

# Leith Wheeler Money Market Fund

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE  
December 31, 2023



This annual management report of fund performance contains financial highlights, but does not contain complete annual financial statements of the investment fund. You can get a copy of the 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](http://www.leithwheeler.com) or SEDAR at [www.sedar.com](http://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 an improved rate of return for short-term investments, while preserving the value of your investment. The Fund invests in high quality government and corporate securities maturing within one year and rated R1 or higher by the Dominion Bond Rating Service.

The Fund is designed for investors who desire safety of capital with a high degree of liquidity. Typical investments in the Fund would be Government of Canada and Provincial Treasury Bills (“T-Bills”), Bankers’ Acceptances, and Corporate Paper.

### 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 increased by 32.4% in 2023 to \$301.4 million from \$227.7 million at the end of 2022. Of this change, \$12.2 million was attributed to positive investment performance and \$61.5 million to net inflows from unitholders.

For the year ended December 31, 2023, the Money Market Fund Series A returned +4.8% before fees and expenses, compared to the FTSE Canada 91 Day T-Bill return of +4.7%. Series F (formerly Series B) returned +4.2% after fees and expenses.

Our strategy for the Fund is to buy and own a range of securities with a term-to-maturity of 5 months or less. Often the securities will be held until maturity. As a matter of interest, the FTSE benchmark methodology is to own the on-the-run 3-month T-bill for about two weeks, then repeatedly roll that bill into the next on-the-run 3-month bill. In practice, the two approaches don’t always yield the same total return, especially after factoring in transaction costs and extra carry on provincial and corporate issues.

In order to establish a core strategic view for the Fund, we examine key economic indicators and seek to determine what stage we are at in the business cycle in order to forecast the likely direction and ranges of interest rates. Within each sector, our individual decisions on credit are based on a bottom-up analysis of the fundamentals of the business and industry in which the company operates.

The Fund has the capacity to invest in both corporate and provincial issues and maintains high liquidity ultimately seeking the preservation of capital.

### Recent Developments

The Bank of Canada has kept its key interest rate at 5.0% since July 2023.

### 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.

In addition, effective November 1, 2023, the Fund pays a fixed administration fee and in exchange the Manager pays certain operating expenses of the Fund. These expenses include, but are not limited to: annual fees, normal course meeting fees and reimbursement of normal course expenses for members of the IRC; accounting and fund valuation costs; custody fees; audit and legal fees; and the costs of preparing and distributing annual and interim financial reports, prospectuses, fund facts documents and investor communications.

### Management Fees and Administration Fees

Effective October 18, 2023, the Series B units were redesignated to Series F and the management fee was reduced from 0.60% to 0.40%. Management fees in respect of Series F were calculated at a maximum of 0.60% until the reclassification date, when they reduced to 0.40% per annum, before GST/HST, of the daily Net Asset Value of Series F. Management fee distributions for the year ended December 31, 2023 were approximately \$1,000 (2022 - \$1,000).

Management fees and administration fees of each series of the Fund are payable to the Manager and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund. Administration fees became effective November 1, 2023.

Fee	Series A	Series B	Series F
Management Fees	*	0.60 %	0.40 %
Administration Fees	0.02 %	0.02 %	0.02 %

\* Series A unitholders pay a negotiated management fee

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 five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements.

<b>Series A</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Net assets attributable to holders of redeemable units - per unit, beginning of year <sup>(1) (3)</sup>	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Increase (decrease) from operations:					
Total revenue	0.50	0.17	0.02	0.06	0.22
Total expenses	-	-	-	-	-
Realized gains (losses) for the year/period	-	-	-	-	-
Unrealized gains (losses) for the year/period	(0.02)	-	-	-	-
Total increase (decrease) from operations <sup>(1)</sup>	0.48	0.17	0.02	0.06	0.22
Distributions:					
From income (excluding dividends)	(0.47)	(0.17)	(0.02)	(0.07)	(0.18)
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total Annual Distributions <sup>(2)</sup>	(0.47)	(0.17)	(0.02)	(0.07)	(0.18)
Net assets attributable to holders of redeemable units - per unit, end of year <sup>(1)</sup>	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

