



Mutual Funds

**TD Comfort Portfolios
Semi-Annual Financial Report**

2009

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August 13, 2009

Dear Investor,

Please find enclosed your copy of the 2009 Semi-Annual Financial Report for the TD Comfort Portfolios®.

The enclosed 2009 Semi-Annual Financial Report includes financial statements as well as notes to financial statements and information about the Investor series of the Portfolios.

Should you have any questions about the TD Comfort Portfolios, please contact any TD Canada Trust branch, TD Waterhouse®,¹ or your Financial Advisor. Or call us toll-free at 1-800-386-3757 (English), 1-800-409-7125 (French) or 1-800-288-1177 (Chinese). You can also e-mail us at td.mutualfunds@td.com or visit www.tdassetmanagement.com.

Thank you for investing with us.

Sincerely,

A handwritten signature in black ink, appearing to read 'Timothy Pinnington', enclosed in a large, stylized oval.

Timothy Pinnington
President, TD Mutual Funds

Mutual Fund Representatives with TD Investment Services Inc. distribute mutual funds at TD Canada Trust.

¹ TD Waterhouse Canada Inc. is a subsidiary of The Toronto-Dominion Bank. TD Waterhouse Canada Inc. – Member CIPF.

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Management's Responsibility for Financial Reporting

The accompanying unaudited interim financial statements have been prepared by TD Asset Management Inc. as Manager of the Funds and approved by its Board of Directors. The Manager is responsible for the integrity, objectivity and reliability of the data presented. This responsibility includes selecting appropriate accounting principles and making judgments and estimates consistent with Canadian generally accepted accounting principles. The Manager is also responsible for the development of internal controls over the financial reporting process which are designed to provide reasonable assurance that relevant and reliable financial information is produced and the safeguarding of all assets of the Funds.

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

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



Timothy Pinnington
Director and President
TD Mutual Funds
August 13, 2009



Rudy Sankovic
Director and
Chief Financial Officer
August 13, 2009

Notice to Unitholders

The Auditors of the Funds have not reviewed these Financial Statements

TD Asset Management Inc., the Manager of the Funds, appoints an independent auditor to audit the Funds' annual financial statements. Applicable securities laws require that if an auditor has not reviewed the Funds' interim financial statements, this must be disclosed in an accompanying notice.


TD Comfort Conservative Portfolio

Statements of Net Assets (in 000s except per unit amounts and number of units)
as at June 30, 2009 and December 31, 2008 (Unaudited)

	2009	2008
Assets		
Investments at Fair Value (Note 2)	\$ 52,645	\$ 2,229
Cash	1,106	102
Subscriptions Receivable	8,899	106
	62,650	2,437
Liabilities		
Accrued Liabilities	64	1
Redemptions Payable	123	1
Payable for Investment Purchases	575	93
Distributions Payable	7	0
	769	95
Net Assets (Note 2)	\$ 61,881	\$ 2,342
Net Assets Representing Unitholders' Equity (Note 3)		
Investor Series	\$ 61,881	\$ 2,342
Number of Units Outstanding		
Investor Series	5,588,219	230,119
Net Assets Per Unit (Note 2)		
Investor Series	\$ 11.07	\$ 10.18

Statement of Investment Operations (in 000s except per unit amounts)
for the period ended June 30, 2009 (Unaudited)

	2009
Investment Income	
Income Distributions Received	
from Underlying Funds	\$ 548
Interest	4
Less: Withholding Taxes	(4)
	548
Expenses (Note 4)	
Management Fee	189
Administration Fee	16
Independent Review Committee Fees	0
	205
Less: Waived Expenses	(0)
	205
Net Investment Income (Loss)	343
Net Realized Gain (Loss) on Sale of Investments	9
Net Change in Unrealized Appreciation/ Depreciation of Investments	3,110
Net Gain (Loss) on Investments	3,119
Increase (Decrease) in Net Assets from Investment Operations	\$ 3,462
Increase (Decrease) in Net Assets from Investment Operations – Per Unit	
Investor Series	\$ 1.45

Statement of Changes in Net Assets (in 000s except number of units)
for the period ended June 30, 2009 (Unaudited)


	Investor Series
	2009
Net Assets, Beginning of the Period	\$ 2,342
Increase (Decrease) in Net Assets from Investment Operations	3,462
Capital Unit Transactions [†]	
Proceeds from Sale of Units	58,990
Reinvestments of Distributions	344
Early Redemption Fees	7
Amounts Paid on Redemptions	(2,913)
	56,428
Distributions to Unitholders	(351)
Increase (Decrease) in Net Assets for the Period	59,539
Net Assets, End of the Period	\$ 61,881
†Capital Unit Transactions	
Units Outstanding, Beginning of the Period	230,119
Units Issued	5,602,837
Units Issued on Reinvestments	31,399
Units Redeemed	(276,136)
Units Outstanding, End of the Period	5,588,219

