SYMPHONY
FLOATING RATE SENIOR LOAN FUND

BROMPTON
FUNDS

Symphony Floating Rate Senior Loan Fund
Annual Report 2019

Actively managed, diversified portfolio of corporate debt instruments, consisting primarily of floating rate, short-duration senior loans.

VALUE INTEGRITY PERFORMANCE

\- THE FOUNDATION FOR EXCELLENCE -

MANAGEMENT REPORT OF FUND PERFORMANCE

March 18, 2020

This annual management report of fund performance for Symphony Floating Rate Senior Loan Fund (the "Fund") contains financial highlights but does not contain the audited annual financial statements of the Fund. The audited annual financial statements follow this report. You may obtain a copy of the audited annual or unaudited interim financial statements, at no cost, by calling 1-866-642-6001 or by sending a request to Investor Relations, Brompton Funds, Bay Wellington Tower, Brookfield Place, 181 Bay Street, Suite 2930, Box 793, Toronto, Ontario, M5J 2T3, or by visiting our website at www.bromptongroup.com or SEDAR at www.sedar.com. Unitholders may also contact Brompton Funds to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, Independent Review Committee's report, or quarterly portfolio disclosure.

THE FUND

Symphony Floating Rate Senior Loan Fund is a closed-end investment trust managed by Brompton Funds Limited (the "Manager"). The Class A units of the Fund trade on the Toronto Stock Exchange ("TSX") under the symbol SSF.UN. Class U units are designed for investors wishing to hold their investments in US dollars. Class C, Class F and Class U units are not listed on the TSX, but may be converted to Class A units. Class U units may be converted to Class A units on a weekly basis, and Class C units and Class F units may be converted to Class A units on the first and tenth business day of each month. Symphony Asset Management LLC (the "Portfolio Manager"), a wholly owned subsidiary of Nuveen Investments, Inc., is the sub-advisor for the Fund's investment portfolio. The units of the Fund are RRSP, DPSP, RRIF, RESP and TFSA eligible.

INVESTMENT OBJECTIVES AND STRATEGIES

The Fund's investment objectives are to provide unitholders with monthly distributions and to preserve capital through an actively managed, diversified portfolio of senior corporate debt instruments. The portfolio consists primarily of short-duration, floating-rate senior corporate debt instruments, including senior secured loans and other senior debt obligations of North American non-investment-grade corporate borrowers.

RISKS

Risks associated with an investment in the units of the Fund are discussed in the Fund's 2019 annual information form, which is available on the Fund's website at www.bromptongroup.com or on SEDAR at www.sedar.com. There were no changes during the year ended December 31, 2019 that materially affected the risks associated with an investment in the units of the Fund as they were discussed.

RECENT DEVELOPMENTS

Market Volatility

This annual management report of fund performance was prepared based on the market value of the Fund's portfolio as of December 31, 2019. Between January 1, 2020 to March 18, 2020 (date of the report), stock markets worldwide experienced significant price volatility, because of various concerns, including COVID-19 and a decline in price of oil. The Fund's Net Asset Value reflecting the value of the Fund's portfolio based on the most recent valuation date can be found on the Fund's webpage at www.bromptongroup.com.

RESULTS OF OPERATIONS

Distributions and Change in Net Assets from Operations

The Fund paid monthly distributions of $0.05 per Class A unit and US$0.05 per Class U unit in 2019, unchanged from 2018. During 2019, the Fund paid monthly distributions of $0.05625 for each of Class C and Class F units, also unchanged from the same period of 2018. Since inception, the Fund has paid $5.27 per Class A unit, US$5.27 per Class U unit and $2.00 per unit for each of Class C and Class F units. The Fund has a distribution reinvestment plan which allows participating Class A and Class U unitholders to automatically reinvest monthly distributions, commission free, in additional Class A and Class U units of the Fund. In 2019, 9,765 Class A units were acquired in the market at an average price of $8.25 per Class A unit pursuant to the plan. No Class U units were issued from treasury or acquired in the market during the year ended December 31, 2019 pursuant to this plan.

The Fund holds a diversified portfolio of senior loans and fixed income investments, the credit quality of which is managed by the Portfolio Manager. In 2019, the portfolio generated total revenue of $0.85 per Class A unit, up from $0.78 per Class A unit in 2018. In 2019, the Fund generated total revenue of US$0.82 per Class U unit, compared to US$0.76 per Class U unit in 2018. Total revenue of $0.87 per Class C and $0.92 per Class F unit was also generated in 2019, up from $0.80 per Class C and $0.83 per Class F unit in 2018. Expenses also increased across all classes of units. The Fund had expenses of $0.32 per Class A unit and US$0.31 per Class U unit in 2019, up from $0.30 per Class A unit and US$0.29 per Class U unit in 2018. For the year ended December 31, 2019, expenses were $0.32 per Class C unit and $0.35 per Class F unit, up from $0.31 per Class C unit and $0.32 per Class F unit in 2018.

Net Asset Value

The Net Asset Value per Class A unit was $8.28 at December 31, 2019, up 0.9% from $8.21 at December 31, 2018, while the Net Asset Value per Class U unit of the Fund at December 31, 2019 was US$8.02, up 1.1% from US$7.93 at year-end 2018. The Net Asset Value per Class C unit at December 31, 2019 was $8.48, unchanged from December 31, 2018, while the Net Asset Value per Class F unit was $8.92 at December 31, 2019, up 0.03% from $8.89 at year-end 2018.

Net Asset Value decreased on Class A units by approximately 13.7% while Class C, Class F and Class U units marginally decreased by approximately less than 1%. The aggregate Net Asset Value of the Fund at December 31, 2019 was $91.6 million, down from $106.4 million at December 31, 2018. The $14.8 million decrease reflected a $7.8 million net increase from operations, offset by $13.3 million paid to redeem units, of which $12.8 million was paid to Class A unitholders, $6.9 million paid in distributions and $2.4 million of Class A unit repurchases.

Investment Portfolio

At December 31, 2019, the Fund's portfolio was well diversified by sector and included 171 senior loans (177 senior loans at year-end 2018), representing approximately 92.2% of the portfolio; 13 fixed income investments (23 at year-end 2018), comprised of high-yield bonds, representing approximately 5.6% of the portfolio; and 21 equity securities (17 at year-end 2018) representing the remainder of the portfolio. The Portfolio Manager manages the risk/return profile of the portfolio based on ongoing market conditions.

As at December 31, 2019 and December 31, 2018 the portfolio had the following credit ratings. Credit ratings were obtained from Standard & Poor's.

	2019	2018
Portfolio by Rating Category	**% of Portfolio**	% of Portfolio
BBB-	**4.4**	5.3
BB+	**6.7**	2.9
BB	**10.1**	10.3
BB-	**10.2**	11.4
B+	**18.8**	16.8
B	**22.4**	27.8
B-	**12.1**	8.8
CCC+	**7.5**	7.2
CCC	**3.7**	1.7
CCC-	**1.7**	2.2
CC	**0.2**	0.6
D	**0.2**	0.7
Unrated	**2.0**	4.3
Total	**100.0**	100.0

The asset weighting of the portfolio and detailed listing of the Fund's security holdings is provided in the financial statements.

Portfolio Sectors

Portfolio Sectors

	% of Portfolio as of 31-Dec-19
Technology	17.7
Media	11.3
Telecommunications	11.1
Consumer products	9.6
Services	9.4
Healthcare providers and services	7.1
Oil and gas	6.9
Hotels, restaurants and leisure	6.6
Other	5.8
Banking and finance	3.7
Material	3.3
Electronics	2.4
Retail	2.3
Pharmaceuticals	1.6
Healthcare equipment and supplies	1.2
Total	**100.0**

Portfolio by Security Type

	% of Portfolio as of 31-Dec-19
Senior Loan	92.2
Fixed Income Investment	5.6
Equity	2.2
Total	**100.0**

The portfolio contains US-dollar-denominated loans, debt securities, equities and cash. Equities are generally acquired upon the recapitalization of defaulted loans. The Fund hedges the US-dollar exposure of its Class A, Class C and Class F units of US$105.8 million (C$137.4 million) through its US-dollar-denominated foreign currency forward contracts of US$64.4 million notional and US-dollar loans payable of US$42.2 million. Foreign currency exposure of the Fund's Class U units was also partially offset by its US-dollar-denominated loans payable of US$2.3 million. During the year ended December 31, 2019, the Fund had a realized foreign exchange gain of $0.6 million and an unrealized foreign exchange gain of $2.5 million.

Liquidity and Capital Resources

To provide liquidity for unitholders, Class A units of the Fund are listed on the TSX under the symbol SSF.UN. Class U, Class C and Class F units are not listed, and Class U units may be converted to Class A units weekly and Class C and Class F units may be converted to Class A units twice a month. The Fund's normal course issuer bid program allows it to purchase up to approximately 10% of its Class A units for cancellation if they trade below Net Asset Value per Class A unit. As a result, purchases under the issuer bid program are accretive to the Net Asset Value per Class A unit at the time of purchase. In 2019, 299,600 Class A units were purchased at an average price of $8.23 per unit under this program, an average discount of 1.43% to Net Asset Value. Investors also may redeem their Class A, Class U, Class C and Class F units in accordance with the Fund's redemption provisions.

The Fund has a credit facility with a Canadian chartered bank. The credit facility is used to acquire additional portfolio investments as a means of enhancing the distributions paid by the Fund and portfolio hedging. The revolving credit facility provides for maximum borrowings of US$55.0 million, with borrowings in Canadian currency at the option of the Fund at either the prime rate of interest or the banker's acceptance rate, plus a fixed percentage, or in US currency at the option of the Fund at either the US base rate or LIBOR, plus a fixed percentage. At December 31, 2019, there was $54.8 million or US$42.2 million of borrowings. During the year ended December 31, 2019, the minimum and maximum amounts of borrowings under the facility were US$42.2 million and US$49.3 million, respectively. The debt to asset ratio of the Fund was 36.4% at December 31, 2019 compared to 38.6% at December 31, 2018.

RELATED PARTY TRANSACTIONS

Related party transactions consist of services provided by the Manager pursuant to a management agreement. See the Management Fees section below.

MANAGEMENT FEES

Pursuant to a management agreement, the Manager provides management and administrative services to the Fund, for which the Fund pays management fees. The management fees are equal to 1.25% per annum of the total Net Asset Value of the Fund, plus applicable taxes. For the year ended December 31, 2019, management fees amounted to $1.4 million. The Manager is responsible for paying the fees of the Portfolio Manager.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help readers understand the Fund's financial performance for the fiscal periods indicated. This information is derived from the Fund's audited annual financial statements. The information in the following tables is presented in accordance with National Instrument ("NI") 81-106 and, as a result, does not act as a continuity of opening and closing Net Assets per unit. The increase (decrease) in Net Assets from operations is based on average units outstanding during the period, and all other numbers are based on actual units outstanding at the relevant point in time.

Net Assets per Unit

Class A[1]

For the year ended December 31	2019 $	2018 $	2017 $	2016 $	2015 $
Net Assets per unit, beginning of year[2]	**8.21**	8.86	9.15	8.37	9.52
Increase (decrease) from operations:[3]					
Total revenue	**0.85**	0.78	0.79	0.15	-
Total expenses	**(0.32)**	(0.30)	(0.30)	(0.17)	(0.15)
Realized gains (losses)	**0.02**	(0.46)	0.24	0.53	0.73
Unrealized gains (losses)	**0.15**	(0.07)	(0.43)	0.84	(1.00)
Total increase (decrease) in Net Assets from operations	**0.70**	(0.05)	0.30	1.35	(0.42)
Distributions to unitholders:[2]					
Investment income	**0.53**	0.49	0.14	-	-
Return of capital	**0.07**	0.11	0.46	0.60	0.60
Total distributions to unitholders	**0.60**	0.60	0.60	0.60	0.60
Net Assets per unit, end of year[2]	**8.28**	8.21	8.86	9.15	8.37

1 The financial information was prepared in accordance with International Financial Reporting Standards.
2 Net Assets per unit and distributions per unit are based on the actual number of units outstanding at the relevant time.
3 The increase (decrease) in Net Assets from operations per unit is based on the weighted average number of units outstanding over the fiscal period.

Class C[1]

For the period/year ended December 31	2019 $	2018 $	2017 $[4]
Net Assets per unit, beginning of period/year[2]	**8.48**	9.24	9.62
Increase (decrease) from operations:[3]			
Total revenue	**0.87**	0.80	0.82
Total expenses	**(0.32)**	(0.31)	(0.28)
Realized gains (losses)	**0.02**	(0.47)	0.25
Unrealized gains (losses)	**0.11**	(0.08)	(0.51)
Total increase (decrease) in Net Assets from operations	**0.68**	(0.06)	0.28
Distributions to unitholders:[2]			
Investment income	**0.34**	0.50	0.19
Return of capital	**0.34**	0.18	0.47
Total distributions to unitholders	**0.68**	0.68	0.66
Net Assets per unit, end of period/year[2]	**8.48**	8.48	9.24

1 The financial information was prepared in accordance with International Financial Reporting Standards.
2 Net Assets per unit and distributions per unit are based on the actual number of units outstanding at the relevant time.
3 The increase (decrease) in Net Assets from operations per unit is based on the weighted average number of units outstanding over the fiscal period.
4 Period from January 10, 2017 (commencement of operations) to December 31, 2017.

