BELLWETHER CANADIAN STOCK FUND

FINANCIAL STATEMENTS

For the six months ended June 30, 2018

(Unaudited)

(in Canadian dollars)

BELLWETHER CANADIAN STOCK FUND

Statements of Financial Position
As at June 30, 2018 (Unaudited)

	June 30, 2018	December 31, 2017
ASSETS		
Current assets		
Cash and cash equivalents	$ 1,519,642	$ 1,910,985
Interest receivable	1,527	1,125
Dividends receivable	195,039	104,850
Contrbutions receivable (Note 12)	711,198	672,640
Investments owned, at fair value (Cost:$36,662,391 - 2017:$19,878,849)	38,672,942	22,165,584
	41,100,348	24,855,184
LIABILITIES		
Current liabilities		
Accrued expenses	11,412	16,301
Management fees payable	239	259
Redemptions payable (Note 12)	119,282	59,365
	130,933	75,925
Net Assets Attributable to Holders of Redeemable Units	$ 40,969,415	$ 24,779,259
Net Assets Attributable to Holders of Redeemable Units per Series		
Series F	$ 290,249	$ 293,593
Series O	40,679,166	24,485,666
	$ 40,969,415	$ 24,779,259
Number of Redeemable Units Outstanding (Note 6)		
Series F	23,015	23,015
Series O	3,072,798	1,838,815
Net Assets Attributable to Holders of Redeemable Units per Unit		
Series F	$ 12.61	$ 12.76
Series O	13.24	13.32

Approved :

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Trustee:

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

BELLWETHER CANADIAN STOCK FUND

Statements of Comprehensive Income
For the six-months ended June 30, 2018 (Unaudited)

	2018	2017
Income		
Dividends	$ 571,621	$ 160,264
Interest income for distribution purposes	35,018	20,198
Change in unrealized loss on investments and foreign currency	(258,893)	(243,408)
Realized gain on sale of investments and foreign currency	125,353	45,004
	473,099	(17,942)
Expenses		
Operating costs	100,810	50,835
Commissions and other portfolio transaction costs	19,354	7,262
Management fees (Note 6)	1,593	1,714
Withholding tax	–	2,219
	121,757	62,030
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	$ 351,342	$ (79,972)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series		
Series F	$ (3,344)	$ (3,370)
Series O	354,686	(76,602)
	$ 351,342	$ (79,972)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series F	$ (0.15)	$ (0.14)
Series O	0.14	(0.09)

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

BELLWETHER CANADIAN STOCK FUND

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units
For the six-months ended June 30, 2018 (Unaudited)

	Net assets attributable to holders of redeemable units, beginning of period	Proceeds from redeemable units issued	Redemption of redeemable units	Increase (decrease) in net assets attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of period
June 30, 2018					
Series F	$ 293,593	$ –	$ –	$ (3,344)	$ 290,249
Series O	24,485,666	17,012,290	(1,173,476)	354,686	40,679,166
	$ 24,779,259	$ 17,012,290	$ (1,173,476)	$ 351,342	$ 40,969,415

	Net assets attributable to holders of redeemable units, beginning of period	Proceeds from redeemable units issued	Redemption of redeemable units	Decrease in net assets attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of period
June 30, 2017					
Series F	$ 305,776	$ –	$ –	$ (3,370)	$ 302,406
Series O	9,922,956	3,629,940	(1,200,199)	(76,602)	12,276,095
	$ 10,228,732	$ 3,629,940	$ (1,200,199)	$ (79,972)	$ 12,578,501

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

BELLWETHER CANADIAN STOCK FUND

Statements of Cash Flows
For the six-months ended June 30, 2018 (Unaudited)

