accrued Liabilities	0	(717)
Net Cash from (used in) Operating Activities	154,305	28,948
Cash Flows from (used in) Financing Activities		
Distributions Paid to Holders of Redeemable Units, Net of Reinvested Distributions	(70)	(44)
Proceeds from Issuances of Redeemable Units	853,307	1,059,413
Amounts Paid on Redemption of Redeemable Units, Net of Early Redemption Fees	(974,881)	(1,069,780)
Net Cash from (used in) Financing Activities	(121,644)	(10,411)
Net Increase (Decrease) in Cash	32,661	18,537
Cash (Bank Overdraft) at Beginning of the Period	18,677	140
Cash (Bank Overdraft) at End of the Period	\$ 51,338	\$ 18,677
Interest for Distribution Purposes Received*, Net of Withholding Taxes	\$ 15,496	\$ 14,069

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

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

TD Canadian Money Market Fund

Schedule of Investment Portfolio (in 000s except number of Shares or Units/Par Value) as at December 31, 2017

No. of Shares or Units/ Par Value	Description	Amortized Cost	Fair Value
Short-Term Investments – 94.8%			
FEDERAL & GUARANTEES – 3.3%			
Government of Canada Treasury Bill			
8,500,000	0.87% due January 25, 2018	\$ 8,495	\$ 8,495
23,000,000	0.86% due February 08, 2018	22,978	22,978
11,100,000	1.07% due February 22, 2018	11,082	11,082
7,000,000	1.03% due March 08, 2018	6,987	6,987
		49,542	49,542
PROVINCIAL & GUARANTEES – 11.4%			
Ontario Teachers' Finance Trust			
14,500,000	1.21% due January 05, 2018	14,497	14,497
12,000,000	1.29% due January 12, 2018	11,994	11,994
13,000,000	1.22% due January 30, 2018	12,987	12,987
6,000,000	1.30% due April 06, 2018	5,979	5,979
7,000,000	1.43% due May 23, 2018	6,961	6,961
15,000,000	1.43% due May 28, 2018	14,913	14,913
Province of Alberta			
14,000,000	1.05% due January 31, 2018	13,987	13,987
10,300,000	1.14% due March 13, 2018	10,277	10,277
Province of British Columbia			
24,000,000	1.15% due March 28, 2018	23,934	23,934
Province of Manitoba Treasury Bill			
9,000,000	1.08% due January 17, 2018	8,995	8,995
23,000,000	1.14% due March 21, 2018	22,942	22,942
Province of Ontario Treasury Bill			
4,000,000	1.15% due April 04, 2018	3,988	3,988
Province of Saskatchewan			
5,000,000	1.05% due February 06, 2018	4,995	4,995
8,000,000	1.06% due March 07, 2018	7,984	7,984
Province of Saskatchewan Treasury Bill			
5,000,000	1.15% due April 03, 2018	4,985	4,985
		169,418	169,418
CORPORATE – 80.1%			
Bank of Montreal			
10,000,000	1.23% due January 02, 2018	9,999	9,999
10,000,000	1.30% due January 29, 2018	9,989	9,989
9,000,000	1.29% due February 20, 2018	8,984	8,984
20,000,000	1.33% due March 02, 2018	19,955	19,955
14,000,000	1.40% due March 19, 2018	13,958	13,958
The Bank of Nova Scotia			
10,000,000	1.32% due January 10, 2018	9,996	9,996
6,000,000	2.37% due January 11, 2018	6,003	6,003
9,000,000	1.32% due February 26, 2018	8,981	8,981
15,000,000	1.35% due February 28, 2018	14,967	14,967
12,000,000	1.35% due March 01, 2018	11,973	11,973
15,000,000	1.32% due March 05, 2018	14,965	14,965
10,000,000	1.52% due March 26, 2018	9,964	9,964
15,000,000	1.47% due March 29, 2018	14,946	14,946
6,000,000	1.33% due May 01, 2018	6,004	6,004
11,000,000	Floating Rate due October 12, 2018	11,000	11,000