Class F[1]

For the period/year ended December 31	**2019 $**	2018 $	2017 $[4]
Net Assets per unit, beginning of period/year[2]	**8.89**	9.56	9.92
Increase (decrease) from operations:[3]			
Total revenue	**0.92**	0.83	0.85
Total expenses	**(0.35)**	(0.32)	(0.29)
Realized gains (losses)	**0.02**	(0.49)	0.26
Unrealized gains (losses)	**0.12**	0.03	(0.52)
Total increase (decrease) in Net Assets from operations	**0.71**	0.05	0.30
Distributions to unitholders:[2]			
Investment income	**0.44**	0.38	0.26
Return of capital	**0.24**	0.30	0.40
Total distributions to unitholders	**0.68**	0.68	0.66
Net Assets per unit, end of period/year[2]	**8.92**	8.89	9.56

1 The financial information was prepared in accordance with International Financial Reporting Standards.
2 Net Assets per unit and distributions per unit are based on the actual number of units outstanding at the relevant time.
3 The increase (decrease) in Net Assets from operations per unit is based on the weighted average number of units outstanding over the fiscal period.
4 Period from January 10, 2017 (commencement of operations) to December 31, 2017.

Class U (USD)[1]

For the period/year ended December 31	**2019 $**	2018 $	2017 $	2016 $	2015 $
Net Assets per unit, beginning of year[2]	**7.93**	8.56	8.85	8.21	9.30
Increase (decrease) from operations:[3]					
Total revenue	**0.82**	0.76	0.76	0.14	-
Total expenses	**(0.31)**	(0.29)	(0.29)	(0.16)	(0.15)
Realized gains (losses)	**(0.06)**	(0.09)	0.05	2.70	0.66
Unrealized gains (losses)	**0.28**	(0.53)	(0.19)	(1.02)	(0.89)
Total increase (decrease) in Net Assets from operations	**0.73**	0.03	0.33	1.66	(0.38)
Distributions to unitholders:[2]					
Investment income	**0.52**	0.47	0.14	-	-
Return of capital	**0.08**	0.13	0.46	0.60	0.60
Total distributions to unitholders	**0.60**	0.60	0.60	0.60	0.60
Net Assets per unit, end of year[2]	**8.02**	7.93	8.56	8.85	8.21

1 The financial information was prepared in accordance with International Financial Reporting Standards.
2 Net Assets per unit and distributions per unit are based on the actual number of units outstanding at the relevant time.
3 The increase (decrease) in Net Assets from operations per unit is based on the weighted average number of units outstanding over the fiscal period.

Ratios and Supplemental Data (Based on Net Asset Value)

Class A

As at December 31	**2019**	2018	2017	2016	2015
Net Asset Value ($) (000s)	**83,220**	96,468	101,380	140,778	147,119
Number of units outstanding (000s)	**10,048**	11,751	11,445	15,379	17,583
Management expense ratio (“MER”)[1]	**3.74%**	3.27%	3.29%	3.53%	3.36%
Trading expense ratio[2]	**0.03%**	0.04%	-	-	-
Portfolio turnover rate[3]	**37.19%**	50.33%	87.33%	312.23%	0.32%
Net Asset Value per unit ($)	**8.28**	8.21	8.86	9.15	8.37
Closing market price ($)	**8.11**	7.92	8.85	9.15	8.20

Class C

As at December 31	2019	2018	2017
Net Asset Value ($) (000s)	**2,463**	2,523	2,979
Number of units outstanding (000s)	**290**	297	322
Management expense ratio ("MER")[1]	**3.69%**	3.29%	7.09%
Trading expense ratio[2]	**0.03%**	0.04%	-
Portfolio turnover rate[3]	**37.19%**	50.33%	87.33%
Net Asset Value per unit ($)	**8.48**	8.48	9.24

Class F

As at December 31	2019	2018	2017
Net Asset Value ($) (000s)	**874**	888	1,242
Number of units outstanding (000s)	**98**	100	130
Management expense ratio ("MER")[1]	**3.76%**	3.30%	3.81%
Trading expense ratio[2]	**0.03%**	0.04%	-
Portfolio turnover rate[3]	**37.19%**	50.33%	87.33%
Net Asset Value per unit ($)	**8.92**	8.89	9.56

Class U (USD)

As at December 31	2019	2018	2017	2016	2015
Net Asset Value ($) (000s)	**3,864**	4,772	3,761	6,308	8,287
Number of units outstanding (000s)	**482**	601	439	713	1,010
Management expense ratio ("MER")[1]	**3.73%**	3.26%	3.26%	3.49%	3.34%
Trading expense ratio[2]	**0.03%**	0.04%	-	-	-
Portfolio turnover rate[3]	**37.19%**	50.33%	87.33%	312.23%	0.32%
Net Asset Value per unit ($)	**8.02**	7.93	8.56	8.85	8.21

1 MER is based on the requirements of NI 81-106 and includes the total expenses (excluding commissions and other portfolio transaction costs) of the Fund for the stated period, including interest expense and issuance costs, and is expressed as an annualized percentage of the average Net Asset Value of the period. Please see the Expense Ratio section following this table for further discussion of the calculation.

2 The trading expense ratio represents total commissions and transaction costs expressed as an annualized percentage of daily average Net Asset Value of the Fund during the period.

3 The Fund's portfolio turnover rate indicates how actively the Fund's Portfolio Manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. Portfolio turnover rate is calculated by dividing the lesser of the cost of purchases and the proceeds of sales of portfolio securities for the period, excluding cash and short-term investments maturing in less than one year, by the average market value of such investments during the period.

Expense Ratio

For 2019, the MER for Class A units was 3.74% compared to 3.27% in 2018. The MER for Class U units was 3.73% compared to 3.26% for 2018. The MER for Class C units was 3.69% compared to 3.29% in 2018. The MER for Class F units was 3.76% compared to 3.30% in 2018. Compared to 2018, the MER for all classes was higher in the 2019 period by an average of 0.45% primarily due to higher US dollar borrowing costs. The Fund paid higher interest expense on its borrowings during the year contributed by on average interest rate increase and the CAD dollar depreciation against the US dollar.

Excluding interest expense, Class A MER in 2019 was 1.68% compared to 1.63% in 2018, while Class U MER was 1.67% compared to 1.62% in 2018. Excluding issuance costs and interest expense, Class C and Class F MER in 2019 was 1.63% and 1.70%, respectively, compared to 1.65% and 1.66%, respectively, in 2018. This latter ratio is more representative of the ongoing efficiency of the administration of the Fund. The MER was slightly up across all classes during the year due to the weight of all fixed expenses against the decreasing average NAV.

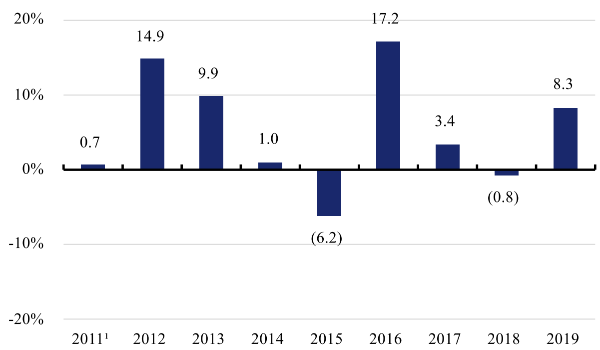
PAST PERFORMANCE

The following chart and table show the past performance of the Fund. Past performance does not necessarily indicate how the Fund will perform in the future. The information shown is based on Net Asset Value per Class A, Class U, Class C and Class F unit and assumes that distributions made by the Fund on its units in the periods shown were reinvested (at Net Asset Value per respective Class unit) in additional units of the Fund.

The bar chart shows the Fund's return for each period since inception to December 31, 2019. The chart shows, in percentage terms, how an investment held on the first day of the fiscal period would have changed by the last day of the fiscal period.

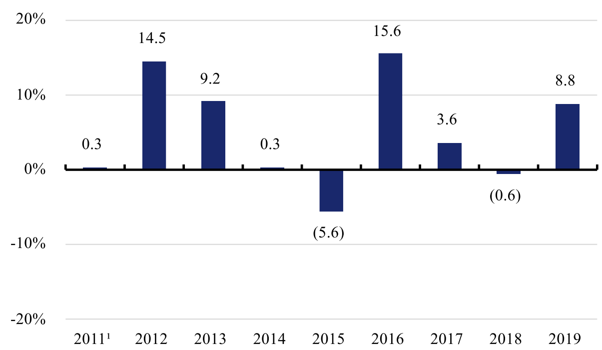
Year-by-Year Returns

Class A Units



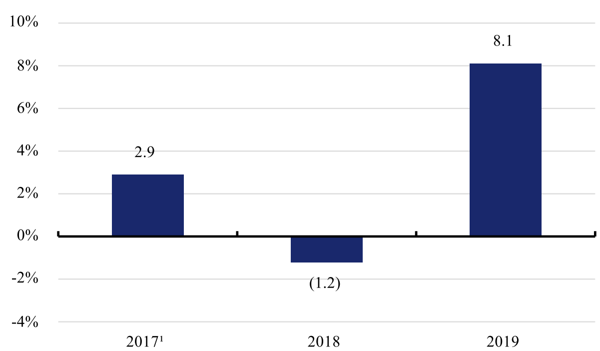
1 Period from November 1, 2011 (commencement of operations) to December 31, 2011.

Class U Units (USD)



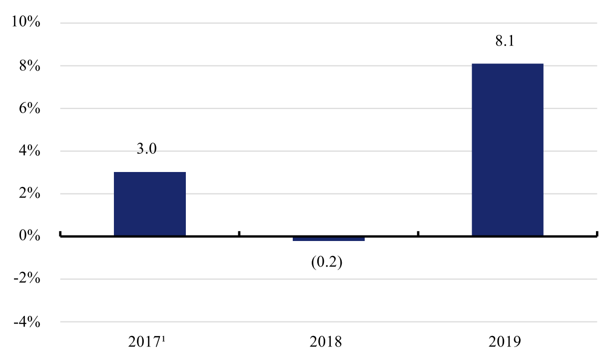
1 Period from November 1, 2011 (commencement of operations) to December 31, 2011.

Class C Units



1 For Class C and Class F units, period from January 10, 2017 (commencement of operations) to December 31, 2017.

Class F Units



1 For Class C and Class F units, period from January 10, 2017 (commencement of operations) to December 31, 2017.

The table shows the Fund's compound returns for each period indicated compared with the Credit Suisse Leveraged Loan Index ("Loan Index"). The Credit Suisse Leveraged Loan Index is an appropriate benchmark as it is designed to mirror the investable universe of the US-dollar- denominated leveraged loan market in which the Fund also invests. The Loan Index is unleveraged and its returns are calculated without the deduction of fees, fund expenses and trading commissions, whereas the performance of the Fund includes the impact of leverage and is calculated after deducting such fees and expenses. Since the Fund is actively managed, the sector weightings may differ from those of the Loan Index.

Annual Compound Returns

	1-Year %	3-Year %	5-Year %	Since Inception %[1]	Since Inception %[2]
Symphony Floating Rate Senior Loan Fund - Class A units	8.3	3.6	4.1	5.7	-
Symphony Floating Rate Senior Loan Fund - Class C units	8.1	-	-	-	3.2
Symphony Floating Rate Senior Loan Fund - Class F units	8.1	-	-	-	3.6
Symphony Floating Rate Senior Loan Fund - Class U units[3]	8.8	-	-	-	-
Credit Suisse Leverage Loan Index	8.2	3.9	4.1	5.4	4.4

1 Period from November 1, 2011 (commencement of operations) to December 31, 2019.
2 Period from January 10, 2017 (commencement of operations) to December 31, 2019.
3 Performance of Class U units is calculated based on the US dollar Net Asset Value of the Class U units.

In 2019, all classes of the Fund performed in line with the Loan Index. The Fund's portfolio is well diversified and rigorously managed. The Portfolio Manager takes into account each issuer's liquidity, cash flow generation, relative value, potential corporate actions and other possible catalysts as part of a fundamental credit analysis with a macroeconomic view. Please see the Portfolio Manager's Report for further information.

