

Interim Financial Statements of

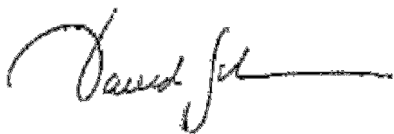
**LEITH WHEELER CANADIAN EQUITY FUND**

For the six months ended June 30, 2011

## MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of Leith Wheeler Canadian Equity Fund (the “Fund”) have been prepared by the Manager, Leith Wheeler Investment Counsel Ltd. The Manager is responsible for the preparation and presentation of the Fund’s financial statements and the development of internal controls over the financial reporting process.

### Leith Wheeler Investment Counsel Ltd.



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David Schaffner  
President and Chief Executive Officer



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Cecilia Wong  
Chief Financial Officer

August 29, 2011

### UNAUDITED INTERIM FINANCIAL STATEMENTS

The accompanying interim financial statements have not been reviewed or audited by the external auditors of the Funds. The external auditors will be auditing the annual financial statements of the Funds in accordance with Canadian generally accepted auditing standards.

# LEITH WHEELER CANADIAN EQUITY FUND

Statement of Investment Portfolio (unaudited)

June 30, 2011

Number of shares	Cost	Fair value	Percentage of net assets
<b>Canadian Equity</b>			
<b>Consumer Discretionary:</b>			
526,000 Astral Media Inc.	\$ 18,968,801	\$ 19,572,460	
154,400 Bauer Performance Sports Ltd.	1,143,226	1,003,600	
412,400 Canadian Tire Corporation, Ltd. Class A	25,025,571	25,985,324	
470,200 Cogeco Cable Inc.	16,981,559	21,163,702	
291,800 Corus Entertainment B Non-Voting	6,368,064	5,978,982	
960,700 Great Canadian Gaming Corp.	7,257,612	7,368,569	
1,763,200 Shaw Communications B	36,162,838	38,755,136	
546,200 Transat A.T. Inc. Class B	11,759,867	6,128,364	
	<b>123,667,538</b>	<b>125,956,137</b>	<b>10.8%</b>
<b>Consumer Staples:</b>			
438,100 Alimentation Couche-Tard Sub Voting	9,342,376	12,275,562	
1,698,800 Saputo Inc.	42,657,670	78,773,356	
	<b>52,000,046</b>	<b>91,048,918</b>	<b>7.8%</b>
<b>Energy:</b>			
366,900 Baytex Energy Corp.	12,597,163	19,232,898	
1,639,802 Canadian Natural Resources Ltd.	63,393,074	66,149,613	
1,923,050 EnCana Corporation	59,314,414	57,210,738	
1,574,200 Enerflex Ltd.	14,947,524	19,520,080	
293,400 Longview Oil Corp.	3,131,045	3,388,770	
2,122,900 Nuvista Energy Ltd.	19,749,500	19,254,703	
578,800 Progress Energy Resources Corp.	6,763,271	7,941,136	
461,326 Pure Energy Services Ltd.	1,730,580	3,529,144	
1,046,450 Savanna Energy Services Corp.	13,244,577	9,072,722	
2,810,400 Talisman Energy Inc.	47,221,081	55,533,504	
658,600 Transcanada Corp.	25,185,214	27,792,920	
	<b>267,277,443</b>	<b>288,626,228</b>	<b>24.7%</b>
<b>Financials:</b>			
1,168,490 Bank of Nova Scotia	55,881,491	67,877,584	
826,050 Canadian Western Bank	19,528,566	25,425,819	
442,300 Canadian Imperial Bank of Commerce	32,736,302	33,659,030	
1,078,318 Great-West Lifeco Inc.	29,141,426	27,432,410	
319,200 Home Capital Group Inc.	15,595,570	16,470,720	
452,500 Industrial Alliance Insurance And Financial Services Inc.	13,970,755	18,136,200	
98,800 Intact Financial Corp. Subscription Receipt	4,722,640	5,399,420	
62,500 Intact Financial Corp.	3,410,438	3,448,125	
1,486,200 Manulife Financial Corp.	23,298,965	25,309,986	
376,600 National Bank of Canada	26,717,632	29,416,226	
394,800 Onex Corp.	14,515,482	14,662,872	
1,084,150 Royal Bank of Canada	53,480,773	59,660,775	
974,200 Toronto Dominion Bank	62,248,975	79,640,850	
	<b>355,249,015</b>	<b>406,540,017</b>	<b>34.7%</b>
<b>Industrials:</b>			
3,846,775 CAE Inc.	36,866,038	49,931,140	
601,700 Canadian National Railway Co.	30,749,852	46,324,883	
1,133,100 Finning International Inc.	21,078,707	32,304,681	
399,700 Richelieu Hardware Ltd.	10,134,093	10,915,807	
1,905,600 Toromont Industries Ltd.	23,406,352	36,092,064	
47,400 Wajax Corp.	1,323,036	1,719,198	
969,600 Westjet Airlines Ltd.	13,973,322	14,650,656	
	<b>137,531,400</b>	<b>191,938,429</b>	<b>16.4%</b>

