

Semi-Annual Report

June 30, 2018

Beutel Goodman Balanced Fund
Beutel Goodman Canadian Equity Fund
Beutel Goodman Total World Equity Fund
Beutel Goodman North American Focused Equity Fund
Beutel Goodman Fundamental Canadian Equity Fund
Beutel Goodman Small Cap Fund
Beutel Goodman Canadian Dividend Fund
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Beutel Goodman World Focus Equity Fund
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Beutel Goodman International Equity Fund
Beutel Goodman American Equity Fund
Beutel Goodman Income Fund
Beutel Goodman Long Term Bond Fund
Beutel Goodman Core Plus Bond Fund
(Formerly the Beutel Goodman Corporate Provincial Active Bond Fund)
Beutel Goodman Short Term Bond Fund
Beutel Goodman Money Market Fund

Notice to Reader:

The Auditors of the Funds have not reviewed these financial statements.

A look inside Managed Funds

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Beutel Goodman Balanced Fund

Statement of Financial Position

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

	2018	2017
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	65,004,989	86,953,856
Financial assets at fair value through profit or loss*	4,164,538,434	4,093,481,656
Accrued interest	6,826,746	6,221,880
Dividends receivable	5,786,427	4,682,713
Due from brokers	4,675,609	298,649
Subscriptions receivable	1,749,194	2,684,382
Total assets	4,248,581,399	4,194,323,136
Liabilities		
Current liabilities		
Management and administrative fees payable	590,121	535,051
Due to brokers	2,904,160	598,381
Redemptions payable	3,293,232	1,417,503
Distributions payable	89,547	525
Total liabilities (before net assets attributable to holders of redeemable units)	6,877,060	2,551,460
Net assets attributable to holders of redeemable units	4,241,704,339	4,191,771,676
*Investments at average cost	3,624,480,114	3,414,265,276
Net assets attributable to holders of redeemable units per class		
Class B	71,940,507	60,574,832
Class D	216,718,205	203,150,672
Class F	47,316,100	37,294,274
Class I	3,905,729,527	3,890,751,898
Net assets attributable to holders of redeemable units per unit		
Class B	12.62	12.61
Class D	21.12	21.09
Class F	12.81	12.80
Class I	21.98	21.95
Number of outstanding redeemable units (note 6)		
Class B	5,700,937	4,803,266
Class D	10,260,841	9,630,558
Class F	3,692,654	2,912,971
Class I	177,678,647	177,218,589

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

Statements of Comprehensive Income

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Income		
Net gains (losses) on investments		
Dividends	45,208,857	40,662,136
Interest for distribution purposes	19,077,094	16,669,233
Realized gain (loss) on sale of investments	146,454,418	129,861,596
Change in unrealized appreciation (depreciation) in the value of investments	(139,158,060)	21,482,206
Net gains (losses) on investments	71,582,309	208,675,171
Other income		
Realized gain (loss) on foreign currency transactions	(588,222)	(802,458)
Total income	70,994,087	207,872,713
Expenses		
Management fees	1,934,138	1,348,243
Administrative fees	1,452,158	1,331,613
Transaction costs (Note 9)	1,311,205	1,091,590
Withholding taxes	3,413,901	3,068,358
Total Expenses	8,111,402	6,839,804
Increase (decrease) in net assets attributable to holders of redeemable units	62,882,685	201,032,909
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class B	531,478	1,217,600
Class D	2,272,926	8,230,154
Class F	552,640	641,208
Class I	59,525,641	190,943,947
Increase (decrease) in net assets attributable to holders of redeemable units per unit*		
Class B	0.10	0.44
Class D	0.23	0.96
Class F	0.16	0.43
Class I	0.34	1.15

*Based on the weighted average number of redeemable units outstanding during the period.

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

Beutel Goodman Balanced Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Net assets attributable to holders of redeemable units at beginning of period		
Class B	60,574,832	28,229,751
Class D	203,150,672	166,135,890
Class F	37,294,274	11,147,637
Class I	3,890,751,898	3,498,149,961
	4,191,771,676	3,703,663,239
Increase (decrease) in net assets attributable to holders of redeemable units		
Class B	531,478	1,217,600
Class D	2,272,926	8,230,154
Class F	552,640	641,208
Class I	59,525,641	190,943,947
	62,882,685	201,032,909
Distribution to holders of redeemable units		
From net investment income		
Class B	(385,231)	(231,012)
Class D	(1,985,154)	(1,615,033)
Class F	(470,671)	(251,549)
Class I	(57,071,917)	(51,699,301)
	(59,912,973)	(53,796,895)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class B	20,032,430	16,625,557
Class D	29,352,754	24,055,489
Class F	16,901,411	16,484,660
Class I	173,495,571	109,033,073
Reinvestments of distributions to holders of redeemable units		
Class B	371,087	223,665
Class D	1,936,348	1,580,626
Class F	366,828	195,504
Class I	57,065,301	51,698,033
Redemption of redeemable units		
Class B	(9,184,089)	(3,676,757)
Class D	(18,009,341)	(12,474,682)
Class F	(7,328,382)	(1,859,701)
Class I	(218,036,967)	(120,894,915)
	46,962,951	80,990,552
Net increase (decrease) in net assets attributable to holders of redeemable units		
Class B	11,365,675	14,159,053
Class D	13,567,533	19,776,554
Class F	10,021,826	15,210,122
Class I	14,977,629	179,080,837
	49,932,663	228,226,566
Net assets attributable to holders of redeemable units at end of period		
Class B	71,940,507	42,388,804
Class D	216,718,205	185,912,444
Class F	47,316,100	26,357,759
Class I	3,905,729,527	3,677,230,798
	4,241,704,339	3,931,889,805

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

Statements of Cash Flows

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	62,882,685	201,032,909
Adjustments for:		
Net realized (gain) loss on sale of investments	(146,454,418)	(129,861,596)
Change in unrealized (appreciation) depreciation in the value of investments	139,158,060	(21,482,206)
Purchases of investments	(2,800,671,839)	(2,109,277,860)
Proceeds from sale of investments	2,734,840,238	2,028,945,912
(Increase) decrease in accrued interest	(604,866)	(455,369)
(Increase) decrease in dividends receivable	(1,103,714)	(1,029,467)
Increase (decrease) in accrued liabilities	55,070	88,758
Net cash flows from (used in) operating activities	(11,898,784)	(32,038,919)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(84,387)	(59,651)
Proceeds from redeemable units issued	240,717,354	166,216,587
Redemption of redeemable units	(250,683,050)	(138,902,945)
Net cash flows from (used in) financing activities	(10,050,083)	27,253,991
Net increase (decrease) in cash and cash equivalents	(21,948,867)	(4,784,928)
Cash and cash equivalents at beginning of period	86,953,856	57,207,080
Cash and cash equivalents at end of period*	65,004,989	52,422,152
Supplementary information		
Cash flow from operating activities		
Interest received	18,472,228	16,213,864
Dividends received, net of withholding taxes	40,691,242	36,564,311
*Cash and cash equivalents include:		
Cash at banks	2,322,323	543,064
Short-term investments	62,682,666	51,879,088
Total	65,004,989	52,422,152

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

Beutel Goodman Balanced Fund

Schedule of Investment Portfolio as at June 30, 2018 (unaudited)