SUMMARY OF INVESTMENT PORTFOLIO

As at December 31, 2019

Total Net Asset Value	**$**	**91,574,411**

Portfolio Composition	% of Portfolio	% of Net Asset Value
Senior Loans		
Technology	15.1	24.2
Services	8.8	13.9
Media	8.6	13.8
Telecommunications	8.6	13.7
Consumer products	8.1	13.0
Healthcare providers and services	6.5	10.5
Hotels, restaurants and leisure	6.2	9.9
Oil and gas	6.1	9.8
Other	5.4	8.7
Material	3.1	4.9
Banking and finance	3.0	4.8
Electronics	2.3	3.6
Retail	2.2	3.5
Pharmaceuticals	1.3	2.1
Healthcare equipment and supplies	1.2	1.9
Total Senior Loans	**86.5**	**138.3**
Fixed Income Investments		
Telecommunications	1.9	3.1
Technology	1.1	1.7
Consumer products	0.9	1.4
Media	0.9	1.4
Banking and finance	0.4	0.7
Pharmaceuticals	0.2	0.3
Total Fixed Income Investments	**5.4**	**8.6**
Equities		
Media	1.1	1.8
Technology	0.4	0.6
Oil and gas	0.3	0.5
Services	0.1	0.1
Consumer products	0.1	0.1
Total Equities	**2.0**	**3.1**
Cash and short-term investments	6.1	9.7
Total investment portfolio	100.0	159.7
Currency forward contracts		1.5
Other net liabilities		(61.2)
Total Net Asset Value		**100.0**

SUMMARY OF INVESTMENT PORTFOLIO (cont'd)

Top 25 Holdings	% of Portfolio	% of Net Asset Value
Cash and short-term investments	6.1	9.7
Fieldwood Energy LLC Exit Term Loan	1.7	2.8
Cengage Learning Acquisitions, Inc. (Thomson Learning) Exit Term Loan	1.7	2.7
Frontier Communications Term Loan B	1.5	2.4
Sequa Corporation Initial Term Loan	1.5	2.4
Clear Channel Outdoor Holdings, Inc. Term Loan B	1.5	2.4
Scientific Games Corp.Term B-5 Loan	1.3	2.1
Avaya Inc. Tranche B Term Loan	1.3	2.0
Life Time Fitness Inc. Term Loan B	1.2	2.0
Intelsat Jackson Holdings S.A. Term Loan B3	1.2	2.0
Infor (US) Inc. (Lawson Software) Tranche B-2 Term Loan	1.2	1.9
Pharmaceutical Product Development, Inc. (PPDI) Term Loan B	1.1	1.8
Caesars Resort Collection First Lien Term Loan	1.1	1.8
Communication Sales and Leasing Inc. Term Loan B	1.1	1.7
CenturyLink Term Loan B	1.0	1.6
Revlon Consumer Products Corporation Term Loan B	1.0	1.6
Micro Focus International Plc Term Loan B	1.0	1.6
Kindred at Home Hospice (Gentiva Health Services, Inc.) Term Loan B	1.0	1.5
Formula One Group (Alpha Topco), Term Loan B	1.0	1.5
Frontier Communications Corp. 8.00% due April 1 , 2027	0.9	1.5
Balboa Merger Sub, Inc. (Tibco Software Inc.) 11.375% due December 1, 2021	0.9	1.5
Tibco Software, Inc. (Balboa Merger Sub) Term Loan B	0.9	1.5
Mc-Graw-Hill Education Holdings Inc. Term Loan B	0.9	1.5
BMC Software Inc. Term Loan B	0.9	1.5
Refinitiv Term Loan B	0.9	1.4
Total	**33.9**	**54.4**

The investment portfolio may change due to ongoing portfolio transactions of the investment fund. Quarterly updates are available on the Fund's website at www.bromptongroup.com within 60 days of each quarter end.

2019 TAX INFORMATION

The following information is applicable to holders who, for the purpose of the Income Tax Act (Canada), are resident in Canada and hold units as capital property outside of an RRSP, DPSP, RRIF, RESP or TFSA. Unitholders should receive a T3 slip from their investment dealer providing this information.

T3 supplementary slips for holdings of the Fund will indicate Other Income (Investment Income and Non-Investment Income) in Box 26, Foreign Non-Business Income in Box 25, Capital Gains in Box 21 and Eligible Dividend Income in Box 49. Dividend income is subject to the standard gross-up and federal dividend tax credit rules.

The return of capital component is a non-taxable amount that serves to reduce the adjusted cost base of Fund units and is reported on the T3 supplementary slips in Box 42.

The following tables outlines the breakdown in the Fund's distributions declared in 2019 on a per unit basis.

Class A

Record Date	Payment Date	Foreign Non-Business Income $	Return of Capital $	Total Distributions $
31-Jan-19	14-Feb-19	0.04447	0.00553	0.05000
28-Feb-19	14-Mar-19	0.04447	0.00553	0.05000
29-Mar-19	12-Apr-19	0.04447	0.00553	0.05000
30-Apr-19	14-May-19	0.04447	0.00553	0.05000
31-May-19	14-Jun-19	0.04447	0.00553	0.05000
28-Jun-19	15-Jul-19	0.04447	0.00553	0.05000
31-Jul-19	15-Aug-19	0.04447	0.00553	0.05000
30-Aug-19	16-Sep-19	0.04447	0.00553	0.05000
30-Sep-19	15-Oct-19	0.04447	0.00553	0.05000
31-Oct-19	14-Nov-19	0.04447	0.00553	0.05000
29-Nov-19	13-Dec-19	0.04447	0.00553	0.05000
31-Dec-19	15-Jan-20	0.04447	0.00553	0.05000
		0.53364	**0.06636**	**0.60000**

Class C

Record Date	Payment Date	Foreign Non-Business Income $	Return of Capital $	Total Distributions $
31-Jan-19	14-Feb-19	0.02792	0.02833	0.05625
28-Feb-19	14-Mar-19	0.02792	0.02833	0.05625
29-Mar-19	12-Apr-19	0.02792	0.02833	0.05625
30-Apr-19	14-May-19	0.02792	0.02833	0.05625
31-May-19	14-Jun-19	0.02792	0.02833	0.05625
28-Jun-19	15-Jul-19	0.02792	0.02833	0.05625
31-Jul-19	15-Aug-19	0.02792	0.02833	0.05625
30-Aug-19	16-Sep-19	0.02792	0.02833	0.05625
30-Sep-19	15-Oct-19	0.02792	0.02833	0.05625
31-Oct-19	14-Nov-19	0.02792	0.02833	0.05625
29-Nov-19	13-Dec-19	0.02792	0.02833	0.05625
31-Dec-19	15-Jan-20	0.02792	0.02833	0.05625
		0.33504	**0.33996**	**0.67500**

Class F

Record Date	Payment Date	Foreign Non-Business Income $	Return of Capital $	Total Distributions $
31-Jan-19	14-Feb-19	0.03656	0.01969	0.05625
28-Feb-19	14-Mar-19	0.03656	0.01969	0.05625
29-Mar-19	12-Apr-19	0.03656	0.01969	0.05625
30-Apr-19	14-May-19	0.03656	0.01969	0.05625
31-May-19	14-Jun-19	0.03656	0.01969	0.05625
28-Jun-19	15-Jul-19	0.03656	0.01969	0.05625
31-Jul-19	15-Aug-19	0.03656	0.01969	0.05625
30-Aug-19	16-Sep-19	0.03656	0.01969	0.05625
30-Sep-19	15-Oct-19	0.03656	0.01969	0.05625
31-Oct-19	14-Nov-19	0.03656	0.01969	0.05625
29-Nov-19	13-Dec-19	0.03656	0.01969	0.05625
31-Dec-19	15-Jan-20	0.03656	0.01969	0.05625
		0.43872	**0.23628**	**0.67500**

Class U (USD)

Record Date	Payment Date	Foreign Non-Business Income $	Return of Capital $	Total Distributions $
31-Jan-19	14-Feb-19	0.04311	0.00689	0.05000
28-Feb-19	14-Mar-19	0.04311	0.00689	0.05000
29-Mar-19	12-Apr-19	0.04311	0.00689	0.05000
30-Apr-19	14-May-19	0.04311	0.00689	0.05000
31-May-19	14-Jun-19	0.04311	0.00689	0.05000
28-Jun-19	15-Jul-19	0.04311	0.00689	0.05000
31-Jul-19	15-Aug-19	0.04311	0.00689	0.05000
30-Aug-19	16-Sep-19	0.04311	0.00689	0.05000
30-Sep-19	15-Oct-19	0.04311	0.00689	0.05000
31-Oct-19	14-Nov-19	0.04311	0.00689	0.05000
29-Nov-19	13-Dec-19	0.04311	0.00689	0.05000
31-Dec-19	15-Jan-20	0.04311	0.00689	0.05000
		0.51732	**0.08268**	**0.60000**

This information is of a general nature and does not constitute legal or tax advice to any particular investor. Accordingly, investors are advised to consult their own tax advisors with respect to their individual circumstances.

PORTFOLIO MANAGER/SUB-ADVISOR

Symphony Asset Management LLC

Symphony Asset Management LLC ("Symphony") is the investment manager of the Fund. Backed by an institutional-calibre integrated credit platform and supported by a 21-member team of experienced credit investment professionals, Symphony manages approximately US$15.1 billion in senior loans and has approximately US$17.9 billion in total assets under management as at December 31, 2019. Funds sub-advised by Symphony have achieved the top ten-year performance rankings by Lipper as at December 31, 2019 for the senior loan asset class. Symphony is a wholly owned subsidiary of Nuveen Investments Inc., which is a subsidiary of Teachers Insurance and Annuity Association of America.

SYMPHONY
from nuveen

PORTFOLIO MANAGER'S REPORT

January 2020

For the fourth quarter of 2019, a mixture of global macro issues, technical factors and U.S. monetary policy continued to pull the loan market in different directions. Senior loan spreads widened in October due to a weak technical environment in terms of demand and supply. Both institutional and retail demand weakened, as CLO formation slowed and retail investors continued to flee loan mutual funds and ETFs in favor of duration assets while at the same time net loan issuance levels were robust. The Fed reduced the target interest rate by 25bp, as was widely expected. In November, investors' positive sentiment towards subsided macro risks began to outweigh technical headwinds. Senior loan prices increased in November despite $56.3bn (source: JPM) in gross new loan issuance, the highest in 12 months. Performance of U.S. senior loans further improved in December, following the announcement of a U.S.-China "Phase One" trade deal, as well as clarity on the direction of Brexit subsequent to the large electoral win by UK Prime Minister Boris Johnson. All in, senior loans returned 1.68% in the final three months of 2019 (Credit Suisse Leveraged Loan Index).

In terms of industry performance, Energy issues notably underperformed all other industries for the period, driven by depressed oil prices as a result of perceived weak global demand. WTI Crude prices were generally below $60/bbl between May and December, with the exception of a momentary spike in September following a coordinated drone attack on two facilities in Saudi Arabia. Per the Index, Energy issues declined -2.6% in the 3-month period. In terms of credit quality, investors favored higher quality credit (B+ or higher) relative to lower quality (Bs/CCCs), partially driven by the fact that many Energy issues are rated CCC- and lower. In December, performance of lower rate credit began to recover and outperformed higher credits, coinciding with WTI Crude price rising above $60/bbl for the first time since the beginning of May.

From a portfolio perspective, during the quarter, exposure to the re-org equities of a media company, as well as a telecom-related tech hardware company contributed to performance. Both companies experienced positive catalyst events that resulted in higher share prices. The media company received interest from a competitor to purchase a large stake in the company, while the telecom company announced strategic partnership that is expected to improve financial results. Good issue selection within Consumer Discretionary and Utilities also aided return comparisons. Within Consumer Discretionary, a number of issuer selections contributed positively. Within Utilities, exposure to a California utilities company contributed positively as the company progressed towards exiting bankruptcy and its loans are expected to be reinstated as part of the agreement. Lastly, an active underweight in Financials marginally attributed to performance relative to the benchmark.

Notably detracting from performance was a moderate overweight to Energy, primarily reflecting investors' negative sentiment towards the sector as a result of sharply lower oil prices. Disappointing issue selection within Information Technology, Health Care and Industrials also detracted from return. Within Health Care, exposure to the re-org equity of a pharmaceutical company detracted from performance as technical headwinds from the lack of liquidity and one distressed seller created downward pressure on the price. Within Information Technology, exposure to the loans of a telecommunications company detracted following disappointing quarterly financial results.

The portfolio has been conservatively positioned throughout 2019, favoring high quality, more liquid loans. The "up in quality" positioning allowed the portfolio to take on new loan issues at attractive yields later in the year, when investors were concerned with global macro risks despite a still solid U.S. economy. We expect to maintain this strategy, as we anticipate a modestly slower U.S. growth over the cyclical horizon with periodic capital markets volatility rising from unresolved geopolitical issues. Periodic spikes in volatility due to sudden shifts in investor risk aversion should present further opportunities to add incremental risk at depressed price levels.

FORWARD-LOOKING STATEMENTS

Some of the statements contained herein including, without limitation, financial and business prospects and financial outlook may be forward-looking statements which reflect management's expectations regarding future plans and intentions, growth, results of operations, performance and business prospects and opportunities. Words such as "may," "will," "should," "could," "anticipate," "believe," "expect," "intend," "plan," "potential," "continue" and similar expressions have been used to identify these forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, changes in general economic and market conditions and other risk factors. Although the forward-looking statements contained herein are based on what management believes to be reasonable assumptions, we cannot assure that actual results will be consistent with these forward-looking statements. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and we assume no obligation to update or revise them to reflect new events or circumstances, except as required by law.

MANAGEMENT RESPONSIBILITY STATEMENT

The financial statements of Symphony Floating Rate Senior Loan Fund (the "Fund") have been prepared by Brompton Funds Limited (the ''Manager" of the Fund) and approved by the Board of Directors of the Manager. The Manager is responsible for the information and representations contained in these financial statements and the other sections of the annual report.

The Manager maintains appropriate procedures to ensure that relevant and reliable financial information is produced. Statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgements. The significant accounting policies applicable to the Fund are described in note 3 to the financial statements.