	2018	2017
Cash provided by (used in):		
Operating Activities		
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	$ 351,342	$ (79,972)
Adjustments for non-cash items		
Commissions and other portfolio transaction costs	19,354	7,262
Change in unrealized loss on investments and foreign currency	258,893	243,408
Realized gain on sale of investments and foreign currency	(125,353)	(45,004)
Change in non-cash balances		
Increase in interest receivable	(402)	(259)
Increase in dividends receivable	(90,189)	(12,601)
Increase in contrbutions receivable	(38,558)	–
(Decrease) increase in accrued expenses	(4,889)	1,365
Decrease in management fees payable	(20)	(10)
Decrease in payable for investments purchased	–	(113,495)
Proceeds from sale of investments	380,267	399,379
Purchase of investments	(17,040,519)	(2,548,820)
Cash used in operating activities	(16,290,074)	(2,148,747)
Financing Activities		
Proceeds from issuances of redeemable units	17,012,290	3,629,940
Amount paid on redemption of redeemable units	(1,113,559)	(1,139,574)
Cash provided by financing activities	15,898,731	2,490,366
(Decrease) increase in cash and cash equivalents during the period	(391,343)	341,619
Cash and cash equivalents , beginning of period	1,910,985	456,791
Cash and cash equivalents , end of period	$ 1,519,642	$ 798,410
Supplemental information*		
Interest received	$ 34,616	$ 19,939
Dividends received, net of withholding taxes	481,432	145,444

*Included as a part of cash flows from operating activities

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

BELLWETHER CANADIAN STOCK FUND

Schedule of Investment Portfolio
As at June 30, 2018 (Unaudited)

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
	Canadian equities			
19,000	Ag Growth International Inc.	$ 938,158	$ 1,051,840	2.57
17,500	Agnico Eagle Mines Ltd.	1,037,728	1,054,725	2.57
72,100	Alaris Royalty Corp.	1,323,319	1,149,274	2.81
15,000	Alimentation Couche-Tard Inc.	738,671	856,650	2.09
32,000	AltaGas Ltd.	911,444	868,800	2.12
26,000	AltaGas Ltd. Subscription Receipts	724,282	705,900	1.72
101,000	American Hotel Income Properties REIT LP	947,295	840,320	2.05
15,500	BCE Inc.	828,492	825,220	2.01
27,000	Brookfield Asset Management Inc.	1,244,799	1,439,910	3.51
84	Brookfield Business Partners LP	2,916	4,233	0.01
8,500	Brookfield Renewable Energy Partners LP	315,329	335,410	0.82
34,000	CAE Inc.	666,540	928,540	2.27
3,400	Canadian National Railway Co.	210,442	365,602	0.89
33,000	Canadian Natural Resources Ltd.	1,343,946	1,565,850	3.82
14,000	CGI Group Inc.	780,788	1,166,340	2.85
72,000	Chemtrade Logistics Income Fund	1,255,132	1,077,840	2.63
138,000	Crescent Point Energy Corp.	1,576,637	1,333,080	3.25
50,000	ECN Capital Corp.	166,774	176,500	0.43
25,500	Element Fleet Management Corp.	256,664	157,590	0.38
20,000	Emera Inc.	848,018	856,000	2.09
61,000	EnerCare Inc.	1,093,931	1,096,780	2.68
11,600	First Asset Morningstar Canada Momentum Index ETF	165,314	220,052	0.54
59,000	Goldcorp Inc.	1,123,582	1,064,950	2.60
20,500	Hydro One Ltd.	481,333	410,820	1.00
27,400	IGM Financial Inc.	1,071,393	1,044,214	2.55
62,000	Intertape Polymer Group Inc.	1,276,649	1,120,340	2.73
37,000	iShares S&P/TSX Canadian Dividend Aristocrats Index ETF	997,487	961,260	2.35
11,000	Magna International Inc.	618,163	841,060	2.05
51,000	Manulife Financial Corp.	1,192,059	1,204,620	2.94
18,000	Nutrien Ltd.	1,146,641	1,287,360	3.14
40,000	PowerShares Canadian Dividend Index ETF	1,041,154	1,074,800	2.62
114	PrairieSky Royalty Ltd.	2,931	2,958	0.01
17,500	Royal Bank of Canada	1,594,684	1,732,325	4.23
36,000	Russel Metals Inc.	991,017	967,320	2.36
24,000	Sun Life Financial Inc.	1,134,241	1,267,920	3.09
34,000	TFI International Inc.	981,460	1,378,700	3.37
32,400	The North West Co Inc.	965,534	949,968	2.32
22,000	The Toronto-Dominion Bank	1,373,074	1,673,980	4.09
23,500	TransCanada Corp.	1,267,519	1,336,680	3.26
41	Trisura Group Ltd.	984	1,091	0.00
170,000	Whitecap Resources Inc.	1,496,201	1,514,700	3.70
11,000	WSP Global Inc.	529,666	761,420	1.86
		36,662,391	38,672,942	94.38