Number of Shares / Par Value		Average Cost \$	Fair Value \$	% of Net Assets	Number of Shares / Par Value		Average Cost \$	Fair Value \$	% of Net Assets
France					United Kingdom				
140,154	Air Liquide SA	17,983,177	23,182,851	0.55	1,053,950	GlaxoSmithKline PLC	24,239,754	28,001,610	0.66
171,400	Cie Générale des Établissements Michelin	19,373,088	27,456,221	0.65	1,226,140	IMI PLC	26,545,948	24,105,427	0.57
		37,356,265	50,639,072	1.20	1,280,290	Smith & Nephew PLC	29,171,791	31,084,498	0.73
Germany					966,060	Smiths Group PLC	25,043,335	28,488,536	0.67
200,330	BASF SE	21,601,337	25,201,625	0.59	316,850	Spectris PLC	10,852,541	14,362,253	0.34
506,130	GEA Group AG	25,049,941	22,457,182	0.53	5,944,400	Vodafone Group PLC	23,369,289	18,977,069	0.45
193,310	HeidelbergCement AG	18,995,834	21,400,046	0.50			139,222,658	145,019,393	3.42
185,970	Henkel AG & Co KGaA	25,735,288	27,205,299	0.64	United States				
255,360	Merck KGaA	33,158,874	32,795,078	0.77	286,950	American Express Co.	29,654,664	36,991,713	0.87
384,360	Software AG	19,131,916	23,559,472	0.56	153,130	Ameriprise Financial Inc.	25,067,255	28,176,565	0.66
4,127,320	Telefonica Deutschland Holding AG	25,194,671	21,400,120	0.50	344,830	AmerisourceBergen Corp.	36,590,793	38,678,840	0.91
		168,867,861	174,018,822	4.09	101,040	Amgen Inc.	22,915,678	24,534,298	0.58
Guernsey					45,785	AutoZone Inc.	36,071,013	40,408,484	0.95
344,660	Amdocs Ltd.	22,362,137	30,009,268	0.71	400,300	Campbell Soup Co.	23,501,619	21,347,227	0.50
		22,362,137	30,009,268	0.71	602,040	Comcast Corp.	24,952,934	25,983,863	0.61
Ireland					330,100	Eli Lilly & Co.	29,039,585	37,052,661	0.87
73,633	Allegion PLC	4,711,702	7,493,059	0.18	306,760	Flowservice Corp.	17,264,647	16,302,426	0.38
270,010	Ingersoll-Rand PLC	20,089,442	31,870,557	0.75	480,350	Halliburton Co.	24,151,324	28,472,206	0.67
		24,801,144	39,363,616	0.93	518,080	Harley-Davidson Inc.	32,977,444	28,677,725	0.68
Italy					39,980	Johnson & Johnson	4,136,120	6,381,443	0.15
233,600	Luxottica Group SpA	16,760,628	19,825,738	0.47	109,660	JPMorgan Chase & Co.	8,594,566	15,031,008	0.35
		16,760,628	19,825,738	0.47	401,100	Kellogg Co.	33,913,793	36,865,111	0.87
Japan					141,060	Merck & Co Inc.	7,815,221	11,263,275	0.27
1,402,430	Hakuhodo DY Holdings Inc.	25,010,518	29,613,010	0.70	368,670	Omnicom Group Inc.	39,332,320	36,988,241	0.87
223,950	Kao Corp.	15,468,310	22,473,845	0.53	637,000	Oracle Corp.	28,578,204	36,919,520	0.87
762,190	NTT DOCOMO Inc.	18,704,717	25,548,582	0.60	180,740	Parker-Hannifin Corp.	29,900,929	37,053,840	0.87
3,267,720	Resona Holdings Inc.	21,132,800	22,997,259	0.54	706,410	Symantec Corp.	19,978,557	19,188,854	0.45
1,162,158	WPP PLC	26,383,925	24,078,751	0.57	149,290	The Procter & Gamble Co.	13,721,363	15,329,620	0.36
		106,700,270	124,711,447	2.94	734,750	Verizon Communications Inc.	42,916,991	48,625,720	1.15
Netherlands					157,880	Wells Fargo & Co.	7,448,606	11,513,901	0.27
252,230	Akzo Nobel NV	23,192,259	28,403,039	0.67			538,523,626	601,786,541	14.16
6,136,890	Koninklijke KPN NV	24,981,470	21,960,888	0.52	Total Common Stocks		2,342,555,768	2,879,187,947	67.88
205,130	LyondellBasell Industries NV	25,179,063	29,641,582	0.70	Transaction Costs		(3,209,433)		
219,100	Unilever NV	10,043,880	16,079,761	0.38	Total Investments		3,624,480,114	4,164,538,434	98.18
		83,396,672	96,085,270	2.27	Total Investments and Cash Equivalents		3,687,162,780	4,227,221,100	99.66
Norway								14,483,239	0.34
1,088,019	Atea ASA	11,902,809	20,615,699	0.49	Other Assets Net of Liabilities				
1,207,250	Gjensidige Forsikring ASA	25,097,391	26,031,379	0.61	Net Assets Attributable to Holders of Redeemable Units				100.00
539,651	TGS Nopec Geophysical Co ASA	15,769,202	26,129,298	0.62					
		52,769,402	72,776,376	1.72					
Singapore									
601,710	DBS Group Holdings Ltd.	10,365,706	15,447,216	0.36					
		10,365,706	15,447,216	0.36					
Switzerland									
169,864	Julius Baer Group Ltd.	10,229,328	13,114,930	0.31					
92,470	Roche Holding AG	29,260,799	27,017,989	0.64					
		39,490,127	40,132,919	0.95					

Beutel Goodman Balanced Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Risk Management

The investment objective of the Beutel Goodman Balanced Fund (the "Fund") is to enhance long-term capital value by investing in cash and cash equivalents, fixed income securities and Canadian, U.S. and international equity securities. The Fund's advisor uses a value based approach to select equity investments which means the advisor looks for stocks that are undervalued in relation to the asset value or earnings power of the issuer. The Fund's fixed income portfolio is invested in a diversified group of Canadian government and Canadian corporate bonds. The asset mix process is based upon the observation that over longer years, equities have historically generated higher nominal and real rates of return than fixed income assets. The asset mix of the Fund will normally fall within a range of 60% equity and 40% fixed income. The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objective.

The Fund may invest in derivatives and/or underlying Funds from time to time. Please refer to the Simplified Prospectus for additional information.

Credit Risk

As at June 30, 2018 and December 31, 2017, the Fund invested in debt instruments with the following credit ratings:

Debt Instruments* by Credit Rating	Percentage of net assets (%)	
	June 30, 2018	Dec. 31, 2017
AAA	7	6
AA	7	4
A	12	16
BBB	4	4
Total	30	30

*Excludes cash and cash equivalents

Credit ratings are obtained primarily from Dominion Bond Rating Service, Standard & Poor's and Moody's.

Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. The table below summarizes the Fund's exposure to interest rate risks by remaining term to maturity as at June 30, 2018 and December 31, 2017.

Debt Instruments* by Maturity Date	June 30, 2018	Dec. 31, 2017
	(\$000)	(\$000)
Less than 1 year	33,993	84,730
1-3 years	256,477	225,577
3-5 years	210,156	257,128
Greater than 5 years	784,724	704,669
Total	1,285,350	1,274,104

*Excludes cash and cash equivalents

As at June 30, 2018, if prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve, with all other variables held constant, net assets would have decreased or increased, respectively, by approximately \$23,925,000 (December 31, 2017 \$23,785,000). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, actual trading results may differ from the above sensitivity analysis and the difference could be material.

Other Price Risk

The impact on net assets of the Fund due to a 1 percent change in benchmark, using historical correlation between the Fund's return as compared to the return of the Fund's benchmark, as at June 30, 2018 and December 31, 2017, with all other variables held constant, is included in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 36 data points based on the monthly net returns of the Fund. The returns of all classes of units of the Fund are substantially similar except for the differences in expense structure.

Benchmark	Impact on net assets (\$000)	
	June 30, 2018	Dec. 31, 2017
Balanced Fund Benchmark*	39,820	39,498
Total	39,820	39,498

*The Balanced Fund Benchmark is comprised of the FTSE TMX Canada Universe Bond Index (40%), Morgan Stanley EAFE Index (13%), S&P 500Cdn. (12%), S&P/TSX (30%) and the Scotia Capital Markets (5%)

The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets could be materially different.

Beutel Goodman Balanced Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Foreign Currency Risk

Currencies to which the Fund had exposure as at June 30, 2018 and December 31, 2017 are as follows:

June 30, 2018

	Cash and cash equivalents	Financial assets at fair value	Other assets and liabilities	Total	Percentage of net assets
	(\$000)	(\$000)	(\$000)	(\$000)	(%)
Euro Currency	–	339,419	937	340,356	7.9
British Pound	–	169,098	1,096	170,194	4.0
Norwegian Krone	–	72,776	–	72,776	1.7
Japanese Yen	187	100,633	136	100,956	2.4
United States Dollar	560	700,802	943	702,304	16.5
Singapore Dollar	–	15,447	–	15,477	0.4
Swiss Franc	–	40,133	–	40,133	1.0
Danish Krone	–	34,320	–	34,320	0.8
Australian Dollar	–	29,982	–	29,982	0.7
Total	747	1,502,610	3,112	1,476,546	35.4

Dec. 31, 2017

	Cash and cash equivalents	Financial assets at fair value	Other assets and liabilities	Total	Percentage of net assets
	(\$000)	(\$000)	(\$000)	(\$000)	(%)
Euro Currency	–	376,419	443	376,862	9.0
British Pound	–	129,935	–	129,935	3.1
Norwegian Krone	–	71,438	–	71,438	1.7
Japanese Yen	–	78,220	211	78,431	1.9
United States Dollar	394	675,327	896	676,617	16.1
Singapore Dollar	–	18,373	–	18,373	0.4
Swiss Franc	–	52,730	–	52,730	1.3
Danish Krone	–	31,581	–	31,581	0.8
Australian Dollar	(246)	26,275	246	26,275	0.6
Total	148	1,460,298	1,796	1,462,242	34.9

The amounts in the above tables are based on the fair value of the Fund's financial instruments (including cash and cash equivalents), other financial assets (including dividend receivables, interest receivables and receivables for investments sold) and financial liabilities (including payables for investments purchased).

As at June 30, 2018 and December 31, 2017, if the Canadian dollar had strengthened or weakened by 1 percent in relation to all currencies, with all other variables held constant, net assets would have increased or decreased, respectively, by approximately \$14,765,000 (December 31, 2017 \$14,622,000).

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

Concentration Risk

The following is a summary of the Fund's concentration risk as at June 30, 2018 and December 31, 2017:

Country segment	June 30, 2018	Dec. 31, 2017
Short-Term Investments		
Treasury Bills	1.48%	2.06%
Canadian Bonds		
Federal Bonds	4.35%	5.13%
Provincial Bonds	10.55%	9.89%
Municipal Bonds	0.44%	–
Corporate Bonds	13.88%	14.23%
Mortgage Backed Securities	1.08%	1.12%
Common Stocks		
Australia	0.71%	0.63%
Canada	32.47%	32.47%
Denmark	0.81%	0.75%
Finland	0.67%	0.49%
France	1.20%	1.30%
Germany	4.09%	5.13%
Guernsey	0.71%	–
Ireland	0.93%	1.10%
Italy	0.47%	0.44%
Japan	2.94%	2.32%
Netherlands	2.27%	2.44%
Norway	1.72%	1.71%
Singapore	0.36%	0.44%
Switzerland	0.95%	1.26%
United Kingdom	3.42%	2.64%
United States	14.16%	14.17%
Total	99.66%	99.72%

Beutel Goodman Balanced Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Fair Value Hierarchy

The following tables analyze the Fund's financial instruments carried at FVTPL within the fair value hierarchy as at June 30, 2018 and December 31, 2017.

Jun. 30, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	2,878,188,647	999,300	–	2,879,187,947
Bonds	–	1,239,888,462	–	1,239,888,462
Mortgage Backed Securities	–	45,462,025	–	45,462,025
Total Assets	2,878,188,647	1,286,349,787	–	4,164,538,434

Dec. 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	2,819,377,327	–	–	2,819,377,327
Bonds	–	1,226,805,986	–	1,226,805,986
Mortgage Backed Securities	–	47,298,343	–	47,298,343
Total Assets	2,819,377,327	1,274,104,329	–	4,093,481,656

There were no transfers between level 1 and 2 during the periods ended June 30, 2018 and December 31, 2017.