# LEITH WHEELER CANADIAN EQUITY FUND

Statement of Investment Portfolio (unaudited) continued

June 30, 2011

<b>Number of shares</b>	<b>Cost</b>	<b>Fair value</b>	<b>Percentage of net assets</b>
<b>Canadian Equity</b>			
<b>Information Technologies:</b>			
228,000 Constellation Software Inc.	\$ 6,143,234	\$ 16,096,800	
545,700 Miranda Technologies Inc.	6,382,775	4,114,578	
	<b>12,526,009</b>	<b>20,211,378</b>	<b>1.7%</b>
<b>Materials:</b>			
240,300 Teck Resources Ltd. Class B	11,722,996	11,738,655	
41,200 West Fraser Timber Co. Ltd.	2,158,773	2,142,812	
	<b>13,881,769</b>	<b>13,881,467</b>	<b>1.2%</b>
<b>Telecom Services:</b>			
710,250 Rogers Communications Inc. Class B	<b>24,146,132</b>	<b>27,032,115</b>	<b>2.3%</b>
<b>Total Canadian Equity</b>	<b>986,279,352</b>	<b>1,165,234,689</b>	<b>99.6%</b>
<b>Money Market Securities</b>	<b>5,041,567</b>	<b>5,041,567</b>	<b>0.4%</b>
<b>Total Investment Portfolio</b>	<b>\$ 991,320,919</b>	<b>1,170,276,256</b>	<b>100.0%</b>
<b>Other Assets less Liabilities</b>		<b>(146,378)</b>	<b>0.0%</b>
<b>Net Assets</b>		<b>\$1,170,129,878</b>	<b>100.0%</b>

See accompanying notes to financial statements.

# LEITH WHEELER CANADIAN EQUITY FUND

Statements of Net Assets (unaudited)

June 30, 2011 and December 31, 2010

	2011	2010
<b>Assets</b>		
Investment portfolio, at fair value	\$ 1,170,276,256	\$1,102,484,427
Cash	150,160	3,580,335
Subscriptions receivable	1,450,099	702,464
Accrued income receivable	2,433,338	2,504,937
Receivable from brokers	-	963,678
	<u>1,174,309,853</u>	<u>1,110,235,841</u>
<b>Liabilities</b>		
Redemptions payable	1,391,275	626,246
Payable to brokers	2,342,909	5,514,848
Management fees payable	445,791	524,053
	<u>4,179,975</u>	<u>6,665,147</u>
<b>Net assets representing unitholders' equity</b>	<b>\$ 1,170,129,878</b>	<b>\$1,103,570,694</b>
<b>Unitholders' equity allocation by series:</b>		
<b>Series A</b>	<b>\$ 1,040,765,995</b>	<b>\$ 899,368,506</b>
<b>Series B</b>	<b>129,363,883</b>	<b>204,202,188</b>
	<u>\$ 1,170,129,878</u>	<u>\$1,103,570,694</u>
<b>Number of units outstanding (note 8):</b>		
<b>Series A</b>	<b>29,879,036</b>	<b>27,078,591</b>
<b>Series B</b>	<b>3,570,052</b>	<b>5,926,122</b>
<b>Net asset per unit (note 3):</b>		
<b>Series A</b>	<b>\$ 34.83</b>	<b>\$ 33.21</b>
<b>Series B</b>	<b>36.24</b>	<b>34.46</b>