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

BELLWETHER CANADIAN STOCK FUND

Schedule of Investment Portfolio (Cont'd)
As at June 30, 2018 (Unaudited)

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
	Total investments owned	36,662,391	38,672,942	94.38
	Commissions and other portfolio transaction costs	(43,711)	–	–
	Net investments owned	**$ 36,618,680**	38,672,942	94.38
	Other assets, net		2,296,473	5.62
	Net Assets Attributable to Holders of Redeemable Units		**$ 40,969,415**	**100.00**

BELLWETHER CANADIAN FUNDS
Notes to Financial Statements
For the six months period ended June 30, 2018 (Unaudited)

1 Formation of the Fund

The Bellwether Canadian Performance Fund and the Bellwether Canadian Stock Fund (each a "Fund" or collectively, the "Funds") are open-ended mutual fund trusts. The Bellwether Canadian Performance Fund and the Bellwether Canadian Stock Fund were each established by Declarations of Trust dated May 19, 2006 and commenced operations on December 8, 2006. The address of the Fund's registered office is 1267 Cornwall Road, Suite 202, Oakville, Ontario, L6J 7T5.

The Funds invest in publicly traded equity securities of companies listed on a recognized stock exchange in Canada.

National Bank Financial Inc. is the Custodian of the Funds. SGGG Fund Services Inc. is the recordkeeper and valuation services agent for the Funds.

Bellwether Investment Management Inc. (the "Manager" or the "Trustee") is the manager and trustee of the Funds.

2 Basis of Presentation

These interim financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board (IASB). The Fund reports under this basis of accounting as required by Canadian Securities Legislation and Canadian Accounting Standards Board. These interim financial statements should be read in conjunction with annual financial statements for the year ended December 31, 2017 which have been prepared in accordance with IFRS.

These financial statements have been prepared on a historical cost basis, except for financial assets and financial liabilities at fair value through profit or loss which are presented at fair value. The policies applied in these financial statements are based on IFRS issued and outstanding as of August 13, 2018 which is the date on which the financial statements were authorized for issue by the Trustee.

3 Summary of Significant Accounting Policies

New and Revised IFRS Issued

The following new standards and amendments to existing standards were issued by the International Accounting Standards Board ("IASB"):

The final version of IFRS 9, Financial Instruments, was issued by the IASB in July 2014 and has replaced IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 introduces a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. The new single, principle based approach for determining the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, which will require more timely recognition of expected credit losses. It also includes changes in respect of own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognised in profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and has been applied by the Fund retrospectively to January 1, 2017. The application of IFRS 9 has not resulted in any restatement of comparative figures.

Valuation of Investments

The fair value of financial assets and financial liabilities traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices. In accordance with the provisions of the Fund's Offering Memorandum, investment positions are valued based on the last traded market price for the purpose of determining the net asset per unit for subscriptions and redemptions. For financial reporting purposes, the Fund uses 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. When the Fund holds derivatives with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or ask price to the net open position, as appropriate.

The fair value of financial assets and financial liabilities that are not traded in an active market (for example, over-the-counter derivatives) are determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Valuation techniques used include the use of comparable recent arm's-length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

Investments in private companies and other assets for which no published market exists are initially valued at cost and adjusted each reporting period, when appropriate, to reflect the most recent value at which such securities have been exchanged in an arm's length transaction which approximates a trade effected in a published market, unless a different fair market value is otherwise determined to be appropriate by the Manager.

Classification

The Fund classifies its investments in debt, equity securities and derivatives as financial assets and financial liabilities at fair value through profit or loss ("FVTPL").

The Fund classifies its investments at FVTPL based on the Fund's business model for managing those financial assets in accordance with the Fund's documented investment strategy. The portfolio of investments is managed and performance is evaluated on a fair value basis and the portfolio of investments is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments measured at amortized cost. Regular way purchases and sales of financial assets are recognized at their trade date. The Fund's investments have been classified as fair value through profit or loss. The Fund's obligation for net assets attributable to holders of redeemable units is presented at the redemption amount. All other financial assets and liabilities are classified as subsequently measured at amortized cost. Under this method, financial assets and financial liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. A financial asset is classified as subsequently measured at amortized cost only if both of the following criteria are met:

i) The asset is held within a business model whose objective is to hold assets to collect contractual cash flows, and
ii) The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding

Accounting policies applied prior to January 1, 2018:

The Fund has applied IFRS 9 retrospectively but the application of IFRS 9 has not resulted in a restatement of comparative information. Refer to Note 4 for changes in accounting policies including classification and measurement policies of financial assets and financial liabilities as a result of the application of IFRS 9.