No. of Shares or Units/ Par Value	Description	Amortized Cost	Fair Value
Bay Street Funding Trust			
18,300,000	1.38% due January 08, 2018	\$ 18,294	\$ 18,294
22,000,000	1.40% due February 01, 2018	21,972	21,972
9,700,000	1.35% due February 02, 2018	9,688	9,688
8,000,000	1.38% due February 16, 2018	7,986	7,986
17,000,000	1.41% due February 28, 2018	16,961	16,961
1,500,000	1.41% due March 01, 2018	1,496	1,496
6,000,000	1.47% due April 12, 2018	5,975	5,975
bcIMC Realty Corporation			
8,000,000	5.65% due January 05, 2018	8,006	8,006
14,000,000	2.79% due August 02, 2018	14,105	14,105
Canadian Imperial Bank of Commerce			
11,000,000	1.22% due January 03, 2018	10,999	10,999
10,000,000	1.21% due January 04, 2018	9,998	9,998
10,000,000	1.33% due January 12, 2018	9,995	9,995
15,000,000	1.28% due January 22, 2018	14,988	14,988
20,000,000	1.28% due January 31, 2018	19,978	19,978
6,000,000	1.44% due March 27, 2018	5,979	5,979
5,000,000	1.51% due March 29, 2018	4,982	4,982
11,000,000	Floating Rate due May 08, 2018	11,003	11,003
10,000,000	Floating Rate due July 24, 2018	10,000	10,000
5,000,000	1.58% due August 20, 2018	4,950	4,950
Canadian Master Trust			
8,000,000	1.47% due January 09, 2018	7,997	7,997
12,400,000	1.48% due January 11, 2018	12,394	12,394
11,000,000	1.49% due January 16, 2018	10,992	10,992
8,000,000	1.48% due January 17, 2018	7,994	7,994
15,000,000	1.38% due January 18, 2018	14,989	14,989
2,500,000	1.47% due January 24, 2018	2,497	2,497
2,000,000	1.45% due February 01, 2018	1,997	1,997
7,800,000	1.52% due February 20, 2018	7,783	7,783
3,000,000	1.35% due February 23, 2018	2,994	2,994
13,000,000	1.42% due March 13, 2018	12,963	12,963
Federation des caisses Desjardins du Quebec			
13,500,000	1.24% due January 23, 2018	13,489	13,489
3,000,000	1.30% due February 13, 2018	2,995	2,995
20,000,000	1.30% due February 15, 2018	19,967	19,967
23,000,000	1.33% due March 08, 2018	22,943	22,943
12,000,000	1.38% due March 20, 2018	11,964	11,964
National Bank of Canada			
10,000,000	1.20% due January 03, 2018	9,999	9,999
5,000,000	1.48% due April 30, 2018	4,976	4,976
OMERS Finance Trust			
15,000,000	1.23% due January 10, 2018	14,994	14,994
6,000,000	1.30% due January 29, 2018	5,994	5,994
18,665,000	1.28% due February 06, 2018	18,640	18,640
6,000,000	1.29% due February 21, 2018	5,989	5,989
17,000,000	1.33% due March 05, 2018	16,960	16,960
OMERS Realty Corporation			
10,981,000	2.498% due June 05, 2018	11,026	11,026
Plaza Trust			
10,000,000	1.36% due January 12, 2018	9,995	9,995
10,000,000	1.36% due January 17, 2018	9,993	9,993
4,000,000	1.43% due January 23, 2018	3,996	3,996
1,450,000	1.43% due March 01, 2018	1,447	1,447
9,900,000	1.46% due March 19, 2018	9,869	9,869
17,000,000	1.46% due March 21, 2018	16,945	16,945
4,500,000	1.49% due March 26, 2018	4,484	4,484
24,000,000	1.53% due April 12, 2018	23,897	23,897

TD Canadian Money Market Fund

No. of Shares or Units/		Description	Amortized Cost	Fair Value
Par Value				
Ridge Trust				
14,000,000		1.32% due January 04, 2018	\$ 13,997	\$ 13,997
2,300,000		1.29% due January 15, 2018	2,299	2,299
8,000,000		1.49% due January 16, 2018	7,994	7,994
12,400,000		1.38% due January 19, 2018	12,391	12,391
4,300,000		1.37% due January 29, 2018	4,295	4,295
3,400,000		1.35% due February 15, 2018	3,394	3,394
3,500,000		1.43% due February 26, 2018	3,492	3,492
15,000,000		1.42% due March 07, 2018	14,961	14,961
3,000,000		1.42% due March 13, 2018	2,992	2,992
2,000,000		1.42% due March 14, 2018	1,994	1,994
14,000,000		1.58% due May 02, 2018	13,926	13,926
Royal Bank of Canada				
10,000,000		1.27% due January 15, 2018	9,994	9,994
5,000,000		1.31% due January 25, 2018	4,995	4,995
15,000,000		1.31% due January 29, 2018	14,984	14,984
5,000,000		1.37% due January 30, 2018	4,994	4,994
7,000,000		1.34% due February 09, 2018	6,989	6,989
10,000,000		0.97% due February 14, 2018	9,988	9,988
5,000,000		1.30% due February 27, 2018	4,989	4,989
7,000,000		1.35% due February 28, 2018	6,985	6,985
5,000,000		2.26% due March 12, 2018	5,011	5,011
10,000,000		1.48% due March 29, 2018	9,964	9,964
10,000,000		2.82% due July 12, 2018	10,067	10,067
8,000,000		Floating Rate due August 01, 2018	8,000	8,000
12,000,000		1.65% due November 16, 2018	11,829	11,829
SAFE Trust				
7,600,000		1.40% due February 06, 2018	7,589	7,589
10,000,000		1.47% due February 09, 2018	9,984	9,984
23,740,000		1.33% due February 16, 2018	23,699	23,699
13,000,000		1.41% due March 06, 2018	12,967	12,967
12,000,000		1.45% due March 12, 2018	11,966	11,966
11,000,000		1.60% due June 12, 2018	10,922	10,922
4,500,000		1.65% due June 27, 2018	4,464	4,464
SOUND Trust				
8,000,000		1.25% due January 03, 2018	7,999	7,999
7,500,000		1.26% due January 15, 2018	7,496	7,496
1,500,000		1.40% due January 22, 2018	1,499	1,499
14,000,000		1.40% due January 26, 2018	13,986	13,986
15,320,000		1.47% due February 08, 2018	15,295	15,295
5,000,000		1.40% due February 23, 2018	4,989	4,989
15,000,000		1.55% due March 26, 2018	14,946	14,946
6,000,000		1.60% due April 24, 2018	5,970	5,970
Storm King Funding				
21,400,000		1.40% due January 16, 2018	21,386	21,386
9,000,000		1.41% due February 27, 2018	8,980	8,980
6,900,000		1.40% due March 02, 2018	6,884	6,884
9,300,000		1.41% due March 06, 2018	9,276	9,276
10,500,000		1.49% due March 23, 2018	10,465	10,465
23,000,000		1.51% due April 03, 2018	22,911	22,911
Sure Trust				
2,000,000		1.40% due February 05, 2018	1,997	1,997
6,950,000		1.60% due April 25, 2018	6,915	6,915
The Toronto-Dominion Bank*				
11,000,000		Floating Rate due March 28, 2018	11,014	11,014
23,000,000		2.171% due April 02, 2018	23,052	23,052
Toyota Credit Canada Inc.				
8,000,000		0.97% due January 11, 2018	7,997	7,997
12,000,000		0.97% due January 18, 2018	11,994	11,994
			1,189,367	1,189,367
Total Short-Term Investments			1,408,327	1,408,327