Fund Unit Transactions

For the periods ended June 30

2018	Class B	Class D	Class F	Class I
Balance, beginning of the period	4,803,266	9,630,558	2,912,971	177,218,589
Redeemable units issued for cash	1,601,096	1,395,768	1,328,982	7,905,225
Reinvested units	29,574	92,358	28,838	2,616,792
Redeemable units redeemed	(732,999)	(857,843)	(578,137)	(10,061,959)
Balance, end of period	5,700,937	10,260,841	3,692,654	177,678,647

2017	Class B	Class D	Class F	Class I
Balance, beginning of the period	2,328,623	8,216,219	906,082	166,145,942
Redeemable units issued for cash	1,311,853	1,145,826	1,287,024	4,978,133
Reinvested units	17,756	75,127	15,292	2,359,565
Redeemable units redeemed	(290,853)	(593,570)	(144,981)	(5,508,939)
Balance, end of period	3,367,379	8,843,602	2,063,417	167,974,701

Beutel Goodman Canadian Equity Fund

Statement of Financial Position

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

	2018	2017
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	152,606,523	132,217,287
Financial assets at fair value through profit or loss*	6,710,009,491	6,765,053,019
Accrued interest	252,141	112,302
Dividends receivable	14,941,217	17,761,265
Subscriptions receivable	1,738,726	1,465,311
Total assets	6,879,548,098	6,916,609,184
Liabilities		
Current liabilities		
Management and administrative fees payable	591,460	589,646
Due to brokers	889,074	2,799,582
Redemptions payable	8,445,637	4,417,678
Distributions payable	—	504
Total liabilities (before net assets attributable to holders of redeemable units)	9,926,171	7,807,410
Net assets attributable to holders of redeemable units	6,869,621,927	6,908,801,774
*Investments at average cost	4,836,605,680	4,736,775,054
Net assets attributable to holders of redeemable units per class		
Class B	26,440,751	21,971,792
Class D	91,913,235	94,987,256
Class F	90,605,616	77,077,027
Class I	6,660,662,325	6,714,765,699
Net assets attributable to holders of redeemable units per unit		
Class B	16.03	15.81
Class D	39.28	38.59
Class F	39.58	38.83
Class I	42.53	41.51
Number of outstanding redeemable units (note 6)		
Class B	1,649,223	1,389,586
Class D	2,340,155	2,461,530
Class F	2,289,311	1,984,959
Class I	156,605,518	161,750,084

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

Statements of Comprehensive Income

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Income		
Net gains (losses) on investments		
Dividends	85,811,431	88,345,486
Interest for distribution purposes	2,319,878	645,462
Realized gain (loss) on sale of investments	234,450,427	113,247,545
Change in unrealized appreciation (depreciation) in the value of investments	(154,874,154)	(134,146,934)
Net gains (losses) on investments	167,707,582	68,091,559
Other income		
Realized gain (loss) on foreign currency transactions	60,361	182,852
Total income	167,767,943	68,274,411
Expenses		
Management fees	1,255,319	994,081
Administrative fees	2,262,801	2,206,032
Transaction costs (Note 9)	891,547	1,051,225
Total expenses before waiver	4,409,667	4,251,338
Expenses waived by the manager	(48,400)	—
Total expenses	4,361,267	4,251,338
Increase (decrease) in net assets attributable to holders of redeemable units	163,406,676	64,023,073
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class B	387,332	(83,513)
Class D	1,573,834	332,729
Class F	1,780,897	236,537
Class I	159,664,613	63,537,320
Increase (decrease) in net assets attributable to holders of redeemable units per unit*		
Class B	0.24	(0.08)
Class D	0.65	0.14
Class F	0.84	0.15
Class I	1.01	0.39

*Based on the weighted average number of redeemable units outstanding during the period.

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

Beutel Goodman Canadian Equity Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Net assets attributable to holders of redeemable units at beginning of period		
Class B	21,971,792	12,407,699
Class D	94,987,256	85,132,740
Class F	77,077,027	54,928,480
Class I	6,714,765,699	6,032,805,054
	6,908,801,774	6,185,273,973
Increase (decrease) in net assets attributable to holders of redeemable units		
Class B	387,332	(83,513)
Class D	1,573,834	332,729
Class F	1,780,897	236,537
Class I	159,664,613	63,537,320
	163,406,676	64,023,073
Distribution to holders of redeemable units		
From net investment income		
Class B	—	—
Class D	(22,383)	(20,629)
Class F	—	—
Class I	—	—
	(22,383)	(20,629)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class B	7,987,220	6,044,564
Class D	6,599,411	10,778,331
Class F	23,524,682	15,657,162
Class I	239,962,407	675,477,328
Reinvestments of distributions to holders of redeemable units		
Class B	—	—
Class D	18,678	20,629
Class F	—	—
Class I	—	—
Redemption of redeemable units		
Class B	(3,905,593)	(1,311,953)
Class D	(11,243,561)	(8,111,625)
Class F	(11,776,990)	(9,161,429)
Class I	(453,730,394)	(367,635,708)
	(202,564,140)	321,757,299
Net increase (decrease) in net assets attributable to holders of redeemable units		
Class B	4,468,959	4,649,098
Class D	(3,074,021)	2,999,435
Class F	13,528,589	6,732,270
Class I	(54,103,374)	371,378,940
	(39,179,847)	385,759,743
Net assets attributable to holders of redeemable units at end of period		
Class B	26,440,751	17,056,797
Class D	91,913,235	88,132,175
Class F	90,605,616	61,660,750
Class I	6,660,662,325	6,404,183,994
	6,869,621,927	6,571,033,716

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

Statements of Cash Flows

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	163,406,676	64,023,073
Adjustments for:		
Net realized (gain) loss on sale of investments	(234,450,427)	(113,247,545)
Change in unrealized (appreciation) depreciation in the value of investments	154,874,154	134,146,934
Purchases of investments	(856,171,095)	(735,936,923)
Proceeds from sale of investments	988,880,388	368,976,335
(Increase) decrease in accrued interest	(139,839)	(35,379)
(Increase) decrease in dividends receivable	2,820,048	(492,808)
Increase (decrease) in accrued liabilities	1,814	29,137
Net cash flows from (used in) operating activities	219,221,719	(282,537,176)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(4,209)	(671)
Proceeds from redeemable units issued	277,800,305	777,109,073
Redemption of redeemable units	(476,628,579)	(393,919,672)
Net cash flows from (used in) financing activities	(198,832,483)	383,188,730
Net increase (decrease) in cash and cash equivalents	20,389,236	100,651,554
Cash and cash equivalents at beginning of period	132,217,287	67,206,165
Cash and cash equivalents at end of period*	152,606,523	167,857,719
Supplementary information		
Cash flow from operating activities		
Interest received	2,180,039	610,083
Dividends received, net of withholding taxes	88,631,479	87,852,678
*Cash and cash equivalents include:		
Cash at banks	980,162	7,494
Short-term investments	151,626,361	167,850,225
Total	152,606,523	167,857,719

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

Beutel Goodman Canadian Equity Fund

Schedule of Investment Portfolio as at June 30, 2018 (unaudited)