The Board of Directors of the Manager is responsible for ensuring that management fulfills its responsibilities for financial reporting and has reviewed and approved these financial statements. The Board carries out this responsibility through the Audit Committee, which is comprised of a majority of independent directors.

The Manager, with the approval of its Board of Directors, has appointed PricewaterhouseCoopers LLP as the auditor of the Fund. It has audited the financial statements of the Fund in accordance with Canadian generally accepted auditing standards to enable it to express to unitholders its opinion on the financial statements. The auditor has full and unrestricted access to the Audit Committee to discuss its findings.

(Signed) "Mark A. Caranci"

Mark A. Caranci
Chief Executive Officer
Brompton Funds Limited
March 18, 2020

(Signed) "Craig T. Kikuchi"

Craig T. Kikuchi
Chief Financial Officer
Brompton Funds Limited

INDEPENDENT AUDITOR'S REPORT

To the Unitholders and Trustee of Symphony Floating Rate Senior Loan Fund (the Fund)

OUR OPINION

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

What we have audited

The Fund's financial statements comprise:

- the statements of financial position as at December 31, 2019 and 2018;
- the statements of comprehensive income for the years then ended;
- the statements of cash flows for the years then ended;
- the statements of changes in net assets attributable to holders of redeemable units for the years then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

BASIS FOR OPINION

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

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

Independence

We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

OTHER INFORMATION

Management is responsible for the other information of the Fund. The other information comprises the Management Report of Fund Performance and the information, other than the financial statements and our auditor's report thereon, included in the annual report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

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

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

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

INDEPENDENT AUDITOR'S REPORT (cont'd)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Derek Hatoum.

(Signed) "PricewaterhouseCoopers LLP"

Chartered Professional Accountants,
Licensed Public Accountants
Toronto, Ontario
March 18, 2020

STATEMENTS OF FINANCIAL POSITION

As at December 31		2019		2018
Assets				
Current assets				
Investments	**$**	**137,382,530**	$	175,415,947
Cash		**8,870,060**		2,679,214
Amounts receivable for investments sold		**2,054,547**		5,327,319
Unrealized gain on foreign currency forward contracts (note 10)		**1,356,072**		-
Income receivable		**941,141**		1,086,692
Total assets		**150,604,350**		184,509,172
Liabilities				
Current liabilities				
Amounts payable for investments purchased		**3,389,349**		6,045,219
Unrealized loss on foreign currency forward contracts (note 10)		**-**		3,789,994
Distributions payable to unitholders (note 6)		**555,521**		650,942
Loans payable (note 9)		**54,798,810**		67,304,360
Accounts payable and accrued liabilities		**286,259**		325,633
Total liabilities excluding Net Assets attributable to holders of redeemable units		**59,029,939**		78,116,148
Net Assets attributable to holders of redeemable units	**$**	**91,574,411**	$	106,393,024
Net Assets attributable to holders of redeemable units				
Class A ($)		**83,219,501**		96,467,797
Class C ($)		**2,463,374**		2,522,660
Class F ($)		**873,503**		888,400
Class U (December 31, 2019 - US$3,864,336; December 31, 2018 - US$4,771,584)		**5,018,033**		6,514,167
Units outstanding				
Class A		**10,047,837**		11,750,781
Class C		**290,400**		297,400
Class F		**97,900**		99,900
Class U		**481,886**		601,447
Net Assets attributable to holders of redeemable units per unit				
Class A ($)		**8.28**		8.21
Class C ($)		**8.48**		8.48
Class F ($)		**8.92**		8.89
Class U ($) (December 31, 2019 - US$8.02; December 31, 2018 - US$7.93)		**10.41**		10.83

Approved on behalf of Symphony Floating Rate Senior Loan Fund by the Board of Directors of Brompton Funds Limited, the Manager.

(Signed) "Christopher. S.L. Hoffman" (Signed) "Raymond R. Pether"

Christopher S.L. Hoffmann
Director

Raymond R. Pether
Director

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

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31	2019	2018
Income		
Net gain (loss) on foreign exchange on cash	**$ (248,806)**	$ 433,172
Net realized foreign exchange gain (loss) on loans payable (note 9)	**558,145**	(2,496,388)
Net change in unrealized foreign exchange gain (loss) on loans payable (note 9)	**2,509,325**	(2,862,377)
Net gain (loss) on investments and derivatives:		
Interest income for distribution purposes	**9,618,330**	10,195,630
Dividend income	**173,113**	54
Net realized gain (loss) on sale of investments (note 8)	**844,282**	886,108
Net change in unrealized gain (loss) on investments	**(6,078,405)**	7,836,304
Net realized gain (loss) on foreign currency forward contracts	**(1,007,316)**	(4,281,306)
Net change in unrealized gain (loss) on foreign currency forward contracts (note 10)	**5,146,066**	(5,838,017)
Total net gain (loss) on investments and derivatives	**8,696,070**	8,798,773
Total income (loss), net	**11,514,734**	3,873,180
Expenses		
Management fees (note 7)	**1,350,944**	1,620,078
Audit fees	**28,830**	31,986
Trustee fees	**3,315**	3,403
Independent Review Committee fees (note 7)	**8,924**	20,939
Custodial fees	**19,350**	13,298
Legal fees	**7,565**	5,122
Unitholder reporting costs	**15,458**	17,909
Other administrative expenses	**206,082**	205,057
Interest and bank charges	**2,016,961**	1,927,005
Transaction costs	**31,914**	46,012
Total operating expenses before withholding taxes	**3,689,343**	3,890,809
Withholding taxes	**(122)**	(187)
Increase (decrease) in Net Assets attributable to holders of redeemable units	**$ 7,825,269**	$ (17,816)
Increase (decrease) in Net Assets attributable to holders of redeemable units		
Class A ($)	**7,362,163**	(539,712)
Class C ($)	**200,133**	(18,447)
Class F ($)	**70,130**	5,422
Class U ($)	**192,843**	534,921
Increase (decrease) in Net Assets attributable to holders of redeemable units per unit[1]		
Class A ($)	**0.70**	(0.05)
Class C ($)	**0.68**	(0.06)
Class F ($)	**0.71**	0.05
Class U ($) (December 31, 2019 - US$0.73; December 31, 2018 - US$0.03)	**0.38**	0.89

1 Based on the weighted average number of units outstanding for the year (note 4).

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

STATEMENTS OF CASH FLOWS

For the years ended December 31	2019	2018
Cash flows from operating activities:		
Increase (decrease) in Net Assets attributable to holders of redeemable units from operations	**$ 7,825,269**	$ (17,816)
Adjustments to reconcile net cash provided by operations:		
Net (gain) loss on foreign exchange on cash	**248,806**	(433,172)
Net realized foreign exchange (gain) loss on loans payable (note 9)	**(558,145)**	2,496,388
Net change in unrealized foreign exchange (gain) loss on loans payable	**(2,509,325)**	2,862,377
Net realized (gain) loss on sale of investments (note 8)	**(844,282)**	(886,108)
Net change in unrealized (gain) loss on investments	**6,078,405**	(7,836,304)
Net change in unrealized (gain) loss on foreign currency forward contracts (note 10)	**(5,146,066)**	5,838,017
Decrease (increase) in income receivable	**145,551**	359,080
Increase (decrease) in account payable and accrued liabilities	**(39,374)**	36,360
Purchase of investments (note 8)	**(59,010,892)**	(93,821,265)
Proceeds from sale of investments (note 8)	**72,629,618**	69,252,791
Repayments on investments during the year (note 8)	**19,797,470**	15,091,033
Cash provided by (used in) operating activities	**38,617,035**	(7,058,619)
Cash flows from financing activities:		
Proceeds from issuance of redeemable units, net (note 4)	**-**	-
Agents' fees and issue costs paid on issuance of redeemable Class C and F shares (note 4)	**-**	15,920
Redemption of redeemable units (note 4)	**(13,269,841)**	(6,936,871)
Repurchase of redeemable units (note 4)	**(2,465,002)**	(3,634,322)
Distributions paid to holders of redeemable units (note 6)	**(7,004,460)**	(7,882,594)
Reinvestments of distributions to holders of redeemable units (note 6)	**-**	6,173
Increase (decrease) in loans payable (note 9)	**(9,438,080)**	1,553,408
Cash provided by (used in) financing activities	**(32,177,383)**	(16,878,289)
Net increase (decrease) in cash	**6,439,652**	(23,936,908)
Net gain (loss) on foreign exchange on cash	**(248,806)**	433,172
Cash, beginning of year	**2,679,214**	11,644,762
Cash, acquired from Goldman Sachs U.S. Income Builder Trust merger (note 1)	**-**	14,538,188
Cash, end of year	**$ 8,870,060**	$ 2,679,214
Supplemental information:[1]		
Interest paid ($)	**2,012,974**	1,826,670
Interest received ($)	**9,757,876**	10,571,496
Dividends received, net of withholding taxes ($)	**178,996**	-

1 Included in cash flows from operating activities.

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

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the year ended December 31					2019
	Class A	Class C	Class F	Class U	Total
Net Assets attributable to holders of redeemable units, beginning of year	**$ 96,467,797**	**$ 2,522,660**	**$ 888,400**	**$ 6,514,167**	**$ 106,393,024**
Operations:					
Increase (decrease) in Net Assets attributable to holders of redeemable units	7,362,163	200,133	70,130	192,843	7,825,269
Distributions to holders of redeemable units (note 6):					
Investment income	(5,555,282)	(98,859)	(43,609)	(342,012)	(6,039,762)
Return of capital	(690,819)	(100,311)	(23,486)	(54,661)	(869,277)
Total	**(6,246,101)**	**(199,170)**	**(67,095)**	**(396,673)**	**(6,909,039)**
Redeemable unit transactions:					
Units converted to Class A units (note 4)	872,485	(60,249)	(17,932)	(794,304)	-
Redemption of redeemable units (note 4)	(12,771,841)	-	-	(498,000)	(13,269,841)
Repurchase of redeemable units (note 4)	(2,465,002)	-	-	-	(2,465,002)
Total redeemable unit transactions	(14,364,358)	(60,249)	(17,932)	(1,292,304)	(15,734,843)
Net increase (decrease) in Net Assets attributable to holders of redeemable units	(13,248,296)	(59,286)	(14,897)	(1,496,134)	(14,818,613)
Net Assets attributable to holders of redeemable units, end of year	**83,219,501**	**2,463,374**	**873,503**	**5,018,033**	**91,574,411**
Distributions per unit	**$ 0.60**	**$ 0.68**	**$ 0.68**	**US$ 0.60**	**$ -**

For the year ended December 31					2018
	Class A	Class C	Class F	Class U	Total
Net Assets attributable to holders of redeemable units, beginning of year	101,380,012	2,979,394	1,242,152	4,712,291	110,313,849
Operations:					
Increase (decrease) in Net Assets attributable to holders of redeemable units	(539,712)	(18,447)	5,422	534,921	(17,816)
Distributions to holders of redeemable units (note 6):					
Investment income	(5,792,385)	(151,790)	(39,362)	(366,764)	(6,350,301)
Return of capital	(1,371,128)	(53,174)	(31,446)	(102,301)	(1,558,049)
Total	(7,163,513)	(204,964)	(70,808)	(469,065)	(7,908,350)
Redeemable unit transactions:					
Proceeds from issuance of redeemable units upon Goldman Sachs U.S. Income Builder Trust merger (note 1)	12,317,269	-	-	2,220,919	14,538,188
Agents' fees and issue costs paid on issuance of redeemable Class C and F units (note 4)	18,299	(1,701)	(678)	-	15,920
Units converted to Class A units (note 4)	515,251	(231,622)	-	(283,629)	-
Redemption of redeemable units (note 4)	(6,431,660)	-	(287,688)	(201,270)	(6,920,618)
Repurchase of redeemable units (note 4)	(3,634,322)	-	-	-	(3,634,322)
Reinvestments of distributions to holders of redeemable units (note 6)	6,173	-	-	-	6,173
Total redeemable unit transactions	2,791,010	(233,323)	(288,366)	1,736,020	4,005,341
Net increase (decrease) in Net Assets attributable to holders of redeemable units	(4,912,215)	(456,734)	(353,752)	1,801,876	(3,920,825)
Net Assets attributable to holders of redeemable units, end of year	96,467,797	2,522,660	888,400	6,514,167	106,393,024
Distributions per unit	$ 0.60	$ 0.68	$ 0.68	US$ 0.60	$ -

