

Interim Financial Statements (unaudited)

LEITH WHEELER BALANCED FUND

Six months ended June 30, 2016 and 2015

LEITH WHEELER BALANCED FUND

Statements of Financial Position (unaudited)

(Expressed in thousands except for per unit amounts)

	Note	June 30, 2016	December 31, 2015
Assets			
Cash		\$ 110	\$ 117
Balances due from brokers		842	53
Interest and dividends receivable		244	246
Subscriptions receivable		28	11
Investments		93,233	90,777
		<u>94,457</u>	<u>91,201</u>
Liabilities			
Balances due to brokers		822	81
Management fees payable	1	167	169
Redemptions payable		64	68
		<u>1,053</u>	<u>318</u>
Net assets attributable to holders of redeemable units		\$ 93,404	\$ 90,883
Represented by:			
Series A		\$ 9,752	\$ 9,557
Series B		82,519	80,636
Series F		1,133	690
		<u>\$ 93,404</u>	<u>\$ 90,883</u>
Net assets attributable to holders of redeemable units per unit:			
Series A		\$ 23.30	\$ 23.15
Series B		23.75	23.59
Series F		22.80	22.66

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

Approved on behalf of the Board of Directors of
Leith Wheeler Investment Counsel Ltd.,
in its capacity as Manager.

"James F. Gilliland"

Director

"Jonathon D. Palfrey"

Director

LEITH WHEELER BALANCED FUND

Statements of Comprehensive Income (unaudited)

(Expressed in thousands except for per unit amounts)

Six months ended June 30, 2016 and 2015

	Note	2016	2015
Revenue:			
Interest for distribution purposes		\$ 474	\$ 492
Dividend income		1,060	767
Other income		(36)	-
Changes in fair value of investments:			
Net realized gain (loss)		3,353	1,171
Net change in unrealized appreciation (depreciation)		(2,689)	1,061
Total revenue		2,162	3,491
Expenses:			
Management fees	1	441	489
Withholding taxes	2	72	67
GST/HST		26	29
Commissions and transaction costs		19	18
Total operating expenses		558	603
Management fee distributions	1	(137)	(176)
Net operating expenses		421	427
Increase (decrease) in net assets attributable to holders of redeemable units from operations excluding distributions		1,741	3,064
Distributions to holders of redeemable units:			
From net investment income		(994)	(682)
From net realized gains on investments		-	-
Management fee distributions	1	(137)	(176)
		(1,131)	(858)
Increase (decrease) in net assets attributable to holders of redeemable units		\$ 610	\$ 2,206
Increase (decrease) in net assets attributable to holders of redeemable units:			
Series A		\$ 67	\$ 2,206
Series B		524	-
Series F		19	-
		\$ 610	\$ (619)
Increase (decrease) in net assets attributable to holders of redeemable units per unit (excluding distributions):			
Series A		\$ 0.52	\$ 0.86
Series B		0.44	-
Series F		0.75	-

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

LEITH WHEELER BALANCED FUND

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (unaudited)
(Expressed in thousands)

Six months ended June 30, 2016 and 2015

Series A	Note	2016	2015
Balance, beginning of period		\$ 9,557	\$ 84,799
Increase (decrease) in net assets attributable to holders of redeemable units		67	2,206
Redeemable unit transactions:			
Issue of redeemable units		737	7,081
Reinvestment of distributions		151	679
Redemption of redeemable units		(760)	(3,568)
Net increase (decrease) from redeemable unit transactions		128	4,192
Balance, end of period		\$ 9,752	\$ 91,197

Series B	Note	2016	2015
Balance, beginning of period		\$ 80,636	\$ -
Increase (decrease) in net assets attributable to holders of redeemable units		524	-
Redeemable unit transactions:			
Issue of redeemable units		4,935	-
Reinvestment of distributions		826	-
Redemption of redeemable units		(4,402)	-
Net increase (decrease) from redeemable unit transactions		1,359	-
Balance, end of period		\$ 82,519	\$ -

Series F	Note	2016	2015
Balance, beginning of period		\$ 690	\$ -
Increase (decrease) in net assets attributable to holders of redeemable units		19	-
Redeemable unit transactions:			
Issue of redeemable units		513	-
Reinvestment of distributions		13	-
Redemption of redeemable units		(102)	-
Net increase (decrease) from redeemable unit transactions		424	-
Balance, end of period		\$ 1,133	\$ -

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

LEITH WHEELER BALANCED FUND

Statements of Cash Flows (unaudited)

(Expressed in thousands)

Six months ended June 30, 2016 and 2015

	Note	2016	2015
Cash provided by (used in):			
Operating activities:			
Increase (decrease) in net assets attributable to holders of redeemable units		\$ 610	\$ 2,206
Adjustments for:			
Net realized (gain) loss from investments		(3,353)	(1,171)
Net change in unrealized (appreciation) depreciation from investments		2,689	(1,061)
Balances due from brokers		(789)	(188)
Interest for distribution purposes		(474)	(492)
Dividend income		(1,060)	(767)
Payable to brokers		741	240
Management fees payable		(2)	13
Redemptions payable		(4)	12
Subscriptions receivable		(17)	100
Proceeds from sale of investments		44,270	23,614
Purchases of investments		(46,061)	(27,965)
Interest received		487	493
Dividends received		1,048	776
		(1,915)	(4,190)
Financing activities:			
Proceeds from issue of redeemable units		6,185	7,081
Payments on redemption of redeemable units		(5,149)	(3,568)
Reinvestment of distributions		875	679
		1,911	4,192
Net increase (decrease) in cash		(4)	2
Cash, beginning of period		114	106
Cash, end of period		\$ 110	\$ 108

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

LEITH WHEELER BALANCED FUND

Schedule of Investment Portfolio (unaudited)

(Expressed in thousands)