<b>Series F (formerly Series B) <sup>(3)</sup></b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Net assets attributable to holders of redeemable units - per unit, beginning of year <sup>(1)</sup>	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Increase (decrease) from operations:					
Total revenue	0.01	0.21	-	0.04	0.07
Total expenses	-	(0.01)	-	(0.01)	(0.01)
Realized gains (losses) for the year/period	-	-	-	-	-
Unrealized gains (losses) for the year/period	0.03	-	-	-	-
Total increase (decrease) from operations <sup>(1)</sup>	0.04	0.20	-	0.03	0.06
Distributions:					
From income (excluding dividends)	(0.37)	(0.16)	-	(0.05)	(0.15)
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total Annual Distributions <sup>(2)</sup>	(0.37)	(0.16)	-	(0.05)	(0.15)
Net assets attributable to holders of redeemable units - per unit, end of year <sup>(1)</sup>	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

(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) Effective October 18, 2023, Series B units were redesignated to Series F and the management fee was reduced from 0.60% to 0.40%.

**Financial Highlights (cont.)**

**Ratios and Supplemental Data**

Series A	2023	2022	2021	2020	2019
Total net assets attributable to holders of redeemable units (\$000s) <sup>(1)</sup>	300,764	200,798	180,960	281,779	299,878
Number of units outstanding (000s) <sup>(1)</sup>	30,076	20,080	18,096	28,178	29,988
Management expense ratio (%) <sup>(2)</sup>	-	-	-	-	-
Management expense ratio before waivers or absorptions (%)	-	-	-	-	-
Trading expense ratio (%) <sup>(3)</sup>	-	-	-	-	-
Portfolio turnover rate (%) <sup>(4)</sup>	-	-	-	-	-
Net assets attributable to holders of redeemable units - per unit (\$)	10.00	10.00	10.00	10.00	10.00

Series F (formerly Series B) <sup>(5)</sup>	2023	2022	2021	2020	2019
Total net assets attributable to holders of redeemable units (\$000s) <sup>(1)</sup>	619	26,867	8,272	11,901	5,755
Number of units outstanding (000s) <sup>(1)</sup>	62	2,687	827	1,190	576
Management expense ratio (%) <sup>(2)</sup>	0.62	0.16	0.16	0.16	0.32
Management expense ratio before waivers or absorptions (%) <sup>(5)</sup>	0.62	0.63	0.63	0.63	0.64
Trading expense ratio (%) <sup>(3)</sup>	-	-	-	-	-
Portfolio turnover rate (%) <sup>(4)</sup>	-	-	-	-	-
Net assets attributable to holders of redeemable units - per unit (\$)	10.00	10.00	10.00	10.00	10.00

(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. The portfolio turnover rate is not applicable to money market funds.

(5) Effective October 18, 2023, Series B units were redesignated to Series F and the management fee was reduced from 0.60% to 0.40%.

