

Leith Wheeler Short Term Income Fund

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

June 30, 2018



This interim management report of fund performance contains financial highlights, but does not contain either interim or annual financial statements of the investment fund. You can get a copy of the interim or annual financial statements at your request, and at no cost, by calling 1-888-292-1122, by writing to us at 1500 – 400 Burrard Street, Vancouver, BC V6C 3A6 or by visiting our website at www.leithwheeler.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Management Discussion of Fund Performance

Investment Objective and Strategies

To provide investors with an improved rate of return for short term investments, while preserving the value of their investment. This Fund invests primarily in cash, short term notes, banker's acceptances, treasury bills, corporate paper, and other similar investments. The Fund may also invest in securities issued by corporations, including fixed coupon bonds, step-up bonds, sinking funds and amortizing bonds, medium term notes, callable and putable bonds, floating rate notes, zero coupon bonds, and other similar securities.

Risk

The overall risks of investing in the Fund are as described in the Simplified Prospectus. There were no material changes to the Fund during the year that affected the overall level of risk.

Results of Operations

The Fund's net assets were increased by 121.3% in the first half of 2018, rising to \$218.6 million from \$98.8 million at the end of 2017. Of this change, \$1.1 million was attributable to investment gains and \$118.7 million attributable to net inflows from purchases.

The Fund returned 0.9% before fees and expenses in 2017 compared to the DEX 91-day T-bill Index return of 0.6%. After fees and expenses, the Short Term Income Fund has returned 0.7% since the beginning of 2018.

Our strategy for the Short-Term Income Fund is to provide an improved rate of return for short-term investments. The funds are designed for investors who desire safety of capital with a high degree of liquidity.

The Fund has the capacity to invest in corporate, provincial and federal fixed income securities and cash equivalents. At the end of the period, the Fund held 80% of its securities in Corporate short-term issues, 6% in Provincial short-term securities, and 5% in Federal short-term issues. The Fund continues to provide high liquidity and preservation of capital. Federal and provincial issues will make-up a minimum of 10% of the portfolio, for liquidity reasons.

Capital preservation is the first objective of the Short-Term Income Fund, with all holdings being investment grade. As of June 30th, the fund held 10% in AAA securities, 32% in AA, 28% in A and 30% in BBB. The corporate holdings are diversified across six different corporate sectors, including Financials (45%), Industrials (6%), Real Estate (10%), Resources (4%) and Consumer (5%).

Recent Developments

The Bank of Canada raised its key interest rate to 1.5% in July.

Related Party Transactions

Leith Wheeler Investment Counsel Ltd. (the "Manager") is the manager and portfolio advisor of the Fund and is responsible for the Fund's day-to-day operations. The Fund pays the Manager a management fee as compensation for managing the investment portfolio of the Fund.

Management Fees

The Manager provides the Fund with investment management services, including fund accounting and unitholder record keeping. In return, the Manager receives a management fee based on the net assets of the Fund, calculated on a daily basis. The annualized management fee is 0.65% for the Series B, 0.45% for the Series I1 and 0.45% for the Series F units of the Fund. During the year, the Fund paid the Manager \$16,368 for Series B, \$17,666 for Series I1 and \$3 for Series F (exclusive of GST/HST) of its net assets as management fees. The Fund does not reimburse the Manager for operating costs incurred in administering the Fund. The Manager paid all operating expenses except brokerage commissions, transaction charges and taxes. In respect of Series A units, the unitholder pays the Manager a negotiated management fee outside the Fund.

Leith Wheeler has temporarily reduced the fee on its Short Term Income Fund from 0.65% to 0.35% for Series B (effective April 25, 2017), 0.45% to 0.25% for Series F (effective May 18, 2018) and 0.45% to 0.15% for Series I1 (effective March 20, 2018) to help maintain a positive yield for investors. The amount of this waiver is determined by us, in our discretion, and the full fees may be restored by us at any time.

We do not directly or indirectly pay fees, sales commissions or trailing commissions, nor do we provide any non-monetary benefits to registered dealers for distributions of units of the Fund. If a broker charges you a commission or fee, that is a matter between you and the dealer.