Cash and cash equivalents

Cash is comprised of cash on deposit and cash equivalents and is deemed to be held for trading and carried at amortized cost.

Financial Instruments

The Funds' financial instruments include cash, dividends and interest receivable, investments, accrued expenses and distributions and management fees payable. Investments are designated as Held for Trading and fair valued based on the policies described under the heading "Valuation of Investments". All other financial instruments are designated as Loans and Receivables or Financial Liabilities and are carried at amortized cost, which closely approximates their fair values given their short-term nature. Please refer to Note 10 for a discussion of the management of financial risks.

Recognition/derecognition

The Fund recognizes financial assets or financial liabilities designated as trading securities on the trade date – the date it commits to purchase or sell short the instruments. From this date, any gains and losses arising from changes in fair value of the assets or liabilities are recognized in the statements of comprehensive income.

Other financial assets are derecognized and only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Fund derecognizes financial liabilities when, and only when, the Fund's obligations are discharged, cancelled or they expire.

Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the statement of financial position but still allow for the related amounts to be offset in certain circumstances, such as bankruptcy or termination of the contracts.

Fair Value Measurement

Investments measured at fair value are classified into one of three fair value hierarchy levels, based on the lowest level input that is significant to the fair value measurement in its entirety. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The three fair value hierarchy levels are as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As of June 30, 2018 and December 31, 2017 all of the Funds' investments are classified as Level 1.

Investment Transactions and Revenue Recognition

Investment transactions are accounted for on the trade date. Interest income is accrued daily and dividend income is recognized on the ex-dividend date. Realized gain/loss on sale of investments and unrealized appreciation/depreciation in investments are determined on an average cost basis. Average cost does not include amortization of premiums or discounts on fixed income securities with the exception of zero coupon bonds.

The unrealized gain or loss on each investment held by the Fund at the end of the year is determined by the fair value of that investment less the average cost of the investment.

Distributions from income trust holdings ("trusts") are recorded on the ex-distribution date and the components of the distributions are recorded as dividends, capital gains or a return of capital as appropriate and on the basis of the best information available to the Manager. Distributions from trusts that are a return of capital reduce the average cost of the trusts reported on the Statement of Investment Portfolio.

To the extent that a Fund incurs withholding taxes imposed by certain countries on investment income and capital gains generated in that country, the revenue from such income or gains is recorded net of withholding taxes in the Statement of Comprehensive Income.

Foreign Currency Translation

The functional and presentation currency of the Fund is the Canadian dollar. The fair value of foreign investments and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rates prevailing at 12:00pm Eastern Standard Time (the "noon rate") on each valuation day. Purchases and sales of foreign securities denominated in foreign currencies and the related income are translated into Canadian dollars at rates of exchange prevailing on the respective dates of such transactions.

Net Assets Attributable to Holders per Unit

The Net Assets attributable to holders of redeemable units per unit are calculated by dividing the Net Assets attributable to holders of redeemable units of a particular class of units by the total number of units of that particular class outstanding at the end of the period.

Increase (decrease) in Net Assets Attributable to Holders per Unit

Increase (decrease) in Net Assets attributable to holders of redeemable units per unit is based on the increase (decrease) in Net Assets attributable to holders of redeemable units attributed to each class of units, divided by the weighted average number of units outstanding of that class during the period. Refer to Note 11 for the calculation.

Taxation of the Funds

Each Fund qualifies as a unit trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its investment income, including net realized capital gains, for the calendar year in which its net investment income or sufficient net realized capital gains are not paid or payable to its unitholders as at the end of the calendar year. It is the intention of the Manager that all annual net investment income and sufficient net taxable capital gains will be distributed to unitholders on a calendar year basis such that Canadian income taxes payable by each Fund will be minimized.

In any year in which the Funds realize a net capital loss, caused when realized capital losses exceed realized capital gains, the Funds may carry forward that net capital loss balance to reduce net realized capital gains in subsequent years.