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


 TD Comfort Conservative Portfolio
Statement of Investment Portfolio *as at June 30, 2009 (Unaudited)*

No. of Units	Description	Cost	Fair Value	% of Total Net Assets
Fixed Income Fund				
CANADIAN BOND				
3,378,936	TD Canadian Core Plus Bond Fund, O-Series	\$ 35,367,878	\$ 36,661,452	59.3
Equity Funds				
CANADIAN EQUITY				
494,869	TD Canadian Equity Fund, O-Series	3,426,997	3,998,541	
422,573	TD Dividend Growth Fund, O-Series	3,460,053	4,035,577	
		6,887,050	8,034,118	13.0
GLOBAL EQUITY				
376,389	TD Global Dividend Fund, O-Series	3,668,211	3,955,846	
559,288	TD Global Multi-Cap Fund, O-Series	3,564,502	3,993,314	
		7,232,713	7,949,160	12.8
	Total Equity Funds	14,119,763	15,983,278	25.8
	TOTAL INVESTMENT PORTFOLIO	49,487,641	52,644,730	85.1
	OTHER NET ASSETS	9,236,174	9,236,174	14.9
	TOTAL NET ASSETS	\$ 58,723,815	\$ 61,880,904	100.0

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


 TD Comfort Moderate Portfolio

Statements of Net Assets (in 000s except per unit amounts and number of units)
as at June 30, 2009 and December 31, 2008 (Unaudited)

	2009		2008	
Assets				
Investments at Fair Value (Note 2)	\$	70,423	\$	3,312
Cash		1,611		265
Subscriptions Receivable		579		164
		72,613		3,741
Liabilities				
Accrued Liabilities		94		2
Payable for Investment Purchases		279		156
Redemptions Payable		37		0
Distributions Payable		2		0
		412		158
Net Assets (Note 2)	\$	72,201	\$	3,583
Net Assets Representing Unitholders' Equity (Note 3)				
Investor Series	\$	72,201	\$	3,583
Number of Units Outstanding				
Investor Series		6,424,015		350,313
Net Assets Per Unit (Note 2)				
Investor Series	\$	11.24	\$	10.23


Statement of Investment Operations (in 000s except per unit amounts)
for the period ended June 30, 2009 (Unaudited)

	2009	
Investment Income		
Income Distributions Received		
from Underlying Funds	\$	663
Interest		6
Less: Withholding Taxes		(8)
		661
Expenses (Note 4)		
Management Fee		287
Administration Fee		21
Independent Review Committee Fees		0
		308
Less: Waived Expenses		(0)
		308
Net Investment Income (Loss)		353
Net Change in Unrealized Appreciation/ Depreciation of Investments		5,312
Net Gain (Loss) on Investments		5,312
Increase (Decrease) in Net Assets from Investment Operations	\$	5,665
Increase (Decrease) in Net Assets from Investment Operations – Per Unit		
Investor Series	\$	1.70

Statement of Changes in Net Assets (in 000s except number of units)
for the period ended June 30, 2009 (Unaudited)

	Investor Series	
	2009	
Net Assets, Beginning of the Period	\$	3,583
Increase (Decrease) in Net Assets from Investment Operations		5,665
Capital Unit Transactions [†]		
Proceeds from Sale of Units		65,860
Reinvestments of Distributions		356
Early Redemption Fees		6
Amounts Paid on Redemptions		(2,911)
		63,311
Distributions to Unitholders		(358)
Increase (Decrease) in Net Assets for the Period		68,618
Net Assets, End of the Period	\$	72,201
†Capital Unit Transactions		
Units Outstanding, Beginning of the Period		350,313
Units Issued		6,314,480
Units Issued on Reinvestments		32,147
Units Redeemed		(272,925)
Units Outstanding, End of the Period		6,424,015

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


 TD Comfort Moderate Portfolio
Statement of Investment Portfolio *as at June 30, 2009 (Unaudited)*

No. of Units	Description	Cost	Fair Value	% of Total Net Assets
Fixed Income Fund				
CANADIAN BOND				
3,534,269	TD Canadian Core Plus Bond Fund, O-Series	\$ 36,900,317	\$ 38,346,819	53.1
Equity Funds				
CANADIAN EQUITY				
993,171	TD Canadian Equity Fund, O-Series	6,795,207	8,024,821	
848,088	TD Dividend Growth Fund, O-Series	6,877,932	8,099,237	
		13,673,139	16,124,058	22.3
GLOBAL EQUITY				
755,318	TD Global Dividend Fund, O-Series	7,336,633	7,938,389	
1,122,363	TD Global Multi-Cap Fund, O-Series	7,116,897	8,013,669	
		14,453,530	15,952,058	22.1
	Total Equity Funds	28,126,669	32,076,116	44.4
	TOTAL INVESTMENT PORTFOLIO	65,026,986	70,422,935	97.5
	OTHER NET ASSETS	1,778,052	1,778,052	2.5
	TOTAL NET ASSETS	\$ 66,805,038	\$ 72,200,987	100.0