**Past Performance**

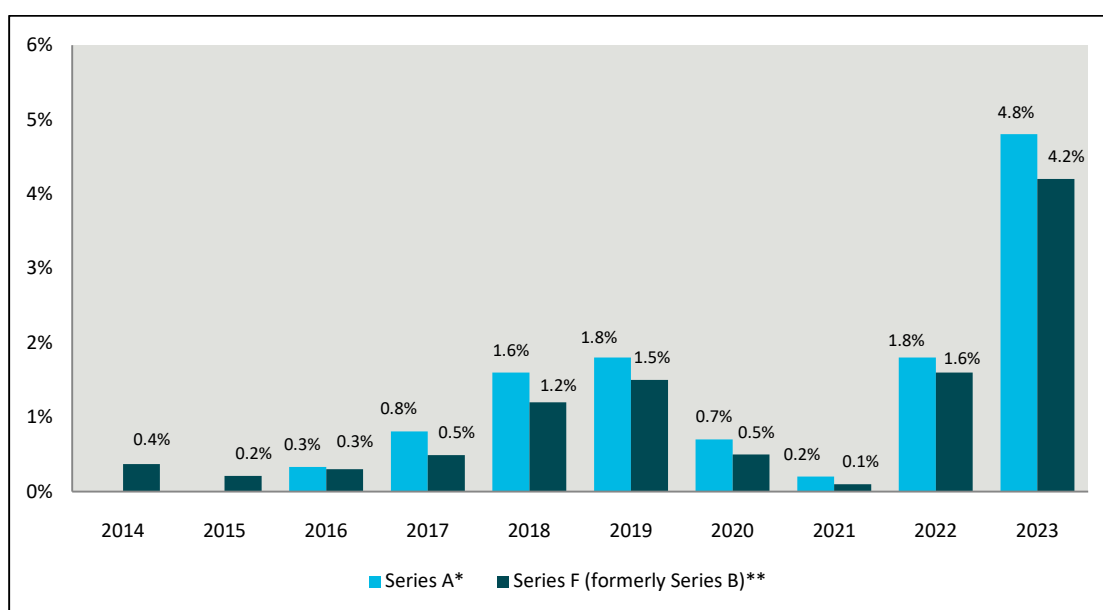
**General**

The Fund’s performance assumes all distributions made by the Fund in the years shown were reinvested in units of the Fund and is based on net asset value per unit. If you hold the Fund outside a Registered Plan, you will be taxed on these distributions.

The performance information does not take into account sales charges, other charges or taxes that, if applicable, would have reduced returns or performance; but includes management fees and other expenses borne directly by the Fund. Past performance does not necessarily indicate how the Fund may perform in the future.

**Year-by-Year Returns**

The following bar chart shows the Fund’s historical return, which changes each year and illustrates how the Fund’s performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each year.



\* Series A units were created June 28, 2016. Return from June 28, 2016 to December 31, 2016, not annualized.

\*\* Effective October 18, 2023, Series B units were redesignated to Series F and the management fee was reduced from 0.60% to 0.40%.

**Annual Compound Returns**

The following table compares the historical annual compound return of the Fund (before fees for Series A and after fees for Series F (formerly Series B)) with the FTSE Canada 91 Day T-Bill Index, in each case for the year ended December 31, 2023. The FTSE Canada 91 Day T-Bill Index measures the return attributable to 91 Day T-Bills. A discussion of the performance of the Fund as compared to the benchmark is found in the Results of Operations section of this document.

For the Years ended December 31	1 Year	3 Years	5 Years	10 Years
Fund – Series A *	4.8%	2.2%	1.8%	n/a
Benchmark	4.7%	2.2%	1.8%	n/a
Fund – Series F**	4.2%	2.0%	1.6%	1.0%
Benchmark	4.7%	2.2%	1.8%	1.3%

\* Series A units were created on June 28, 2016.

\*\* Effective October 18, 2023, Series B units were redesignated to Series F and the management fee was reduced from 0.60% to 0.40%.

**Summary of Investment Portfolio**

As at December 31, 2023

**Top 25 Positions**

Issuer	% of Net Asset Value
CDP Financial Inc., 5.13%, 14/03/2024	7.3%
Province of Quebec, 5.18%, 21/06/2024	7.2%
Province of Alberta, 5.28%, 01/10/2024	5.9%
Government of Canada, 5.14%, 28/03/2024	5.0%
Government of Canada, 4.60%, 25/04/2024	5.0%
Government of Canada, 4.47%, 15/02/2024	3.6%
Province of British Columbia, 5.22%, 05/02/2024	3.5%
Canadian Imperial Bank of Commerce, 4.57%, 02/01/2024	3.5%
National Bank of Canada, 4.64%, 29/01/2024	3.4%
Province of Ontario, 5.26%, 20/03/2024	3.2%
Federal Home Loan Bank, 5.24%, 28/03/2024	2.6%
Province of Alberta, 5.22%, 03/09/2024	2.6%
Province of British Columbia, 5.25%, 18/03/2024	2.6%
Bank of Montreal, 5.23%, 02/01/2024	2.2%
Government of Canada, 4.12%, 23/05/2024	2.1%
Vancouver City Savings Credit Union, 5.21%, 13/02/2024	2.0%
Province of Quebec, 5.34%, 06/09/2024	2.0%
CDP Financial Inc., 5.22%, 30/01/2024	2.0%
The Bank of Nova Scotia, 5.25%, 22/01/2024	1.6%
Province of Ontario, 5.26%, 14/02/2024	1.6%
Province of Ontario, 5.19%, 04/09/2024	1.6%
Province of Ontario, 5.36%, 18/09/2024	1.6%
Royal Bank of Canada, 5.27%, 30/01/2024	1.3%
Province of Ontario, 5.32%, 25/09/2024	1.3%
The Bank of Nova Scotia, 5.26%, 23/02/2024	1.2%

**Portfolio Allocation**

Portfolio Breakdown	% of Net Asset Value
Treasury Bills	53.5%
Discount Notes	43.9%
Cash & Other Net Assets	2.6%

The Fund held no short positions as at December 31, 2023.

*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](http://www.leithwheeler.com).*