See accompanying notes to financial statements.

# LEITH WHEELER CANADIAN EQUITY FUND

Statements of Operations (unaudited)

For the six months ended June 30, 2011 and 2010

	2011	2010
Investment income:		
Dividends	\$ 14,137,329	\$ 8,891,116
Interest	24,929	4,790
Other	-	1,704,301
	14,162,258	10,600,207
Expenses:		
Management fees (note 6)	1,230,715	1,177,873
Harmonized Sales Tax (note 7)	146,578	58,894
	1,377,293	1,236,767
Net investment income	12,784,965	9,363,440
Net gain (loss) from investing activities:		
Proceeds from sale of investments	401,002,417	217,195,321
Investment portfolio at cost, beginning of period	925,250,610	767,582,423
Cost of investments purchased	412,235,929	349,446,170
Investment portfolio at cost, end of period	(919,320,919)	(910,701,105)
Cost of investments sold	346,165,620	206,327,488
Net realized gain (loss) on sale of investments	54,836,797	10,867,833
Change in unrealized appreciation in value of investments	2,342,311	(45,981,830)
Transaction costs	(630,244)	(405,079)
Net gain from investing activities	56,548,864	(35,519,076)
<b>Increase (decrease) in net assets from operations</b>	<b>\$ 69,333,829</b>	<b>\$ (26,155,636)</b>
<b>Increase (decrease) in net assets from operations per series:</b>		
<b>Series A</b>	<b>\$ 57,240,860</b>	<b>\$ (21,100,753)</b>
<b>Series B</b>	<b>12,092,969</b>	<b>(5,054,883)</b>
<b>Increase in net assets from operations per unit:</b>		
<b>Series A</b>	<b>\$ 1.98</b>	<b>\$ (0.90)</b>
<b>Series B</b>	<b>2.46</b>	<b>(0.90)</b>

See accompanying notes to financial statements.

# LEITH WHEELER CANADIAN EQUITY FUND

Statements of Changes in Net Assets (unaudited)

For the six months ended June 30, 2011 and 2010

	2011	2010
<b>Series A</b>		
Increase (decrease) in net assets from operations	\$ 57,240,860	\$ (21,100,753)
Distributions to unitholders of taxable income:		
Out of net investment income	(12,433,909)	(8,714,895)
Unit transactions (note 8):		
Subscription of units	130,815,895	146,843,670
Reinvestment of distributions	12,424,602	8,714,030
Redemption of units	(46,649,959)	(29,239,400)
	<u>96,590,538</u>	<u>126,318,300</u>
Increase in net assets	141,397,489	96,502,652
Net assets, beginning of period	<u>899,368,506</u>	<u>666,843,065</u>
<b>Net assets, end of period</b>	<b><u>\$1,040,765,995</u></b>	<b><u>\$ 763,345,717</u></b>
<b>Series B</b>		
Increase (decrease) in net assets from operations	\$ 12,092,969	\$ (5,054,883)
Distributions to unitholders of taxable income:		
Out of net investment income	(351,129)	(679,475)
Unit transactions (note 8):		
Subscription of units	5,851,664	17,814,854
Reinvestment of distributions	349,206	675,874
Redemption of units	(92,781,015)	(10,038,970)
	<u>(86,580,145)</u>	<u>8,451,758</u>
Increase (decrease) in net assets	(74,838,305)	2,717,400
Net assets, beginning of period	<u>204,202,188</u>	<u>164,568,545</u>
<b>Net assets, end of period</b>	<b><u>\$ 129,363,883</u></b>	<b><u>\$ 167,285,945</u></b>

See accompanying notes to financial statements.