Number of Shares / Par Value	Coupon Rate (%)	Maturity Date	Average Cost \$	Fair Value \$	% of Net Assets	Number of Shares / Par Value	Average Cost \$	Fair Value \$	% of Net Assets
Cash Equivalents (2017 - 1.91%)									
Treasury Bills									
25,950,000	Government of Canada	1.184	12-Jul-18	25,878,067	25,878,067	0.38			
48,900,000	Government of Canada	1.197	26-Jul-18	48,756,988	48,756,988	0.71			
33,425,000	Government of Canada	1.223	9-Aug-18	33,325,200	33,325,200	0.49			
8,500,000	Government of Canada	1.266	23-Aug-18	8,473,561	8,473,561	0.12			
14,775,000	Government of Canada	1.245	6-Sep-18	14,729,325	14,729,325	0.21			
20,525,000	Government of Canada	1.211	20-Sep-18	20,463,220	20,463,220	0.30			
				151,626,361	151,626,361	2.21			
Common Stocks (2017 - 97.92%)									
Energy									
2,139,800	Birchcliff Energy Ltd.			12,793,320	10,313,836	0.15			
8,121,815	Canameco Corp.			158,626,669	120,121,644	1.75			
5,901,010	Canadian Natural Resources Ltd.			192,984,190	280,002,925	4.08			
8,348,950	Cenovus Energy Inc.			206,542,682	113,963,168	1.66			
7,183,900	Denison Mines Corp.			8,691,127	4,597,696	0.07			
411,400	Enerflex Ltd.			5,286,537	5,817,196	0.08			
2,127,900	NuVista Energy Ltd.			13,686,259	19,406,448	0.28			
1,252,600	Paramount Resources Ltd., Class A			18,078,174	18,651,214	0.27			
455,900	Total Energy Services Inc.			6,785,899	5,297,558	0.08			
				623,474,857	578,171,685	8.42			
Materials									
2,848,200	Alamos Gold Inc.			23,249,217	21,333,018	0.31			
161,890	CCL Industries Inc.			2,129,559	10,433,811	0.15			
738,400	Franco-Nevada Corp.			56,391,621	70,849,480	1.03			
809,700	Intertape Polymer Group Inc.			13,789,647	14,631,279	0.21			
1,681,300	Lundin Mining Corp.			9,255,503	12,290,303	0.18			
2,072,300	Major Drilling Group International Inc.			15,370,167	14,381,762	0.21			
4,312,520	Nutrien Ltd.			281,305,627	308,431,430	4.49			
284,600	Winpak Ltd.			5,177,560	12,522,796	0.18			
				406,668,901	464,873,879	6.76			
Industrial									
Capital Goods									
155,650	AG Growth International Inc.			6,342,056	8,616,784	0.13			
667,900	Badger Daylighting Ltd.			17,251,168	21,152,393	0.31			
322,000	Cervus Equipment Corp.			4,005,948	4,585,280	0.07			
4,452,235	Finning International Inc.			103,028,520	144,475,026	2.11			
366,100	GDI Integrated Facility Services Inc.			4,689,972	6,018,684	0.09			
172,410	K-Bro Linen Inc.			6,554,766	6,460,203	0.09			
733,110	Pinnacle Renewable Holdings Inc.			8,956,979	10,534,791	0.15			
105,000	Rocky Mountain Dealerships Inc.			1,161,395	1,156,050	0.02			
2,297,975	SNC-Lavalin Group Inc.			96,510,817	133,420,429	1.94			
136,800	Toromont Industries Ltd.			2,863,190	7,778,448	0.11			
472,700	Wajax Corp.			11,473,786	11,770,230	0.17			
				262,838,597	355,968,318	5.19			
Commercial Services & Supplies									
81,520	Heroux-Devtek Inc.			1,166,380	1,236,658	0.02			
				1,166,380	1,236,658	0.02			
Transportation									
2,053,470	Canadian National Railway Co.			98,427,451	220,809,629	3.21			
544,700	Canadian Pacific Railway Ltd.			63,044,210	131,229,124	1.92			
1,252,039	WestJet Airlines Ltd.			23,465,820	22,699,467	0.33			
				184,937,481	374,738,220	5.46			
				448,942,458	731,943,196	10.67			
Consumer Discretionary									
Automobiles & Components									
453,562	Linamar Corp.			18,583,403	26,220,419	0.38			
4,262,640	Magna International Inc.			149,875,743	325,921,454	4.74			
				168,459,146	352,141,873	5.12			
Media									
5,680,250	Quebecor Inc., Class B			58,069,253	152,912,330	2.23			
1,318,245	Thomson Reuters Corp.			50,286,280	69,932,897	1.02			
				108,355,533	222,845,227	3.25			
Retailing									
1,593,420	Aritzia Inc.			22,194,853	24,857,352	0.36			
1,260,479	Canadian Tire Corp Ltd., Class A			110,739,087	216,298,196	3.15			
380,440	Leons Furniture Ltd.			5,004,435	6,870,746	0.10			
1,009,550	Uni-Select Inc.			16,032,087	21,109,691	0.31			
				153,970,462	269,135,985	3.92			
				430,785,141	844,123,085	12.29			
Consumer Staples									
Food & Staples Retailing									
839,320	Loblaws Cos Ltd.					43,894,363	56,738,032	0.83	
6,399,120	Metro Inc., Class A					237,747,690	285,976,673	4.16	
45,070	Molson Coors Canada Inc.					4,258,306	4,503,845	0.07	
2,349,910	Saputo Inc.					96,354,015	102,573,572	1.49	
						382,254,374	449,792,122	6.55	
Food Beverage & Tobacco									
421,600	Maple Leaf Foods Inc.					6,538,776	14,013,984	0.20	
1,365,146	Molson Coors Canada Inc., Class B					84,258,323	133,374,764	1.94	
						90,797,099	147,388,748	2.14	
						473,051,473	597,180,870	8.69	
Health Care									
Pharmaceuticals & Biotechnology									
1,331,500	CRH Medical Corp.					7,038,667	5,472,465	0.08	
						7,038,667	5,472,465	0.08	
Financials									
Banks									
2,092,110	Bank of Montreal					207,258,485	212,600,218	3.09	
4,162,435	Bank of Nova Scotia					238,333,089	309,851,660	4.51	
271,220	Canadian Imperial Bank of Commerce					21,334,584	31,016,719	0.45	
354,100	Canadian Western Bank					9,761,595	12,269,565	0.18	
479,046	Equitable Group Inc.					20,085,654	28,531,980	0.42	
6,212,150	Royal Bank of Canada					412,413,036	614,940,729	8.95	
8,038,580	The Toronto-Dominion Bank					328,977,778	611,655,552	8.90	
						1,238,164,221	1,820,866,423	26.50	
Diversified Financials									
571,430	IGM Financial Inc.					24,163,642	21,777,197	0.32	
772,355	Onex Corp.					58,953,451	74,524,534	1.08	
						83,117,093	96,301,731	1.40	
Insurance									
5,371,970	Great-West Lifeco Inc.					142,849,334	173,622,070	2.53	
433,606	Industrial Alliance Insurance & Financial Services Inc.					14,473,912	22,005,505	0.32	
2,716,835	Manulife Financial Corp.					49,333,554	64,171,643	0.93	
3,156,480	Sun Life Financial Inc.					154,861,856	166,756,838	2.43	
						361,518,656	426,556,056	6.21	
Real Estate									
345,656	Colliers International Group Inc.					13,820,205	34,572,513	0.50	
5,658,260	Brookfield Asset Management Inc.					211,780,894	301,755,006	4.39	
102,356	FirstService Corp.					1,533,262	10,234,576	0.15	
						227,134,361	346,562,095	5.04	
						1,909,934,331	2,690,286,305	39.15	
Information Technology									
Software & Services									
3,712,980	Open Text Corp.					84,237,017	171,799,585	2.50	
546,430	Real Matters Inc.					2,620,494	3,114,651	0.05	
						86,857,511	174,914,236	2.55	
Technology Hardware & Equipment									
189,100	Evertz Technologies Ltd.					3,135,100	3,021,818	0.04	
						3,135,100	3,021,818	0.04	
						89,992,611	177,936,054	2.59	
Telecommunication Services									
7,152,940	Rogers Communications Inc., Class B					337,763,532	446,629,574	6.50	
3,281,180	TELUS Corp.					95,243,406	153,231,106	2.23	
						433,006,938	599,860,680	8.73	
Utilities									
1,584,600	Superior Plus Corp.					17,830,795	20,161,272	0.29	
						17,830,795	20,161,272	0.29	
Total Common Stocks						4,840,726,172 6,710,009,491 97.67			
Transaction Costs						(4,120,492)			
Total Investments						4,836,605,680 6,710,009,491 97.67			
Total Investments and Cash Equivalents						4,996,473,025 6,861,635,852 99.88			
Other Assets Net of Liabilities						7,986,075 0.12			
Net Assets Attributable to Holders of Redeemable Units						6,869,621,927 100.00			

Beutel Goodman Canadian Equity Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Risk Management

The investment objective of the Beutel Goodman Canadian Equity Fund (the "Fund") is to seek long-term capital appreciation primarily through investments in common shares and other equity securities of established Canadian issuers. The Fund's advisor attempts to buy the best economic value in the market regardless of what sector the issuer operates in. Research efforts will be directed to identifying stocks that are undervalued in relation to the asset value or earnings power of the issuer. If earnings fall short of expectations, the intrinsic value of the underlying assets of the issuer will provide important downside protection. The investment portfolio of the Fund will usually display a price-to-earnings ratio and price-to-book ratio that are well below market averages. The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objective.

The Fund may invest in underlying Funds from time to time. Please refer to the Simplified Prospectus for additional information.

Credit Risk

As at June 30, 2018 and December 31, 2017, the Fund had no significant investments in debt instruments, other than short-term investments. Accordingly, the Fund is not subject to significant amounts of credit risk.

Interest Rate Risk

As at June 30, 2018 and December 31, 2017, the majority of the Fund's financial assets and liabilities are non-interest bearing. Accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

Other Price Risk

The impact on net assets of the Fund due to a 1 percent change in benchmark, using historical correlation between the Fund's return as compared to the return of the Fund's benchmark, as at June 30, 2018 and December 31, 2017, with all other variables held constant, is included in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 36 data points based on the monthly net returns of the Fund. The returns of all classes of units of the Fund are substantially similar except for the differences in expense structure.

Benchmark	Impact on net assets (\$000)	
	June 30, 2018	Dec. 31, 2017
S&P/TSX Composite Index	60,348	60,781
Total	60,348	60,781

The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets could be materially different.

Foreign Currency Risk

As at June 30, 2018 and December 31, 2017, the Fund did not have significant exposure to foreign currency risk.

Concentration Risk

The following is a summary of the Fund's concentration risk as at June 30, 2018 and December 31, 2017:

Market segment	June 30, 2018	Dec. 31, 2017
Short-Term Investments		
Treasury Bills	2.21%	1.91%
Common Stocks		
Energy	8.42%	8.78%
Materials	6.76%	6.78%
Industrial	10.67%	10.59%
Consumer Discretionary	12.29%	13.01%
Consumer Staples	8.69%	6.06%
Health Care	0.08%	0.06%
Financials	39.15%	41.84%
Information Technology	2.59%	2.58%
Telecommunication Services	8.73%	8.01%
Utilities	0.29%	0.21%
Total	99.88%	99.83%

Fair Value Hierarchy

The following tables analyze the Fund's financial instruments carried at FVTPL within the fair value hierarchy As at June 30, 2018 and December 31, 2017.

June 30, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	6,710,009,491	–	–	6,710,009,491
Total Assets	6,710,009,491	–	–	6,710,009,491

Dec. 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	6,765,053,019	–	–	6,765,053,019
Total Assets	6,765,053,019	–	–	6,765,053,019

There were no transfers between level 1 and 2 during the periods ended June 30, 2018 and December 31, 2017.