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

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2019

	Number of Shares/Par Value	Cost CAD$	Carrying Value CAD$	% of Portfolio
Senior Loan				
Banking and finance				
Capital Automotive L.P. Term Loan (Second Lien)	891,459	1,175,461	1,164,840	
Communication Sales and Leasing Inc. Term Loan B	1,233,315	1,594,263	1,576,834	
Refinitiv Term Loan B	990,000	1,299,326	1,298,098	
Walter Investment Management Corp. Tranche B Term Loan	609,381	765,091	327,817	
		4,834,141	**4,367,589**	**3.2**
Consumer products				
AOT Bedding Super Holdings LLC Term Loan B	275,975	368,608	233,723	
BlackBoard Inc. Term B-5 Loan	500,000	617,768	640,146	
Cengage Learning Acquisitions, Inc. (Thomson Learning) Exit Term Loan	1,969,758	2,589,415	2,452,549	
Coty Inc. Term Loan A	834,766	1,053,969	1,056,886	
Coty, Inc. Term Loan B	132,003	169,640	168,483	
Del Monte Foods Company First Lien Term Loan	366,539	455,755	423,272	
Edgewell Personal Care Company Term Loan B	200,000	262,835	261,658	
HD Supply Waterworks, Ltd. Term Loan B	441,000	551,016	574,330	
Houghton Mifflin Harcourt Term Loan	125,000	159,246	162,319	
Jacobs Douwe Egberts Term B USD Loan	539,370	705,819	704,923	
Mc-Graw-Hill Education Holdings Inc. Term Loan B	1,071,758	1,411,648	1,334,705	
Petsmart Inc. (Argos Merger Sub Inc.) Non-Consenting Initial Loan	149,219	190,192	188,924	
Petsmart Inc. (Argos Merger Sub Inc.) Tranche B-2	986,348	1,282,637	1,269,680	
Revlon Consumer Products Corporation Term Loan B	1,495,999	1,840,696	1,494,611	
Reynolds Group Holdings Inc. Incremental US Term Loan	692,037	910,790	902,580	
		12,570,034	**11,868,789**	**8.6**
Electronics				
Cabot Microelectronics Term B-1 Loan	448,052	589,770	585,454	
Micro Focus International Plc	832,814	1,122,776	1,084,944	
Micro Focus International Plc Term Loan B	1,137,015	1,536,732	1,488,696	
Micro Focus International Plc Term Loan C	123,321	166,258	160,655	
		3,415,536	**3,319,749**	**2.4**
Healthcare equipment and supplies				
Quorum Health Corp. Term Loan	131,976	171,226	168,674	
Verscend Technologies Term Loan B	550,373	719,748	721,237	
Vyaire Medical, Inc. Term Loan B	717,952	867,954	811,098	
		1,758,928	**1,701,009**	**1.2**
Healthcare providers and services				
Air Medical Group Holdings, Inc. Term Loan B	617,961	782,750	788,535	
Emdeon Inc. Term Loan	734,733	955,229	958,858	
Envision Healthcare Corporation (fka Emergency Medical Services Corporation) Initial Term Loan	790,544	853,291	880,702	
Heartland Dental, LLC Delayed Draw Term Loan	27,733	36,400	35,938	
Heartland Dental, LLC Initial Term Loan	300,381	378,837	389,246	
InnovaCare Initial Term Loan	250,000	305,598	318,145	
Lifepoint Health Inc. Term Loan	744,375	975,476	975,670	
Millennium Laboratories Inc. Tranche B Term Loan	328,145	279,115	209,861	
Onex Carestream Finance LP Extended Term loan	582,505	787,113	747,115	
Onex Carestream Finance LP Term Loan (Second Lien extended)	749,855	1,019,752	922,603	
Pharmaceutical Product Development, Inc. (PPDI) Term Loan B	1,286,513	1,654,263	1,681,803	
Select Medical Corporation Term Loan F	663,114	868,927	864,049	

SCHEDULE OF INVESTMENT PORTFOLIO (cont'd)

As at December 31, 2019

	Number of Shares/Par Value	Cost CAD$	Carrying Value CAD$	% of Portfolio
Healthcare providers and services (cont'd)				
Team Health Initial Term Loan	694,665	825,388	734,613	
Vizient, Inc. Term B-5 Loan	147,294	195,595	192,418	
		9,917,734	**9,699,556**	**7.1**
Hotels, restaurants and leisure				
Arby's Restaurant Group Inc. Term Loan B	245,625	305,100	321,416	
Burger King Corporation (1011778 B.C. Unltd Liability Co.) Term B-4 Loan	958,646	1,270,206	1,247,800	
Caesars Resort Collection First Lien Term Loan	1,266,570	1,579,288	1,650,016	
CCM Merger, Inc. (Motor City Casino) Term Loan B	582,112	780,717	760,618	
ClubCorp Operations, Inc. Term Loan B	266,282	315,788	328,600	
Equinox Holdings Inc. Term Loan B1	592,895	758,876	774,165	
Four Seasons Holdings Inc. Term Loan B	485,000	633,265	635,626	
PCI Gaming Term B Facility Loan	452,596	596,884	592,556	
Scientific Games Corp. Term B-5 Loan	1,448,167	1,793,358	1,888,227	
Station Casinos LLC B Term Loan	693,606	907,950	906,275	
		8,941,432	**9,105,299**	**6.6**
Material				
Berry Global, Inc. (Berry Plastics Corporation), Term Loan W	524,039	691,941	683,893	
Berry Global, Inc. (fka Berry Plastics Corporation) Term Loan Y	349,125	459,466	455,834	
Fairmount (Unimin Corporation) Initial Term Loan	87,046	110,068	87,751	
Ineos US Finance LLC Cash Dollar Term Loan	529,142	678,704	688,523	
KBR Inc. Term Loan B	472,500	605,702	619,701	
Minerals Technologies Inc. Term Loan B	344,862	466,162	448,940	
Ply Gem Industries, Inc. Term Loan B	321,196	411,743	417,477	
Quikrete Holdings, Inc. Initial Term Loan (First Lien)	864,652	1,151,636	1,129,306	
		4,575,422	**4,531,425**	**3.3**
Media				
Affinion Group Holdings, Inc. Consenting Term Loan	329,880	448,394	366,252	
CBS Outdoor Americas Inc. Term Loan B	694,030	916,675	907,108	
Clear Channel Communications, Inc. Exit Term Loan	814,860	1,094,245	1,068,495	
Clear Channel Outdoor Holdings, Inc. Term Loan B	1,651,388	2,180,652	2,159,914	
Cox Media Group Inc. First Lien Term Loan	500,000	655,755	656,583	
CSC Holdings, LLC (fka CSC Holdings, Inc.) Term Loan B-5	493,750	653,923	645,032	
Cumulus Media, Inc. Term Loan B	358,976	474,550	471,674	
EW Scripps Tranche B-2 Loan	248,128	325,259	323,969	
Formula One Group (Alpha Topco), Term Loan B	1,067,682	1,316,078	1,395,326	
Getty Images Inc. Initial Term Loan	425,283	556,723	554,667	
Liberty Latin America Ltd Initial Term Loan	160,833	210,845	211,983	
Lions Gate Entertainment Corp. Term Loan B	788,942	1,040,461	1,024,485	
Meredith Corporation Tranche B-1 Term Loan	771,650	1,012,367	1,008,845	
Mission Broadcasting Inc. Term Loan B3	85,858	112,559	112,086	
Nexstar Broadcasting Inc. Term Loan B-3	432,085	566,463	564,080	
Nexstar Broadcasting, Inc. Incremental B Term Loan	200,000	262,471	261,525	
Springer Science and Business Media Inc. Term Loan B16	673,934	897,881	877,050	
		12,725,301	**12,609,074**	**9.2**
Oil and gas				
BCP Renaissance Parent Term Loan B	359,091	457,984	415,879	
Blackstone CQP Term Loan	199,000	263,601	260,129	
Brand Energy & Infrastructure Services, Inc. Initial Term Loan	126,960	166,431	164,658	
Buckeye Partners, L.P. Initial Term Loan	350,000	459,795	459,165	

SCHEDULE OF INVESTMENT PORTFOLIO (cont'd)

As at December 31, 2019

	Number of Shares/Par Value	Cost CAD$	Carrying Value CAD$	% of Portfolio
Oil and gas (cont'd)				
California Resources Corporation Term Loan	488,386	621,039	479,082	
Calpine Corporation Term Loan B-5	982,051	1,292,675	1,283,487	
Delek US Holdings, Inc. Term Loan B	491,262	640,042	637,597	
Euro Garages (EG Group), Term Loan B	491,254	629,132	636,658	
Fieldwood Energy LLC 2nd Lien Exit Term Loan	835,642	581,993	624,624	
Fieldwood Energy LLC Exit Term Loan	2,307,485	2,693,185	2,519,870	
Pacific Gas & Electric Revolving Loan	491,451	623,958	640,567	
Traverse Midstream Partners Term Loan B	425,003	527,163	501,113	
Vistra Operations Co.Term Loan B3	240,468	318,632	314,565	
		9,275,630	**8,937,394**	**6.5**
Other				
ADS Waste Holdings, Inc. (aka Advanced Disposal Services) Term Loan B	499,552	638,177	651,901	
American Commercial Lines LLC First Lien Term Loan	383,295	499,663	258,818	
Ardent Health (AHP Health Partners, Inc.) First Lien Term Loan	492,500	643,063	645,631	
Avolon TLB Borrower 1 (US) LLC Term Loan B	741,967	956,507	970,707	
Ceva Group PLC Term Loan B	736,832	939,732	814,090	
Navistar Inc., Tranche B Term Loan	736,875	939,107	955,673	
Sequa Corporation (Second Lien)	603,046	813,568	771,586	
Sequa Corporation Initial Term Loan	1,667,273	2,144,447	2,170,114	
US Foods, Inc. (U.S. Foodservices, Inc.) Term Loan	546,336	726,162	712,882	
		8,300,426	**7,951,402**	**5.8**
Pharmaceuticals				
Alphabet Holding Company, Inc. (aka NBTY) Initial Term Loan (First Lien)	348,219	429,583	438,209	
Concordia Healthcare Corp. Exit Term Loan	863,706	1,114,487	1,053,806	
Valeant Pharmaceuticals International Inc. First Lien term Loan	236,526	311,776	309,285	
Valeant Pharmaceuticals International Inc. Term Loan B	70,833	92,453	92,585	
		1,948,299	**1,893,885**	**1.4**
Retail				
Academy Sports + Outdoors	147,437	185,960	158,409	
Alberton's LLC Term Loan B-7	323,254	430,073	424,070	
Albertson's LLC Term Loan B-7	511,114	680,012	670,504	
Belk, Inc. First Lien Term Loan	901,210	1,017,934	823,580	
BJ's Wholesale Club, Inc. Term Loan	159,700	208,257	209,063	
Petco Animal Supplies, Inc. Tranche B-1 Term Loan	333,336	415,640	369,820	
Univer Inc. Term Loan B	422,350	558,620	551,390	
		3,496,496	**3,206,836**	**2.3**
Services				
Advantage Sales & Marketing Inc. First Lien Term Loan	537,988	684,808	678,433	
Advantage Sales & Marketing Inc. Term Loan B-2 (First Lien)	235,788	287,241	297,060	
Ancestry.com Inc. Term Loan First Lien	470,132	611,666	603,927	
Atlantic Aviation FBO Inc. Term Loan	247,500	325,552	325,611	
Ceridian HCM Holding, Inc. Initial Term Loan	726,775	923,307	951,030	
Dun & Bradstreet Corp. Initial Term Lon	250,000	320,607	327,884	
Garda World Security Corp. Term Loan B (First Lien)	168,000	216,391	219,930	
Genesee & Wyoming Inc. First Lien Term Loan	750,000	983,707	984,518	
GFL Environmental Term Loan	987,469	1,280,827	1,286,509	
Greeneden U.S. Holdings II, LLC (Genesys Telecom Holdings U.S., Inc.) Term Loan B	967,924	1,229,990	1,262,786	
Harvey Gulf International Marine, Inc. Exit Term Loan	849,951	1,134,149	845,023	

SCHEDULE OF INVESTMENT PORTFOLIO (cont'd)