# LEITH WHEELER CANADIAN EQUITY FUND

Notes to Interim Financial Statements (unaudited)

For the six months ended June 30, 2011 and 2010

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## 1. Operations:

The Leith Wheeler Canadian Equity Fund (the "Fund") was established under the laws of British Columbia pursuant to various trust indentures between Leith Wheeler Investment Counsel Ltd., as manager ( the "Manager" ), and Canada Trust Company, as trustee. Effective June 30, 1999, the Fund's trustee was changed to CIBC Mellon Trust Company and the Fund's custodian was changed to the Canadian Imperial Bank of Commerce.

The Fund commenced operations on April 27, 1994. Effective September 20, 2004, the trust indenture for the Canadian Equity Fund was amended to allow for an unlimited number of series and an unlimited number of units of each series. Currently authorized series of units are as follows: Series A units do not carry any management fees and are available to investors that satisfy certain criteria related to the nature of the investors and certain other matters as established by the Manager; Series B units are available to all other investors. Units outstanding prior to September 20, 2004 were reclassified as Series B units. The Fund has Series A and Series B units outstanding.

## 2. Significant accounting policies:

### (a) Valuation of investments:

Investments are deemed to be held for trading in accordance with Canadian Institute of Chartered Accountants (CICA) Section 3855, *Financial Instruments - Recognition and Measurement* ("Section 3855") and therefore are recorded at fair value in accordance with CICA Accounting Guideline 18, *Investment Companies*.

Financial instruments carried at fair value are categorized in accordance with CICA Section 3862, *Financial Instruments – Disclosures* ("Section 3862"). Section 3862 establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments.

The three levels of the fair value hierarchy are as follows:

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

The fair value of investments as at the financial reporting date is determined as follows:

The fair value of equity securities is generally the closing bid price for a security on the recognized exchange on which it is principally traded.

Bonds and other debt securities are recorded at fair value, usually established using the closing bid price on the over-the-counter market.

# LEITH WHEELER CANADIAN EQUITY FUND

Notes to Interim Financial Statements (unaudited)

For the six months ended June 30, 2011 and 2010

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## 2. Significant accounting policies (continued):

### (a) Valuation of investments (continued):

Money market securities are valued at amortized cost, which approximates their fair value.

Should the quoted value for a security, in the opinion of the Manager, be inaccurate, unreliable or not readily available, the fair value of the security is estimated by using appropriate valuation techniques. Fair value is determined by the Manager on the basis of the most recently reported information for the security, similar securities and the markets in which the security is active.

Investments in securities of another investment fund are valued on a business day at the net asset value per security calculated in accordance with the offering documents of such investment fund.

### (c) Income recognition:

Income from investments is recognized on an accrual basis, with dividends recorded as of the ex-dividend date. Other income includes income from income trusts. Distributions received from income trusts are recognized based on the nature of the underlying components such as income, capital gains, and return of capital.

### (d) Foreign exchange:

Foreign currency amounts are translated into Canadian dollars on the following bases:

- (i) Fair value of portfolio investments, other assets and liabilities at the rate of exchange prevailing on each valuation day.
- (ii) Purchases and sales of portfolio investments, income and expenses at the rate of exchange prevailing on the respective dates of such transactions.

Realized and unrealized gains and losses from foreign exchange are included in realized gain (loss) on sale of investments and change in unrealized appreciation (depreciation) of investments, respectively.