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


TD Comfort Balanced Portfolio

Statements of Net Assets (in 000s except per unit amounts and number of units)
as at June 30, 2009 and December 31, 2008 (Unaudited)

	2009		2008	
Assets				
Investments at Fair Value (Note 2)	\$	143,135	\$	5,832
Cash		2,006		657
Subscriptions Receivable		1,063		350
		146,204		6,839
Liabilities				
Accrued Liabilities		206		4
Payable for Investment Purchases		741		421
Redemptions Payable		159		0
Distributions Payable		2		0
		1,108		425
Net Assets (Note 2)	\$	145,096	\$	6,414
Net Assets Representing Unitholders' Equity (Note 3)				
Investor Series	\$	145,096	\$	6,414
Number of Units Outstanding				
Investor Series		12,870,222		631,178
Net Assets Per Unit (Note 2)				
Investor Series	\$	11.27	\$	10.16

Statement of Investment Operations (in 000s except per unit amounts)
for the period ended June 30, 2009 (Unaudited)

	2009	
Investment Income		
Income Distributions Received		
from Underlying Funds	\$	1,184
Interest		12
Less: Withholding Taxes		(23)
		1,173
Expenses (Note 4)		
Management Fee		634
Administrative Fee		45
Independent Review Committee Fees		0
		679
Less: Waived Expenses		(0)
		679
Net Investment Income (Loss)		494
Net Change in Unrealized Appreciation/ Depreciation of Investments		13,597
Net Gain (Loss) on Investments		13,597
Increase (Decrease) in Net Assets from Investment Operations	\$	14,091
Increase (Decrease) in Net Assets from Investment Operations – Per Unit		
Investor Series	\$	2.05

Statement of Changes in Net Assets (in 000s except number of units)
for the period ended June 30, 2009 (Unaudited)

	Investor Series	
	2009	
Net Assets, Beginning of the Period	\$	6,414
Increase (Decrease) in Net Assets from Investment Operations		14,091
Capital Unit Transactions [†]		
Proceeds from Sale of Units		129,339
Reinvestments of Distributions		501
Early Redemption Fees		9
Amounts Paid on Redemptions		(4,755)
		125,094
Distributions to Unitholders		(503)
Increase (Decrease) in Net Assets for the Period		138,682
Net Assets, End of the Period	\$	145,096
†Capital Unit Transactions		
Units Outstanding, Beginning of the Period		631,178
Units Issued		12,643,902
Units Issued on Reinvestments		45,245
Units Redeemed		(450,103)
Units Outstanding, End of the Period		12,870,222

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


 TD Comfort Balanced Portfolio
Statement of Investment Portfolio *as at June 30, 2009 (Unaudited)*

No. of Units	Description	Cost	Fair Value	% of Total Net Assets
Fixed Income Fund				
CANADIAN BOND				
5,253,605	TD Canadian Core Plus Bond Fund, O-Series	\$ 54,781,313	\$ 57,001,616	39.3
Equity Funds				
CANADIAN EQUITY				
2,663,887	TD Canadian Equity Fund, O-Series	17,928,054	21,524,204	
2,274,740	TD Dividend Growth Fund, O-Series	18,184,520	21,723,766	
		36,112,574	43,247,970	29.8
GLOBAL EQUITY				
2,035,219	TD Global Dividend Fund, O-Series	19,580,974	21,390,148	
3,010,498	TD Global Multi-Cap Fund, O-Series	18,904,072	21,494,953	
		38,485,046	42,885,101	29.5
	Total Equity Funds	74,597,620	86,133,071	59.3
	TOTAL INVESTMENT PORTFOLIO	129,378,933	143,134,687	98.6
	OTHER NET ASSETS	1,961,623	1,961,623	1.4
	TOTAL NET ASSETS	\$ 131,340,556	\$ 145,096,310	100.0

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

TD Comfort Growth Portfolio

Statements of Net Assets (in 000s except per unit amounts and number of units)
as at June 30, 2009 and December 31, 2008 (Unaudited)