No. of Shares or Units/		Description	Amortized Cost	Fair Value
Par Value				
Reverse Repurchase Agreements^o – 1.7%				
FEDERAL & GUARANTEES – 1.7%				
Government of Canada, Repurchase Agreement dated December 29, 2017 due 0.98% due January 02, 2018				
			\$ 24,607	\$ 24,607
TOTAL INVESTMENT				
PORTFOLIO – 96.5%			\$ 1,432,934	\$ 1,432,934
OTHER NET ASSETS				
(LIABILITIES) – 3.5%				52,620
TOTAL NET ASSETS – 100.0%				\$ 1,485,554

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

^o Reverse Repurchase Agreements (in 000s)

As at December 31, 2017, reverse repurchase agreements with details were as follows:

Type of Securities Reversed	Amount Paid by Fund	Market Value of Collateral
Government of Canada 0.98% January 02, 2018	\$ 24,607	\$ 25,273

TD Canadian Money Market Fund

Fund-Specific Notes to the Financial Statements

(A) The Fund

(I) The Fund start date was June 29, 1988.

(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 earn a high rate of interest income and at the same time, preserve capital and maintain liquidity by investing primarily in Canadian money market securities, generally maturing in not more than one year. In seeking to achieve this objective, the Fund invests primarily in high-quality corporate debt instruments while taking into account the global macroeconomic environment, and generally employs a "buy-and-hold" strategy. The Fund may also invest in treasury bills and other short-term debt instruments issued or guaranteed by Canadian federal or provincial governments, Canadian chartered banks or Canadian loan or trust companies, as well as commercial paper issued by Canadian corporations and bank-sponsored asset-backed commercial paper. Part of the Fund's strategy is to anticipate interest rate changes with a three to six month view on short-term rates. The Portfolio Adviser also performs extensive and continuous credit analysis on all corporate debt. The Fund endeavours to maintain a unit price of \$10.00.

(V) Any related party holdings as at December 31, 2017 (2016: 1.8%), are disclosed in the Schedule of Investment Portfolio.

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

for the periods ended December 31, 2017 and 2016

(I) MANAGEMENT FEES (%) (exclusive of GST and HST)

Series	Annual Rate	Annual Rate After Waiver	Maximum Annual Rate	Actual Annual Rate
	2017	2017	2016	2016
Investor Series	0.80	0.60	1.00	0.50
Institutional Series	0.30	0.28	0.30	0.28
Advisor Series	0.80	0.60	1.00	0.50
F-Series	0.55	0.50	0.75	0.40
O-Series	0.00	0.00	0.00	0.00

Effective October 23, 2017, the management fee rate charged to Investor Series and Advisor Series was changed from 0.50% to 0.60% and F-Series was changed from 0.40% to 0.50%.

The amount payable (in 000s) to TDAM as at December 31, 2017 for management fees is \$0 (2016: \$0) which is included in Accrued Liabilities in the Statements of Financial Position.

(II) ADMINISTRATION FEES (%) (exclusive of GST and HST)

Not applicable for the Fund.