As at December 31, 2017 and 2016, the Funds had net realized capital losses available to carry forward to future years as follows:

		2017		2016
Bellwether Canadian Performance Fund	**$**	**356,832**	**$**	347,436
Bellwether Canadian Stock Fund	**$**	**2,081,904**	**$**	2,081,904

As at December 31, 2017 and 2016, the Funds had no non-capital losses available to carry forward.

Distributions

All distributions on redeemable Units of a series will be reinvested automatically in additional Units of the same series, without charge, at the series net asset value per Unit determined as of the date of distribution unless the unitholder otherwise directs in writing. The unitholder may, by written request, receive the distribution payment by cheque or electronic transfer. All distributions are made on a pro rata basis to each registered unitholder, determined as of the close of business on the date of distribution. When redemptions occur during the calendar year, the unitholder may have taxable income and capital gains attributed to them up to the date of redemption.

4 Changes in Accounting Policies

The Fund has applied IFRS 9 retrospectively from January 1, 2017, which has resulted in changes in accounting policies. The following accounting policies relating to classification of financial assets and financial liabilities have been changed to comply with IFRS 9 which replaces the provisions of IAS 39.

Reclassifications of financial instruments on application of IFRS 9

On the date of initial application of IFRS 9, January 1, 2018, the financial instruments of the Fund were as follows, with any reclassifications from December 31, 2017 noted:

Bellwether Canadian Performance Fund

	Classification category		Measurement category		Carrying amount at Jan 1, 2018		
Financial instruments	**Original (IAS 39)**	**New (IFRS 9)**	**Original (IAS 39)**	**New (IFRS 9)**	**Original (IAS 39)**	**New (IFRS 9)**	**Difference**
Assets							
Cash and cash equivalents	Amortised cost	Amortised cost	Amortised cost	Amortised cost	$ 708,356	$ 708,356	-
Interest receivable	Loans and receivables	Amortised cost	Amortised cost	Amortised cost	440	440	-
Dividends receivable	Loans and receivables	Amortised cost	Amortised cost	Amortised cost	19,942	19,942	-
Contributions receivable	Loans and receivables	Amortised cost	Amortised cost	Amortised cost	227,945	227,945	-
Investments at fair value through profit or loss	FVTPL - Designated at inception	FVTPL	FVTPL	FVTPL	7,358,990	7,358,990	-
Liabilities							
Payable for investments purchased	Financial liabilities	Financial liabilities	Amortised cost	Amortised cost	138,327	138,327	-
Redemptions payable	Financial liabilities	Financial liabilities	Amortised cost	Amortised cost	6,144	6,144	-
Accrued expenses	Financial liabilities	Financial liabilities	Amortised cost	Amortised cost	3,126	3,126	-
Management fees payable	Financial liabilities	Financial liabilities	Amortised cost	Amortised cost	135	135	-

Bellwether Canadian Stock Fund

	Classification category		Measurement category		Carrying amount at Jan 1, 2018		
Financial instruments	Original (IAS 39)	New (IFRS 9)	Original (IAS 39)	New (IFRS 9)	Original (IAS 39)	New (IFRS 9)	Difference
Assets							
Cash	Amortised cost	Amortised cost	Amortised cost	Amortised cost	$1,910,985	$1,910,985	-
Interest receivable	Loans and receivables	Amortised cost	Amortised cost	Amortised cost	1,125	1,125	-
Dividends receivable	Loans and receivables	Amortised cost	Amortised cost	Amortised cost	104,850	104,850	-
Contributions receivable	Loans and receivables	Amortised cost	Amortised cost	Amortised cost	672,640	672,640	-
Investments at fair value through profit or loss	FVTPL - Designated at inception	FVTPL	FVTPL	FVTPL	22,165,584	22,165,584	-
Liabilities							
Accrued expenses	Financial liabilities	Financial liabilities	Amortised cost	Amortised cost	16,301	16,301	-
Management fees payable	Financial liabilities	Financial liabilities	Amortised cost	Amortised cost	259	259	-
Redemptions payable	Financial liabilities	Financial liabilities	Amortised cost	Amortised cost	59,365	59,365	-