	2009		2008	
Assets				
Investments at Fair Value (Note 2)	\$	107,722	\$	4,230
Cash		1,086		868
Subscriptions Receivable		922		306
		109,730		5,404
Liabilities				
Accrued Liabilities		163		2
Redemptions Payable		88		0
Payable for Investment Purchases		409		438
		660		440
Net Assets (Note 2)	\$	109,070	\$	4,964
Net Assets Representing Unitholders' Equity (Note 3)				
Investor Series	\$	109,070	\$	4,964
Number of Units Outstanding				
Investor Series		9,521,812		485,680
Net Assets Per Unit (Note 2)				
Investor Series	\$	11.45	\$	10.22

Statement of Investment Operations (in 000s except per unit amounts)
for the period ended June 30, 2009 (Unaudited)

	2009	
Investment Income		
Income Distributions Received		
from Underlying Funds	\$	715
Interest		9
Less: Foreign Withholding Taxes		(23)
		701
Expenses (Note 4)		
Management Fee		510
Administration Fee		34
Independent Review Committee Fees		0
		544
Less: Waived Expenses		(0)
		544
Net Investment Income (Loss)		157
Net Change in Unrealized Appreciation/ Depreciation of Investments		12,762
Net Gain (Loss) on Investments		12,762
Increase (Decrease) in Net Assets from Investment Operations	\$	12,919
Increase (Decrease) in Net Assets from Investment Operations – Per Unit		
Investor Series	\$	2.45

Statement of Changes in Net Assets (in 000s except number of units)
for the period ended June 30, 2009 (Unaudited)


	Investor Series	
	2009	
Net Assets, Beginning of the Period	\$	4,964
Increase (Decrease) in Net Assets from Investment Operations		12,919
Capital Unit Transactions [†]		
Proceeds from Sale of Units		95,077
Reinvestments of Distributions		144
Early Redemption Fees		8
Amounts Paid on Redemptions		(3,898)
		91,331
Distributions to Unitholders		(144)
Increase (Decrease) in Net Assets for the Period		104,106
Net Assets, End of the Period	\$	109,070
†Capital Unit Transactions		
Units Outstanding, Beginning of the Period		485,680
Units Issued		9,388,549
Units Issued on Reinvestments		12,669
Units Redeemed		(365,086)
Units Outstanding, End of the Period		9,521,812

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


 TD Comfort Growth Portfolio
Statement of Investment Portfolio *as at June 30, 2009 (Unaudited)*

No. of Units	Description	Cost	Fair Value	% of Total Net Assets
Fixed Income Fund				
CANADIAN BOND				
1,976,307	TD Canadian Core Plus Bond Fund, O-Series	\$ 20,574,356	\$ 21,442,929	19.7
Equity Funds				
CANADIAN EQUITY				
2,658,826	TD Canadian Equity Fund, O-Series	17,720,801	21,483,312	
2,271,061	TD Dividend Growth Fund, O-Series	18,022,751	21,688,632	
		35,743,552	43,171,944	39.6
GLOBAL EQUITY				
2,049,786	TD Global Dividend Fund, O-Series	19,643,477	21,543,248	
3,020,105	TD Global Multi-Cap Fund, O-Series	18,864,549	21,563,550	
		38,508,026	43,106,798	39.5
	Total Equity Funds	74,251,578	86,278,742	79.1
	TOTAL INVESTMENT PORTFOLIO	94,825,934	107,721,671	98.8
	OTHER NET ASSETS	1,348,496	1,348,496	1.2
	TOTAL NET ASSETS	\$ 96,174,430	\$ 109,070,167	100.0

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


 TD Comfort Equity Portfolio

Statements of Net Assets (in 000s except per unit amounts and number of units)
as at June 30, 2009 and December 31, 2008 (Unaudited)

	2009		2008	
Assets				
Investments at Fair Value (Note 2)	\$	14,595	\$	943
Cash		32		81
Subscriptions Receivable		211		158
		14,838		1,182
Liabilities				
Accrued Liabilities		22		1
Redemptions Payable		11		0
Payable for Investment Purchases		68		186
		101		187
Net Assets (Note 2)	\$	14,737	\$	995
Net Assets Representing Unitholders' Equity (Note 3)				
Investor Series	\$	14,737	\$	995
Number of Units Outstanding				
Investor Series		1,282,252		98,029
Net Assets Per Unit (Note 2)				
Investor Series	\$	11.49	\$	10.15

Statement of Investment Operations (in 000s except per unit amounts)
for the period ended June 30, 2009 (Unaudited)

	2009	
Investment Income		
Income Distributions Received		
from Underlying Funds	\$	70
Interest		1
Less: Foreign Withholding Taxes		(4)
		67
Expenses (Note 4)		
Management Fee		66
Administration Fee		4
Independent Review Committee Fees		0
		70
Less: Waived Expenses		(0)
		70
Net Investment Income (Loss)		(3)
Net Realized Gain (Loss) on		
Sale of Investments		10
Net Change in Unrealized Appreciation/ Depreciation of Investments		1,746
Net Gain (Loss) on Investments		1,756
Increase (Decrease) in Net Assets from Investment Operations	\$	1,753
Increase (Decrease) in Net Assets from Investment Operations – Per Unit		
Investor Series	\$	2.57