Financial Highlights

The Fund's Net Assets Attributable to Holders of Redeemable Units per Unit

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited interim financial statements and audited annual financial statements.

Series A (inception December 15, 2016)	2018 YTD	2017	2016	2015	2014	2013
Net assets attributable to holders of redeemable units - per unit, beginning of year ⁽¹⁾	\$9.98	\$9.99	n/a	n/a	n/a	n/a
Increase (decrease) from operations:						
Total revenue	0.12	0.36	n/a	n/a	n/a	n/a
Total expenses	-	-	n/a	n/a	n/a	n/a
Realized gains (losses) for the year	(0.01)	(0.06)	n/a	n/a	n/a	n/a
Unrealized gains (losses) for the year	(0.02)	(0.02)	n/a	n/a	n/a	n/a
Total increase (decrease) from operations ⁽¹⁾	0.09	0.28	n/a	n/a	n/a	n/a
Distributions:						
From income (excluding dividends)	(0.10)	(0.15)	n/a	n/a	n/a	n/a
From dividends	-	-	n/a	n/a	n/a	n/a
From capital gains	-	-	n/a	n/a	n/a	n/a
Return of capital	-	-	n/a	n/a	n/a	n/a
Total Annual Distributions ⁽²⁾	(0.10)	(0.15)	n/a	n/a	n/a	n/a
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$9.98	\$9.98	n/a	n/a	n/a	n/a

Series B (inception December 15, 2016)	2018 YTD	2017	2016	2015	2014	2013
Net assets attributable to holders of redeemable units - per unit, beginning of year ⁽¹⁾	\$9.96	\$9.99	n/a	n/a	n/a	n/a
Increase (decrease) from operations:						
Total revenue	0.11	0.26	n/a	n/a	n/a	n/a
Total expenses	(0.01)	(0.04)	n/a	n/a	n/a	n/a
Realized gains (losses) for the year	(0.01)	(0.04)	n/a	n/a	n/a	n/a
Unrealized gains (losses) for the year	(0.02)	(0.02)	n/a	n/a	n/a	n/a
Total increase (decrease) from operations ⁽¹⁾	0.07	0.16	n/a	n/a	n/a	n/a
Distributions:						
From income (excluding dividends)	(0.06)	(0.13)	n/a	n/a	n/a	n/a
From dividends	-	-	n/a	n/a	n/a	n/a
From capital gains	-	-	n/a	n/a	n/a	n/a
Return of capital	-	-	n/a	n/a	n/a	n/a
Total Annual Distributions ⁽²⁾	(0.06)	(0.13)	n/a	n/a	n/a	n/a
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$9.97	\$9.96	n/a	n/a	n/a	n/a

Financial Highlights (cont.)**The Fund's Net Assets Attributable to Holders of Redeemable Units per Unit (cont.)**

Series I1 (inception March 20, 2018)	2018 YTD	2017	2016	2015	2014	2013
Net assets attributable to holders of redeemable units - per unit, beginning of year ⁽¹⁾⁽⁴⁾	\$10.00	n/a	n/a	n/a	n/a	n/a
Increase (decrease) from operations:						
Total revenue	0.13	n/a	n/a	n/a	n/a	n/a
Total expenses	(0.01)	n/a	n/a	n/a	n/a	n/a
Realized gains (losses) for the year	(0.01)	n/a	n/a	n/a	n/a	n/a
Unrealized gains (losses) for the year	(0.03)	n/a	n/a	n/a	n/a	n/a
Total increase (decrease) from operations ⁽¹⁾	0.08	n/a	n/a	n/a	n/a	n/a
Distributions:						
From income (excluding dividends)	(0.11)	n/a	n/a	n/a	n/a	n/a
From dividends	-	n/a	n/a	n/a	n/a	n/a
From capital gains	-	n/a	n/a	n/a	n/a	n/a
Return of capital	-	n/a	n/a	n/a	n/a	n/a
Total Annual Distributions ⁽²⁾	(0.11)	n/a	n/a	n/a	n/a	n/a
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$9.93	n/a	n/a	n/a	n/a	n/a