5 Critical Accounting Estimates and Judgements

The preparation of financial statements in accordance with IFRS requires management to use accounting estimates. It also requires management to exercise its judgement in the process of applying the Fund's accounting policies. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from those estimates. The following discusses the most significant accounting judgements and estimates that the Fund has made in preparing the financial statements:

Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Fund is to manage its portfolio of investments and evaluate performance on a fair value basis and that the portfolio of investments is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The most significant judgments made include assessing and determining the appropriate business model that enables the decision that the Fund's investments are classified as FVTPL

6 Redeemable Units of the Fund

Unitholders' equity is considered to be the source of capital for the Funds. Each Fund's objectives in managing capital are to safeguard the Funds' ability to continue as a going concern, to provide financial capacity and flexibility to meet its strategic objectives and to provide an adequate return to unitholders commensurate with the level of risk while maximizing the distributions to unitholders.

Since both the income and expenses of the Funds are reasonably predictable and since the Funds do not have any externally imposed capital requirements, the Trustee believes that the current level of distributions, capital and capital structure is sufficient to sustain ongoing operations. The Trustee actively monitors the cash position and financial performance of the Funds to ensure there are resources to meet current distribution levels.

The Funds may issue an unlimited number of units, which may be divided into an unlimited number of Series. The Funds currently offer Series A, Series F and Series O Units. Series A Units may be purchased through investment dealers. Series F Units may be purchased either from investment dealers or directly from the Manager. Series O Units may only be purchased directly from the Manager. Series O Units are available to institutional investors and other selected investors who enter into a managed account agreement with the Manager. The managed account agreement stipulates the negotiated management fee that will be paid by the investor directly to the Manager.

Redeemable Units of each Fund are redeemable at the option of the unitholders in accordance with the provisions of the Offering Memorandum at their Net Asset Value Per Unit and do not have any nominal or par value.

The changes in outstanding units during the period ended June 30, 2018 and 2017 are summarized as follows:

Bellwether Canadian Performance Fund

	Redeemable Units, beginning of period	Redeemable Units Issued	Redemption of Redeemable Units	Redeemable Units, end of period
June 30, 2018				
Series F	15,046	–	–	15,046
Series O	714,742	805,322	(43,446)	1,476,618
June 30, 2017				
Series F	15,046	–	–	15,046
Series O	326,627	73,096	(48,100)	351,623

Bellwether Canadian Stock Fund

	Redeemable Units, beginning of period	Redeemable Units Issued	Redemption of Redeemable Units	Redeemable Units, end of period
June 30, 2018				
Series F	23,015	–	–	23,015
Series O	1,838,815	1,324,504	(90,521)	3,072,798
June 30, 2017				
Series F	24,753	–	–	24,753
Series O	776,224	283,435	(94,105)	965,554

7 Related Party Transactions

Management Fees

The Manager of the Funds is entitled to a Management Fee. The applicable Management Fee relating to Series A Units of the Funds is equal to (1/12) of 1.50% of the average Net Asset Value of the Funds relating to such series during each month. The applicable Management Fee relating to the Series F Units of the Funds is equal to (1/12) of 1.00% of the average Net Asset Value of the Funds relating to such series during each month. Management fees relating to the Series O Units of the Funds are paid directly by the unitholder and are not charged to the Funds.

Performance Fees-Bellwether Canadian Performance Fund

In addition to the Management Fee, the Manager is entitled to a Performance Fee equal to 20% of the amount by which the performance of the Bellwether Canadian Performance Fund (i.e. the return from the investment portfolio attributable to the Fund, after payment of the Management Fee) exceeds 12% per annum, calculated and payable at the end of the period and upon redemptions of the Fund. The 12% annual hurdle rate will be prorated in the event an investor redeems units of the Fund before the end of the fiscal year. Negative performance must be carried forward

for one year, and thereafter, the Performance Fee calculation begins anew. This Performance Fee applies to Series A, Series F, and Series O Units of the Fund.

The Performance Fee, including the federal Harmonized Sales Tax, is accrued monthly and reflected in the Net Asset Value per Unit of the Fund.

At the Manager's discretion, the Fund may allocate or distribute income and net realized capital gains, or make capital distributions, to particular unitholders to effectively adjust the Performance Fee borne by each unitholder to reflect the actual performance of that unitholder's investment in the relevant Fund.