(C) Brokerage Commissions and Soft Dollars (in 000s) (Notes 3 and 6)

for the periods ended December 31, 2017 and 2016

Not significant or applicable to the Fund.

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

as at December 31, 2017

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, 2017 and 2016 is as follows:

	Amount (in 000s)		Percentage of Total Amount (%)	
	2017	2016	2017	2016
Gross Securities Lending Income	\$ 39	\$ 31	100.0	100.0
Agent fees – The Bank of New York Mellon Corp.	(8)	(6)	(20.5)	(19.4)
Securities Lending Income to the Fund before Tax Reclaims (Withholding Taxes)	31	25	79.5	80.6
Tax Reclaims (Withholding Taxes)	0	0	0.0	0.0
Net Securities Lending Income	\$ 31	\$ 25	79.5	80.6

(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, 2017 and 2016.

	2017	2016
Fair Value of Securities Lent	\$ 33,914	\$ 44,765
Fair Value of Collateral Held	35,795	47,247

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, 2017 and 2016

(I) INTEREST RATE RISK

Not significant or applicable to the Fund.

(II) CURRENCY RISK

Not significant or applicable to the Fund.

(III) OTHER PRICE RISK

Not significant or applicable to the Fund.

(IV) CREDIT RISK

The table below summarizes the debt instruments by credit ratings as at December 31, 2017 and 2016.

Credit Rating ^o	Percentage of Total Bonds (%)		Percentage of Total Net Assets (%)	
	2017	2016	2017	2016
R-1 High	83.6	77.3	80.7	76.2
R-1 Mid	8.7	19.8	8.4	19.6
R-1 Low	7.7	2.9	7.4	2.9
Total	100.0	100.0	96.5	98.7

^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, 2017 and 2016.

	Level 1	Level 2	Level 3	Total
December 31, 2017				
Short-Term Investments	\$ 0	\$ 1,408,327	\$ 0	\$ 1,408,327
Reverse Repurchase Agreements	0	24,607	0	24,607
	\$ 0	\$ 1,432,934	\$ 0	\$ 1,432,934
December 31, 2016				
Short-Term Investments	\$ 0	\$ 1,580,105	\$ 0	\$ 1,580,105

As at the end of the periods, transfers between Level 1 and Level 2 were nil.

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

Not significant or applicable to the Fund.

(VII) CONTRACTUAL MATURITIES ANALYSIS FOR FINANCIAL LIABILITIES

As at December 31, 2017 and 2016, 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, 2017 and 2016, the Fund's investment portfolio concentration can be summarized as follows:

	2017	2016
Short-Term Investments		
Federal & Guarantees	3.3	5.0
Provincial & Guarantees	11.4	15.0
Corporate	80.1	78.7
Reverse Repurchase Agreement		
Federal & Guarantees	1.7	0.0
Other Net Assets (Liabilities)	3.5	1.3
	100.0	100.0

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

as at December 31, 2017 and 2016

Not significant or applicable to the Fund.

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

as at December 31, 2017 and 2016

Not significant or applicable to the Fund.

Notes to the Financial Statements

1. The Funds

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 investment funds including in units of exchange-traded 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, 2017 and 2016. 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, 2017 and 2016. Where a Fund or series of a Fund was established during either period, the information for that Fund or series is provided from the inception date and a comparative statement has only been presented for any period for which that Fund was in existence as at the reporting date.

Each Fund's start date as indicated in the Fund-Specific Notes to the Financial Statements is the date that it 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, 2018.

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 Funds recognize 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 Funds' 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 Funds have determined that they meet the definition of an 'investment entity' and as a result, the Funds measure 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 Funds have made in determining that this definition is met is that fair value is the primary measurement attribute used to measure and evaluate the performance of substantially all of the Funds' investments. The Funds' investments may also include associates and joint ventures which are designated at FVTPL.

The Funds' 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 Funds' only contractual obligation. Consequently, the Funds' outstanding redeemable units are classified as financial liabilities in accordance with the requirements of IAS 32, "Financial Instruments: Presentation" ("IAS 32"). The Funds' obligations for Net Assets Attributable to Holders of Redeemable Units are presented at the redemption amount.

The accounting policies for measuring the fair value of the Funds' investments and derivatives are substantially similar to those used in measuring the Funds' 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 Funds' 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 Funds use 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 Funds' policy is to recognize transfers into and out of the fair value hierarchy levels at the end of reporting periods.

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 Funds use a variety of methods and make 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 Funds 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 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 use of a credit spread based on the terms of the security 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. Other valuation techniques may be used, as described above, where applicable.
- (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 included in Interest for Distribution Purposes in the Statements of Comprehensive Income.
- (d) The Funds 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 in the Statements of Comprehensive Income as part of Net Gain (Loss) on Derivatives.