### (e) Valuation of each series of units:

A different net asset value is calculated for each series of the Fund. The net asset value of a particular series of units is computed by calculating the value of that series' proportionate share of the assets less liabilities of the Fund common to all series less the liabilities of the Fund attributable only to that series. Expenses directly attributable to a series are charged to that series. Other expenses are allocated proportionately to each series based upon the relative net assets of each series. Expenses are accrued daily.

# LEITH WHEELER CANADIAN EQUITY FUND

Notes to Interim Financial Statements (unaudited)

For the six months ended June 30, 2011 and 2010

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## 2. Significant accounting policies (continued):

### (f) Per unit value:

Per unit values for each series of the Fund are calculated as follows:

- (i) Net asset value per unit is calculated by dividing the net assets attributable to the series, determined in accordance with Generally Accepted Accounting Principles (GAAP), by the total number of units of the series outstanding at period end.
- (ii) Net increase (decrease) in net assets from operations per unit, represents the net increase (decrease) in net assets of the series from operations for the period divided by the daily weighted average units outstanding for the series during the period.

### (g) Other assets and liabilities:

For the purpose of categorization in accordance with Section 3855, accrued interest and dividends, receivables for securities issued, amounts due from brokers, the Manager, and other net assets are designated as receivables and recorded at cost or amortized cost. Similarly, amounts due to brokers, accounts payable for securities redeemed, accrued expenses and other liabilities (including market fees payable) 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.

### (h) Income taxes:

The Fund qualifies as an open-ended mutual fund trust under the *Income Tax Act (Canada)*. The Fund distributes to unitholders the following amounts which would otherwise attract tax in the Fund.

- Quarterly, net investment income;
- Annually, net realized gain on sale of investment, net of loss carryforwards and other applicable deductions allowed by the taxation authorities.

Accordingly, no provision for income taxes is reflected in the financial statements of the Fund.

### (i) Future accounting change

The CICA will transition publicly accountable entities from Canadian generally accepted accounting principles (GAAP) to International Financial Reporting Standards (IFRS). The Fund's financial statements will be prepared in accordance with IFRS for the fiscal year commencing on January 1, 2013 and will include comparative information prepared on the same basis. The impact of adopting IFRS is expected to be mainly in presentation and additional disclosures in the Financial Statements of the Fund.

# LEITH WHEELER CANADIAN EQUITY FUND

Notes to Interim Financial Statements (unaudited)

For the six months ended June 30, 2011 and 2010

### 3. Reconciliation of Net Asset Value to Net Assets:

The calculation of net assets of an investment fund for financial reporting (“Net Assets”) differs from the calculation of the net asset value (“Net Asset Value”) of an investment fund because Section 3855 requires the fair values of marketable securities to be based on the closing bid quotations, while for trading purposes, these are generally determined at either the last sale price or the midpoint between the closing bid and asked quotations.

Section 14.2 of National Instrument 81-106 (“NI 81-106”) issued by the Canadian Securities Administrators requires an investment fund to calculate its daily Net Asset Value for the purchase and redemption of units based on the fair value of the investment fund’s assets and liabilities. The Fund has not changed the methodology in this respect. In accordance with NI 81-106, the Net Asset Value per unit compared to the Net Assets per unit and an explanation of the differences between such amounts, are required in the notes to the financial statements.

The impact of applying Section 3855 on the Net Asset Value of the Fund is as follows:

	As at June 30, 2011			Amounts per Unit as at June 30, 2011	
	Net Asset Value (Closing sale/ mid price)	Section 3855 adjustment	Net Assets (Closing bid price)	Net Asset Value (Closing sale/ mid price)	Net Assets (Closing bid price)
Series A	\$ 1,043,436,285	\$ (2,670,290)	\$ 1,040,765,995	\$ 34.92	\$ 34.83
Series B	129,695,792	(331,909)	129,363,883	36.33	36.24

	As at December 31, 2010			Amounts per Unit as at December 31, 2010	
	Net Asset Value (Closing sale/ mid price)	Section 3855 adjustment	Net Assets (Closing bid price)	Net Asset Value (Closing sale/ mid price)	Net Assets (Closing bid price)
Series A	\$ 901,029,023	\$ (1,660,517)	\$ 899,368,506	\$ 33.28	\$ 33.21
Series B	204,579,209	(377,021)	204,202,188	34.52	34.46

### 4. Fair value of Financial Instruments:

The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The Fund’s financial instruments are recorded at fair value or at amounts that approximates fair value in the financial statements.