The Bellwether Canadian Stock Fund does not provide for a Performance Fee.

Operating Expenses

The operating expenses charged to the Bellwether Canadian Stock Fund cannot exceed one-twelfth (1/12) of 1.00% of the average Net Asset Value of the Funds during each month. The operating expenses charged to the Bellwether Canadian Performance Fund cannot exceed one-twelfth (1/12) of 0.60% of the average Net Asset Value of the Funds during each month.

8 Brokerage Commissions and Other Transaction Costs

The Funds paid brokerage commissions and other transaction costs for portfolio transactions during the period ended June 30, 2018 and 2017 as follows:

		2018		2017
Bellwether Canadian Performance Fund	$	13,625	$	4,347
Bellwether Canadian Stock Fund		19,354		7,262

In addition to covering brokerage services on security transactions, commissions paid to certain brokers may also cover goods and services provided to the manager other than order execution (soft costs).

As of June 30, 2018 and 2017 the Funds did not have soft costs.

9 Risks Associated with Financial Instruments

The investment objective of the Funds is to provide long-term capital growth, primarily through investing in equity securities of companies in Canada. The Funds use a blended investment style that combines quantitative, qualitative and technical analysis, to uncover companies that it believes have better than average valuations and balance sheet strength and have a demonstrated track record of earnings growth.

The Funds are exposed to various types of risks that are associated with their investment strategies, financial instruments and the markets in which they invest. These financial risks include market risk, (which includes currency risk, interest rate risk and other price risk), credit risk, and liquidity risk.

The Manager of each Fund seeks to minimize these risks by employing experienced portfolio managers who manage the security portfolios of the Funds' on a daily basis according to market events and the Funds' investment objectives. The Manager further moderates these risks through a careful selection of securities within specified limits and each Fund's market price risk is managed through diversification of the investment portfolio. The Funds' overall risk management program seeks to minimize the potentially adverse effect of risk on the Funds' financial performance in a manner consistent with the Funds' investment objective.

These risks and related risk management practices employed by the Funds are further discussed below:

(i) Currency Risk

Currency risk is the risk that the value of financial instruments denominated in currencies other than the functional currency of the Fund will fluctuate due to changes in foreign exchange rates.

Each Fund holds all of its assets in Canadian Dollar denominated investments, the functional currency of each of the Funds.

At June 30, 2018 and December 31, 2017, the Funds did not have significant exposure to currency risk.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The majority of each Fund's financial assets and liabilities are non-interest bearing. The Funds invest excess cash in cash and cash equivalents, the latter being short-term and bearing market interest rates at the time of purchase. As a result, the Funds are not subject to significant interest rate risk due to fluctuations in the prevailing level of market interest rates.

At June 30, 2018 and December 31, 2017, the Funds did not have significant exposure to interest rate risk.

(iii) Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The investments of each Fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by the particular Fund is determined by the fair value of the financial instruments. The Manager monitors each Fund's overall market positions on a daily basis and positions are maintained within established ranges as disclosed in each Fund's Offering Memorandum.

The Funds' other price risk is affected by changes in actual market prices. At June 30, 2018 and December 31, 2017, if the S&P/TSX Composite Total Return index had increased or decreased by 5%, with all other variables held constant, then the approximate increase or decrease to net assets attributable to holders of redeemable units would have been as follows:

Market Sensitivity Analysis	June 30, 2018 Estimated Impact on net assets attributable to holders of redeemable units	December 31, 2017 Estimated Impact on net assets attributable to holders of redeemable units
Bellwether Canadian Performance Fund	$ 793,856	$ 374,573
Bellwether Canadian Stock Fund	1,727,714	965,533

In practice, actual results may differ from this sensitivity analysis and the difference could be material.

(iv) Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge a commitment that it has entered into with the Funds. The fair value of a financial instrument takes into account the credit rating of its issuer.

All transactions in listed securities are settled or paid for upon delivery using approved brokers. Credit risk is considered minimal in the Funds because delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The Funds also invest in cash, cash equivalents and short-term investments. The Funds limit exposure to credit loss by placing cash and cash equivalents and other short-term investments with high credit quality government and financial institutions.

As at June 30, 2018 and December 31, 2017, the Funds did not have significant exposure to credit risk.