- (e) The Funds 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 in the Statements of Comprehensive Income as part of Net Gain (Loss) on Derivatives.
- (f) The Funds may purchase standardized, exchange-traded futures contracts. 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 in the Statements of Comprehensive Income as Derivatives Income (Loss). Any amounts receivable (payable) from settlement of futures contracts are reflected in 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 Funds, as applicable.
- (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 in 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 or increased by the amount paid on options when a purchased option is exercised.
- (h) Investments in underlying conventional mutual funds and TD Exchange-Traded Funds are generally valued at the NAV per series unit of the investment funds as reported by the investment funds' managers.
- (i) The exchange-traded funds (ETFs) that are not managed by TDAM are valued based on quoted market prices at the close of trading on the reporting date.

Fair Value Hierarchy

The Funds classify their investments 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 Funds' 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 Funds, including any Level 3 measurements. TDAM utilizes a variety of methods (as listed in the Fair Value Measurement section) in determining the fair value of securities classified as Level 3. The committee also meets quarterly to perform reviews of the valuations of investments held by the Funds.

The classification of the Funds' financial instruments within the fair value hierarchy as at December 31 2017 and 2016, and any transfers between levels at end of the reporting 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 in which the Funds invest are unconsolidated structured entities. In making this determination, TDAM evaluated the fact that decision making about underlying funds' activities is generally not governed by voting or similar rights held by the Funds and other investors in any underlying funds.

The Funds may invest in underlying funds whose investment objectives range from achieving short- to long-term income and capital growth potential. The Funds' interests in these securities as at December 31, 2017 and 2016 are included at their fair value in the Statements of Financial Position, which represent the Funds' exposure in these underlying funds. The Funds do not provide and have not committed to provide any additional significant financial or other support to the underlying funds. The change in fair value of each of the underlying funds during the reporting periods is included in Net Change in Unrealized Appreciation/Depreciation in the Statements of Comprehensive Income in Net Gain (Loss) on Investments. Additional information on the Funds' interest in underlying funds, where applicable, is provided in the Fund-Specific Notes to the Financial Statements.

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 issuers may include tranches with varying levels of subordination. These Funds 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, 2017 and 2016, the fair value of mortgage-related and other asset-backed securities of these Funds, where applicable, is disclosed as part of the Investments in 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 in the Statements of Comprehensive Income in Net Gain (Loss) on Investments.

Translation of Foreign Currencies

A 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. Realized foreign exchange gains and losses on income are recognized in investment income in the Statements of Comprehensive Income.

Notes to the Financial Statements

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). Unrealized foreign exchange gains and losses on investments held and other assets and liabilities are included in Net Change in Unrealized Appreciation/Depreciation. Realized and unrealized foreign exchange gains and losses relating to cash are presented as Foreign Exchange Gain (Loss) on Cash in the Statements of Comprehensive Income.

Offsetting Financial Assets and Liabilities

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position where the Funds have 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 Funds may enter into various master netting agreements or other similar arrangements that do not meet the criteria for offsetting in 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

Certain Funds may enter into reverse repurchase transactions. In a reverse repurchase transaction, a Fund buys a security at one price from a third party and agree 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 part of Net Gain (Loss) on Investments in 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 in 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 on the Statements of Financial Position dates.

Margin

Margin accounts represent margin deposits held with brokers in respect of open exchange-traded futures contracts.

Impairment of Financial Assets

At each reporting date, the Funds assess whether there is objective evidence that a financial asset at amortized cost is impaired. If such evidence exists, the Funds recognize 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 Funds as at 4 p.m. Eastern Time on each day that the Toronto Stock Exchange is open for trading. However, in some unforeseen circumstances, the series NAV per unit may be calculated at another time.

The NAV is calculated, for processing subscription, switch, conversion or redemption orders of series units, for each series of units of the Funds by taking the series' proportionate share of the individual Fund's common assets less that series' proportionate share of its 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 Funds by the total number of units outstanding of that series at the reporting date.

Income Recognition

Interest for Distribution Purposes as shown in 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 in the Statements of Financial Position based on the debt instruments' stated rates of interest. The Funds do not amortize premiums paid or discounts received on the purchase of debt securities except for zero coupon bonds which are amortized.

Dividend income from ETFs and distributions from any underlying mutual funds are recognized on the ex-dividend and ex-distribution date, respectively. Dividends received from ETFs are recognized and presented in the financial statements based on the nature of the underlying components such as interest income, dividend income, capital gains and return of capital.

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 securities lending income, aggregate values of securities on loan and related collateral held are provided in the Fund-Specific Notes to the Financial Statements, where applicable.

Notes to the Financial Statements

Investment Transactions and Transaction Costs

For the purposes of calculating realized and unrealized gains and losses from investment transactions, the cost of each investment security is determined on an average cost basis, excluding transactions costs.

Transaction costs, such as brokerage commissions, incurred by the Funds 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 included in the Fund-Specific Notes to the Financial Statements. No transaction costs are incurred when the Funds invest in underlying mutual funds. However, the underlying funds' investments may be subject to transaction costs.