Statement of Changes in Net Assets (in 000s except number of units)
for the period ended June 30, 2009 (Unaudited)

	Investor Series	
	2009	
Net Assets, Beginning of the Period	\$	995
Increase (Decrease) in Net Assets from Investment Operations		1,753
Capital Unit Transactions [†]		
Proceeds from Sale of Units		12,732
Early Redemption Fees		2
Amounts Paid on Redemptions		(745)
		11,989
Increase (Decrease) in Net Assets for the Period		13,742
Net Assets, End of the Period	\$	14,737
†Capital Unit Transactions		
Units Outstanding, Beginning of the Period		98,029
Units Issued		1,254,469
Units Redeemed		(70,246)
Units Outstanding, End of the Period		1,282,252

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


 TD Comfort Equity Portfolio
Statement of Investment Portfolio *as at June 30, 2009 (Unaudited)*

No. of Units	Description	Cost	Fair Value	% of Total Net Assets
Equity Funds				
CANADIAN EQUITY				
447,929	TD Canadian Equity Fund, O-Series	\$ 3,067,967	\$ 3,619,268	
381,647	TD Dividend Growth Fund, O-Series	3,104,184	3,644,727	
		6,172,151	7,263,995	49.3
GLOBAL EQUITY				
348,774	TD Global Dividend Fund, O-Series	3,393,340	3,665,611	
513,418	TD Global Multi-Cap Fund, O-Series	3,256,168	3,665,802	
		6,649,508	7,331,413	49.7
	Total Equity Funds	12,821,659	14,595,408	99.0
	TOTAL INVESTMENT PORTFOLIO	12,821,659	14,595,408	99.0
	OTHER NET ASSETS	141,919	141,919	1.0
	TOTAL NET ASSETS	\$ 12,963,578	\$ 14,737,327	100.0

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

Notes to Financial Statements

June 30, 2009 (Unaudited)

1. The Funds

The TD Comfort Portfolios (the "Funds"), as listed below, are open-ended mutual funds established under the laws of Ontario and are governed by an Amended, Consolidated and Restated Declarations of Trust dated July 21, 2008 ("Declarations of Trust"). The Funds invest in mutual fund trusts ("Underlying Funds").

Fund	Start Date
TD Comfort Conservative Portfolio	December 8, 2008
TD Comfort Moderate Portfolio	December 8, 2008
TD Comfort Balanced Portfolio	December 8, 2008
TD Comfort Growth Portfolio	December 8, 2008
TD Comfort Equity Portfolio	December 8, 2008

TD Asset Management Inc. ("TDAM") is the manager, portfolio adviser and trustee of the Funds. TD Investment Services Inc. ("TDIS") is the principal distributor of the Investor Series units of the Funds, which are offered on a no-load basis. Both TDAM and TDIS are wholly-owned subsidiaries of The Toronto-Dominion Bank (the "Bank"). The Funds are authorized to issue an unlimited number of units of multiple series that rank equally. Since the start of each Fund, only the Investor Series units have been issued and consequently, all per unit information relates to this series.

Period represents the six months ended June 30, 2009 and comparative figures are not applicable.

2. Summary of Significant Accounting Policies

These interim financial statements have been prepared on a consistent basis with the annual financial statements. The interim financial statements, together with the notes to financial statements, should be read in conjunction with the most recent annual financial statements. Certain disclosures presented in the notes to the annual financial statements that are required under Canadian generally accepted accounting principles ("GAAP") have been omitted here.

Basis of Presentation

These financial statements, prepared in accordance with Canadian GAAP, include estimates and assumptions by management that affect the reported amounts of assets, liabilities, investment income, expenses and gains and losses during the reporting period. Actual results may differ from these estimates.

Net asset value ("NAV") is the value of the total assets of a Fund less the value of its total liabilities at a Valuation Date (defined below) determined in accordance with Part 14 of National Instrument 81-106 – Investment Fund Continuous Disclosure ("NI 81-106") for the purpose of processing unitholder transactions. Net assets ("net assets") are determined in accordance with *CICA Handbook* Section 3855, "Financial Instruments – Recognition and Measurement" ("Section 3855"). Section 3855 requires the use of bid prices for long positions and ask prices for short positions in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining NAV. For investments that are not traded in an active market, Section 3855 requires the use of specific valuation techniques, rather than use of valuation techniques by virtue of general practice in the investment funds industry. This may result in a difference between the net assets per unit and NAV per unit. Refer to Note 8 for details of the comparison between Net Assets per unit and NAV per unit.