(v) Liquidity Risk

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

The Funds' exposure to liquidity risk is concentrated in the Funds' ability to satisfy the bi-monthly cash redemptions of units. Further liquidity risk arises from the fact that redeemable units are redeemable on demand at the unitholder's option. The Funds' investments are considered readily realizable and highly liquid. In addition, the Funds retain sufficient cash and cash equivalent positions to maintain liquidity.

At June 30, 2018 and December 31, 2017 the Funds did not have significant exposure to liquidity risk.

10 Financial Instruments by Category

Bellwether Canadian Performance Fund

The following table presents the carrying amounts of the Fund's financial assets by category as at June 30, 2018 and December 31, 2017. All of the Fund's financial liabilities, other than its net assets attributable to holders of redeemable units, as at June 30, 2018 and December 31, 2017 were carried at amortized cost.

June 30, 2018

	Financial investments at fair value through profit or loss	Financial investments at amortized cost	Total
Assets			
Cash and cash equivalents	$ –	$ 946,135	$ 946,135
Interest receivable	–	682	682
Dividends receivable	–	41,251	41,251
Contrbutions receivable	–	423,250	423,250
Investments owned, at fair value	15,743,299	–	15,743,299
	$ 15,743,299	$ 1,411,318	$ 17,154,617

December 31, 2017

	Held-for-trading	Financial investments at fair value through profit or loss designated at inception	Financial investments at amortized cost	Total
Assets				
Cash and cash equivalents	$ –	$ –	$ 708,356	$ 708,356
Interest receivable	–	–	440	440
Dividends receivable	–	–	19,942	19,942
Contrbutions receivable	–	–	227,945	227,945
Investments owned, at fair value	–	7,358,990	–	7,358,990
	$ –	$ 7,358,990	$ 956,683	$ 8,315,673

Bellwether Canadian Stock Fund

The following table presents the carrying amounts of the Fund's financial assets by category as at June 30, 2018 and December 31, 2017. All of the Fund's financial liabilities, other than its net assets attributable to holders of redeemable units, as at June 30, 2018 and December 31, 2017 were carried at amortized cost.

June 30, 2018

	Financial investments at fair value through profit or loss	Financial investments at amortized cost	Total
Assets			
Cash and cash equivalents	$ –	$ 1,519,642	$ 1,519,642
Interest receivable	–	1,527	1,527
Dividends receivable	–	195,039	195,039
Contrbutions receivable	–	711,198	711,198
Investments owned, at fair value	38,672,942	–	38,672,942
	$ 38,672,942	$ 2,427,406	$ 41,100,348

December 31, 2017

	Held-for-trading	Financial investments at fair value through profit or loss designated at inception	Financial investments at amortized cost	Total
Assets				
Cash and cash equivalents	$ –	$ –	$ 1,910,985	$ 1,910,985
Interest receivable	–	–	1,125	1,125
Dividends receivable	–	–	104,850	104,850
Contrbutions receivable	–	–	672,640	672,640
Investments owned, at fair value	–	22,165,584	–	22,165,584
	$ –	$ 22,165,584	$ 2,689,600	$ 24,855,184

11 Increase (decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit

The increase (decrease) in net assets attributable to holders of redeemable units per unit for the period ended June 30, 2018 and 2017 is calculated as follows:

Bellwether Canadian Performance Fund

	Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series	Weighted Average of Redeemable Units Outstanding During the Period	Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit
June 30, 2018			
Series F	$ 2,640	15,046	$ 0.18
Series O	387,022	1,093,041	0.35
June 30, 2017			
Series F	$ (1,782)	15,046	$ (0.12)
Series O	(25,476)	332,671	(0.08)

Bellwether Canadian Stock Fund

	Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series	Weighted Average of Redeemable Units Outstanding During the Period	Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit
June 30, 2018			
Series F	$ (3,344)	23,015	$ (0.15)
Series O	354,686	2,508,235	0.14
June 30, 2017			
Series F	$ (3,370)	24,753	$ (0.14)
Series O	(76,602)	864,178	(0.09)

12 Filing Exemption

The Funds have advised the Ontario Securities Commission that the Funds are relying on the exemption from the filing requirements pursuant to Section 2.11 of National Instrument 81-106.

13 Contributions receivable and redemptions payable

Contributions receivable and redemptions payable consists of units purchased/redeemed during the period for which cash has not been received/paid at period end.