Beutel Goodman Canadian Equity Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Fund Unit Transactions

For the periods ended June 30

2018	Class B	Class F	Class I	Class I
Balance, beginning of the period	1,389,586	2,461,530	1,984,959	161,750,084
Redeemable units issued for cash	509,710	173,259	609,325	5,867,075
Reinvested units	–	491	–	–
Redeemable units redeemed	(250,073)	(295,125)	(304,973)	(11,011,641)
Balance, end of period	1,649,223	2,340,155	2,289,311	156,605,518

2017	Class B	Class F	Class I	Class I
Balance, beginning of the period	841,421	2,375,606	1,521,429	156,565,708
Redeemable units issued for cash	401,771	294,153	424,545	17,143,893
Reinvested units	–	567	–	–
Redeemable units redeemed	(87,357)	(221,980)	(247,998)	(9,326,886)
Balance, end of period	1,155,835	2,448,346	1,697,976	164,382,715

Beutel Goodman Total World Equity Fund

Statement of Financial Position

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

	2018	2017
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	213,243	193,758
Financial assets at fair value through profit or loss*	6,496,343	5,440,978
Accrued interest	191	95
Dividends receivable	14,864	9,548
Subscriptions receivable	13,827	14,000
Total assets	6,738,468	5,658,379
Liabilities		
Current liabilities		
Management and administrative fees payable	8,191	6,738
Due to brokers	–	61,050
Distributions payable	–	27,915
Total liabilities (before net assets attributable to holders of redeemable units)	8,191	95,703
Net assets attributable to holders of redeemable units	6,730,277	5,562,676
*Investments at average cost	5,978,280	4,800,032
Net assets attributable to holders of redeemable units per class		
Class B	1,846,049	1,502,239
Class D	2,210,886	1,930,657
Class F	2,374,653	1,810,141
Class I	298,689	319,639
Net assets attributable to holders of redeemable units per unit		
Class B	13.50	13.42
Class D	16.01	15.86
Class F	13.51	13.37
Class I	17.28	17.00
Number of outstanding redeemable units (note 6)		
Class B	136,758	111,907
Class D	138,123	121,703
Class F	175,710	135,421
Class I	17,289	18,807

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

Statements of Comprehensive Income

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Income		
Net gains (losses) on investments		
Dividends	100,557	52,659
Interest for distribution purposes	1,489	231
Realized gain (loss) on sale of investments	152,249	157,629
Change in unrealized appreciation (depreciation) in the value of investments	(122,883)	(36,698)
Net gains (losses) on investments	131,412	173,821
Other income		
Realized gain (loss) on foreign currency transactions	(2,665)	(2,259)
Total income	128,747	171,562
Expenses		
Management fees	41,755	22,099
Administrative fees	3,242	1,833
Transaction costs (Note 9)	3,123	1,867
Withholding taxes	8,118	3,967
Total Expenses	56,238	29,766
Increase (decrease) in net assets attributable to holders of redeemable units	72,509	141,796
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class B	17,410	11,858
Class D	23,108	75,118
Class F	28,108	45,677
Class I	3,883	9,143
Increase (decrease) in net assets attributable to holders of redeemable units per unit*		
Class B	0.14	0.30
Class D	0.18	0.69
Class F	0.17	0.56
Class I	0.21	0.69

*Based on the weighted average number of redeemable units outstanding during the period.

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

Beutel Goodman Total World Equity Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Net assets attributable to holders of redeemable units at beginning of period		
Class B	1,502,239	409,052
Class D	1,930,657	1,582,186
Class F	1,810,141	1,057,307
Class I	319,639	191,702
	5,562,676	3,240,247
Increase (decrease) in net assets attributable to holders of redeemable units		
Class B	17,410	11,858
Class D	23,108	75,118
Class F	28,108	45,677
Class I	3,883	9,143
	72,509	141,796
Distribution to holders of redeemable units		
From net investment income		
Class B	—	—
Class D	—	—
Class F	—	—
Class I	—	—
	—	—
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class B	418,793	513,163
Class D	458,772	221,726
Class F	721,393	338,213
Class I	98,233	90,000
Reinvestments of distributions to holders of redeemable units		
Class B	—	—
Class D	—	—
Class F	—	—
Class I	—	—
Redemption of redeemable units		
Class B	(92,393)	(172,731)
Class D	(201,651)	(107,155)
Class F	(184,989)	(282,640)
Class I	(123,066)	—
	1,095,092	600,576
Net increase (decrease) in net assets attributable to holders of redeemable units		
Class B	343,810	352,290
Class D	280,229	189,689
Class F	564,512	101,250
Class I	(20,950)	99,143
	1,167,601	742,372
Net assets attributable to holders of redeemable units at end of period		
Class B	1,846,049	761,342
Class D	2,210,886	1,771,875
Class F	2,374,653	1,158,557
Class I	298,689	290,845
	6,730,277	3,982,619

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

Statements of Cash Flows

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	72,509	141,796
Adjustments for:		
Net realized (gain) loss on sale of investments	(152,249)	(157,629)
Change in unrealized (appreciation) depreciation in the value of investments	122,883	36,698
Purchases of investments	(2,221,707)	(1,437,095)
Proceeds from sale of investments	1,134,658	1,062,222
(Increase) decrease in accrued interest	(96)	(5)
(Increase) decrease in dividends receivable	(5,316)	(3,692)
Increase (decrease) in accrued liabilities	1,453	802
Net cash flows from (used in) operating activities	(1,047,865)	(356,903)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(27,915)	(6,977)
Proceeds from redeemable units issued	1,697,364	1,091,603
Redemption of redeemable units	(602,099)	(707,284)
Net cash flows from (used in) financing activities	1,067,350	377,342
Net increase (decrease) in cash and cash equivalents	19,485	20,439
Cash and cash equivalents at beginning of period	193,758	104,387
Cash and cash equivalents at end of period*	213,243	124,826
Supplementary information		
Cash flow from operating activities		
Interest received	1,393	226
Dividends received, net of withholding taxes	87,123	45,000
*Cash and cash equivalents include:		
Cash at banks	13,862	24,976
Short-term investments	199,381	99,850
Total	213,243	124,826

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

Beutel Goodman Total World Equity Fund

Schedule of Investment Portfolio as at June 30, 2018 (unaudited)

Number of Shares / Par Value							Coupon Rate (%)	Maturity Date	Average Cost \$	Fair Value \$	% of Net Assets	Number of Shares / Par Value					Average Cost \$	Fair Value \$	% of Net Assets		
Cash Equivalents (2017 - 3.14%)												Germany									
Treasury Bills												790 BASF SE							92,133	99,382	1.48
75,000	Government of Canada		1.201	20-Sep-18	74,789	74,789	1.11	2,900 GEA Group AG							160,193	128,674	1.92				
125,000	Government of Canada		1.271	23-Aug-18	124,592	124,592	1.85	920 Merck KGaA							122,555	118,153	1.76				
					199,381	199,381	2.96	1,330 Software AG							73,229	81,523	1.21				
															448,110	427,732	6.37				
Common Stocks (2017 - 97.81%)												Ireland									
Australia												780 Ingersoll-Rand PLC							71,510	92,067	1.37
4,410	Caltex Australia Ltd.					135,247	139,471	2.07								71,510	92,067	1.37			
					135,247	139,471	2.07														
Canada												Italy									
1,120	Bank of Montreal					111,096	113,814	1.69	1,170 Luxottica Group SpA							84,583	99,298	1.48			
2,224	Bank of Nova Scotia					160,271	165,555	2.46								84,583	99,298	1.48			
2,985	Brookfield Asset Management Inc.					138,867	159,189	2.37	Netherlands												
4,290	Cameco Corp.					64,302	63,449	0.94	1,870 Akzo Nobel NV							64,835	69,811	1.04			
146	Canadian Imperial Bank of Commerce					15,171	16,697	0.25	28,650 Koninklijke KPN NV							121,004	102,524	1.52			
1,084	Canadian National Railway Co.					90,811	116,563	1.73	600 LyondellBasell Industries NV							72,863	86,701	1.29			
3,120	Canadian Natural Resources Ltd.					119,682	148,044	2.20								258,702	259,036	3.85			
283	Canadian Pacific Railway Ltd.					54,800	68,180	1.01	Singapore												
667	Canadian Tire Corp Ltd., Class A					90,486	114,457	1.70	1,650 DBS Group Holdings Ltd.							30,437	42,359	0.63			
4,404	Cenovus Energy Inc.					75,943	60,115	0.89								30,437	42,359	0.63			
2,351	Finning International Inc.					62,912	76,290	1.13	Switzerland												
390	Franco-Nevada Corp.					33,509	37,421	0.56	390 Roche Holding AG							121,864	113,951	1.69			
2,833	Great-West Lifeco Inc.					94,446	91,563	1.36								121,864	113,951	1.69			
302	IGM Financial Inc.					12,690	11,509	0.17	United Kingdom												
446	Loblaw Cos Ltd.					28,538	30,150	0.45	5,870 IMI PLC							114,382	115,402	1.72			
2,252	Magna International Inc.					131,470	172,188	2.56	2,890 GlaxoSmithKline PLC							67,978	76,782	1.14			
1,435	Manulife Financial Corp.					32,675	33,895	0.50	2,240 Smith & Nephew PLC							100,949	110,586	1.64			
3,380	Metro Inc., Class A					135,426	151,052	2.24	3,780 Smiths Group PLC							100,134	111,470	1.66			
20	Molson Coors Canada Inc.					1,887	1,999	0.03	2,910 Vodafone Group PLC							111,022	93,057	1.38			
693	Molson Coors Canada Inc., Class B					68,028	67,706	1.01								494,465	507,297	7.54			
2,276	Nutrien Ltd.					146,904	162,780	2.42	United States												
405	Onex Corp.					36,137	39,078	0.58	420 American Express Co.							41,868	54,144	0.80			
1,964	Open Text Corp.					69,684	90,882	1.35	920 AmerisourceBergen Corp.							94,462	103,194	1.53			
2,458	Quebecor Inc., Class B					46,613	66,169	0.98	153 AutoZone Inc.							116,580	135,033	2.01			
3,758	Rogers Communications Inc., Class B					209,435	234,649	3.49	2,050 Comcast Corp.							81,421	88,477	1.31			
3,317	Royal Bank of Canada					292,315	328,350	4.88	2,040 Campbell Soup Co.							119,418	108,789	1.62			
1,250	Saputo Inc.					51,304	54,563	0.81	1,140 Eli Lilly & Co.							113,935	127,961	1.90			
1,210	SNC-Lavalin Group Inc.					61,829	70,253	1.04	1,650 Halliburton Co.							92,299	97,802	1.45			
1,670	Sun Life Financial Inc.					82,692	88,226	1.31	2,050 Harley-Davidson Inc.							124,845	113,475	1.69			
1,727	TELUS Corp.					72,091	80,651	1.20	1,530 Kellogg Co.							135,895	140,622	2.09			
4,240	The Toronto-Dominion Bank					256,627	322,622	4.79	1,350 Omnicom Group Inc.							139,706	135,444	2.01			
696	Thomson Reuters Corp.					35,165	36,923	0.55	410 Parker-Hannifin Corp.							72,572	84,055	1.25			
					2,883,806	3,274,982	48.65	2,110 Verizon Communications Inc.							132,554	139,640	2.08				
															1,265,555	1,328,636	19.74				
Denmark												Total Common Stocks							5,984,250	6,496,343	96.53
570	Carlsberg A/S					73,183	88,310	1.31	Transaction Costs							(5,970)					
					73,183	88,310	1.31	Total Investments							5,978,280	6,496,343	96.53				
France												Total Investments and Cash Equivalents							6,177,661	6,695,724	99.49
248	Air Liquide SA					34,644	41,022	0.61	Other Assets Net of Liabilities							34,553	0.51				
2,580	Cie Générale des Établissements Michelin					82,144	82,182	1.22	Net Assets Attributable to Holders of Redeemable Units							6,730,277	100.00				
					116,788	123,204	1.83														