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

Expenses (excluding interest charges and portfolio transaction costs) are accrued daily, separately for each series. Interest charges and portfolio transaction costs along with 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 when a series was established during a reporting period, in which case the Weighted Average Units Outstanding for the Period – Per Series 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. The manager has assessed the impact of IFRS 9 by analyzing the current business model of the Funds and does not anticipate significant changes to the valuation of the Funds' financial instruments. As a result, the adoption of IFRS 9 is not expected to have a material impact on the Fund's financial statements.

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 Funds have made in preparing the financial statements:

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

The Funds 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 reporting date of the 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 Funds' 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 Funds, TDAM is required to make significant judgments about whether or not the business of the Funds 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 a Fund meets the definition of an investment entity, TDAM may be required to make significant judgments about whether a Fund has the typical characteristics of an investment entity. Each 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, each 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

For 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 below, reflecting the extent of the investment advice provided.

TD Mutual Fund Trusts

Each TD Mutual Fund Trust 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, each of these Funds is also authorized to issue an 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 these Funds 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 Funds. 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 Funds. 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 Funds. 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 Funds, 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 Funds, 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. 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 and Private-EM 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 Funds, 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.

Notes to the Financial Statements

TD Managed Assets Program Portfolios

Each TD Managed Assets Program Portfolio 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 these Funds 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 Funds. 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 Funds. 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 Funds. 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 Funds, 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.

Units of TD Mutual Fund Trusts and TD Managed Assets Program Portfolios are redeemable at the option of the unitholder in accordance with the provisions of the Declaration of Trust. Units of these Funds are issued or redeemed on a daily basis at the NAV per series unit next determined after the subscription, switch, conversion order or redemption request, respectively, is received by TDAM. Subscriptions and redemptions include units converted from one series to another series

within a Fund in the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units. However, conversions between series within a Fund are excluded from Proceeds from Issuances of Redeemable Units and Amounts Paid on Redeemable Units, Net of Early Redemption Fees in the Statements of Cash Flows.

6. Related Party Transactions

Management Fees

(a) 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 TD Mutual Fund Trusts, TDAM receives an annual management fee in respect of certain series of these Funds. The management fee is calculated and accrued on a daily basis for each series based on the NAV of that series and paid monthly to TDAM. Where these Funds invest in any underlying funds, there are fees and expenses payable by the underlying funds in addition to those paid by the Funds. However, there is no duplication of management fees paid to TDAM or its affiliates if these Funds invest in underlying funds that are managed by TDAM.

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.

Prior to July 27, 2017, the simplified prospectus disclosed the maximum annual management fee rate that TDAM could charge for each series of units of the TD Mutual Fund Trusts (so the actual management fee being charged to these Funds might have been less than the maximum annual management fee rate). TDAM was able to charge the maximum annual management fee without notice to unitholders. Effective July 27, 2017, the simplified prospectus discloses a specified annual management fee rate. Where TDAM chooses to charge a management fee rate below the specified annual management fee rate, the difference represents a waiver of management fees and is included as Waived Expenses in the Statements of Comprehensive Income. TDAM may waive all or a portion of the management fees charged to these Funds, which may be discontinued at any time by TDAM at its discretion without notice to unitholders. Detailed information on the management fees of these Funds is provided in the Fund-Specific Notes to the Financial Statements.

(b) TD Managed Assets Program Portfolios

(i) TD MANAGED ASSETS PROGRAM PORTFOLIOS (Excluding TD Managed ETF Portfolios)

In consideration for the provision of management, distribution and portfolio management services to the TD Managed Assets Program Portfolios (other than the TD Managed ETF Portfolios), each series of these Funds pay TDAM an annual management fee. The management fee is calculated and accrued on a daily basis for each series based on the NAV of that series and paid monthly to TDAM. Where these Funds invest in any underlying funds, there are fees and expenses payable by the underlying funds in addition to those paid by the Funds. However, there is no duplication of management fees paid to TDAM or its affiliates if these Funds invest in underlying funds that are managed by TDAM.

Notes to the Financial Statements

Prior to October 26, 2017, the simplified prospectus disclosed the maximum annual management fee rate that TDAM could charge for each series of units of these Funds (so the actual management fee being charged to these Funds might have been less than the maximum annual management fee rate). Effective October 26, 2017, the simplified prospectus discloses a specified annual management fee rate. Where TDAM chooses to charge a management fee rate below the specified annual management fee rate, the difference represents a waiver of management fees and is included as Waived Expenses in the Statements of Comprehensive Income. TDAM may waive all or a portion of the management fees being charged to these Funds, which may be discontinued at any time by TDAM at its discretion without notice to unitholders. Detailed information on the management fees of these Funds is provided in the Fund-Specific Notes to the Financial Statements.