June 30, 2016

Security	Coupon Rate %	Maturity	Par Value	Cost	Fair Value	% of Net Assets
BONDS AND GUARANTEES (continued)						
Corporate Bonds and Guarantees (continued):						
Hydro One Inc.	4.400	1-Jun-20	\$ 107	\$ 119	\$ 119	
Hydro One Inc.	5.490	16-Jul-40	12	13	16	
Hydro One Inc.	6.930	1-Jun-32	28	37	40	
Hydro One Inc.	7.350	3-Jun-30	41	61	60	
Hydro Ottawa Holding Inc.	2.614	3-Feb-25	129	129	132	
Integrated Team Solutions PCH Partnership	2.235	9-Dec-16	122	122	122	
Manulife Bank of Canada	2.383	17-Oct-16	98	98	98	
Maritimes & Northeast Pipeline LP	4.340	30-Nov-19	55	56	56	
Maritimes & Northeast Pipeline LP	6.900	30-Nov-19	12	15	13	
National Bank of Canada	1.950	11-Dec-17	64	65	65	
National Bank of Canada	2.689	21-Aug-17	116	118	118	
National Bank of Canada	2.794	9-Aug-18	236	246	243	
National Grid Electricity Transmission Plc	2.730	20-Sep-17	342	353	347	
North Battleford Power LP	4.958	31-Dec-32	61	61	71	
OMERS Realty Corp.	2.470	12-Nov-19	154	169	164	
OMERS Realty Corp.	2.470	12-Nov-19	113	117	116	
OMERS Realty Corp.	2.858	23-Feb-24	78	78	82	
Ontario School Boards Financing Corp.	5.376	25-Jun-32	55	64	66	
Pembina Pipeline Corp.	3.540	3-Feb-25	102	100	102	
Plenary Properties LTAP LP	6.288	31-Jan-44	68	72	92	
Real Estate Asset Liquidity Trust 06-2 B	4.708	12-Sep-16	99	99	99	
Riocan Real Estate Investment Trust	3.290	18-Apr-23	62	62	64	
Royal Bank of Canada	2.260	12-Mar-18	141	138	143	
Royal Bank of Canada	2.350	9-Dec-19	200	206	206	
Royal Bank of Canada	2.770	11-Dec-18	543	561	561	
Royal Bank of Canada	3.310	20-Jan-26	70	71	71	
Saputo Inc.	2.196	23-Jun-21	157	157	158	
Shaw Communications Inc.	5.500	7-Dec-20	123	129	139	
SSL Finance Inc	4.099	31-Oct-45	28	28	29	
TELUS Corp.	3.600	26-Jan-21	274	284	292	
TELUS Corp.	3.750	17-Jan-25	141	141	151	
TELUS Corp.	3.750	10-Mar-26	52	52	55	
Thomson Reuters Corp.	3.369	23-May-19	124	125	129	
TMX Group Ltd.	1.975	3-Oct-16	89	89	89	
Toronto Dominion Bank	2.045	8-Mar-21	199	199	203	
Toronto Dominion Bank	4.859	4-Mar-31	151	151	165	
TransCanada PipeLines Ltd.	3.690	19-Jul-23	71	75	77	
TransCanada PipeLines Ltd.	9.450	20-Mar-18	120	154	136	
Transpower New Zealand	3.000	20-Mar-17	128	131	129	
Spectra Energy Corp.	5.350	27-Apr-18	23	25	25	
Union Gas Ltd.	2.760	2-Jun-21	339	347	355	
University of Ontario Institute of Technology	6.351	15-Oct-34	120	120	149	
Wells Fargo Canada Corp.	2.780	15-Nov-18	453	472	468	
Wells Fargo & Company	2.222	15-Mar-21	50	50	51	
Wells Fargo & Company	2.975	19-May-26	19	19	19	
Westcoast Energy Inc.	3.430	12-Sep-24	111	111	115	
Westcoast Energy Inc.	8.500	4-Sep-18	11	14	12	
				14,286	14,471	15.5
Federal Bonds and Guarantees						
Canadian Mortgage Pools 97501915	2.280	1-Oct-18	120	124	122	
Canadian Mortgage Pools 97502444	1.800	15-Dec-18	66	65	67	
Canadian Mortgage Pools 97503417	1.744	1-Aug-19	4	4	4	
Canadian Mortgage Pools 97506320	1.247	1-Dec-20	239	238	238	
Canadian Mortgage Pools 97506633	1.350	1-Jan-21	98	96	98	
Canadian Mortgage Pools 97506823	1.545	1-Apr-21	129	128	129	
Canadian Mortgage Pools 99007726	5.440	1-Mar-28	370	447	452	
Canadian Mortgage Pools 99010498	2.040	1-Dec-22	264	274	270	
Canada Housing Trust	1.250	15-Jun-21	54	54	54	
Canada Housing Trust	1.325	15-Sep-16	1,500	1,503	1,501	
Canada Housing Trust	1.900	15-Sep-26	327	326	335	

LEITH WHEELER BALANCED FUND

Schedule of Investment Portfolio (continued) (unaudited)

(Expressed in thousands)

June 30, 2016

Security	Coupon Rate %	Maturity	Par Value	Cost	Fair Value	% of Net Assets
BONDS AND GUARANTEES (continued)						
Federal Bonds and Guarantees (continued)						
Canada Housing Trust	2.350	15-Sep-23	\$ 226	\$ 234	\$ 242	
Canada Housing Trust	2.400	15-Dec-22	166	177	178	
Canada Housing Trust	2.550	15-Mar-25	354	371	385	
Canada Housing Trust	2.650	15-Mar-22	539	582	585	
Canadian Government Bond	0.750	1-Mar-21	266	268	268	
Canadian Government Bond	1.500	1-Jun-26	850	864	885	
Canadian Government Bond	2.250	1-Jun-25	101	109	112	
Canadian Government Bond	2.750	1-Dec-48	17	20	21	
Canadian Government Bond	2.750	1-Dec-64	167	181	225	
Canadian Government Bond	3.500	1-Dec-45	728	943	1,027	
Canadian Government Bond	4.000	1-Jun-41	209	256	304	
Canadian Government Bond	5.000	1-Jun-37	376	545	593	
Canadian Government Bond	5.750	1-Jun-29	41	55	62	
Canadian Government Bond	5.750	1-Jun-33	40	57	65	
Canadian Government Real Return Bond	1.250	1-Dec-47	101	128	129	
Canadian Government Real Return Bond	4.250	1-Dec-21	218	274	275	
Canada Pension Plan Investment Board Capital Inc	1.400	4-Jun-20	84	84	85	
				8,407	8,711	9.3
Provincial/Municipal Bonds and Guarantees:						
City of Montreal Canada	3.500	1-Sep-23	134	143	147	
City of Montreal Canada	3.500	1-Sep-24	185	195	203	
City of Toronto Canada	5.342	18-Jul-27	36	42	42	
City of Vancouver	2.900	6-Nov-25	48	48	51	
First Nations Finance Authority	3.400	26-Jun-24	41	44	45	
Municipal Finance Authority of British Columbia	1.750	15-Oct-20	113	113	115	
Municipal Finance Authority of British Columbia	4.450	1-Jun-20	44	49	49	
Municipal Finance Authority of British Columbia	4.978	6-Apr-25	27	31	31	
Province of British Columbia	3.200	18-Jun-44	398	396	439	
Province of British Columbia	4.950	18-Jun-40	91	103	127	
Province of Manitoba	2.550	2-Jun-26	454	459	472	
Province of Manitoba	2.850	5-Sep-46	93	84	92	
Province of Manitoba	6.300	5-Mar-31	260	323	374	
Province of New Brunswick	2.600	14-Aug-26	13	13	13	
Province of New Brunswick	4.550	26-Mar-37	218	216	266	
Province of Nova Scotia	4.400	1-Jun-42	139	162	174	
Province of Ontario	0.000	2-Dec-28	378	259	275	
Province of Ontario	2.900	2-Dec-46	28	27	29	
Province of Ontario	3.450	2-Jun-45	83	90	94	
Province of Ontario	3.500	2-Jun-43	1070	1,179	1219	
Province of Ontario	4.200	2-Jun-20	276	307	309	
Province of Ontario	5.600	2-Jun-35	140	198	201	
Province of Ontario	6.200	2-Jun-31	78	101	114	
Province of Alberta	2.350	1-Jun-25	112	111	116	
Province of Alberta	3.300	1-Dec-46	298	301	322	
Province of Alberta	3.450	1-Dec-43	194	219	213	
Province of Alberta	3.500	1-Jun-31	177	178	195	
Province of Newfoundland	1.950	2-Jun-22	681	679	689	
Province of Newfoundland	3.000	2-Jun-26	191	191	200	
Province of Quebec	3.500	1-Dec-45	643	679	732	
Federal Bonds and Guarantees (continued)						
Province of Quebec	5.000	1-Dec-41	201	232	281	
Province of Quebec	6.000	1-Oct-29	59	82	83	
Province of Quebec	6.250	1-Jun-32	178	207	262	
Province of Saskatchewan	3.900	2-Jun-45	47	52	56	
Province of Saskatchewan	4.750	1-Jun-40	43	56	56	
Province of Saskatchewan	5.000	5-Mar-37	151	168	200	
				7,737	8,286	8.9
TOTAL BONDS AND GUARANTEES				30,430	31,468	33.7