The following is a summary of significant accounting policies followed by the Funds in determining net assets for purposes of these financial statements.

(i) Valuation of Investments Investments are deemed to be held for trading in accordance with Section 3855 and therefore are recorded at fair value.

Bid prices are not available for the Underlying Funds held by the Funds since these investments are valued at the series' NAV per unit at the end of each Valuation Date (as defined below). Therefore, the investments in the Underlying Funds are valued using the series' NAV per unit.

The change in net excess (shortfall) of the fair value of investments (including unrealized gains and losses on foreign exchange) over (under) the total average cost of the investments is included as Net Change in Unrealized Appreciation or Depreciation of Investments in the Statements of Investment Operations.

(ii) Investment Transactions, Income, Expenses and Transaction Costs The cost of investments represents the amount paid for each security, and is determined on an average cost basis. Investment transactions are accounted for as of the trade date. Realized and unrealized gains and losses from investment transactions are calculated on an average cost basis. Interest income and expenses are accrued daily.

The Funds invest in Underlying Funds and therefore do not incur transaction costs. However, the Underlying Funds held by the Funds may be subject to transaction costs and therefore the Funds may indirectly incur transaction costs.

(iii) Distributions from Underlying Funds Distributions received from Underlying Funds out of interest, foreign income and related withholding taxes, Canadian dividends and net realized capital gains are recognized when declared.

(iv) Other Assets and Liabilities Subscriptions receivable, receivable for investment sales and other net assets are designated as loans and receivables and recorded at cost or amortized cost. Similarly, accrued liabilities, redemptions payable, distributions payable, payable for investment purchases, and other liabilities are designated as other financial liabilities and reported at cost or amortized cost. Cost or amortized cost approximates fair value for these assets and liabilities.

(v) Translation of Foreign Currencies The fair value of investments and other assets and liabilities denominated in a foreign currency are translated into Canadian dollars at the rate of exchange which is current on the Valuation Date (as defined below).

The Underlying Funds' investment portfolios may consist of securities that are traded in foreign markets. The proceeds on the sale of such securities will be realized in the respective currency. Unhedged foreign currency positions are subject to gains and losses due to fluctuations in the respective exchange rates.

Notes to Financial Statements

June 30, 2009 (Unaudited)

(vi) **Valuation of the Funds** TDAM usually calculates the NAV per unit for the Funds as at 4 p.m. (Eastern time) on each day that the Toronto Stock Exchange is open for trading, but in some circumstances, it may be calculated at another time. Each day on which a NAV is calculated is referred to as a Valuation Date ("Valuation Date"). The NAV per unit is determined by dividing the NAV by the total number of units outstanding.

(vii) **Increase (Decrease) in Net Assets from Investment Operations Per Unit** The Increase (Decrease) in Net Assets from Investment Operations Per Unit reported on the Statements of Investment Operations is calculated as the Increase (Decrease) in Net Assets from Investment Operations, divided by the weighted average number of units outstanding during the period.

Future Accounting Change

In February 2008, the Canadian Accounting Standards Board confirmed that International Financial Reporting Standards ("IFRS") will replace current Canadian standards and interpretations for publicly accountable enterprises effective January 1, 2011, which includes investment funds. The Funds will adopt IFRS on January 1, 2011. Management has commenced activities to identify key issues and the likely impacts resulting from the adoption of IFRS and is in the process of developing a changeover plan, which will include identifying differences between the Funds' current accounting policies and those it expects to apply under IFRS, as well as any accounting policy and implementation decisions and their resulting impact. Management has presently determined that the impact of IFRS would be limited to additional note disclosures and modifications to the financial statement presentation. It is anticipated that there would be no significant impact to Net Assets per unit as a result of the changeover to IFRS. However, this present determination is subject to change resulting from the issuance of new standards or new interpretations of existing standards.

3. Unitholders' Equity

Units of the Funds, which are redeemable at the option of the unitholder in accordance with the provisions of the Declarations of Trust, do not have any nominal or par value and the number of units which may be issued is unlimited. Units of the Funds are issued or redeemed on a daily basis at the NAV per series unit next determined after the purchase order or redemption request, respectively, is received by TDAM.

Units issued and outstanding represent the capital of the Funds. The Funds do not have any specific capital requirements on the subscription and redemption of units, other than minimum subscription requirements. Changes in the Funds' capital during the period are reflected in the Statements of Changes in Net Assets. TDAM is responsible for managing the capital of the Funds in accordance with their investment objectives and in managing their liquidity in order to meet redemption requests as discussed in Note 9.