Series F (inception May 18, 2018)	2018 YTD	2017	2016	2015	2014	2013
Net assets attributable to holders of redeemable units - per unit, beginning of year ⁽¹⁾⁽⁵⁾	\$10.00	n/a	n/a	n/a	n/a	n/a
Increase (decrease) from operations:						
Total revenue	0.03	n/a	n/a	n/a	n/a	n/a
Total expenses	-	n/a	n/a	n/a	n/a	n/a
Realized gains (losses) for the year	-	n/a	n/a	n/a	n/a	n/a
Unrealized gains (losses) for the year	(0.01)	n/a	n/a	n/a	n/a	n/a
Total increase (decrease) from operations ⁽¹⁾	0.02	n/a	n/a	n/a	n/a	n/a
Distributions:						
From income (excluding dividends)	(0.07)	n/a	n/a	n/a	n/a	n/a
From dividends	-	n/a	n/a	n/a	n/a	n/a
From capital gains	-	n/a	n/a	n/a	n/a	n/a
Return of capital	-	n/a	n/a	n/a	n/a	n/a
Total Annual Distributions ⁽²⁾	(0.07)	n/a	n/a	n/a	n/a	n/a
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$9.91	n/a	n/a	n/a	n/a	n/a

(1) Net assets attributable to holders of redeemable units and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

(2) Distributions are reinvested in additional units of the Fund or paid in cash.

(3) From December 15, 2016, inception date of Series A and B units of the Fund.

(4) From March 20, 2018, inception date of Series I1 units of the Fund. Series I1 net asset value per unit offering commenced at the closing net asset value per unit of Series B on March 20, 2018 of \$9.99.

(5) From May 18, 2018, inception date of Series F units of the Fund. Series F net asset value per unit offering commenced at the closing net asset value per unit of Series B on May 18, 2018 of \$9.96.

Financial Highlights (cont.)

Ratios and Supplemental Data

Series A (inception December 15, 2016)	June 30, 2018	2017	2016	2015	2014	2013
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	124,209	90,648	n/a	n/a	n/a	n/a
Number of units outstanding (000s) ⁽¹⁾	12,451	9,082	n/a	n/a	n/a	n/a
Management expense ratio (%) ⁽²⁾	-	-	n/a	n/a	n/a	n/a
Management expense ratio before waivers or absorptions (%)	0.03	0.07	n/a	n/a	n/a	n/a
Trading expense ratio (%) ⁽³⁾	-	0.01	n/a	n/a	n/a	n/a
Portfolio turnover rate (%) ⁽⁴⁾	256.72	455.08	n/a	n/a	n/a	n/a
Net assets attributable to holders of redeemable units - per unit (\$)	9.98	9.98	n/a	n/a	n/a	n/a

Series B (inception December 15, 2016)	June 30, 2018	2017	2016	2015	2014	2013
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	9,244	8,192	n/a	n/a	n/a	n/a
Number of units outstanding (000s) ⁽¹⁾	927	823	n/a	n/a	n/a	n/a
Management expense ratio (%) ⁽²⁾	0.37	0.40	n/a	n/a	n/a	n/a
Management expense ratio before waivers or absorptions (%)	0.71	0.75	n/a	n/a	n/a	n/a
Trading expense ratio (%) ⁽³⁾	-	0.01	n/a	n/a	n/a	n/a
Portfolio turnover rate (%) ⁽⁴⁾	256.72	445.08	n/a	n/a	n/a	n/a
Net assets attributable to holders of redeemable units - per unit (\$)	9.97	9.96	n/a	n/a	n/a	n/a