(II) TD MANAGED ETF PORTFOLIOS

In consideration for the provision of management, distribution and portfolio management services to the TD Managed ETF Portfolios, each series of these Funds pay TDAM an annual management fee. The management fee is calculated and accrued on a daily basis for each series based on the NAV of that series and paid monthly to TDAM.

Where a TD Managed ETF Portfolio invests in any underlying TD ETFs, there are fees and expenses payable by the underlying TD ETFs in addition to those paid by the Funds. However, there is no duplication of management fees paid to TDAM or its affiliates. TDAM may waive all or a portion of the management fees being charged to these Funds, which may be discontinued at any time by TDAM at its discretion without notice to unitholders. Detailed information on the management fees of these Funds is provided in the Fund-Specific Notes to the Financial Statements.

Administration Fees

(A) 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 TD Mutual Fund Trusts. 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 and paid monthly to TDAM. Annual administration fees for each series of these Funds, 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, D-Series, Advisor Series and T-Series of the TD Mutual Fund Trusts, as applicable, other than the money market funds, TD Ultra Short Term Bond Fund, TD Short Term Bond Fund, TD Canadian Bond Fund, TD Global Conservative Opportunities Fund, TD Global Balanced Opportunities Fund, the Index funds and Advisor Series units of TD U.S. Equity Portfolio. The administration fee is also payable in respect of Premium Series and K-Series of the TD Mutual Fund Trusts 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, TD Global Conservative Opportunities Fund and TD Global Balanced Opportunities Fund.

No administration fee is charged with respect to other series of the TD Mutual Fund Trusts.

(B) TD Managed Assets Program Portfolios

Except for the TD Managed ETF Portfolios, no administration fee is charged to the TD Managed Assets Program Portfolios. For the TD Managed ETF Portfolios, in consideration for paying certain operating expenses, TDAM is paid an annual administration fee with respect to D-Series of the Funds. 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 based on the NAV of D-Series and paid monthly to TDAM. Annual administration fees for D-Series of the Funds are provided in the Fund-Specific Notes to the Financial Statements.

Operating Expenses

(A) Fund's Independent Review Committee ("IRC")

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

TDAM has established an IRC in respect of the Funds 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 Funds and/or the 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 Funds 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 in the Statements of Comprehensive Income as Independent Review Committee Fees.

Notes to the Financial Statements

(B) TD Mutual Fund Trusts

TDAM pays all of the operating expenses with respect to O-Series units of the TD Mutual Fund Trusts.

Private Series and Private–EM Series of the TD Mutual Fund Trusts and Advisor Series of TD U.S. Equity Portfolio bear their respective pro rata share of the operating expenses of the applicable Fund which are common to the operation of all series of the Fund as well as those expenses which are attributable solely to that series (which may be payable to TDAM or its affiliates), including IRC costs; recordkeeping and communication costs; custodial, legal, audit and filing fees; bank charges; borrowing costs; all taxes, and costs relating to compliance with any new governmental and regulatory requirements.

For other series of the TD Mutual Fund Trusts, TDAM pays all of the operating expenses (including services provided by TDAM or affiliates of TDAM), other than costs and expenses associated with: all taxes; borrowing; the IRC and compliance with any new governmental and regulatory requirements and new types of costs or expenses. Any new types of governmental and regulatory expenses are disclosed as “Other Trust Fund Costs” in the Statements of Comprehensive Income.

(C) TD Managed Assets Program Portfolios

Except for the TD Managed ETF Portfolios, all operating expenses of the TD Managed Assets Program Portfolios (including for services provided by TDAM or its affiliates) are paid for by TDAM, including cost of the IRC; recordkeeping and communication costs; custodial, legal, audit and filing fees; bank charges; borrowing costs; and all taxes on such costs.

For the TD Managed ETF Portfolios, TDAM pays certain operating expenses. Each TD Managed ETF Portfolio is responsible for paying expenses associated with borrowing; the IRC and compliance with any new governmental and regulatory requirements, new types of costs or expenses and all taxes on such costs and expenses.

Taxes on Expenses

The Funds also pay applicable goods and services tax and harmonized sales tax at a blended rate to TDAM on management fees, administration fees and certain operating expenses based on the province or territory of residence of the investors in each series of the Funds, which are included with the respective expense in the Statements of Comprehensive Income.

Waived Expenses

TDAM, at its discretion, may waive or absorb a portion of the operating expenses otherwise payable by the Funds. These waivers or absorptions may be terminated at any time without notice to unitholders. 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

(A) 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 these Funds for the periods ended December 31, 2017 and 2016, 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.

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 Funds 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.

(B) TD Managed Assets Program Portfolios

Except for the TD Managed ETF Portfolios, these Funds did not incur any brokerage commissions during the periods ended December 31, 2017 and 2016 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 Funds. For TD Managed ETF Portfolios, brokerage commissions paid on the purchase or sale of units of the underlying TD ETFs and amounts paid to related parties of TD for brokerage services provided to the Funds for the period ended December 31, 2017, where applicable, are disclosed in the Fund-Specific Notes to the Financial Statements.