4. Management Fees, Administration Fees and Other Expenses

(I) In consideration for management services and investment advice provided, TDAM is entitled to a management fee which is payable by the Funds. The management fee, exclusive of Goods and Services Tax ("GST"), is calculated on a daily basis for each Fund based on the NAV of the Funds and is paid monthly.

The maximum annual management fee, exclusive of GST, is the fee that can be charged to each Fund according to the simplified prospectus, a portion of which may not be charged at the discretion of TDAM.

The actual management fee is the annualized fee that was charged to each of the Funds for the period. Management fees disclosed for the Funds include the management fees charged to the Underlying Funds. However, there is no duplication of fees.

Fund	Series	Management Fee for the Period Ended June 30, 2009 (%)	
		Maximum	Actual*
TD Comfort Conservative Portfolio	Investor Series	1.45	1.45
TD Comfort Moderate Portfolio	Investor Series	1.60	1.57
TD Comfort Balanced Portfolio	Investor Series	1.70	1.69
TD Comfort Growth Portfolio	Investor Series	1.80	1.77
TD Comfort Equity Portfolio	Investor Series	1.95	1.77

* Annualized

(II) The Funds will also pay TDAM an administration fee at an annual rate of 0.12 percent of the NAV of the Investor Series of each Fund, calculated daily and paid monthly.

(III) TDAM will pay each of the Funds' operating expenses (including for services provided by TDAM or affiliates of TDAM), other than expenses associated with taxes, borrowing, the Fund's Independent Review Committee ("IRC"), compliance with any new governmental and regulatory requirements, or new types of costs or expenses.

IRC costs and expenses, including the remuneration of committee members, the costs of legal and other advisors to, and legal and other services for, committee members, and insurance costs are chargeable to the Funds.

(IV) TDAM may reduce or rebate a portion of the management fee attributable to institutional or group plan investors in a Fund. The program to reduce or rebate management fees will not result in adverse tax consequences to a Fund or to those unitholders not participating in such a program. The fee rebate is treated as a distribution of income, capital gains, or a return of capital with additional units being issued.

5. Other Related Party Transactions

Pursuant to securities law, the Funds relied on standing instructions from the IRC permitting the Funds to enter into one or more of the following securities transactions:

- (a) trades in securities of the Bank or any affiliate or associate thereof;
- (b) purchases of securities from or sales of securities to the Bank, where it acted as principal;
- (c) purchases or sales of securities of an issuer from or to another investment fund managed by TDAM; and
- (d) investments in the securities of an issuer for which the Bank or an affiliate thereof acted as an underwriter during the distribution of such securities and the 60-day period following the completion of the distribution of the underwritten securities.

The standing instructions require that securities transactions with related parties conducted by TDAM (i) are free from any influence by an entity related to TDAM and without taking into account any consideration relevant to an entity related to TDAM; (ii) represent the business judgment of TDAM uninfluenced by considerations other than the best interests of the Funds; (iii) comply with the applicable policies and procedures of TDAM; and (iv) achieve a fair and reasonable result for the Funds.

6. Brokerage Commissions and Soft Dollars

The Funds did not incur any brokerage commissions during the period to execute transactions in the Underlying Funds, nor did they receive any investment or research services from brokers in exchange for commissions paid by the Funds.

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

7. Tax Status

The Funds intend to qualify as mutual fund trusts under the *Income Tax Act* (Canada). If the Funds qualify as mutual fund trusts, all or substantially all of the net income for tax purposes and sufficient net capital gains realized in any year will be distributed to unitholders such that no income tax is payable by the Funds.

8. Net Assets per Unit and NAV per Unit

NI 81-106 was amended effective September 8, 2008 to require all investment funds, including the Fund, to calculate NAV for all purposes other than financial statements without giving effect to Section 3855 referred to in Note 2, which may result in a difference between the Net Assets per unit and NAV per unit. As at June 30, 2009 there were no differences between the Net Assets per unit and the NAV per unit.

9. Financial Risk Management

The Funds are exposed to a variety of financial risks: market risk (including interest rate risk, currency risk, and other price risk), credit risk and liquidity risk. TDAM seeks to reduce these risks by diversifying investments across the three main asset classes: money market investments for safety, bonds for income and equity investments for growth. Since different types of investments tend to move independently from one another, positive performance in one asset class can help offset negative performance in another, thereby reducing volatility and overall risk in the long-term.

The Funds are managed in accordance with their investment objectives, generally within specific asset class ranges as set out in the Funds' simplified prospectus.

The Funds follow a long-term strategic asset allocation plan, which involves setting an asset allocation policy, selecting investments for each asset class, and periodically rebalancing the asset allocation of the Funds in accordance with their investment objectives.