LEITH WHEELER BALANCED FUND

Schedule of Investment Portfolio (continued) (unaudited)

(Expressed in thousands)

June 30, 2016

Security	Number of Holdings	Cost	Fair Value	% of Net Assets
CANADIAN EQUITY				
Consumer Discretionary:				
BRP Inc.	16,600	\$ 469	\$ 343	
Canadian Tire Corp. Ltd. Class A	7,300	551	1,027	
Hudson's Bay Co.	19,700	372	307	
Sleep Country Canada Holding Inc.	9,900	185	236	
Stingray Digital Group Inc	11,000	80	77	
Stingray Digital Group Inc	3,300	23	23	
		1,680	2,013	2.2
Consumer Staple:				
Saputo Inc.	42,100	566	1,615	
		566	1,615	1.7
Energy:				
Baytex Energy Corp	36,000	370	270	
Cameco Corp.	41,500	810	589	
Canadian Natural Resources Ltd.	21,300	757	849	
Cardinal Energy Ltd.	25,000	330	249	
Encana Corp.	7,600	166	76	
Mullen Group Ltd.	35,300	740	498	
NuVista Energy Ltd.	43,600	281	272	
Raging River Exploration Inc.	16,300	124	168	
Tourmaline Oil Corp.	35,300	1,162	1,201	
Western Energy Services Corp.	23,400	88	76	
		4,828	4,248	4.5
Financials:				
Bank of Nova Scotia	23,100	1,179	1,462	
Boardwalk Real Estate Investment Trust	1,800	76	104	
Brookfield Asset Management Inc.	23,200	1,028	992	
Canadian Imperial Bank of Commerce	11,400	1,055	1,106	
Canadian Western Bank	15,100	392	372	
CI Financial Corp.	28,800	939	776	
Element Financial Corp.	36,000	501	493	
First Capital Realty Inc.	12,000	214	266	
Home Capital Group Inc.	17,583	495	563	
Industrial Alliance Insurance and Financial Services Inc.	2,500	112	102	
Manulife Financial Corp.	67,400	1,235	1,191	
National Bank of Canada	4,800	180	212	
Onex Corp.	700	55	56	
Royal Bank of Canada	24,500	1,271	1,870	
Slate Retail	8,438	86	115	
Sun Life Financial Inc.	8,000	310	340	
The Toronto-Dominion Bank	30,700	990	1,703	
		10,118	11,723	12.6
Industrials:				
Brookfield Business Partners LP	464	16	11	
Canadian National Railway Co.	18,600	679	1,419	
Finning International Inc.	43,800	941	922	
Stantec Inc	27,700	933	868	
Toromont Industries Ltd.	41,529	297	1,563	
Waste Connections Inc.	5,978	464	558	
		3,330	5,341	5.7
Information Technology:				
Constellation Software Inc.	1,407	278	704	
Open Text Corp.	16,730	902	1,278	
Redknee Solutions Inc	33,500	139	62	
		1,319	2,044	2.2
Materials:				
Capstone Mining Corp	33,900	91	29	
First Quantum Minerals Ltd.	69,300	925	629	
Teck Resources Ltd. Class B	24,000	818	408	
		1,834	1,066	1.1
Utilities				
Brookfield Infrastructure Partners LP	24,242	908	1,417	

LEITH WHEELER BALANCED FUND

Schedule of Investment Portfolio (continued) (unaudited)

(Expressed in thousands)

June 30, 2016

Security	Number of Holdings	Cost	Fair Value	% of Net Assets
CANADIAN EQUITY (continued)				
Utilities (continued)				
Brookfield Infrastructure Partners LP	24,242	\$ 909	\$ 1,417	
Hydro One Ltd.	3,000	63	78	
Superior Plus Corp.	28,600	311	305	
		1,283	1,800	1.9
TOTAL CANADIAN EQUITY		24,959	29,850	32.0
FOREIGN EQUITY				
Consumer Discretionary:				
Carnival Corp.	4,400	181	253	
Hanesbrands Inc	6,500	275	213	
Johnson Controls Inc	3,700	180	213	
Norwegian Cruise Line Holdings Ltd	2,700	179	140	
NVR Inc.	42	97	97	
Royal Caribbean Cruises Ltd	2,500	288	218	
SeaWorld Entertainment Inc	5,900	158	110	
		1,358	1,244	1.3
Consumer Staple:				
Altria Group Inc	2,900	242	260	
Philip Morris International Inc	1,600	198	212	
Reynolds American Inc	3,000	202	210	
		642	682	0.7
Energy:				
BP PLC.	5,500	238	254	
Chevron Corp	1,800	213	245	
ConocoPhillips	4,300	207	244	
Fairmount Santrol Holdings Inc	6,700	20	67	
Marathon Petroleum Corp	1,400	69	69	
Occidental Petroleum Corp	2,400	217	236	
Phillips 66	2,100	227	217	
		1,191	1,332	1.4
Financials:				
American Express Co.	2,700	222	213	
American International Group Inc	3,000	236	206	
Ameriprise Financial Inc	1,400	182	164	
Bank of America Corp	11,100	208	192	
Berkshire Hathaway Inc. Class B	1,100	202	207	
Capital One Financial Corp	2,900	254	240	
Citigroup Inc	5,700	326	314	
Discover Financial Services	2,600	177	181	
E*TRADE Financial Corp	5,200	172	159	
Fifth Third Bancorp	6,400	138	146	
FNF Group	3,600	154	176	
JPMorgan Chase & Co	3,500	281	283	
KeyCorp	3,600	56	52	
Navient Corp	10,000	133	155	
New York Community Bancorp Inc	11,200	236	218	
PNC Financial Services Group Inc	1,900	227	201	
SLM Corp	20,100	175	162	
State Street Corp	2,400	183	168	
Wells Fargo & Co.	4,300	136	265	
Willis Towers Watson Plc	900	140	146	
		3,838	3,848	4.1
Health Care:				
Anthem Inc	1,100	213	188	
Cardinal Health Inc	1,800	205	183	
Cigna Corp	1,200	230	200	
Express Scripts Holding Co	2,400	216	237	
Johnson & Johnson	1,500	104	237	
Medtronic Inc	2,386	237	269	
Merck & Co. Inc.	2,300	94	172	
Pfizer Inc.	4,900	118	224	