As at December 31, 2019

	Number of Shares/Par Value	Cost CAD$	Carrying Value CAD$	% of Portfolio
Services (cont'd)				
Life Time Fitness Inc. Term Loan B	1,382,367	1,762,884	1,802,648	
Quality Distribution (Gruden Acquisition) Term Loan (First Lien)	465,155	560,967	605,537	
Sabert Corporation Initial Term Loan	150,000	197,149	196,812	
Savage Enterprises, LLC Intial Loan	409,091	544,275	538,482	
StandardAero Canadien Term Loan	174,388	231,730	228,309	
StandardAero USD Term Loan B	324,362	431,019	424,654	
TNT Crance & Rigging Inc. Initial Term Loan (First Lien)	941,731	1,073,422	1,034,695	
Windstream Corporation Term Loan	90,000	111,476	110,027	
		12,911,167	**12,723,875**	**9.3**
Technology				
Avaya Inc. Tranche B Term Loan	1,442,078	1,877,009	1,843,117	
BMC Software Inc. Term Loan B	1,032,841	1,356,364	1,329,159	
Compuwear Corporation First Lien Term Loan	334,326	437,019	437,575	
Datatel Inc. Term Loan B	223,630	293,888	291,434	
Dell Inc. Term Loan B	904,301	1,195,305	1,183,973	
Document Technologies Term Loan B	335,024	437,574	408,671	
Dynatrace 1st Lien Term Loan	216,749	282,164	283,833	
Epicor Software Corporation (fka Eagle Parent Inc.) Term Loan B	322,597	428,354	421,763	
Gates Global LLC., Term Loan B	359,445	460,520	467,870	
Infor (US) Inc. (Lawson Software) Tranche B-2 Term Loan	1,365,511	1,793,743	1,783,638	
Kindred at Home Hospice (Gentiva Health Services, Inc.) Term Loan B	1,075,710	1,418,280	1,406,033	
Kronos Incorporated (Seahawk Merger Sub, INC.) Initial Term Loan (First Lien)	486,501	636,490	635,795	
Lumileds Term Loan B	361,218	360,637	279,091	
McAfee LLC Term Loan B	608,019	794,909	793,984	
Misys (Magic, Newco/Bidco) USD Term Loan (Second Lien)	190,985	258,523	243,311	
MTS Systems Corp. Term Loan B	281,323	373,822	367,367	
Rackspace Hosting, Inc. Term Loan B	647,792	808,990	819,404	
Skillsoft Term Loan (Second Lien)	803,949	718,556	293,057	
Skillsoft Term Loan Initial Term Loan	285,709	339,052	287,995	
SS&C Technologies, Inc./ Sunshine Acquisition II, Inc. Term Loan B3	702,912	906,547	920,224	
SS&C Technologies, Inc./ Sunshine Acquisition II, Inc. Term Loan B4	487,364	623,009	638,037	
Stars Group Holdings Term Loan B	645,421	851,373	846,690	
Tempo Acquisition Long Term B	487,500	655,586	637,924	
Tibco Software, Inc. (Balboa Merger Sub) Term Loan B	1,029,584	1,366,393	1,344,701	
Transdigm Inc. F Term Loan	241,342	310,269	314,929	
Trico Group, LLC Initial Term Loan	472,227	568,389	608,996	
TTM Technologies Term Loan B	694,893	854,035	907,993	
Uber Technologies, Inc. Term Loan	871,290	1,120,252	1,132,625	
Ultimate Software First Lien Term Loan	249,375	331,063	326,406	
Western Digital Term Loan B	233,556	298,852	305,433	
Zelis Healthcare Corp. Term Loan B	500,000	655,578	653,674	
		22,812,545	**22,214,702**	**16.2**
Telecommunications				
CenturyLink Term Loan B	1,145,000	1,522,419	1,495,203	
Cequel Communications, LLC (Cebridge) Term Loan B3	869,143	1,130,400	1,131,730	
Commscope Inc. Term Loan B	594,505	784,094	777,784	
Frontier Communications Term Loan B	1,710,845	2,270,807	2,237,202	

SCHEDULE OF INVESTMENT PORTFOLIO (cont'd)

As at December 31, 2019

	Number of Shares/Par Value	Cost CAD$	Carrying Value CAD$	% of Portfolio
Telecommunications (cont'd)				
Intelsat Jackson Holdings S.A. Term Loan B3	1,375,000	1,731,599	1,791,720	
Intelsat Jackson Holdings S.A. Term Loan B4	210,752	270,648	276,702	
Intelsat Jackson Holdings S.A. Term Loan B5	337,203	433,036	444,680	
Numericable Group S.A Term Loan B-13	990,000	1,270,076	1,290,520	
Syniverse Holdings, Inc. Term Loan (Second Lien)	1,000,000	1,242,479	978,243	
Syniverse Holdings, Inc. Tranche C Term Loan	968,490	1,209,437	1,177,459	
West Corporation Term Loan B	315,344	390,537	348,210	
West Corporation Term Loan B-1	84,246	108,752	92,099	
Ziggo B.V. Term Loan E Facility	400,000	522,251	521,825	
		12,886,535	**12,563,377**	**9.1**
Total Senior Loan		**130,369,626**	**126,693,961**	**92.2**
Fixed Income Investments				
Banking and finance				
Nielsen Finance LLC (VNU, Inc.) 5.00% due April 15, 2022	500,000	654,392	652,677	
		654,392	**652,677**	**0.5**
Consumer products				
Reynolds Group Holdings Inc. 5.750% due Oct 15, 2020	969,108	1,282,763	1,261,581	
		1,282,763	**1,261,581**	**0.9**
Media				
Clear Channel Communications (CCU Escrow Corp.) 14.00% due February 1, 2021	3,881,000	5	5	
Clear Channel Communications (CCU Escrow Corp.) 9.00% due March 1, 2021	795,000	1	1	
Clear Channel Worldwide Holdings Inc. 9.250% due February 15, 2024	426,000	566,602	613,735	
iHeartCommunications, Inc. 8.375% due May 1, 2027	443,067	625,186	638,621	
		1,191,794	**1,252,362**	**0.9**
Pharmaceuticals				
Concordia Healthcare Corp. 8.00% due September 6, 2025	188,000	246,536	234,672	
		246,536	**234,672**	**0.2**
Technology				
Advanced Micro Devices Inc., 7.50% due August 15, 2022	159,000	217,996	233,310	
Balboa Merger Sub, Inc. (Tibco Software Inc.) 11.375% due December 1, 2021	1,000,000	1,390,023	1,345,688	
		1,608,019	**1,578,998**	**1.1**
Telecommunications				
Frontier Communications Corp. 8.00% due April 1, 2027	1,000,000	1,399,214	1,356,985	
Intelsat Connect Finance 9.50% due February 15, 2023	980,000	1,166,928	893,528	
Intelsat Jackson Holdings S.A. 5.500% due Aug 1, 2023	228,000	234,294	254,652	
Intelsat Jackson Holdings S.A. 8.000% due Feb 15, 2024	225,000	294,147	300,460	
		3,094,583	**2,805,625**	**2.0**
Total Bonds		**8,078,087**	**7,785,915**	**5.6**
Total Fixed Income Investments		**138,447,713**	**134,479,876**	**97.8**
Equities				
Consumer products				
Cengage Learning Acquisitions, Inc. (Thomson Learning)	2,445	68,056	40,481	
True Religion Private Equity	1,131	46,070	46,263	
		114,126	**86,744**	**0.1**
Healthcare providers and services				
Millennium Health LLC (New Millennium Holdco Inc.)	9,200	-	13,190	

SCHEDULE OF INVESTMENT PORTFOLIO (cont'd)

As at December 31, 2019

	Number of Shares/Par Value	Cost CAD$	Carrying Value CAD$	% of Portfolio
Healthcare providers and services (cont'd)				
Millennium Health LLC (New Millennium Holdco Inc.)	8,635	-	11,258	
Millennium Health LLC (New Millennium Holdco Inc.)	9,875	26,335	-	
		26,335	**24,448**	**0.0**
Media				
Clear Channel Outdoor Holdings	81,836	525,682	303,927	
Cumulus Media, Inc. Class A	5,442	84,582	124,162	
Cumulus Media, Inc. Class B	6,190	94,778	136,646	
Cumulus Media, Inc. warrants strike price $0.0000001 expiry January 4, 2038	5,929	92,378	127,035	
iHeartMedia, Inc.	40,734	1,019,540	793,427	
iHeartMedia, Inc.	6,254	156,533	137,247	
iHeartMedia, Inc.	84	2,102	1,667	
		1,975,595	**1,624,111**	**1.2**
Oil and gas				
Fieldwood Energy LLC	3,859	104,781	101,059	
Fieldwood Energy LLC	779	164,520	20,400	
Transocean Inc.	28,803	351,233	257,327	
Vantage Drilling International	2,876	170,021	121,375	
		790,555	**500,161**	**0.4**
Pharmaceuticals				
Advanz Pharma Corp.	3,411	56,217	12,297	
		56,217	**12,297**	**0.0**
Services				
Harvey Gulf International Marine, Inc.	1,999	105,119	19,469	
Harvey Gulf International Marine, Inc. warrants strike price $0.01, expiry July 2, 2043	8,933	469,751	86,940	
		574,870	**106,409**	**0.1**
Technology				
Avaya Inc., warrants strike price $25.55 expiry January 1, 2040	4,628	-	21,344	
Avaya Inc.	30,070	612,173	527,140	
		612,173	**548,484**	**0.4**
Total Equities		**4,149,871**	**2,902,654**	**2.2**
Total Investments		**142,597,584**	**137,382,530**	**100.0**

1. GENERAL INFORMATION

Symphony Floating Rate Senior Loan Fund (the "Fund") is a closed-end investment trust created under the laws of the Province of Ontario on January 1, 2011, pursuant to a declaration of trust, as amended and restated. The address of the Fund's registered office is Bay Wellington Tower, Brookfield Place, Suite 2930, 181 Bay Street, Toronto, Ontario, M5J 2T3. TSX Trust Company is the Trustee, and Brompton Funds Limited (the "Manager") is responsible for managing the affairs of the Fund. Symphony Asset Management LLC (the "Portfolio Manager") acts as a sub-advisor of the Fund and manages the portfolio. CIBC Mellon Trust Company is the custodian of the Fund's assets and prepares the daily valuation of the Fund. The Fund commenced operations on November 1, 2011.

The Fund invests in an actively managed, diversified portfolio consisting primarily of short-duration, floating-rate senior secured loans. The Class A redeemable units of the Fund are publicly listed on the Toronto Stock Exchange under the symbol SSF.UN. The Fund's investment objectives are to provide monthly distributions and to preserve capital by investing in an actively managed portfolio consisting primarily of short-duration, floating-rate senior corporate instruments, including senior loans and other senior debt obligations of North American non-investment-grade corporate borrowers.

On February 8, 2018, Goldman Sachs U.S. Income Builder Trust ("GSB") merged with the Fund, with the latter being the continuing fund. The Fund issued 1,385,885 Class A units and 206,293 Class U units for $14.5 million of Net Assets. Class A units of the Fund issued to former holders of Class A units of GSB pursuant to the merger continue to trade on the Toronto Stock Exchange under the symbol SSF.UN.

Goldman Sachs U.S. Income Builder Trust		
Assets		
Investments	$	518,354
Cash		18,483,687
Amounts receivable for investments sold		351,430
Accrued dividend and income receivable		50,452
Total assets acquired		19,403,923
Liabilities		
Current liabilities		51,091
Redemptions payable		4,703,558
Distributions payable to unitholders		62,317
Unrealized loss on foreign currency forward contracts		48,768
Total liabilities assumed		4,865,734
Net Assets acquired	**$**	**14,538,189**
Class A units ($)		12,317,269
Class U units ($)		2,220,920
Ratio of Class A units received		0.926707
Ratio of Class U units received		0.937273

These financial statements were approved on behalf of Symphony Floating Rate Senior Loan Fund by the Board of Directors of Brompton Funds Limited, the Manager, on March 10, 2020.

2. BASIS OF PRESENTATION

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The 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.

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied.

a) Financial Instruments

The Fund's portfolio of investments is managed, and performance is evaluated, on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income ("FVOCI"). The contractual cash flows of the Fund's debt securities that are solely principal and interest are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss ("FVTPL"). Derivative assets and liabilities are also measured at FVTPL.

The Fund's obligation for Net Assets attributable to holders of redeemable units is measured assuming the redemption of units at Net Asset Value on the valuation date. All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amounts required to be received or paid, discounted when appropriate, at the financial instrument's effective interest rate. The Fund's accounting policies for measuring the fair value of its investments and derivatives are the same as those used in measuring its published Net Asset Value. The fair values of the Fund's financial assets and liabilities that are not carried at FVTPL approximate their carrying amounts due to their short-term nature.

b) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Fund or the counterparty.

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

The fair value of financial assets and liabilities that are not traded in an active market, including loans, fixed income securities and foreign currency forward contracts, is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each measurement date. Valuation techniques include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same and others commonly used by market participants that make the maximum use of observable inputs. Refer to note 12 for further information about the Fund's fair value measurements.

d) Cash

Cash is comprised of demand deposits with financial institutions.

e) Investment Transactions and Income and Expense Recognition

Investment transactions are accounted for on the trade date. The interest for distribution purposes shown on the Statements of Comprehensive Income represents the coupon interest received by the Fund accounted for on an accrual basis. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds, which are amortized on a straight line basis.

Realized gain (loss) on sale of investments and change in unrealized gain (loss) on investments are determined on an average cost basis. Average cost does not include amortization of premiums or discounts on fixed income securities, with the exception of zero coupon bonds. Dividend income is recognized on the ex-dividend date.

f) Transaction Costs

Transaction costs directly attributable to the acquisition or disposal of an investment are expensed in the period incurred and disclosed as "Transaction costs" in the Statements of Comprehensive Income, if any.

g) Income Taxes

The Fund qualifies as a mutual fund trust under the Income Tax Act (Canada). The Fund distributes to its unitholders sufficient net income and net capital gains so that it is not subject to income taxes and, in substance, is exempt from Canadian taxes on these sources of income. Accordingly, the Fund does not record any Canadian income taxes. Since the Fund does not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the Statements of Financial Position as a deferred income tax asset.

h) Foreign Currency Translation

The Fund's subscriptions and redemptions are primarily denominated in Canadian dollars, which is also the Fund's functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates that transactions occur. Foreign currency assets and liabilities denominated in a foreign currency are translated into the functional currency using the exchange rate prevailing at the measurement date. Foreign exchange gains and losses relating to cash are presented as "Net gain (loss) on foreign exchange on cash" and those relating to other financial assets and liabilities are presented within "Net realized gain (loss)" and "Net change in unrealized gain (loss)" in the Statements of Comprehensive Income.

i) Classification of Redeemable Units by the Fund

As required under IAS 32, *Financial Instruments: Presentation*, units of an entity which include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset must be classified as financial liabilities. The Fund's units do not meet the criteria in IAS 32 for classification as equity as the Fund has more than one contractual obligation to its unitholders.