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 Funds (except for TD Managed ETF Portfolios) qualify or intend to qualify as mutual fund trusts under the *Income Tax Act* (Canada) (“Tax Act”), unless otherwise disclosed in the Fund-Specific notes to the Financial Statements. TD Managed ETF Portfolios qualify as unit trusts under the Tax Act. 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 Funds, except that in certain circumstances, a Fund that is not a mutual fund trust may become liable to pay alternative minimum tax under the Tax Act. As a result of the distribution, the Funds have determined that they are in substance not taxable and therefore, do not record income taxes in the Statements of Comprehensive Income nor do they recognize any deferred tax assets or liabilities in the Statements of Financial Position. The Funds’ 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 Funds currently incur 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) in the Statements of Comprehensive Income.

8. Financial Risk Management

Financial Risk Factors

Each Fund is exposed to a variety of financial risks: these may include 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 Funds' positions and market events and diversify investment portfolios within the constraints of each Fund's investment objectives, investment strategies and applicable TDAM policies and procedures (collectively referred to as "Investment Restrictions").

If a 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 Funds are managed in accordance with their respective 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.

A Fund's exposure to interest rate risk is concentrated in its investments in debt instruments (such as bonds and debentures) 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 a 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. A Fund's sensitivity exposure to interest rate risk, where significant, is disclosed in the Fund-Specific Notes to the Financial Statements.

(ii) Currency Risk

A Fund may hold assets denominated in currencies other than its functional currency. It is therefore exposed to currency risk, as the value of the securities denominated in other currencies will fluctuate due to changes in the foreign exchange rates of those currencies in relation to such Fund's functional currency. Where a 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.

A 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.

A Fund's direct exposure to currency risk, where significant, is disclosed in the Fund-Specific 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 each Fund's sensitivity impact from exposure to other price risk, a historical beta may be used when applicable. Historical beta, a measure of the sensitivity of a Fund's returns to market returns, is generally derived from comparing 36 months of returns between a Fund and its benchmark. As such, beta inherently includes effects previously reflected in the interest rate and currency risk disclosures. Historical beta may not be representative of future beta.

Where a Fund invests in a single underlying fund, it is exposed to indirect other price risk in the event that the underlying fund invests in equity securities that trade on a market. Where a Fund invests in several underlying funds, the exposure to other price risk includes all investments in underlying funds.

A Fund's direct exposure to other price risk, where applicable, is disclosed in the Fund-Specific Notes to the Financial Statements.

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 in 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, a Fund's main credit risk concentration is in debt instruments and derivative instruments it holds. A 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.

A 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.

Notes to the Financial Statements

The Funds and the underlying funds only buy and hold short-term notes with a minimum R1- Low credit rating by DBRS Limited 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 S&P Global Ratings ("SPGR") 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.

A Fund's direct exposure to 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 SPGR or an equivalent rating from another credit agency. The value of cash or securities held as collateral by these Funds 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. The aggregate fair value of the securities loaned is limited to 50 percent of each Fund's NAV. Information about the fair values of securities lent and collateral held and securities lending income earned, 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 these Funds' 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. A Fund's exposure to this risk is concentrated in the daily cash redemptions of redeemable units. The Funds primarily invest in securities that are traded in active markets and can be readily disposed. In addition, the Funds retain sufficient cash and cash equivalents to maintain liquidity, and have the ability to borrow up to 5 percent of their respective NAV for the purpose of funding redemptions.

The contractual maturities analysis for a 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. A Fund's concentration risk is disclosed in the Fund-Specific Notes to the Financial Statements.

9. Capital Risk Management

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

If applicable, the most recent financial statements of the underlying funds managed by TDAM 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
ARS	Argentine Peso
AUD	Australian Dollar
BRL	Brazilian Real
CAD/C\$	Canadian Dollar
CHF	Swiss Franc
CLP	Chilean Peso
CZK	Czech Koruna
DEM	German Deutsche Mark
DKK	Danish Krone
EGP	Egyptian Pound
EUR	Euro
GBP	British Pound
HKD	Hong Kong Dollar
HUF	Hungarian Forint
IDR	Indonesian Rupiah
INR	Indian Rupee
ILS	Israeli Shekel
JOD	Jordanian Dinar
JPY	Japanese Yen
KRW	South Korean Won
LKR	Sri Lanka Rupee
MAD	Moroccan Dirham
MYR	Malaysian Ringgit
NOK	Norwegian Krone
NZD	New Zealand Dollar
PHP	Philippine Peso
PKR	Pakistan Rupee
PLN	Polish Zloty
RON	Romanian Leu
SEK	Swedish Krona
SGD	Singapore Dollar
THB	Thai Baht
TRY	New Turkish Lira
TWD	New Taiwan Dollar
USD/US\$	United States Dollar
ZAR	South African Rand

For Funds with references to FTSE TMX Canada indices:

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