LEITH WHEELER BALANCED FUND

Schedule of Investment Portfolio (continued) (unaudited)

(Expressed in thousands)

June 30, 2016

Security	Number of Holdings	Cost	Fair Value	% of Net Assets
CANADIAN EQUITY (continued)				
Utilities (continued)				
Brookfield Infrastructure Partners LP	24,242	\$ 909	\$ 1,417	
Hydro One Ltd.	3,000	63	78	
Superior Plus Corp.	28,600	311	305	
		1,283	1,800	1.9
TOTAL CANADIAN EQUITY		24,959	29,850	32.0
FOREIGN EQUITY				
Consumer Discretionary:				
Carnival Corp.	4,400	181	253	
Hanesbrands Inc	6,500	275	213	
Johnson Controls Inc	3,700	180	213	
Norwegian Cruise Line Holdings Ltd	2,700	179	140	
NVR Inc.	42	97	97	
Royal Caribbean Cruises Ltd	2,500	288	218	
SeaWorld Entertainment Inc	5,900	158	110	
		1,358	1,244	1.3
Consumer Staple:				
Altria Group Inc	2,900	242	260	
Philip Morris International Inc	1,600	198	212	
Reynolds American Inc	3,000	202	210	
		642	682	0.7
Energy:				
BP PLC.	5,500	238	254	
Chevron Corp	1,800	213	245	
ConocoPhillips	4,300	207	244	
Fairmount Santrol Holdings Inc	6,700	20	67	
Marathon Petroleum Corp	1,400	69	69	
Occidental Petroleum Corp	2,400	217	236	
Phillips 66	2,100	227	217	
		1,191	1,332	1.4
Financials:				
American Express Co.	2,700	222	213	
American International Group Inc	3,000	236	206	
Ameriprise Financial Inc	1,400	182	164	
Bank of America Corp	11,100	208	192	
Berkshire Hathaway Inc. Class B	1,100	202	207	
Capital One Financial Corp	2,900	254	240	
Citigroup Inc	5,700	326	314	
Discover Financial Services	2,600	177	181	
E*TRADE Financial Corp	5,200	172	159	
Fifth Third Bancorp	6,400	138	146	
FNF Group	3,600	154	176	
JPMorgan Chase & Co	3,500	281	283	
KeyCorp	3,600	56	52	
Navient Corp	10,000	133	155	
New York Community Bancorp Inc	11,200	236	218	
PNC Financial Services Group Inc	1,900	227	201	
SLM Corp	20,100	175	162	
State Street Corp	2,400	183	168	
Wells Fargo & Co.	4,300	136	265	
Willis Towers Watson Plc	900	140	146	
		3,838	3,848	4.1
Health Care:				
Anthem Inc	1,100	213	188	
Cardinal Health Inc	1,800	205	183	
Cigna Corp	1,200	230	200	
Express Scripts Holding Co	2,400	216	237	
Johnson & Johnson	1,500	104	237	
Medtronic Inc	2,386	237	269	
Merck & Co. Inc.	2,300	94	172	
Pfizer Inc.	4,900	118	224	

LEITH WHEELER BALANCED FUND

Schedule of Investment Portfolio (continued) (unaudited)
(Expressed in thousands)

June 30, 2016

Security	Number of Holdings	Cost	Fair Value	% of Net Assets
FOREIGN EQUITY (continued)				
Health Care (continued)				
Sanofi	3,900	230	212	
Teva Pharmaceutical Industries Ltd.	2,600	232	170	
UnitedHealth Group Inc	1,400	223	257	
		<u>2,102</u>	<u>2,349</u>	<u>2.5</u>
Industrials:				
Deere & Co	1,900	202	200	
Eaton Corp Plc	1,700	116	132	
General Dynamics Corp.	900	105	163	
Honeywell International Inc	1,000	138	151	
KBR Inc	5,500	106	95	
Nielsen NV	3,100	199	210	
Owens Corning	4,000	254	268	
Raytheon Co	1,100	185	195	
Spirit AeroSystems Holdings Inc	3,600	221	201	
Stanley Black & Decker Inc	1,600	213	231	
Tyco International Plc	3,800	181	211	
United Technologies Corp.	1,800	185	240	
		<u>2,105</u>	<u>2,297</u>	<u>2.5</u>
Information Technology:				
Apple Inc	1,500	\$ 187	\$ 187	
Intel Corp.	1,700	39	73	
Microchip Technology Inc	2,600	161	172	
Microsoft Corp.	2,600	73	173	
Oracle Corp	3,800	187	202	
Qualcomm Inc	2,400	181	167	
Texas Instruments Inc	2,300	164	187	
		<u>992</u>	<u>1,161</u>	<u>1.2</u>
International Fund:				
Leith Wheeler International Equity Plus Fund, Series A	1,487,103	13918	13,968.00	
		<u>13918</u>	<u>13,968.00</u>	<u>15.10</u>
Materials:				
Air Products & Chemicals Inc	1,300	218	240	
CRH Plc	6,700	244	258	
FMC Corp	3,700	181	223	
LyondellBasell Industries NV	1,900	214	184	
		<u>857</u>	<u>905</u>	<u>1</u>
Utilities:				
Verizon Communications Inc	3,400	230	247	
Vodafone Group PLC	1,900	85	76	
		<u>315</u>	<u>323</u>	<u>0.3</u>
TOTAL FOREIGN EQUITY		<u>27,318</u>	<u>28,109</u>	<u>30.2</u>
MONEY MARKET SECURITIES		<u>3,804</u>	<u>3,804</u>	<u>3.9</u>
TRANSACTION COSTS		<u>(10)</u>		
TOTAL INVESTMENT PORTFOLIO		<u>\$ 86,501</u>	<u>\$ 93,231</u>	<u>99.8</u>
OTHER ASSETS LESS LIABILITIES			<u>171</u>	<u>0.2</u>
NET ASSETS			<u>\$ 93,402</u>	<u>100.0</u>

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

LEITH WHEELER BALANCED FUND

Notes to Financial Statements - Fund Specific Information (unaudited)

(Tabular amounts expressed in thousands)

Six months ended June 30, 2016 and 2015

The Leith Wheeler Balanced Fund (the "Fund") has one class of units outstanding with no series. Please read all references to series in these financial statements as class.