4. REDEEMABLE UNITS

Authorized

The Fund is authorized to issue an unlimited number of Class A units, Class B units, Class C units, Class F units and Class U units. The Class A units, Class B units, Class C units and Class F units are designed for investors wishing to make their investment in Canadian dollars, and the Class U units are designed for investors wishing to make their investment in US dollars. Class B units, Class C units, Class F units and Class U units are not listed on a stock exchange. Each unit entitles the holder to the same rights and obligations as a unitholder and no unitholder is entitled to any privilege, priority or preference in relation to any other holder of units, with unitholders of each class being entitled to distributions or redemptions based on the Net Asset Value of the units of a particular class. Each unitholder is entitled to one vote for each unit held and is entitled to participate equally with respect to any and all distributions made by the Fund. On termination of the Fund, the unitholders are entitled to receive their pro rata share of the assets of the Fund.

A holder of Class U units may convert such Class U units into Class A units on a weekly basis, and it is expected that liquidity for the Class U units will be obtained primarily by means of conversion into Class A units and a sale of such Class A units. Class U units may be converted in any week on the first business day of such week by delivering a notice and surrendering such Class U units at least five business days prior to the applicable conversion date. For each Class U unit so converted, a holder will receive that number of Class A units equal to the Net Asset Value per Class U unit as at the close of trading on the business day immediately preceding the conversion date, divided by the Net Asset Value per Class A unit as at the close of trading on the business day immediately preceding the conversion date. No fraction of a Class A unit will be issued upon any conversion of Class U units. Any remaining fraction of a Class U unit will be redeemed.

A holder of Class B units, Class C units or Class F units will be eligible to convert the units into Class A units on the first and tenth business day of each month, provided that notice is given, and the Class B units, Class C units or Class F units are surrendered to the Fund at least two business days prior to the conversion date. The aggregate Net Asset Value of Class A units received by a client who exercises the conversion right will be equal to the aggregate Net Asset Value of units submitted for conversion.

Class A units, Class B units, Class C units, Class F units and Class U units may be redeemed on the second last business day of March of each year ("Annual Redemption Date") by delivering a notice and surrendering such units by the last business day of January. Units redeemed on the Annual Redemption Date will receive a redemption price in an amount equal to 100% of the Net Asset Value per unit of the relevant class (less any costs associated with the redemption, including brokerage costs).

In addition, Class A units, Class B units, Class C units, Class F units and Class U units may also be redeemed on the second last business day of each month other than in the month of March ("Monthly Redemption Date") by delivering a notice and surrendering such units by the last business day of the month preceding the Monthly Redemption Date. Unitholders surrendering Class A units, Class B units, Class C units and Class F units for redemption will receive a redemption price per Class A unit equal to the lesser of (i) 94% of the weighted average trading price of the units for the 10 trading days immediately preceding the Monthly Redemption Date of a Class A unit and (ii) 100% of the closing market price of a Class A unit on the applicable Monthly Redemption Date less, in each case, any costs associated with the redemption, including brokerage costs. Unitholders surrendering a Class U unit for redemption will receive in US dollars an amount equal to the US dollar equivalent of the product of (i) the monthly redemption amount and (ii) a fraction, the numerator of which is the most recently calculated Net Asset Value per unit of a Class U unit and the denominator of which is the most recently calculated Net Asset Value per unit of a Class A unit. For such purposes, the Fund will use the exchange rate current at, or as nearly as practicable to, the Monthly Redemption Date in respect of a monthly redemption of Class U units.

The Fund had approval from the Toronto Stock Exchange to undertake a normal course issuer bid program for the period from November 21, 2018 to November 20, 2019. Pursuant to the issuer bid, the Fund was permitted to purchase up to 1,158,200 Class A units for cancellation. The Fund renewed the issuer bid program from November 21, 2019 to November 20, 2020, which allows the Fund to purchase up to 998,600 Class A units for cancellation. The Fund may purchase units for cancellation at a price not exceeding the most recently calculated Net Asset Value per unit immediately prior to the date of any such purchase of units.

Issued

				2019
	Class A	**Class C**	**Class F**	**Class U**
	Number of Units	**Number of Units**	**Number of Units**	**Number of Units**
Redeemable units, outstanding at January 1	11,750,781	297,400	99,900	601,447
Redemption of redeemable units	(1,505,989)	-	-	(46,150)
Repurchase of redeemable units	(299,600)	-	-	-
Redeemable units converted to redeemable Class A units	102,645	(7,000)	(2,000)	(73,411)
Redeemable units, outstanding at December 31	**10,047,837**	**290,400**	**97,900**	**481,886**
Weighted average number of redeemable units outstanding	**10,535,819**	**295,540**	**99,396**	**503,463**

				2018
	Class A	Class C	Class F	Class U
	Number of Units	Number of Units	Number of Units	Number of Units
Redeemable units, outstanding at January 1	11,444,538	322,400	129,900	439,245
Redeemable units issued on Goldman Sachs U.S. Income Builder Trust Merger	1,385,885	-	-	206,293
Reinvestments of distributions	691	-	-	-
Redemption of redeemable units	(723,911)	-	(30,000)	(18,175)
Repurchase of redeemable units	(415,100)	-	-	-
Redeemable units converted to redeemable Class A units	58,678	(25,000)	-	(25,916)
Redeemable units, outstanding at December 31	11,750,781	297,400	99,900	601,447
Weighted average number of redeemable units outstanding	11,990,472	303,633	106,968	599,093

On February 8, 2018, Goldman Sachs U.S. Income Builder Trust merged with the Fund, the latter being the continuing fund. In exchange for Goldman Sachs U.S. Income Builder Trust Class A and Class U units, the Fund issued Class A and Class U units of the Fund, respectively. Refer to note 1.

During the year ended December 31, 2019, 1,505,989 Class A units and 35,841 Class U units (year ended December 31, 2018 – 723,911 Class A units and 15,875 Class U units) were redeemed pursuant to the annual redemption for proceeds of $12,771,841 and US$293,341, respectively (year ended December 31, 2018 – $ $6,431,660 and US$136,185, respectively). During the year ended December 31, 2019, no Class C and Class F units were redeemed pursuant to the annual redemption (year ended December 31, 2018 – nil Class C units and 30,000 Class F units for proceeds of nil and $287,688, respectively).

During the year ended December 31, 2019, 73,411 Class U units (year ended December 31, 2018 – 25,916 units) were converted into 93,306 Class A units (year ended December 31, 2018 – 32,677 units) and 299,600 Class A units (year ended December 31, 2018 – 415,100 units) were purchased for cancellation. During the year ended December 31, 2019, 2,000 Class F units were converted into 2,156 Class A units (year ended December 31, 2018 – nil Class F units converted into Class A units) and 7,000 Class C units were converted into 7,183 Class A units (year ended December 31, 2018 – 25,000 units converted into 26,001 Class A units).

During the year ended December 31, 2019, 10,309 Class U units (year ended December 31, 2018 – 2,300 units) were redeemed pursuant to the monthly redemption for proceeds of US$78,049 (year ended December 31, 2018 – US$18,396).

On December 31, 2019, the Fund's closing market price was $8.11 per Class A unit (December 31, 2018 - $7.92 per Class A unit).

5. CAPITAL MANAGEMENT

The Fund's capital is comprised of loans payable and its Net Assets attributable to holders of redeemable units. The Fund's objectives in managing its capital are to provide unitholders with monthly cash distributions and the opportunity for capital preservation. The Fund manages its capital taking into consideration the risk characteristics of its holdings. In order to manage its capital structure, the Fund may adjust loans payable or the amount of distributions paid to unitholders, return capital to unitholders or purchase units for cancellation.

6. DISTRIBUTIONS TO UNITHOLDERS

Distributions of the Fund, as declared by the Manager, are made on a monthly basis to unitholders of record on the last business day of each month. The distributions are payable by the tenth business day of the following month. For the year ended December 31, 2019, the Fund declared total distributions of $0.60 (year ended December 31, 2018 - $0.60) per Class A unit and US$0.60 (year ended December 31, 2018 - US$0.60) per Class U unit, which amounted to $6,246,101 and US$299,673 (year ended December 31, 2018 - $7,163,513 and US$360,400), respectively.

Also for the year ended December 31, 2019, the Fund declared total distributions of $0.68 per Class C unit and Class F unit (year ended December 31, 2018 – $0.68), which amounted to $199,170 and $67,095 (year ended December 31, 2018 - $204,964 and $70,808), respectively.

On January 24, 2020, the Fund declared $0.05 per Class A unit and US$0.05 per Class U unit in monthly distributions for record dates January 31, 2020, February 28, 2020, and March 31, 2020, respectively. On January 23, 2020, the Fund declared $0.05625 per Class C unit and per Class F unit for record dates of January 31, 2020, February 28, 2020, and March 31, 2020, respectively.

7. RELATED PARTY TRANSACTIONS

a) Management Fee

Pursuant to a management agreement, the Manager provides management and administrative services including key management personnel to the Fund. In consideration for these services, the Fund pays management fees based on the total Net Asset Value of the Fund, plus applicable taxes. For Class A, Class C, Class F and Class U units, the management fee rate charged is 1.25%. The Manager is responsible for paying the fees of the Portfolio Manager.

For the year ended December 31, 2019, the management fees amounted to $1.4 million (year ended December 31, 2018 - $1.6 million), with $56,609 payable as of December 31, 2019 (December 31, 2018 - $68,219).

b) Independent Review Committee Fees

The total remuneration paid to members of the Independent Review Committee during the year ended December 31, 2019 was $8,924 (year ended December 31, 2018 - $20,939) and consisted only of fees, of which there was nil payable as of December 31, 2019 (December 31, 2018 - nil).

8. INVESTMENT TRANSACTIONS

Investment transactions for the years ended December 31 were as follows:

	2019 $	2018 $
Proceeds from sale of investments	**69,356,846**	73,383,994
Repayments on investments during the year	**19,797,470**	15,091,033
Less cost of investments sold:		
Investments at cost, beginning of year	**174,552,596**	165,097,495
Investments purchased during the year	**56,355,022**	97,044,020
Investments at cost, end of year	**(142,597,584)**	(174,552,596)
Cost of investments sold during the year	**88,310,034**	87,588,919
Net realized gain (loss) on sale of investments	**844,282**	886,108

For the years ended December 31, 2019 and 2018, there were no soft dollar amounts paid.

9. LOANS PAYABLE OF THE FUND

On November 1, 2016, the Fund entered into a credit facility agreement with a Canadian chartered bank. The credit facility is used to acquire additional portfolio investments as a means of enhancing the distributions paid by the Fund. Effective June 1, 2019, an amendment to the November 1, 2016 Credit Agreement was made to reduce the Fund's credit facility from US$62.5 million to US$55.0 million. With the amendment, the revolving credit facility provides for maximum borrowings of US$55.0 million (December 31, 2018 – US$62.5 million), with borrowings in Canadian currency at the option of the Fund at either the prime rate of interest or the bankers' acceptance rate plus a fixed percentage, or in US currency at the option of the Fund at either the US base rate or LIBOR plus a fixed percentage. At December 31, 2019, there was $54.8 million or US$42.2 million (December 31, 2018 - $67.3 million or US$49.3 million) of borrowings. During the year ended December 31, 2019, the minimum and maximum amount of borrowings under the facility were US$42.2 million and US$49.3 million (December 31, 2018 – US$37.0 million and US$49.4 million), respectively.

10. FOREIGN CURRENCY FORWARD CONTRACTS

The Fund uses foreign currency forward contracts to hedge foreign exchange risks associated with its Class A units, Class C units and Class F units. During the year ended December 31, 2019, the Fund realized a loss in the amount of $1,007,316 (year ended December 31, 2018 – loss of $4,281,306) on the close-out of contracts.

The Fund had entered into the following foreign currency forward contracts with a Canadian chartered bank with a DBRS rating of AA:

As at December 31, 2019:

Canadian Dollars Purchased (Sold)	US Dollars Purchased (Sold)	Maturity Date	Forward Rate (USD/CAD)	Fair Value (CAD) $
31,582,623	(23,881,000)	13-Mar-20	0.75614	579,751
909,880	(688,000)	13-Mar-20	0.75614	16,702
415,265	(314,000)	13-Mar-20	0.75614	7,623
26,475,849	(20,171,000)	12-Jun-20	0.76186	289,434
738,977	(563,000)	12-Jun-20	0.76186	8,078
332,080	(253,000)	12-Jun-20	0.76186	3,630
23,598,826	(17,841,000)	15-Sep-20	0.75601	434,817
761,892	(576,000)	15-Sep-20	0.75601	14,038
108,464	(82,000)	15-Sep-20	0.75601	1,999
84,923,856	**(64,369,000)**			**1,356,072**

As at December 31, 2018:

Canadian Dollars Purchased (Sold)	US Dollars Purchased (Sold)	Maturity Date	Forward Rate (USD/CAD)	Fair Value (CAD) $
26,297,640	(20,400,000)	14-Mar-19	0.77574	(1,506,336)
889,478	(690,000)	14-Mar-19	0.77574	(50,950)
141,801	(110,000)	14-Mar-19	0.77574	(8,122)
32,752,875	(25,050,000)	14-Jun-19	0.76482	(1,326,047)
934,863	(715,000)	14-Jun-19	0.76482	(37,849)
424,938	(325,000)	14-Jun-19	0.76482	(17,204)
41,894,545	(31,450,000)	13-Sep-19	0.75069	(820,527)
812,581	(610,000)	13-Sep-19	0.75069	(15,915)
359,667	(270,000)	13-Sep-19	0.75069	(7,044)
104,508,388	(79,620,000)			(3,789,994)

11. FINANCIAL RISK MANAGEMENT

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2019 and groups the securities by asset type and market segment. The following summary represents the securities by asset type and market segment held by the Fund as at December 31, 2018. Significant risks that are relevant to the Fund are discussed below.

