
CONSOLIDATED BALANCE SHEETS

(in thousands of dollars)

November 30	2000	1999
ASSETS		
Wealth Management Operations		
Current assets:		
Cash and term deposits	\$ 49,422	\$ 31,804
Short-term investments	45,454	24,427
Accounts receivable and prepaid expenses	32,351	29,391
	127,227	85,622
Investment in associated company	18,308	18,595
Other investments	766	1,779
Management contracts, net of accumulated amortization of \$26,901 (1999 – \$20,403)	529,683	56,476
Deferred selling commissions, net of accumulated amortization of \$238,329 (1999 – \$160,044)	394,620	308,420
Capital assets, net of accumulated amortization of \$33,298 (1999 – \$26,152)	27,653	14,924
Goodwill, net of accumulated amortization of \$3,026 (1999 – \$2,731)	1,228	1,503
	1,099,485	487,319
Trust Company Operations		
Cash and term deposits	12,221	15,825
Accounts receivable and other assets	3,345	2,470
Investments	6,088	6,378
Mortgages and consumer loans	157,150	131,753
	178,804	156,426
	\$ 1,278,289	\$ 643,745

CONSOLIDATED BALANCE SHEETS

(in thousands of dollars)

November 30	2000	1999
LIABILITIES		
Wealth Management Operations		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 65,650	\$ 43,698
Income taxes payable	8,823	314
Long-term debt due within one year (note 10)	148,896	—
Deferred revenue	630	—
Provision for leased premises	413	348
	224,412	44,360
Provision for leased premises	647	1,089
Long-term debt (note 10)	278,051	72,048
Participation units (note 11)	6,157	—
Deferred income taxes	134,996	101,018
Minority interest	564	—
	644,827	218,515
Trust Company Operations		
Accounts payable and accrued liabilities	4,426	4,209
Deposits	156,988	136,777
	161,414	140,986
SHAREHOLDER'S EQUITY		
Capital stock (note 4)	221,107	99,477
Retained earnings	250,795	184,579
Foreign currency translation adjustment	146	188
	472,048	284,244
	\$ 1,278,289	\$ 643,745

APPROVED BY THE BOARD:



C. Warren Goldring
Director



Douglas L. Derry
Director

CONSOLIDATED STATEMENTS OF INCOME

(in thousands of dollars, except per share amounts)

Years ended November 30	2000	1999
Revenue		
Wealth Management Operations		
Net management and advisory fees	\$ 420,353	\$ 299,686
Administration fees and other revenue	47,393	24,344
Deferred sales charges	25,950	19,675
Investment income	2,411	2,406
	496,107	346,111
Trust Company interest, dividends and administration fees	12,574	10,592
	508,681	356,703
Expenses		
Wealth Management Operations		
Selling, general and administrative	95,146	68,724
Trailing commissions	102,251	73,291
Investment advisory fees	35,310	27,845
Amortization of deferred selling commissions	78,285	59,845
Integration costs (note 2)	22,000	—
Amortization of management contracts	6,498	5,125
Amortization of capital assets and goodwill	7,441	5,306
Long-term interest expense	3,468	3,941
	350,399	244,077
Trust Company Operations		
Interest on deposits	7,840	6,662
General and administrative	2,437	2,710
Provision for mortgage losses	166	220
	10,443	9,592
	360,842	253,669
Income before income taxes and minority interest	147,839	103,034
Income taxes (note 6)		
Current	23,239	6,039
Deferred	36,748	35,285
	59,987	41,324
Net income before minority interest	87,852	61,710
Minority interest share of loss of subsidiary	36	—
Net income for the year	\$ 87,888	\$ 61,710
Earnings per share (note 4 (e))		
Basic	\$ 1.12	\$ 0.80
Fully diluted	\$ 1.07	\$ 0.76

CONSOLIDATED STATEMENTS OF RETAINED EARNINGS

(in thousands of dollars, except per share amounts)

Years ended November 30	2000	1999
Retained earnings, beginning of year	\$ 184,579	\$ 137,484
Net income for the year	87,888	61,710
	272,467	199,194
Deduct:		
Dividends on Class A and Class B shares (18¢ per share; 1999 – 15¢ per share)	14,092	11,642
Excess paid over average issue price of Class B shares purchased for cancellation	7,580	2,973
	21,672	14,615
Retained earnings, end of year	\$ 250,795	\$ 184,579

CONSOLIDATED STATEMENTS OF CASH FLOW

(in thousands of dollars, except per share amounts)

Years ended November 30	2000	1999
Operating activities		
Net income for the year	\$ 87,888	\$ 61,710
Items not affecting cash		
Amortization of deferred selling commissions	78,285	59,845
Deferred income taxes	36,748	35,285
Amortization of management contracts	6,498	5,125
Amortization of capital assets and goodwill	7,441	5,306
Other	(1,426)	(1,340)
	215,434	165,931
Net (increase) decrease in non-cash balances related to operations	19,722	(2,228)
	235,156	163,703
Financing activities		
Net change in Class B shares	(2,272)	1,006
Increase (decrease) in bank loan	282,600	(7,000)
Decrease in loan notes payable	(249)	(2,232)
Dividends	(14,092)	(11,642)
Increase in Trust Company deposits	20,211	24,396
Issue of common shares by subsidiary	600	—
	286,798	4,528
Investing activities		
Deferred selling commissions paid	(164,485)	(133,549)
Acquisition of subsidiaries, net of cash acquired (notes 2 and 3)	(279,759)	—
Purchase of capital assets	(19,398)	(7,081)
Net proceeds on sale of investments	1,836	1,354
Increase in Trust Company mortgages and consumer loans	(25,397)	(16,240)
Sale (purchase) of investments – Trust Company Operations	290	(743)
	(486,913)	(156,259)
Increase in cash and cash equivalents during the year	35,041	11,972
Balance of cash and cash equivalents, beginning of year	72,056	60,084
Balance of cash and cash equivalents, end of year	\$ 107,097	\$ 72,056
Represented by:		
Cash and term deposits		
Wealth Management Operations	\$ 49,422	\$ 31,804
Trust Company Operations	12,221	15,825
Short-term investments	45,454	24,427
	\$ 107,097	\$ 72,056
Cash flow from operations per share (before net change in non-cash balances related to operations – note 4(e))		
Basic	\$ 2.75	\$ 2.14
Fully diluted	\$ 2.62	\$ 2.03