The Fund Specific Information contained herein should be read in conjunction with the "Notes to Financial Statements - General Information Related to all Leith Wheeler Investment Funds" beginning after the "Notes to Financial Statements - Fund Specific Information".

1. Management fees and expenses:

Management fees are calculated at a maximum of 1.10% per annum, before GST/HST, of the daily Net Asset Value of the Fund. Management fee distributions for the six months ended June 30, 2016 were approximately \$176,000 (2015 - \$159,000).

2. Withholding tax and other income taxes:

Certain dividends and interest income received by the Fund are subject to withholding tax imposed in the country of origin. During the period, the average withholding tax rate was 12% (December 31, 2015 - 15%).

The Fund has capital losses of nil (2015 - nil) available for utilization against capital gains in future years. The Fund has non-capital losses of nil (2015 - nil) available for utilization against net realized capital gains or non-capital gains in future years.

3. Redeemable units:

The redeemable unit transactions for the Fund during the six months ended June 30, 2016 and 2015 are as follows:

	Outstanding units at beginning of period	Purchased during the period	Reinvested distributions	Redeemed during the period	Outstanding units at end of period
2016	3,521	281	27	(142)	3,687
2015	3,234	290	25	(165)	3,384

4. Financial risk management:

The investment objective of the Fund is to provide investors with a relatively stable, superior long-term rate of return, through a balanced portfolio of common shares and fixed income securities.

For a comprehensive discussion of the risks applicable to the Fund refer to note 6 under the "General Information related to all Leith Wheeler Investment Funds". Financial risks applicable to the Fund are discussed in more detail below.

LEITH WHEELER BALANCED FUND

Notes to Financial Statements - Fund Specific Information (unaudited)

(Tabular amounts expressed in thousands)

Six months ended June 30, 2016 and 2015

4. Financial risk management (continued):

(a) Credit risk:

The majority of the credit risk to which the Fund is exposed is concentrated in debt securities. Credit risk arising from other financial instruments is not considered significant. At June 30, 2016 and December 31, 2015, the Fund was invested in debt securities with the following credit quality:

	2016	2015
Rating:		
AAA	26.8%	20.0%
AA	36.6%	38.0%
A	24.3%	29.7%
BBB	12.3%	12.3%
Total	100.0%	100.0%

Credit ratings are obtained from Standard & Poor's, Moody's, Fitch and/or Dominion Bond Rating Services. Where one or more rating is obtained for a security, the most common rating has been used.

(b) Liquidity risk:

The Fund's redeemable units are due on demand. The Fund's remaining liabilities are due within twelve months of the year-end of the Fund.

(c) Market risk:

(i) Interest rate risk:

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	June 30, 2016	December 31, 2015
Term to maturity	% of total debt securities	% of total debt securities
Less than 1 year	5.0%	7.1%
1 - 5 years	37.3%	35.1%
5 - 10 years	24.7%	28.1%
> 10 years	33.0%	29.7%
Total debt securities	100.0%	100.0%

The Manager has determined that a fluctuation in interest rates of 100 basis points is reasonably possible, considering the economic environment in which the Fund operates. As at June 30, 2016, had interest rates increased or decreased by 100 basis points, with all other factors remaining constant, net assets attributable to redeemable units would have increased or decreased by approximately \$2,086,000 (December 31, 2015 - \$1,988,000). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

LEITH WHEELER BALANCED FUND

Notes to Financial Statements - Fund Specific Information (unaudited)

(Tabular amounts expressed in thousands)

Six months ended June 30, 2016 and 2015

4. Financial risk management (continued):

(c) Market risk: (continued)

(ii) Currency risk:

At the reporting date, the carrying value of the Fund's net financial assets and financial liabilities held in individual foreign currencies expressed in Canadian dollars and as a percentage of its net assets were as follows:

	Currency exposure		Percentage of net assets	
	June 30, 2016	December 31, 2015	June 30, 2016	December 31, 2015
US Dollar	\$ 15,162	\$ 13,181	16.6%	15.5%
Euro	5,620	3,673	6.2%	4.3%
Japanese Yen	2,157	1,049	2.4%	1.3%
British Pound	2,157	2,325	2.4%	2.7%
Swiss Franc	1,139	1,027	1.2%	1.2%
Cayman Islands Dollar	349	383	0.4%	0.5%
Chinese Yuan Renminbi	334	-	0.4%	-
Danish Krone	319	309	0.3%	0.4%
Jersey Pound	304	269	0.3%	0.3%
Hong Kong Dollar	258	913	0.3%	1.1%
Swedish Krona	228	264	0.2%	0.3%
Mexican Peso	167	-	0.2%	-
New Taiwan Dollar	152	-	0.2%	-
Korean Won	152	130	0.2%	0.2%
Brazilian Real	-	542	-	0.6%
Netherlands Antillian Guilder	-	472	-	0.6%
Indian Rupee	-	361	-	0.4%
Total	\$ 28,498	\$ 24,898	31.3%	29.4%

As at June 30, 2016, had the Canadian dollar strengthened or weakened by 1% in relation to all foreign currencies, with all other factors remaining constant, net assets attributable to redeemable units would have increased or decreased by approximately \$285,000 (December 31, 2015 - \$248,000). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

(iii) Other price risk:

For this Fund, the most significant exposure to other price risk arises from its investment in equity securities, both directly and indirectly through holdings in underlying investment funds. As at June 30, 2016, had the relevant benchmark/broad-based indices increased or decreased by 5%, with all other variables held constant, the net assets attributable to holders of redeemable units would have increased or decreased by approximately \$2,784,000 (December 31, 2015 - \$2,674,000). In practice, actual results may differ from this sensitivity analysis and these differences could be material.

LEITH WHEELER BALANCED FUND

Notes to Financial Statements - Fund Specific Information (unaudited)

(Tabular amounts expressed in thousands)

Six months ended June 30, 2016 and 2015

5. Fair value of financial instruments:

For a general discussion of the Fund's fair value measurements, refer to note 7 under the "General Information related to all Leith Wheeler Investment Funds".

(a) Fair value hierarchy - financial instruments measured at fair value:

The table below analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the statement of financial position.

All fair value measurements below are recurring.