Beutel Goodman Total World Equity Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Risk Management

The investment objective of the Beutel Goodman Total World Equity Fund (the "Fund") is to seek long-term capital appreciation primarily through investments in common shares and other equity securities of issuers in Canada and abroad. At all times, a significant portion of the Fund's assets will be invested in common shares or other equity securities of Canadian issuers. The Fund's advisor uses a value based approach in deciding what securities to buy for the Fund and attempts to buy the best economic value in the market regardless of the size of the issuer and what sector the issuer operates in. The Fund will maintain a diversified investment portfolio in numerous issuers. Research efforts will be directed to identifying stocks that are undervalued in relation to the asset value or earnings power of the issuer. If earnings fall short of expectations, the intrinsic value of the underlying assets of the issuer will provide important downside protection. The investment portfolio of the Fund will usually display a price-to-earnings ratio and price-to-book ratio that are significantly below market averages. Investments by the Fund in non-Canadian securities will generally not exceed 49% of the Fund's assets taken at book value. The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objective.

The Fund may invest in underlying Funds from time to time. Please refer to the Simplified Prospectus for additional information.

Credit Risk

As at June 30, 2018 and December 31, 2017, the Fund had no significant investments in debt instruments, other than short-term investments. Accordingly, the Fund is not subject to significant amounts of credit risk.

Interest Rate Risk

As at June 30, 2018 and December 31, 2017, the majority of the Fund's financial assets and liabilities are non-interest bearing. Accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

Other Price Risk

The impact on net assets of the Fund due to a 1 percent change in benchmark, using historical correlation between the Fund's return as compared to the return of the Fund's benchmark, as at June 30, 2018 and December 31, 2017, with all other variables held constant, is included in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 36 data points based on the monthly net returns of the Fund. The returns of all classes of units of the Fund are substantially similar except for the differences in expense structure.

Benchmark	Impact on net assets (\$000)	
	June 30, 2018	Dec. 31, 2017
Total World Equity Benchmark*	59	49
Total	59	49

* The Beutel Goodman Total World Equity Fund Benchmark is comprised of:
 - the S&P/TSX (50%), the S&P 500Cdn. (25%) and the MSCI EAFE (25%)(effective Jan. 1, 2016)
 - the S&P/TSX (70%), the S&P 500Cdn. (15%) and the MSCI EAFE (15%)(effective since inception)

The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets could be materially different.

Foreign Currency Risk

Currencies to which the Fund had exposure as at June 30, 2018 and December 31, 2017 are as follows:

June 30, 2018

	Cash and cash equivalents	Financial assets at fair value	Other assets and liabilities	Total	Percentage of net assets
	(\$000)	(\$000)	(\$000)	(\$000)	(%)
Euro Currency	-	671	-	671	10.0
British Pound	-	304	1	305	4.5
United States Dollar	1	1,882	7	1,890	28.1
Singapore Dollar	-	42	-	42	0.6
Swiss Franc	-	114	1	115	1.7
Danish Krone	-	88	-	88	1.3
Australian Dollar	-	139	-	139	2.1
Total	1	3,240	9	3,250	48.3

Dec. 31, 2017

	Cash and cash equivalents	Financial assets at fair value	Other assets and liabilities	Total	Percentage of net assets
	(\$000)	(\$000)	(\$000)	(\$000)	(%)
Euro Currency	-	653	-	653	11.7
British Pound	-	155	-	155	2.8
Norwegian Krone	-	69	-	69	1.2
United States Dollar	1	1,632	3	1,636	29.4
Singapore Dollar	-	36	-	36	0.7
Swiss Franc	-	153	-	153	2.7
Danish Krone	-	77	-	77	1.4
Australian Dollar	-	70	-	70	1.3
Total	1	2,845	3	2,849	51.2

Beutel Goodman Total World Equity Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

The amounts in the above tables are based on the fair value of the Fund's financial instruments (including cash and cash equivalents), other financial assets (including dividend receivables, interest receivables and receivables for investments sold) and financial liabilities (including payables for investments purchased).

As at June 30, 2018 and December 31, 2017, if the Canadian dollar had strengthened or weakened by 1 percent in relation to all currencies, with all other variables held constant, net assets would have increased or decreased, respectively, by approximately \$32,500 (December 31, 2017 \$28,500).

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

Concentration Risk

The following is a summary of the Fund's concentration risk as at June 30, 2018 and December 31, 2017:

Country segment	June 30, 2018	Dec. 31, 2017
Short-Term Investments		
Treasury Bills	2.96%	3.14%
Common Stocks		
Australia	2.07%	1.27%
Canada	48.65%	47.00%
Denmark	1.31%	1.38%
France	1.83%	2.11%
Germany	6.37%	7.42%
Italy	1.48%	1.44%
Ireland	1.37%	1.43%
Japan	–	1.25%
Netherlands	3.85%	5.43%
Norway	–	1.24%
Singapore	0.63%	0.65%
Switzerland	1.69%	2.74%
United Kingdom	7.54%	5.85%
United States	19.74%	18.60%
Total	99.49%	100.95%

Fair Value Hierarchy

The following tables analyze the Fund's financial instruments carried at FVTPL within the fair value hierarchy as at June 30, 2018 and December 31, 2017.

June 30, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	6,496,343	–	–	6,496,343
Total Assets	6,496,343	–	–	6,496,343

Dec. 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	5,440,978	–	–	5,440,978
Total Assets	5,440,978	–	–	5,440,978

There were no transfers between level 1 and 2 during the periods ended June 30, 2018 and December 31, 2017.

Fund Unit Transactions

For the periods ended June 30

2018	Class B	Class D	Class F	Class I
Balance, beginning of the period	111,907	121,703	135,421	18,807
Redeemable units issued for cash	31,799	28,976	54,160	5,812
Reinvested units	–	46	–	–
Redeemable units redeemed	(6,948)	(12,602)	(13,871)	(7,330)
Balance, end of period	136,758	138,123	175,710	17,289

2017	Class B	Class D	Class F	Class I
Balance, beginning of the period	32,357	106,920	84,638	12,097
Redeemable units issued for cash	38,313	14,314	25,063	5,289
Reinvested units	–	–	–	–
Redeemable units redeemed	(13,054)	(7,028)	(21,430)	–
Balance, end of period	57,616	114,206	88,271	17,386

Beutel Goodman North American Focused Equity Fund

Statement of Financial Position

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

	2018	2017
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	2,068,664	1,911,831
Financial assets at fair value through profit or loss*	46,031,151	38,651,964
Accrued interest	2,235	1,264
Dividends receivable	34,867	30,357
Subscriptions receivable	250,133	132,492
Total assets	48,387,050	40,727,908
Liabilities		
Current liabilities		
Management and administrative fees payable	86,911	74,394
Due to brokers	388,634	22,155
Redemptions payable	34,577	59,062
Distributions payable	—	28
Total liabilities (before net assets attributable to holders of redeemable units)	510,122	155,639
Net assets attributable to holders of redeemable units	47,876,928	40,572,269
*Investments at average cost	40,362,876	33,384,812
Net assets attributable to holders of redeemable units per class		
Class B	10,748,357	9,067,622
Class D	17,070,943	15,654,196
Class F	15,047,256	11,283,693
Class I	5,010,372	4,566,758
Net assets attributable to holders of redeemable units per unit		
Class B	17.59	17.41
Class D	10.74	10.59
Class F	18.44	18.15
Class I	11.78	11.54
Number of outstanding redeemable units (note 6)		
Class B	610,974	520,810
Class D	1,590,047	1,478,410
Class F	816,143	621,676
Class I	425,261	395,715

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

Statements of Comprehensive Income

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Income		
Net gains (losses) on investments		
Dividends	503,071	321,501
Interest for distribution purposes	10,815	12,906
Realized gain (loss) on sale of investments	101,864	1,105,214
Change in unrealized appreciation (depreciation) in the value of investments	401,123	(247,197)
Net gains (losses) on investments	1,016,873	1,192,424
Other income		
Realized gain (loss) on foreign currency transactions	(1,090)	(309)
Total income	1,015,783	1,192,115
Expenses		
Management fees	264,676	152,626
Administrative fees	24,398	15,027
Transaction costs (Note 9)	10,632	7,171
Withholding taxes	33,679	17,750
Total Expenses	333,385	192,574
Increase (decrease) in net assets attributable to holders of redeemable units	682,398	999,541
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class B	99,801	129,436
Class D	255,264	523,014
Class F	225,312	142,491
Class I	102,021	204,600
Increase (decrease) in net assets attributable to holders of redeemable units per unit*		
Class B	0.17	0.41
Class D	0.16	0.42
Class F	0.32	0.46
Class I	0.25	0.57

*Based on the weighted average number of redeemable units outstanding during the period.