The following table presents information regarding the classification of the Fund’s financial instruments within the fair value hierarchy as at June 30, 2011 and December 31, 2010:

	Assets at fair value as at June 30, 2011			
	Level 1	Level 2	Level 3	Total
Short Term Notes	\$ -	\$ 5,041,567	\$ -	\$ 5,041,567
Equities – Long	1,165,234,689	-	-	1,165,234,689
	\$ 1,165,234,689	\$ 5,041,567	\$ -	\$ 1,170,276,256

# LEITH WHEELER CANADIAN EQUITY FUND

Notes to Interim Financial Statements (unaudited)

For the six months ended June 30, 2011 and 2010

## 4. Fair value of Financial Instruments (continued):

	Assets at fair value as at December 31, 2010			
	Level 1	Level 2	Level 3	Total
Short Term Notes	\$ -	\$ 4,606,788	\$ -	\$ 4,606,788
Equities – Long	1,097,877,639	-	-	1,097,877,639
	\$ 1,097,877,639	\$ 4,606,788	\$ -	\$ 1,102,484,427

There were no transfers between the three levels from December 31, 2010 to June 30, 2011 (December 31, 2009 to December 31, 2010 – nil).

## 5. Financial instrument risk and risk management:

The investment objective of the Fund is to provide superior long-term investment returns by investing in a diversified portfolio of Canadian common shares, convertible debentures and other equity related securities.

The Fund's investment activities expose it to a variety of financial risks. The Statement of Investments presents the securities held by the Fund as at June 30, 2011, and groups the securities by asset type, geographic region and/or market segment. Significant risks arising from the financial instruments held by the Fund are discussed below.

No changes affecting the overall level of risk of investing in the Fund were made during the period. The risks of the Fund will remain as discussed in the most recent Simplified Prospectus.

### (a) Other market risk:

Other market 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 Manager moderates this risk through a careful selection of securities and other financial instruments within the parameter of the investment strategy. The statement of investment groups securities by asset type, geographic region and/or market segment.

For this Fund, the most significant exposure to other market risk arises from its investment in equity securities. As at June 30, 2011, had the prices on the respective stock exchanges for these securities raised or lowered by 10%, with all other variables held constant, net assets would have increased or decreased by approximately \$116,523,469 (December 31, 2010 - \$109,787,764) respectively. In practice, the actual trading results may differ and the difference could be material.

# LEITH WHEELER CANADIAN EQUITY FUND

Notes to Interim Financial Statements (unaudited)

For the six months ended June 30, 2011 and 2010

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## 5. Financial instrument risk and risk management (continued):

### (b) Liquidity risk:

Liquidity risk is defined as the risk that the Fund may not be able to settle or meet its obligations on time or at a reasonable price.

The Fund's exposure to liquidity risk is concentrated in the daily cash redemptions of units. Therefore, the Fund invests the majority of its assets in investments that are traded in an active market and can be readily disposed. In addition, the Fund retains sufficient cash and cash equivalent positions to maintain liquidity. The Fund is also subject to the requirements of NI 81-102, where the Fund shall not purchase an illiquid asset if, immediately after the purchase, more than 10 percent of the net assets of the fund, taken at market value at the time of purchase, would consist of illiquid assets.

## 6. Management fees and expenses:

In respect of Series A units, the unitholder pays the Manager a negotiated management fee outside the Fund. In respect of Series B units, the Manager is entitled to receive a management fee, calculated daily and paid quarterly, equal to 1.40% per annum applied to the Net Asset Value of the respective series.