As at				December 31, 2018
Investment Sector	Senior Loans %	Fixed Income Investments %	Equities %	% of Portfolio
Banking and finance	3.6	0.4	-	4.0
Communication services	6.9	4.9	-	11.8
Consumer products	7.1	0.7	0.1	8.0
Electronics	3.5	-	-	3.5
Healthcare equipment and supplies	1.6	-	-	1.6
Healthcare providers and services	5.0	0.8	-	5.8
Hotels, restaurants and leisure	6.3	0.8	-	7.1
Materials	3.4	-	-	3.4
Media	5.3	1.7	0.1	7.1
Oil and gas	5.4	0.5	0.5	6.4
Pharmaceuticals	0.9	0.1	0.1	1.1
Retail	4.5	-	-	4.5
Services	10.1	-	0.3	10.4
Technology	17.5	1.7	0.5	19.7
Other	5.7	-	-	5.7
Total	86.8	11.6	1.6	100.0

The Manager attempts to minimize the potential adverse effects of these risks on the Fund's performance by employing a professional, experienced portfolio manager, by diversifying the investment portfolio within the constraints of the investment objectives and by using financial instruments to hedge certain risk exposures. To assist in managing these risks, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and restrictions, internal guidelines, and securities regulations. The investment portfolio of the Fund is primarily comprised of long positions in US-dollar-denominated debt securities and loans.

a) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Portfolio Manager attempts to moderate this risk through the careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk of loss resulting from financial instruments is equivalent to their fair value.

The Fund is exposed to other price risk from its investments in senior loans, fixed income investments and equity securities. As at December 31, 2019, had the prices of these investments increased or decreased by 10%, with all other variables held constant, total Net Assets would have increased or decreased by approximately $13.7 million or 15.0% (December 31, 2018 – approximately $17.5 million or 16.5%). The impact on the Net Assets as a result of the increase or decrease in prices of the Fund's investments is enhanced or exacerbated, respectively, by the leverage in the Fund. In practice, the actual trading results may differ, and the difference could be material.

b) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments held by the Fund. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. The tables below summarize the Fund's exposure to interest rate risk as at December 31, 2019 and 2018 based on the interest rate reset term.

As at December 31, 2019:

	Less Than 1 Year $	**1–3 Years $**	**3–5 Years $**	**Greater Than 5 Years $**	**Total $**
Senior loans and fixed income investments	2,874,982	30,384,110	50,929,006	50,291,778	134,479,876
Loans payable	(54,798,810)	-	-	-	(54,798,810)
Total	**(51,923,828)**	**30,384,110**	**50,929,006**	**50,291,778**	**79,681,066**

As at December 31, 2018:

	Less Than 1 Year $	1–3 Years $	3–5 Years $	Greater Than 5 Years $	Total $
Senior loans and fixed income investments	3,068,606	26,705,182	63,089,941	79,722,571	172,586,300
Loans payable	(67,304,360)	-	-	-	(67,304,360)
Total	(64,235,754)	26,705,182	63,089,941	79,722,571	105,281,940

As at December 31, 2019, had prevailing interest rates decreased or increased by 1%, assuming a parallel shift in the yield curve, with all other variables held constant, Net Assets would have increased or decreased by approximately $0.7 million or 0.8% (December 31, 2018 – approximately $1.1 million or 1.1%). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the portfolio and the impact on annual interest expense for the loans payable. In practice, the actual trading results may differ, and the difference could be material.

c) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund's greatest concentration of credit risk is in debt securities such as fixed income investments and senior loans. The fair value of the fixed income investments and senior loans includes consideration of the creditworthiness of the issuer. The carrying amount of the fixed income investments, senior loans, short-term investments and income receivable and unrealized appreciation on foreign currency forward contracts, as presented on the Schedule of Investment Portfolio and Statements of Financial Position, represents the maximum credit risk exposure as of December 31, 2019.

All transactions in securities are settled/paid for upon delivery. The risk of default is considered minimal, as delivery of securities sold is only made once the Fund has received payment. The trade will fail if either party fails to meet its obligation.

The Portfolio Manager evaluates the credit quality of the securities prior to purchase and performs ongoing monitoring of the credit quality of securities. The Fund will not invest more than 10% of its total assets in the securities of any one issuer in accordance with investment restrictions.

As at December 31, 2019 and 2018, the Fund invested in fixed income investments and senior loans with the following credit ratings. Credit ratings were obtained from Standard & Poor's.

Percentage of Portfolio by Rating Category

As at	**December 31, 2019**	December 31, 2018
BBB-	**4.4**	5.3
BB+	**6.7**	2.9
BB	**10.1**	10.3
BB-	**10.2**	11.4
B+	**18.8**	16.8
B	**22.4**	27.8
B-	**12.1**	8.8
CCC+	**7.5**	7.2
CCC	**3.7**	1.7
CCC-	**1.7**	2.2
CC	**0.2**	0.6
D	**0.2**	0.7
Unrated	**2.0**	4.3
Total	**100.0**	100.0

The Fund is also exposed to credit risk for the amount of unrealized gains under the foreign currency forward contracts (note 10) with a Canadian chartered bank with a DBRS rating of AA.

d) Currency Risk

Currency risk is the risk that financial instruments that are denominated in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The investment portfolio of the Fund includes US-dollar-denominated debt securities and loans and US-dollar-denominated cash. The Fund hedges the foreign currency exposure of its financial assets and liabilities attributable to the Class A units, Class C units and Class F units through its US-dollar-denominated foreign currency forward contracts and loans payable.

The tables below indicate the foreign currency investment holdings of Class A, Class C and Class F units in the Fund and the corresponding foreign currency hedges and loans payable as at December 31, 2019 and 2018 in Canadian dollar terms. The tables also illustrate the potential impact to the Fund's Net Assets attributable to holders of redeemable units, with all other variables held constant, as a result of a 5% change in the foreign currency related to the Canadian dollar. In practice, the actual trading results may differ, and the difference could be material.

As at December 31, 2019:

	Investments	**Cash and Other Receivables/ Payables**	**Foreign Currency Forward Contracts (note 10)**	**Loans**	**Total Currency Exposure**	**Impact on Net Assets**	**Impact on Net Assets**
	$	**$**	**$**	**$**	**$**	**$**	**(%)**
US dollars	129,854,335	7,922,869	(83,567,784)	(51,795,982)	2,413,438	120,672	0.1
	129,854,335	**7,922,869**	**(83,567,784)**	**(51,795,982)**	**2,413,438**	**120,672**	**0.1**

As at December 31, 2018:

	Investments $	Cash and Other Receivables/ Payables $	Foreign Currency Forward Contracts (note 10) $	Loans $	Total Currency Exposure $	Impact on Net Assets $	Impact on Net Assets (%)
US dollars	164,675,687	3,122,115	(108,298,382)	(63,183,490)	(3,684,071)	(184,204)	(0.17)
	164,675,687	3,122,115	(108,298,382)	(63,183,490)	(3,684,071)	(184,204)	(0.17)

The Fund's Class U units are redeemable in US dollars; therefore, they are not subject to the US-dollar foreign currency exposure of the Fund.

e) Liquidity Risk

Liquidity risk is the risk that the Fund may not be able to settle or meet its obligations on time or at a reasonable price. The Fund is exposed to liquidity risk through its annual redemptions. For the annual redemption, the Fund receives notice by the end of January prior to the Annual Redemption Date at the end of March (note 4) and has up to the tenth business day in April to settle the redemptions. All of the Fund's financial liabilities at December 31, 2019 and 2018 had maturities of less than one year.

12. FAIR VALUE MEASUREMENT

The Fund's assets and liabilities recorded at fair value have been categorized within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of fair value hierarchy are:

Level 1: Inputs that reflect unadjusted quoted 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 or indirectly, including inputs in markets that are not considered to be active.

Level 3: Inputs that are unobservable. There is little if any market activity. Inputs into the determination of fair value require significant management judgment or estimation.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Assets and liabilities at fair value as at December 31, 2019	**Level 1 $**	**Level 2 $**	**Level 3 $**	**Total $**
Equities	2,769,921	108,285	24,448	2,902,654
Fixed income	-	134,479,870	6	134,479,876
Foreign currency forward contracts gain	-	1,356,072	-	1,356,072
Total	**2,769,921**	**135,944,227**	**24,454**	**138,738,602**

Assets and liabilities at fair value as at December 31, 2018	Level 1 $	Level 2 $	Level 3 $	Total $
Equities	2,009,025	773,581	47,041	2,829,647
Fixed income	-	172,586,300	-	172,586,300
Foreign currency forward contracts loss	-	(3,789,994)	-	(3,789,994)
Total	2,009,025	169,569,887	47,041	171,625,953

The following table is a reconciliation of level 3 fair value measurements from January 1, 2019 to December 31, 2019 and January 1, 2018 to December 31, 2018, respectively:

	2019	2018
	$	$
Balance at January 1	**47,041**	-
Purchases	**6**	-
Sales	**-**	-
Net transfers in (out)	**-**	-
Net realized gain (loss)	**-**	-
Net change in unrealized gain (loss)	**(22,593)**	47,041
Balance at December 31	**24,454**	47,041

There was a $113,356 transfer of financial assets and liabilities from level 2 to level 1 during the year ended December 31, 2019 (year ended December 31, 2018 – nil). There were no transfers of financial assets and liabilities between level 3 and level 2, and level 3 and level 1 during the years ended December 31, 2019 and 2018.

All fair value measurements above are recurring. The carrying values of cash, income receivable, amounts receivable for investments sold, distributions payable to unitholders, amounts payable for investments purchased, and accounts payable and accrued liabilities 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, the instrument is 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.

a) Senior Loans, Fixed Income Securities and Equity Securities

The Fund's equity positions are classified as level 1 when the security is actively traded and a reliable price is observable. The Fund's senior loans and fixed income securities do not trade frequently and therefore observable prices may not be available. In such cases, fair value is determined using observable market data (e.g., transactions for similar securities of the same issuer) and the fair value is classified as level 2. Senior loans and fixed income securities are valued at the mean price of the bid-ask spread provided by recognized investment dealers. These prices are generally observable and therefore the Fund's senior loans and fixed income securities have been classified as level 2. The net realized and net change in unrealized loss from senior loans, fixed income securities and equity securities during the year ended December 31, 2019 was $4.6 million (year ended December 31, 2018 – gain of $8.7 million).

b) Foreign Currency Forward Contracts

The Fund may enter into foreign currency forward contracts, which are agreements between two parties to buy and sell currencies at a set price on a future date. The fair value of such contracts will fluctuate with changes in currency exchange rates. The forward contracts' value is the value that could be realized if the forward contracts were closed out on the financial reporting date and the change in fair value recorded as an unrealized gain or loss. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract on the date it was opened and the value on the date it was closed. Foreign currency forward contracts are classified as level 2. The net realized and net change in unrealized gain from foreign currency forward contracts during the year ended December 31, 2019 was $4.1 million (year ended December 31, 2018 – loss of $10.1 million).

c) Warrants

The Fund's investments in warrants are classified as level 2 as prices are derived using the Black-Scholes model. The net change in unrealized loss from warrants during the year ended December 31, 2019 was $567,924 (year ended December 31, 2018 – gain of $11,574).

13. OFFSETTING OF FINANCIAL INSTRUMENTS

The Fund has a foreign exchange settlement and novation netting agreement in place for its foreign currency forward contracts that does not meet the criteria for offsetting in the Statements of Financial Position but still allows for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. The following tables present the Fund's financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements. The tables are presented by type of financial instruments as at December 31, 2019 and 2018.

As at December 31, 2019

	Amounts eligible for offset			
Financial Assets and Liabilities	**Gross Amounts of Recognized Financial Assets/Liabilities $**	**Net Amounts of Financial Assets/Liabilities Presented in the Statement of Financial Position $**	**Financial Instruments Eligible for Offset $**	**Net Amount $**
Derivative Assets	1,356,072	1,356,072	-	1,356,072
Derivative Liabilities	-	-	-	-
Total	**1,356,072**	**1,356,072**	**-**	**1,356,072**

As at December 31, 2018

	Amounts eligible for offset			
Financial Assets and Liabilities	Gross Amounts of Recognized Financial Assets/Liabilities $	Net Amounts of Financial Assets/Liabilities Presented in the Statement of Financial Position $	Financial Instruments Eligible for Offset $	Net Amount $
Derivative Assets	-	-	-	-
Derivative Liabilities	(3,789,994)	(3,789,994)	-	(3,789,994)
Total	(3,789,994)	(3,789,994)	-	(3,789,994)

14. INCOME TAXES

The Fund had $5.9 million capital losses as at December 31, 2019 (December 31, 2018 - $5.9 million).

The tax benefit of these losses has not been reflected in these financial statements.

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