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

Beutel Goodman North American Focused Equity Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Net assets attributable to holders of redeemable units at beginning of period		
Class B	9,067,622	2,576,168
Class D	15,654,196	9,435,335
Class F	11,283,693	2,275,285
Class I	4,566,758	3,683,208
	40,572,269	17,969,996
Increase (decrease) in net assets attributable to holders of redeemable units		
Class B	99,801	129,436
Class D	255,264	523,014
Class F	225,312	142,491
Class I	102,021	204,600
	682,398	999,541
Distribution to holders of redeemable units		
From net investment income		
Class B	—	—
Class D	(16,374)	(13,540)
Class F	—	—
Class I	—	—
	(16,374)	(13,540)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class B	2,704,675	4,805,300
Class D	3,648,375	5,438,002
Class F	5,464,087	5,958,680
Class I	417,552	241,161
Reinvestments of distributions to holders of redeemable units		
Class B	—	—
Class D	16,184	13,540
Class F	—	—
Class I	—	—
Redemption of redeemable units		
Class B	(1,123,741)	(359,311)
Class D	(2,486,702)	(1,691,037)
Class F	(1,925,836)	(558,295)
Class I	(75,959)	—
	6,638,635	13,848,040
Net increase (decrease) in net assets attributable to holders of redeemable units		
Class B	1,680,735	4,575,425
Class D	1,416,747	4,269,979
Class F	3,763,563	5,542,876
Class I	443,614	445,761
	7,304,659	14,834,041
Net assets attributable to holders of redeemable units at end of period		
Class B	10,748,357	7,151,593
Class D	17,070,943	13,705,314
Class F	15,047,256	7,818,161
Class I	5,010,372	4,128,969
	47,876,928	32,804,037

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

Statements of Cash Flows

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	682,398	999,541
Adjustments for:		
Net realized (gain) loss on sale of investments	(101,864)	(1,105,214)
Change in unrealized (appreciation) depreciation in the value of investments	(401,123)	247,197
Purchases of investments	(11,330,988)	(16,669,156)
Proceeds from sale of investments	4,821,267	2,958,448
(Increase) decrease in accrued interest	(971)	(507)
(Increase) decrease in dividends receivable	(4,510)	(16,134)
Increase (decrease) in accrued liabilities	12,517	32,227
Net cash flows from (used in) operating activities	(6,323,274)	(13,553,598)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(218)	—
Proceeds from redeemable units issued	12,117,048	16,646,718
Redemption of redeemable units	(5,636,723)	(2,610,596)
Net cash flows from (used in) financing activities	6,480,107	14,036,122
Net increase (decrease) in cash and cash equivalents	156,833	482,524
Cash and cash equivalents at beginning of period	1,911,831	1,189,249
Cash and cash equivalents at end of period*	2,068,664	1,671,773
Supplementary information		
Cash flow from operating activities		
Interest received	9,844	12,399
Dividends received, net of withholding taxes	464,882	287,617
*Cash and cash equivalents include:		
Cash at bank/(overdraft)	(24,856)	48,953
Short-term investments	2,093,520	1,622,820
Total	2,068,664	1,671,773

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

Beutel Goodman North American Focused Equity Fund

Schedule of Investment Portfolio as at June 30, 2018 (unaudited)

Number of Shares / Par Value	Coupon Rate (%)	Maturity Date	Average Cost \$	Fair Value \$	% of Net Assets	Number of Shares / Par Value	Average Cost \$	Fair Value \$	% of Net Assets
Cash Equivalents (2017 - 4.62%)									
Treasury Bills									
400,000	Government of Canada	1.197	26-Jul-18	398,792	398,792	0.83			
125,000	Government of Canada	1.223	9-Aug-18	124,630	124,630	0.26			
350,000	Government of Canada	1.277	23-Aug-18	348,882	348,882	0.73			
650,000	Government of Canada	1.240	6-Sep-18	647,990	647,990	1.35			
425,000	Government of Canada	1.201	20-Sep-18	423,724	423,724	0.89			
150,000	Government of Canada	1.253	4-Oct-18	149,502	149,502	0.31			
				<u>2,093,520</u>	<u>2,093,520</u>	<u>4.37</u>			
Common Stocks (2017 - 95.26%)									
Energy									
22,465	Halliburton Co.			1,314,655	1,331,588	2.78			
				<u>1,314,655</u>	<u>1,331,588</u>	<u>2.78</u>			
Industrial									
7,430	Canadian Pacific Railway Ltd.			1,473,493	1,790,036	3.74			
69,025	Finning International Inc.			1,784,357	2,239,861	4.68			
7,790	Parker-Hannifin Corp.			1,405,319	1,597,042	3.34			
41,345	SNC-Lavalin Group Inc.			2,098,422	2,400,491	5.01			
				<u>6,761,591</u>	<u>8,027,430</u>	<u>16.77</u>			
Consumer Discretionary									
Automobiles & Components									
2,050	AutoZone Inc.			1,651,460	1,809,269	3.78			
31,365	Magna International Inc.			1,544,061	2,398,168	5.01			
				<u>3,195,521</u>	<u>4,207,437</u>	<u>8.79</u>			
Media									
21,200	Omnicom Group Inc.			2,185,977	2,126,972	4.44			
				<u>2,185,977</u>	<u>2,126,972</u>	<u>4.44</u>			
				5,381,498	6,334,409	13.23			
Consumer Staples									
Household & Personal Products									
24,350	Kellogg Co.			1,938,559	2,238,009	4.67			
51,300	Metro Inc., Class A			2,120,872	2,292,597	4.79			
21,275	Molson Coors Canada Inc., Class B			2,203,421	1,904,171	3.98			
				<u>6,262,852</u>	<u>6,434,777</u>	<u>13.44</u>			
Retailing									
8,775	Canadian Tire Corp Ltd., Class A			1,004,759	1,505,790	3.15			
				<u>1,004,759</u>	<u>1,505,790</u>	<u>3.15</u>			
				7,267,611	7,940,567	16.59			
						Health Care			
						Pharmaceuticals & Biotechnology			
17,820	AmerisourceBergen Corp.			1,923,699	1,998,831	4.17			
19,060	Eli Lilly & Co.			1,862,523	2,139,424	4.47			
				<u>3,786,222</u>	<u>4,138,255</u>	<u>8.64</u>			
						Financials			
						Banks			
27,590	Royal Bank of Canada			2,334,046	2,731,134	5.70			
36,085	The Toronto-Dominion Bank			2,035,777	2,745,708	5.73			
				<u>4,369,823</u>	<u>5,476,842</u>	<u>11.43</u>			
						Diversified Financials			
12,625	American Express Co.			1,213,614	1,627,532	3.40			
41,025	Brookfield Asset Management Inc.			2,029,481	2,187,863	4.57			
				<u>3,243,095</u>	<u>3,815,395</u>	<u>7.97</u>			
						Insurance			
44,100	Sun Life Financial Inc.			2,352,783	2,329,803	4.87			
				<u>2,352,783</u>	<u>2,329,803</u>	<u>4.87</u>			
				9,965,701	11,622,040	24.27			
						Information Technology			
35,485	Oracle Corp.			1,810,908	2,056,655	4.30			
				<u>1,810,908</u>	<u>2,056,655</u>	<u>4.30</u>			
						Telecommunication Services			
33,650	Rogers Communications Inc., Class B			1,802,974	2,101,106	4.39			
37,460	Verizon Communications Inc.			2,290,171	2,479,101	5.18			
				<u>4,093,145</u>	<u>4,580,207</u>	<u>9.57</u>			
						Total Common Stocks			
						<u>40,381,331</u>			
						<u>46,031,151</u>			
						<u>96.15</u>			
						Transaction Costs			
						<u>(18,455)</u>			
						Total Investments			
						<u>40,362,876</u>			
						<u>46,031,151</u>			
						<u>96.15</u>			
						Total Investments and Cash Equivalents			
						<u>42,456,396</u>			
						<u>48,124,671</u>			
						<u>100.52</u>			
						Other Assets Net of Liabilities			
						<u>(247,743)</u>			
						<u>(0.52)</u>			
						Net Assets Attributable to Holders of Redeemable Units			
						<u>47,876,928</u>			
						<u>100.00</u>			

Beutel Goodman North American Focused Equity Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Risk Management

The investment objective of the Beutel Goodman North American Focused Equity Fund (the "Fund") is to seek long-term capital growth through investments in common shares and other equity securities of issuers in Canada and the United States. The strategy of this Fund is to hold a concentrated portfolio of quality companies for the long term. Thus, the investment portfolio of the Fund will consist of a small number of large positions with very low turnover. It is not expected that the Fund will invest in more than 20 issuers at one time. Companies are purchased that can grow their intrinsic value at above normal rates over a long period of time. Companies generating substantial free cash flow are favoured. Securities of these companies are purchased when they are trading at a substantial discount to their business value. The downside risk of buying such securities is perceived to be small and the risk/reward ratio is highly favourable. The Fund may hold significant cash balances from time to time. Investments by the Fund in non-Canadian securities will generally not exceed 49% of the Fund's assets taken at book value. The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objective.

The Fund may invest in underlying Funds from time to time. Please refer to the Simplified Prospectus for additional information.

Credit Risk

As at June 30, 2018 and December 31, 2017, the Fund had no significant investments in debt instruments, other than short-term investments. Accordingly, the Fund is not subject to significant amounts of credit risk.

Interest Rate Risk

As at June 30, 2018 and December 31, 2017, the majority of the Fund's financial assets and liabilities are non-interest bearing. Accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

Other Price Risk

The impact on net assets of the Fund due to a 1 percent change in benchmark, using historical correlation between the Fund's return as compared to the return of the Fund's benchmark, as at June 30, 2018 and December 31, 2017, with all other variables held constant, is included in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 36 data points based on the monthly net returns of the Fund. The returns of all classes of units of the Fund are substantially similar except for the differences in expense structure.

Benchmark	Impact on net assets (\$000)	
	June 30, 2018	Dec. 31, 2017
North American Focused Equity Benchmark*	363	351
Total	363	351

* The North American Focused Equity Fund Benchmark is comprised of the S&P/TSX (60%) and the S&P 500Cdn. (40%)

The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets could be materially different.