Amounts payable to the Manager by a Series A unitholder, including Harmonized Sales Tax thereon (see note 7), in respect of management fees, are paid directly by unitholders and therefore not included as an expense of the Fund in the Statement of Operations.

The Manager is also entitled to reimbursement of reasonable expenses incurred on behalf of the Fund in connection with charges made for registry and transfer agency services, interest expense, and costs and expenses associated with holding unitholders' meetings.

The Manager has at times absorbed certain expenses incurred on behalf of the Fund, in which case such amounts are shown as a deduction from expenses in the statements of operations. The Manager is under no legal obligation to continue this arrangement, and may terminate it at any time.

Management fees and subscriptions for units include distributions that may be made to particular unitholders by the Manager in respect of fee reductions agreed between the respective unitholder and the Manager. Such management fee distributions for the period were \$400,467 (2010 - \$359,263).

# LEITH WHEELER CANADIAN EQUITY FUND

Notes to Interim Financial Statements (unaudited)

For the six months ended June 30, 2011 and 2010

## 7. Harmonized sales tax:

Effective July 1, 2010, certain provinces have harmonized their provincial sales tax (PST) with the federal goods and services tax (GST). This resulted in an increase in the management expense ratio of the Series B units of the Fund. "Harmonized sales tax" (HST) on the Statement of Operations represents the total HST (including GST up to June 30, 2010) calculated on all expenses.

Investment funds in Canada are required to calculate the HST rate using specific rules. The specific rules and guidance require HST to be calculated using the residency of unitholders and the current value of their interests, rather than the physical location of the fund manager. This results in a blended HST rate that is applied to the management fees and expenses of the Fund.

## 8. Unitholders' equity:

Pursuant to its trust indenture, the Fund has authorized an unlimited number of units, which are redeemable at the option of the unitholders. Issued units are summarized as follows:

	Outstanding units at beginning of period	Purchased during the period	Reinvested distributions	Redeemed during the period	Outstanding units at end of period
Series A					
2011	27,078,591	3,784,847	351,455	(1,335,857)	29,879,036
2010	22,962,937	4,946,719	301,076	(1,003,214)	27,207,518
Series B					
2011	5,926,122	162,592	9,379	(2,528,041)	3,570,052
2010	5,478,520	591,924	22,385	(332,271)	5,760,558

## 9. Income taxes:

As of June 30, 2011 and December 31, 2010, the Fund has non tax effected net realized capital losses available of \$34,431,000 for utilization against net realized capital gains in future years. Capital losses have no expiry. The Fund has no non-capital loss carryforwards.

## 10. Brokerage commissions:

The total brokerage commissions paid by the Fund for the period were \$620,791 (2010 - \$398,443).

A statement of portfolio transactions for the six months ended June 30, 2011 will be provided for the Fund, without charge, on request to the Manager:

Leith Wheeler Investment Counsel Ltd.  
400 Burrard Street, Suite #1500  
Vancouver, BC V6C 3A6

Distributions of each Fund are automatically reinvested in units. Unitholders of the Fund are reminded that you can elect to receive your distributions in cash by giving us written notice at least 10 business days before a distribution date. There is no deferred (or contingent) sales or redemption fee payable on redemptions of units.

You can obtain a copy of the current simplified prospectus of the Fund by calling (604) 683-3391 or toll-free at 1 (888) 292-1122 and asking for the Investment Funds department, by e-mail at [info@leithwheeler.com](mailto:info@leithwheeler.com) or by writing to the Investment Funds Department of Leith Wheeler Investment Counsel Ltd. at 1500 - 400 Burrard Street, Vancouver, BC V6C 3A6.

Our clients are entitled to obtain specific information about Leith Wheeler Investment Counsel Ltd. Our most recent Statement of Financial Condition, a list of our directors and senior officers, and any information about administration proceedings that may relate to the firm or our staff are available upon request.