Series I1 (inception March 20, 2018)	June 30, 2018	2017	2016	2015	2014	2013
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	85,173	n/a	n/a	n/a	n/a	n/a
Number of units outstanding (000s) ⁽¹⁾	8,579	n/a	n/a	n/a	n/a	n/a
Management expense ratio (%) ⁽²⁾	0.16	n/a	n/a	n/a	n/a	n/a
Management expense ratio before waivers or absorptions (%)	0.50	n/a	n/a	n/a	n/a	n/a
Trading expense ratio (%) ⁽³⁾	-	n/a	n/a	n/a	n/a	n/a
Portfolio turnover rate (%) ⁽⁴⁾	256.72	n/a	n/a	n/a	n/a	n/a
Net assets attributable to holders of redeemable units - per unit (\$)	9.93	n/a	n/a	n/a	n/a	n/a

Financial Highlights (cont.)

Ratios and Supplemental Data (cont.)

Series F (inception March 20, 2018)	June 30, 2018	2017	2016	2015	2014	2013
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	10	n/a	n/a	n/a	n/a	n/a
Number of units outstanding (000s) ⁽¹⁾	1	n/a	n/a	n/a	n/a	n/a
Management expense ratio (%) ⁽²⁾	0.26	n/a	n/a	n/a	n/a	n/a
Management expense ratio before waivers or absorptions (%)	0.50	n/a	n/a	n/a	n/a	n/a
Trading expense ratio (%) ⁽³⁾	-	n/a	n/a	n/a	n/a	n/a
Portfolio turnover rate (%) ⁽⁴⁾	256.72	n/a	n/a	n/a	n/a	n/a
Net assets attributable to holders of redeemable units - per unit (\$)	9.91	n/a	n/a	n/a	n/a	n/a

(1) This information is provided as at December 31 of the year shown; unless noted otherwise.

(2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of the daily average net asset value during the period.

(3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

(4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser 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 a 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 a fund.

Past Performance

General

Past performance information will not be available until such units have been offered under a simplified prospectus for at least 12 consecutive months.

Summary of Investment Portfolio

As at June 30, 2018

Top 25 Positions

Issuer	% of Net Asset Value
Cash & Other Net Assets	9.2%
Canadian Imperial Bank of Commerce 1.985% December 08, 2020	6.0%
Ventas Canada Finance Ltd 3% September 30, 2019	5.5%
Toyota Credit Canada Inc 1.846% July 24, 2020	5.5%
Brookfield Asset Management Inc 3.95% April 09, 2019	5.0%
Canadian Western Bank 2.117% July 29, 2019	4.5%
Canadian Western Bank 3.077% January 14, 2019	4.1%
Dollarama Inc 2.349% March 16, 2020	4.0%
Westcoast Energy Inc 5.6% January 16, 2019	3.7%
Enbridge Inc 2.336% May 24, 2019	3.7%
Province of Ontario December 02, 2019	3.6%
National Bank of Canada 2.404% October 28, 2019	2.7%
Canadian Natural Resources Ltd 2.6% December 03, 2019	2.5%
Canada Housing Trust No 1 1.719% March 15, 2020	2.5%
Toronto-Dominion Bank 2.4% June 28, 2023	2.4%
Wells Fargo Canada Corp 2.78% November 15, 2018	2.3%
HSBC Bank Canada 2.491% May 13, 2019	2.3%
Bank of Nova Scotia 2.4% October 28, 2019	2.3%
Caterpillar Financial Services Ltd 1.962% December 09, 2019	2.3%
Canada Housing Trust No 1 2.35% December 15, 2018	2.1%
AltaLink Investments LP 3.674% June 05, 2019	1.8%
Calloway Real Estate Investment Trust 2.412% December 21, 2020	1.8%
Daimler Canada Finance Inc 2.076% February 24, 2020	1.5%
Royal Bank of Canada 2.98% May 07, 2019	1.4%
Union Gas Ltd 8.75% August 03, 2018	1.4%

Portfolio Allocation

Portfolio Breakdown	% of Net Asset Value
Corporate Bonds	80.7%
Provincial Bonds	5.6%
Federal Bonds	4.5%
Cash & Other Net Assets	9.2%

The Fund held no short positions as at June 30, 2018.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.leithwheeler.com.