June 30, 2016	Level 1	Level 2	Level 3	Total
Short Term Notes	\$ -	\$ 7,085	\$ -	\$ 7,085
Bonds (including Mortgage Backed Securities)	-	28,107	-	28,107
Equities - Long	40,494	-	-	40,494
Investment Fund Units	15,190	-	-	15,190
	\$ 55,684	\$ 35,192	\$ -	\$ 90,876

December 31, 2015	Level 1	Level 2	Level 3	Total
Short Term Notes	\$ -	\$ 2,842	\$ -	\$ 2,842
Bonds (including Mortgage Backed Securities)	-	27,978	-	27,978
Equities - Long	40,101	-	-	40,101
Investment Fund Units	13,372	-	-	13,372
	\$ 53,473	\$ 30,820	\$ -	\$ 84,293

During the period, there were no transfers of financial instruments between the three levels (2015 - nil).

LEITH WHEELER BALANCED FUND

Notes to Financial Statements - Fund Specific Information (unaudited)

(Tabular amounts expressed in thousands)

Six months ended June 30, 2016 and 2015

6. Involvement with structured entities:

The table below describes the types of structured entities that in which the Fund holds an interest.

Entity	Nature and purpose	Interest held by the Fund
Investment Funds	To manage assets on behalf of third party investors and generate fees for the investment manager. These vehicles are financed through the issue of units to investors.	Investment in units issued by the underlying investment funds.

The table below sets out interests held by the Fund in structured entities. The maximum exposure to loss is the carrying amount of the investment in the underlying funds held.

June 30, 2016

	Number of investee funds held	Total net assets of investee funds	Carrying amount included in investments
Investment fund holding	1	\$ 18,059	\$ 15,190

Underlying Fund	Principal place of business	Country of domicile	Ownership interest	Carrying amount included in investments in statement of financial position
Leith Wheeler International Equity Plus Fund, Series A	Canada	Canada	84.1%	15,190

December 31, 2015

	Number of investee funds held	Total net assets of investee funds	Carrying amount included in investments
Investment fund holding	1	\$ 15,693	\$ 13,372

Underlying Fund	Principal place of business	Country of domicile	Ownership interest	Carrying amount included in investments in statement of financial position
Leith Wheeler International Equity Plus Fund, Series A	Canada	Canada	85.2%	\$ 13,372

LEITH WHEELER BALANCED FUND

Notes to Financial Statements - Fund Specific Information (unaudited)

(Tabular amounts expressed in thousands)

Six months ended June 30, 2016 and 2015

6. Involvement with structured entities (continued):

During 2016 and 2015, the Fund did not provide financial support to this structured entity and has no intention of providing financial or other support. The Fund can redeem its units in the above investment fund at any time, subject to their being sufficient liquidity in the underlying fund.

7. Related party transactions:

At June 30, 2016, the Fund owned 1,435,527 Series A units (December 31, 2015 - 1,415,964 Series A units) of the Leith Wheeler International Equity Plus Fund, which is a fund under common management.

During the period, the Fund earned approximately \$205,000 in dividend income (2015 - \$149,000), \$2,000 in interest income (2015 - \$1,000), and nil in capital gains (2015 - nil) on that investment. No additional management fees are paid by the Fund to the Manager in respect of holding units of this underlying investment fund.

LEITH WHEELER BALANCED FUND

Notes to Financial Statements - General Information Related to All Leith Wheeler Investment Funds
(Tabular amounts expressed in thousands)

Six months ended June 30, 2016 and 2015

1. Reporting entity:

The Leith Wheeler Investment Funds (individually, a “Fund” and collectively, the “Funds”) consist of:

Fund	Inception
Leith Wheeler Balanced Fund	September 22, 1987
Leith Wheeler Canadian Dividend Fund	December 21, 2010
Leith Wheeler Canadian Equity Fund	April 27, 1994
Leith Wheeler Corporate Fixed Income Fund	May 29, 2015
Leith Wheeler Fixed Income Fund	April 27, 1994
Leith Wheeler High Yield Bond Fund	May 27, 2016
Leith Wheeler Income Advantage Fund	December 21, 2010
Leith Wheeler International Equity Plus Fund	October 31, 2007
Leith Wheeler Money Market Fund	April 27, 1994
Leith Wheeler U.S. Equity Fund	April 27, 1994

The Funds were 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. The Funds’ trustee is CIBC Mellon Trust Company and the Funds’ custodian is the Canadian Imperial Bank of Commerce.

The trust indentures for all the above Funds, with the exception of the Leith Wheeler Balanced Fund, 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 and Series A (CAD Hedged) 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 and Series B (CAD Hedged) units carry a management fee and are available to all other investors. The Balanced Fund has only one class of units outstanding with no series. The Leith Wheeler Money Market Fund only has Series B units outstanding. The Leith Wheeler High Yield Bond Fund has Series A, Series A (CAD Hedged), Series B and Series B (CAD Hedged) units outstanding. All other remaining Funds have Series A and Series B units outstanding.

The information provided in these financial statements and notes thereto is for the six-month periods ended June 30, 2016 and 2015, or as at June 30, 2016 and December 31, 2015. In the year a Fund or series is established, “period” represents the period from inception to December 31 or June 30 of that fiscal year.

The general information related to all Funds presented here should be read in conjunction with each respective Fund’s “Notes to Financial Statements - Fund Specific Information”.

The Funds are unit trusts domiciled in Canada. The address of the Funds’ registered office is at 1500 - 400 Burrard Street, Vancouver B.C., V6C 3A6.

LEITH WHEELER BALANCED FUND

Notes to Financial Statements - General Information Related to All Leith Wheeler Investment Funds
(Tabular amounts expressed in thousands)

Six months ended June 30, 2016 and 2015

2. Basis of preparation:

(a) Statement of compliance:

The financial statements of the Funds have been prepared in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Account Standards Board ("IASB"). These condensed interim financial statements of the Funds have been prepared in accordance with IAS 34 Interim Financial Reporting and do not include all of the information required for full annual financial statements. The financial statements were authorized for issue by the Manager on August 28, 2016.

(b) Basis of measurement:

The financial statements have been prepared on a historical cost basis except for investments and derivatives, which are measured at fair value.

(c) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which are the Funds' functional currency.

(d) Use of estimates and judgment:

The preparation of financial statements in conformity with IFRS requires the Manager to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimates are revised and in any future period affected.

3. Significant accounting policies:

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Financial instruments:

(i) Recognition and measurement:

Financial instruments are required to be classified into one of the following categories: held-for-trading, fair value through profit or loss ("FVTPL"), available-for-sale, loans and receivables, assets held-to-maturity, and other financial liabilities. All financial instruments are measured at fair value on initial recognition. Measurement in subsequent periods depends on the classification of the financial instrument. Transaction costs are included in the initial carrying amount of financial instruments except for financial instruments classified as held-for-trading or fair value through profit or loss in which case transaction costs are expensed as incurred.