Asset Allocation

This first step involves diversifying portfolio investments among several different investment categories or asset classes in order to optimally match the investment objectives and risk tolerances of the Funds with reasonable expectations for capital market behaviour. The Funds use strategic asset allocation where the time horizon of an investment in the Funds is assumed to be long-term in nature. As a result, asset mix changes are infrequent and are usually in response to: changes in the risk profile or return objective; altered long-term expectations about one or several asset classes; or the emergence of a new class of assets not previously included. TDAM portfolio managers conduct a comprehensive analysis of the long-term risk and return relationships for the key asset categories – broadly defined as equity, fixed income and cash or cash equivalents. They then determine the optimal mix of these categories in order to try to maximize the potential returns given the risk tolerance of the Funds.

Fund Selection

The Underlying Funds are selected based on the strategic asset allocation decisions made in the asset allocation phase. Underlying Funds are evaluated using both quantitative and qualitative processes. On the quantitative side, the TDAM portfolio managers look for performance consistency and attractive risk-adjusted returns. This is complemented with qualitative analysis where the TDAM portfolio managers look for a consistent and credible investment process performed by a quality management team working in a stable organization. Only the funds with strong managers and consistent long-term performance at an appropriate level of risk are included in the Funds.

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Portfolio Review

The Funds are automatically adjusted or rebalanced on a regular basis to keep their asset mix in line with their investment objectives. In addition, the TDAM portfolio managers regularly monitor the markets and economic conditions, existing asset allocations, and the individual Underlying Funds in the Funds. Although the Funds may be subject to short-term market volatility, the Funds are designed for long-term investment. A long-term focus prevents revisions to the Funds' asset allocations in reaction to short-term market fluctuations. However, when required, the selection of individual Underlying Funds and the weightings of the Underlying Funds within the Funds will be adjusted to increase potential returns and/or reduce risk.

(i) Interest Rate Risk Interest rate risk arises from the possibility that changes in interest rates will affect the future cash flows or the fair value of interest-bearing investments. The Funds are exposed to interest rate risk to the extent of the interest-bearing financial instruments held by the Underlying Funds.

(ii) Currency Risk Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises from financial instruments (including cash and cash equivalents) that are denominated in a currency other than the Funds' functional currency, which is the Canadian dollar. The Funds' direct exposure to currency risk is minimal as the units of the Underlying Funds held are valued in Canadian dollars. The Funds may be exposed to indirect currency risk in the event that the Underlying Funds invest in financial instruments that are denominated in a currency other than the Canadian dollar.

(iii) Other Price Risk Other price risk is the risk that securities will fluctuate in value because of changes in other prices (other than those arising from interest rate risk or currency risk). All security investments present a risk of loss of capital. The maximum risk is determined by the fair value of the securities held by the Funds.

The Funds are exposed to other price risk from investments in Underlying Funds. If the equity prices of the Underlying Funds held by the Funds at June 30, 2009 had increased or decreased by 5 percent, with all the other variables held constant, the net assets of those Funds would have increased or decreased by approximately:

Fund	Impact on Net Assets	
	(\$000)	(%)
TD Comfort Conservative Portfolio	1,012	1.64
TD Comfort Moderate Portfolio	1,738	2.41
TD Comfort Balanced Portfolio	4,440	3.06
TD Comfort Growth Portfolio	4,319	3.96
TD Comfort Equity Portfolio	715	4.85

In practice, the actual trading results may differ from the above approximate analysis amounts and the difference could be material.

(iv) Credit Risk Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. The Funds may be exposed to indirect credit risk in the event that the Underlying Funds invest in debt securities and/or trading derivatives. All debt securities and trading derivative instruments held by the Underlying Funds as at June 30, 2009 were listed financial instruments with the exception of foreign currency derivative contracts.

(v) Liquidity Risk Liquidity risk is defined as the risk that a fund may not be able to settle or meet its obligations on time or at a reasonable price. The Funds are exposed to daily cash redemptions of redeemable units. Units are redeemable on demand at the then current NAV per unit at the option of unitholders. As required by applicable securities legislation, the Funds maintain at least 90 percent of their assets in liquid investments (i.e. investments that are traded in active markets and can be readily disposed of). The Underlying Funds invest the majority of their investments in instruments that are traded in an active market and can be readily disposed of. In addition, the funds retain sufficient cash and cash equivalents to maintain liquidity, and have the ability to borrow up to 5 percent of their NAV for the purpose of funding redemptions.

10. Other Reports

The most recent set of financial statements of the Underlying Funds are available, without charge, by writing to:

TD Comfort Portfolios

c/o TD Asset Management Inc.
TD Canada Trust Tower, 35th Floor
161 Bay Street
Toronto, Ontario
M5J 2T2

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