



Leith Wheeler Canadian Dividend Fund

MANAGEMENT REPORT OF FUND PERFORMANCE
For the Year Ended December 31, 2010

LEITH WHEELER CANADIAN DIVIDEND FUND

Management Report of Fund Performance

For the Year Ended December 31, 2010



This Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the investment Fund. You can obtain a free copy of the interim or annual financial statements at your request, 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.

Security holders 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.

A NOTE ON FORWARD LOOKING STATEMENTS

This report may contain forward-looking statements about the Fund, including its strategy, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

We stress that the above-mentioned list of important factors is not exhaustive. We encourage you to consider these and other factors carefully before making any investment decisions and urge you to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Fund has no specific intention of updating any forward-looking statements as a result of new information, future events or otherwise.

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Investment Objective and Strategies

Fund Objective

To provide investors with a source of monthly income, with some potential for long term growth through capital appreciation and growth in dividends. The targeted yield of the Fund will exceed the yield of the S&P/TSX Composite Index.

Investment Style

Our approach to stock picking is based on fundamental research with a strong “value” bias. Our test for value is viewing any investment we make as if we were “buying the whole business”. Therefore, the critical question becomes “what would be the price of the whole business that would make the purchase a profitable one?” Our experience has been that the price of a company in the stock market does not always reflect its real value. This discrepancy between price and value creates excellent investment opportunities.

As value investors, we tend to include companies in the portfolio when they are “out of favour” by the market and have declined in price. Companies can become undervalued when there is a lack of investor awareness, when an entire industry is out of favour with investors, or when a company experiences a short-term difficulty which, following careful analysis, we believe can be overcome. By purchasing these companies after a price decline, we find we are able to control risk in the portfolio as these investments often have less downside risk while offering a decent potential return.

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 was launched in late December 2010. Net assets on December 31, 2010 were \$337,932. In accordance with securities regulations, performance may not be reported until the fund has been offered under a simplified prospectus for one full year.

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.

As at December 31, 2010, the Manager held 15,030, Series A units and 1 Series B unit of the Fund. In addition, the Leith Wheeler Income Advantage Fund and Leith Wheeler Income Pooled Fund owned 8,722 and 10,026 Series A units of the Fund, which are both under common management. Combined, the holdings represent 100% of this Fund.

Recent Developments

As at March 15, 2011, the Fund’s net assets have increased to approximately \$1,279,000.

Financial Highlights

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 five years (where applicable). “Net Assets” are calculated in accordance with Canadian generally accepted accounting principles, which are used to prepare the financial statements (see table below). “Net Asset Value” is derived from the valuation method disclosed in the Annual Information Form and is used for transactional purposes (see ratios and Supplemental Data). All other calculations for the purpose of this MRFP are made using Net Asset Value.

The Fund’s Net Assets per Unit (CAD\$)

SERIES A (Inception Dec, 2010)	2010
Net assets, beginning of year ⁽¹⁾	\$10.00
Increase (decrease) from operations:	
Total revenue	0.02
Total expenses	-
Realized gains (losses) for the period	-
Unrealized gains (losses) for the period	(0.01)
Total increase (decrease) from operations⁽²⁾	0.01
Distributions:	
From income (excluding dividends)	(0.01)
From dividends	(0.01)
From capital gains	-
Return of capital	-
Total Annual Distributions⁽³⁾	(0.02)
Net assets, end of year⁽¹⁾	\$9.99

SERIES B (Inception Dec, 2010)	2010
Net assets, beginning of year ⁽¹⁾	\$10.00
Increase (decrease) from operations:	
Total revenue	-
Total expenses	-
Realized gains (losses) for the period	-
Unrealized gains (losses) for the period	-
Total increase (decrease) from operations⁽²⁾	-
Distributions:	
From income (excluding dividends)	-
From dividends	-
From capital gains	-
Return of capital	-
Total Annual Distributions⁽³⁾	-
Net assets, end of year⁽¹⁾	\$10.00

(1) Net assets 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. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

(2) Distributions were paid in cash/reinvested in additional units of the Fund, or both.

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Ratios and Supplemental Data

SERIES A	2010
Total net asset value \$(000's) ⁽¹⁾	338
Number of units outstanding (000's) ⁽¹⁾	34
Management expense ratio(%) ⁽²⁾	-
Management expense ratio before	
Waivers or absorptions (%)	-
Trading expense ratio (%) ⁽³⁾	-
Portfolio turnover rate (%) ⁽⁴⁾	-

SERIES B	2010
Total net asset value \$(000's) ⁽¹⁾	0.01
Number of units outstanding (000's) ⁽¹⁾	0.001
Management expense ratio(%) ⁽²⁾	1.57
Management expense ratio before	
Waivers or absorptions (%)	1.57
Trading expense ratio (%) ⁽³⁾	-
Portfolio turnover rate (%) ⁽⁴⁾	-

(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 for the stated period and is expressed as an annualized percentage of daily average net assets 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 assets 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.

Management Fees

Leith Wheeler Investment Counsel Ltd. (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 for the Series B units of the Fund is 1.40%. Year to date, the Fund paid the Manager \$0 (exclusive of taxes) 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 charges and taxes. In respect of Series A units, the unitholder pays the Manager a negotiated management fee outside the Fund.

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.

Past Performance

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 December 31, 2010

Top 25 Holdings

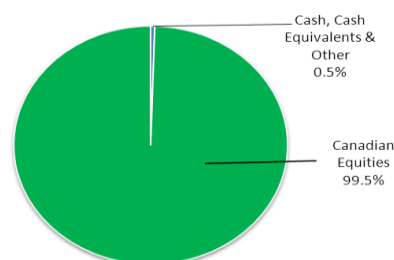
Issuer	% of Net Asset Value
Saputo Inc.	8.0%
Bank of Nova Scotia	7.8%
Great-West Lifeco Inc.	7.8%
Toronto Dominion Bank	7.7%
Shaw Communications B	7.6%
Canadian Imperial Bank of Commerce	7.4%
EnCana Corporation	7.1%
National Bank of Canada	6.4%
Finning International Inc.	5.2%
Baytex Energy Trust	5.1%
Pengrowth Energy Trust	4.9%
Canadian National Railway	4.7%
Royal Bank of Canada	4.3%
Canadian Tire Class A	4.3%
Alimentation Couche-Tard sub voting	4.1%
Industrial Alliance Insurance & Financial Services Inc.	3.7%
Rogers Communications Inc. Class B	3.6%

* The summary of investment portfolio may change due to ongoing portfolio transactions of the Investment Fund. A quarterly update is available upon request.

Asset Mix

Sector	% of Net Asset Value
Financials	45.1%
Energy	17.1%
Consumer Staples	12.0%
Consumer Discretionary	11.8%
Industrials	9.9%
Telecom Services	3.6%
Cash & Cash Equivalents	0.5%

Portfolio Composition



* Cash and cash equivalents includes other assets and liabilities.