LEITH WHEELER BALANCED FUND

Notes to Financial Statements - General Information Related to All Leith Wheeler Investment Funds

(Tabular amounts expressed in thousands)

Six months ended June 30, 2016 and 2015

3. Significant accounting policies (continued):

(a) Financial instruments (continued):

(i) Recognition and measurement (continued):

Financial assets and financial liabilities held for trading or at fair value through profit or loss are recognized initially on the trade date, which is the date on which the Funds become a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognized on the date on which they are originated. The Funds derecognize a financial liability when its contractual obligations are discharged, cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of net assets only when the Funds have a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Funds have not classified any financial instruments as available-for-sale or assets held to maturity.

(ii) Held-for-trading and fair value through profit and loss:

Financial instruments classified as held-for-trading or FVTPL are subsequently measured at fair value at each reporting period with changes in fair value recognized in the statement of comprehensive income in the period in which they occur. The Funds' derivative financial assets and derivative financial liabilities are classified as held-for-trading. The Funds' investments in securities are designated as FVTPL.

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 derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date. The Funds use 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 Funds' 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 non-publicly traded derivative instruments, is determined using valuation techniques. Valuation techniques also include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and others commonly used by market participants and which make the maximum use of observable inputs. Should the value of the financial asset or liability, in the opinion of the Manager, be inaccurate, unreliable or not readily available, the fair value is estimated on the basis of the most recently reported information of a similar financial asset or liability.

LEITH WHEELER BALANCED FUND

Notes to Financial Statements - General Information Related to All Leith Wheeler Investment Funds
(Tabular amounts expressed in thousands)

Six months ended June 30, 2016 and 2015

3. Significant accounting policies (continued):

(a) Financial instruments (continued):

(iii) Loans and receivables:

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent measurement of loans and receivables is at amortized cost, less any impairment losses. The Funds classify cash, subscriptions receivable, balances due from brokers, and interest and dividends receivable, as loans and receivables.

(iv) Other financial liabilities:

Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost. The Fund's other financial liabilities are comprised of redemptions payable, balances due to brokers, management fees payable, due to manager, accounts payable and distributions payable.

(b) Redeemable units:

The Funds classify financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. The redeemable units, which are classified as financial liabilities at FVTPL and measured at redemption amount, provide investors with the right to require redemption, subject to available liquidity, for cash at a unit price based on the Funds' valuation policies at each redemption date. Distributions to holders of redeemable units are recognized in comprehensive income when they are authorized and no longer at the discretion of the Manager.

(c) Increase (decrease) in net assets attributable to holders of redeemable units per unit (excluding distributions):

The increase (decrease) in net assets attributable to holders of redeemable units per unit (excluding distributions) is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units, prior to the deduction of distributions recognized in comprehensive income, by the weighted average number of units outstanding during the period.

(d) Foreign exchange:

The financial statements of the Funds are denominated in Canadian dollars. Foreign denominated investments and other foreign denominated assets and liabilities are translated into Canadian dollars using the exchange rates prevailing on each valuation date. Purchases and sales of investments, as well as income and expense transactions denominated in foreign currencies, are translated using exchange rates prevailing on the date of the transaction. Foreign currency gains and losses are recognized in the statement of comprehensive income.

LEITH WHEELER BALANCED FUND

Notes to Financial Statements - General Information Related to All Leith Wheeler Investment Funds
(Tabular amounts expressed in thousands)

Six months ended June 30, 2016 and 2015

3. Significant accounting policies (continued):

(e) Income recognition:

Interest for distribution purposes shown on the statement of comprehensive income represents the coupon interest received by the Funds accounted for on an accrual basis. The Funds do not amortize premiums paid or discounts received on the purchase of fixed and variable income securities except for zero coupon bonds which are amortized on a straight-line basis. Dividend income is recognized on the date that the right to receive payment is established, which for quoted equity securities is usually the ex-dividend date. Income and capital gains distributions from pooled fund investments are recorded at the distribution date and maintain the same classification. Portfolio transactions are recorded on the trade date. Realized gains and losses arising from the sale of investments and unrealized appreciation/depreciation in investments are determined on the average cost basis of the respective investments. Average cost does not include amortization of premiums or discounts on fixed income securities with the exception of zero coupon bonds.

(f) Income taxes:

The Funds qualify as unit trusts under the Income Tax Act (Canada). All of the Funds' net income for tax purposes and net capital gains realized in any period are required to be distributed to unitholders such that no income tax is payable by the Funds. As a result, the Funds do not record income taxes.

Net capital losses are available to be carried forward indefinitely and applied against future net realized capital gains. Non-capital losses may be carried forward up to 20 years to reduce future taxable income.

(g) New standards and interpretations not yet adopted:

A number of new standards, amendments to standards and interpretations are not yet effective for year ended December 31, 2016, and have not been applied in preparing these financial statements. None of these will have a significant effect on the financial statement of the Funds, with the possible exception of IFRS 9, *Financial Instruments*.

IFRS 9 deals with recognition, derecognition, classification and measurement of financial statements and its requirements and represent a significant change from the existing requirements in IAS 39, *Financial Instruments: Recognition and Measurement*, in respect of financial assets. The standard contains two primary measurement categories for financial assets: amortized cost and fair value. A financial asset would be measured at amortized cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, and the asset's contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. All other financial assets would be measured at fair value. The standard eliminates the existing IAS 39 categories of held-to-maturity, available-for-sale and loans and receivables.

The standard is effective for annual periods beginning on or after January 1, 2018. The Funds intend to adopt IFRS 9 in their financial statements for the annual period beginning on January 1, 2018. The Funds' Manager is currently in the process of evaluating the potential effect of this standard. The standard is not expected to have a significant impact on the financial statements since the Funds' financial assets are currently measured at fair value or amortized cost.

LEITH WHEELER BALANCED FUND

Notes to Financial Statements - General Information Related to All Leith Wheeler Investment Funds
(Tabular amounts expressed in thousands)

Six months ended June 30, 2016 and 2015

4. Related party transactions:

(a) Management fees:

The Manager is paid a management fee by the Funds, calculated daily and paid quarterly, as compensation for its services. No management fees are paid by the Funds with respect to Series A and Series A (CAD Hedged) units. Series A and Series A (CAD Hedged) unitholders pay a negotiated fee directly to the Manager outside of the Fund for investment management services.

(b) Operating expenses:

The Manager is also entitled to reimbursement of reasonable operating expenses incurred on behalf of the Fund in connection with charges made for registry and transfer agency services, dividend and distribution crediting services, services required in connection with the provision of information and reports to unitholders and holding unitholders' meetings, interest expense, accounting, audit, recordkeeping and legal fees, and custodian and safekeeping charges. The Funds pay brokerage commissions and taxes.

The Manager has at times absorbed certain expenses incurred on behalf of the Funds, in which case such amounts are shown as a deduction from expenses in the respective Fund's statement of comprehensive income. The Manager is under no legal obligation to continue these arrangements, and may terminate them at any time.

5. Capital management:

The redeemable units issued by the Funds represent the capital of the Funds. The Funds are not subject to any internally or externally imposed restrictions on its capital. The Funds' objectives in managing the redeemable units are to ensure a stable base to maximize returns to all investors, and to manage liquidity risk arising from redemptions.

6. Financial risk management:

The following is a general discussion of the financial risks to which the Funds are exposed. Refer to the discussion on financial risk management (note 4) in the Fund Specific Information following each Fund's financial statements for information specific to the respective Fund.

Risk management framework:

The Funds use financial instruments in order to achieve their respective investment objectives. The Funds' investments are presented in each Fund's respective schedule of investment portfolio, which groups securities by asset type, geographic region and/or market segment.

The use of financial instruments subjects the Funds to a variety of financial instrument risks. The Funds' risk management practices include setting investment policies to limit exposures to financial instrument risks and employing experienced and professional investment advisors to invest the Funds' capital in securities within the constraints of investment policies. The Manager regularly monitors the Funds advisors' performance and compliance with the investment policies.

LEITH WHEELER BALANCED FUND

Notes to Financial Statements - General Information Related to All Leith Wheeler Investment Funds
(Tabular amounts expressed in thousands)

Six months ended June 30, 2016 and 2015

6. Financial risk management (continued):

The significant financial instrument risks, to which the Funds are exposed, along with the specific risk management practices related to those risks, are discussed below.

(a) 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, resulting in a financial loss to the Fund. It arises principally from debt securities held, and from derivative financial assets, cash and cash equivalents, and other receivables due to the Fund. The carrying value of these financial instruments as recorded in the statements of financial position reflects the Fund's maximum exposure to credit risk.

The risk management strategy for the Funds is to invest primarily in debt obligations of high credit quality issuers and to limit the amount of credit exposure with respect to any one corporate issuer.

Credit risk is mitigated by investing primarily in rated instruments. The Funds receive daily rating updates, which are reviewed accordingly. Credit risk is monitored on a daily basis by the Manager in accordance with the Funds' investment policies. If the credit risk is not in accordance with the investment policy or guidelines of the Fund, then the Manager is obliged to rebalance the portfolio as soon as practicable.

The Funds' activities may give rise to settlement risk. Settlement risk is the risk of loss due to the failure of an entity to honor its obligations to deliver cash, securities, or other assets as contractually agreed. For the majority of transactions, the Funds mitigate this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

(b) Liquidity risk:

Liquidity risk is the risk that the Funds will encounter difficulty in meeting the obligations associated with their financial liabilities that are settled by delivering cash or another financial asset.

The Funds' policy and the Manager's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, including estimated redemptions of units, without incurring unacceptable losses or risking damage to the Funds' reputation.

The Funds' prospectus provides for the daily cash redemptions of redeemable units and the Funds are therefore exposed to the liquidity risk of meeting unitholder redemptions at any time.

Liquidity risk is managed by investing the majority of a Funds' assets in investments that are traded in an active market and can be readily disposed. In addition, the Funds retain sufficient cash and cash equivalent positions to maintain liquidity. The Funds are also subject to the requirements of NI 81-102, where each respective Fund shall not purchase an illiquid asset if, immediately after the purchase, more than 10 percent of the net assets of that particular Fund, taken at market value at the time of purchase, would consist of illiquid assets.

LEITH WHEELER BALANCED FUND

Notes to Financial Statements - General Information Related to All Leith Wheeler Investment Funds

(Tabular amounts expressed in thousands)

Six months ended June 30, 2016 and 2015

6. Financial risk management (continued):

(c) Market risk:

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Funds' income or the fair value of their holdings of financial instruments.

The Funds' market risk is managed on a daily basis by the Manager in accordance with the policies and procedures in place.

(i) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of interest-bearing financial instruments will fluctuate as a result of changes in market interest rates. In general, as interest rates rise, the fair value of interest bearing financial instruments will fall. Financial instruments with a longer term to maturity will generally have a higher interest rate risk.

Interest rate risk management practices include setting target durations based on the appropriate benchmark indices and monitoring the Funds' durations relative to the benchmarks. If interest rates are anticipated to rise, the Funds' durations can be shortened to limit potential losses. Conversely, if interest rates are anticipated to fall, the durations can be lengthened to increase potential gains.

(ii) Currency risk:

Currency risk is the risk that the value of investments denominated in currencies, other than the functional currency of a Fund, will fluctuate due to changes in foreign exchange rates. Equities in foreign markets are exposed to currency risk as the prices denominated in foreign currencies are converted to a Fund's functional currency in determining fair value.

(iii) Other price risk:

Other price risk is the risk that the fair 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 or its issuer, or factors affecting all instruments traded in the market.

Other price risk is moderated by the Manager through a careful selection of securities within specified limits and the Funds' price risk is managed through diversification of the respective Fund. The Manager monitors the Funds' overall market positions on a daily basis and positions are maintained within established ranges.

LEITH WHEELER BALANCED FUND

Notes to Financial Statements - General Information Related to All Leith Wheeler Investment Funds
(Tabular amounts expressed in thousands)

Six months ended June 30, 2016 and 2015

7. Fair value of financial instruments:

(a) Valuation models:

The Funds measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs that are unobservable.

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. Observable prices and model inputs are usually available in the market for listed debt and equity securities, and exchange-traded derivatives, such as futures. The availability of observable market prices and model inputs reduces the need for management judgment and estimation and reduces the uncertainty associated with the determination of fair values. Where observable market prices and model inputs are not available, the Funds determine fair values using other valuation techniques. The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Funds equity positions are classified as Level 1 when the security is actively traded and a reliable quoted market price is observable.

Investments in securities of another investment funds are classified as Level 1 when the investment fund is actively traded and a reliable price is observable.

Bonds and other debt securities are valued based on a matrix pricing process using multiple dealer quotations or alternative pricing sources supported by observable inputs and are classified within Level 2.

Short-term investments and money market securities are classified as Level 2 as these instruments are valued at amortized cost, which approximates their fair value.

The Funds' net assets attributable to holders of redeemable units are classified as Level 2 since the carrying amount approximates fair value as the units are measured as the redemption amount.

Refer to the fair value of financial instruments (note 5) in the Fund Specific Information following each Fund's respective financial statements for further discussion of the respective Fund's fair value measurements.

(b) Financial instruments not measured at fair value:

The carrying value of cash, subscriptions receivable, balances due from brokers, interest and dividends receivable, redemptions payable, balances due to brokers, management fees payable, due to Manager, accounts payable, and distributions payable, approximates their fair value given their short-term nature. These financial instruments are classified as Level 2 in the fair value hierarchy because while prices are available, there is no active market for these instruments.