Foreign Currency Risk

Currencies to which the Fund had exposure as at June 30, 2018 and December 31, 2017 are as follows:

June 30, 2018

	Cash and cash equivalents	Financial assets at fair value	Other assets and liabilities	Total	Percentage of net assets
	(\$000)	(\$000)	(\$000)	(\$000)	(%)
United States Dollar	8	21,309	14	21,331	44.6
Total	8	21,309	14	21,331	44.6

Dec. 31, 2017

	Cash and cash equivalents	Financial assets at fair value	Other assets and liabilities	Total	Percentage of net assets
	(\$000)	(\$000)	(\$000)	(\$000)	(%)
United States Dollar	–	18,071	13	18,084	44.6
Total	–	18,071	13	18,084	44.6

The amounts in the above tables are based on the fair value of the Fund's financial instruments (including cash and cash equivalents), other financial assets (including dividend receivables, interest receivables and receivables for investments sold) and financial liabilities (including payables for investments purchased).

As at June 30, 2018 and December 31, 2017, if the Canadian dollar had strengthened or weakened by 1 percent in relation to all currencies, with all other variables held constant, net assets would have increased or decreased, respectively, by approximately \$213,000 (December 31, 2017 \$180,000).

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

Beutel Goodman North American Equity Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Concentration Risk

The following is a summary of the Fund's concentration risk as at June 30, 2018 and December 31, 2017:

Market segment	June 30, 2018	Dec. 31, 2017
Short-Term Investments		
Treasury Bills	4.37%	4.62%
Common Stocks		
Energy	2.78%	4.29%
Industrial	16.77%	19.80%
Consumer Discretionary	13.23%	13.24%
Consumer Staples	16.59%	14.69%
Health Care	8.64%	9.50%
Financials	24.27%	20.77%
Information Technology	4.30%	4.64%
Telecommunication Services	9.57%	8.33%
Total	100.52%	99.88%

Fair Value Hierarchy

The following tables analyze the Fund's financial instruments carried at FVTPL within the fair value hierarchy as at June 30, 2018 and December 31, 2017.

June 30, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	46,031,151	–	–	46,031,151
Total Assets	46,031,151	–	–	46,031,151

Dec. 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	38,651,964	–	–	38,651,964
Total Assets	38,651,964	–	–	38,651,964

There were no transfers between level 1 and 2 during the periods ended June 30, 2018 and December 31, 2017.

Fund Unit Transactions

For the periods ended June 30

2018	Class B	Class D	Class F	Class I
Balance, beginning of the period	520,810	1,478,410	621,676	395,715
Redeemable units issued for cash	154,996	346,109	301,538	36,141
Reinvested units	–	1,536	–	–
Redeemable units redeemed	(64,832)	(236,008)	(107,071)	(6,595)
Balance, end of period	610,974	1,590,047	816,143	425,261

2017	Class B	Class D	Class F	Class I
Balance, beginning of the period	161,483	975,841	137,098	350,608
Redeemable units issued for cash	289,526	542,136	343,936	21,940
Reinvested units	–	1,334	–	–
Redeemable units redeemed	(21,684)	(166,570)	(32,242)	–
Balance, end of period	429,325	1,352,741	448,792	372,548

Beutel Goodman Fundamental Canadian Equity Fund

Statement of Financial Position

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

	2018	2017
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	27,352,820	5,582,924
Financial assets at fair value through profit or loss*	740,375,868	643,547,161
Accrued interest	13,497	886
Dividends receivable	1,634,333	1,701,338
Subscriptions receivable	1,777,292	1,198,415
Total assets	771,153,810	652,030,724
Liabilities		
Current liabilities		
Management and administrative fees payable	41,685	37,609
Due to brokers	6,622,083	278,750
Redemptions payable	986,423	9,357
Distributions payable	1,256	3,296
Total liabilities (before net assets attributable to holders of redeemable units)	7,651,447	329,012
Net assets attributable to holders of redeemable units	763,502,363	651,701,712
*Investments at average cost	654,794,125	561,746,735
Net assets attributable to holders of redeemable units per class		
Class B	420,143	259,619
Class F	967,884	357,653
Class I	762,114,336	651,084,440
Net assets attributable to holders of redeemable units per unit		
Class B	11.89	11.65
Class F	12.14	11.83
Class I	12.32	11.94
Number of outstanding redeemable units (note 6)		
Class B	35,325	22,285
Class F	79,756	30,239
Class I	61,884,281	54,511,688

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

Statements of Comprehensive Income

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Income		
Net gains (losses) on investments		
Dividends	9,172,541	7,276,998
Interest for distribution purposes	238,146	24,269
Realized gain (loss) on sale of investments	9,633,222	6,314,239
Change in unrealized appreciation (depreciation) in the value of investments	3,781,317	(12,466,532)
Net gains (losses) on investments	22,825,226	1,148,974
Other income		
Realized gain (loss) on foreign currency transactions	6,627	(15)
Total income	22,831,853	1,148,959
Expenses		
Management fees	5,639	3,341
Administrative fees	234,869	176,873
Transaction costs (Note 9)	126,937	117,332
Total Expenses	367,445	297,546
Increase (decrease) in net assets attributable to holders of redeemable units	22,464,408	851,413
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class B	10,438	(3,366)
Class F	19,349	(10,548)
Class I	22,434,621	865,327
Increase (decrease) in net assets attributable to holders of redeemable units per unit*		
Class B	0.35	(0.27)
Class F	0.47	(0.31)
Class I	0.38	0.02

*Based on the weighted average number of redeemable units outstanding during the period.

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

Beutel Goodman Fundamental Canadian Equity Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Net assets attributable to holders of redeemable units at beginning of period		
Class B	259,619	79,614
Class F	357,653	169,841
Class I	651,084,440	488,250,214
	651,701,712	488,499,669
Increase (decrease) in net assets attributable to holders of redeemable units		
Class B	10,438	(3,366)
Class F	19,349	(10,548)
Class I	22,434,621	865,327
	22,464,408	851,413
Distribution to holders of redeemable units		
From net investment income		
Class B	–	–
Class F	–	–
Class I	–	–
	–	–
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class B	159,086	187,735
Class F	594,309	690,546
Class I	117,054,236	107,685,238
Reinvestments of distributions to holders of redeemable units		
Class B	–	–
Class F	–	–
Class I	–	–
Redemption of redeemable units		
Class B	(9,000)	(31,645)
Class F	(3,427)	(411,628)
Class I	(28,458,961)	(37,251,503)
	89,336,243	70,868,743
Net increase (decrease) in net assets attributable to holders of redeemable units		
Class B	160,524	152,724
Class F	610,231	268,370
Class I	111,029,896	71,299,062
	111,800,651	71,720,156
Net assets attributable to holders of redeemable units at end of period		
Class B	420,143	232,338
Class F	967,884	438,211
Class I	762,114,336	559,549,276
	763,502,363	560,219,825

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

Statements of Cash Flows

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	420,143	232,338
Adjustments for:		
Net realized (gain) loss on sale of investments	(9,633,222)	(6,314,239)
Change in unrealized (appreciation) depreciation in the value of investments	(3,781,317)	12,466,532
Purchases of investments	(163,573,214)	(97,032,598)
Proceeds from sale of investments	86,502,379	46,763,932
(Increase) decrease in accrued interest	(12,611)	(3,487)
(Increase) decrease in dividends receivable	67,005	(121,295)
Increase (decrease) in accrued liabilities	4,076	3,550
Net cash flows from (used in) operating activities	(67,962,496)	(43,386,192)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(2,040)	(1,998)
Proceeds from redeemable units issued	117,228,754	98,777,498
Redemption of redeemable units	(27,494,322)	(40,837,981)
Net cash flows from (used in) financing activities	89,732,392	57,937,519
Net increase (decrease) in cash and cash equivalents	21,769,896	14,551,327
Cash and cash equivalents at beginning of period	5,582,924	4,412,436
Cash and cash equivalents at end of period*	27,352,820	18,963,763
Supplementary information		
Cash flow from operating activities		
Interest received	225,535	20,782
Dividends received, net of withholding taxes	9,239,546	7,155,703
*Cash and cash equivalents include:		
Cash at bank/(overdraft)	(231,848)	18,133
Short-term investments	27,584,668	18,945,630
Total	27,352,820	18,963,763

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

Beutel Goodman Fundamental Canadian Equity Fund

Schedule of Investment Portfolio as at June 30, 2018 (unaudited)

Number of Shares / Par Value	Coupon Rate (%)	Maturity Date	Average Cost \$	Fair Value \$	% of Net Assets	Number of Shares / Par Value	Average Cost \$	Fair Value \$	% of Net Assets		
Cash Equivalents (2017 - 0.85%)						Food Beverage & Tobacco					
Treasury Bills						4,950	Molson Coors Canada Inc.	467,682	494,654	0.06	
900,000	Government of Canada	1.277	23-Aug-18	897,130	897,130	0.12	157,680	Molson Coors Canada Inc., Class B	18,202,443	15,405,336	2.02
7,875,000	Government of Canada	1.246	6-Sep-18	7,850,575	7,850,575	1.03	281,840	Saputo Inc.	11,581,441	12,302,316	1.61
8,800,000	Government of Canada	1.201	20-Sep-18	8,770,859	8,770,859	1.15			30,251,566	28,202,306	3.69
10,100,000	Government of Canada	1.253	4-Oct-18	10,066,104	10,066,104	1.32			70,021,039	70,913,588	9.29
				27,584,668	27,584,668	3.62					
Common Stocks (2017 - 98.75%)						Financials					
Energy						Banks					
991,150	Cameco Corp.			14,497,550	14,659,109	1.92	249,990	Bank of Montreal	24,792,348	25,403,984	3.33
706,390	Canadian Natural Resources Ltd.			27,484,603	33,518,206	4.40	460,190	Bank of Nova Scotia	32,348,278	34,256,544	4.49
1,085,230	Enovus Energy Inc.			19,307,013	14,813,390	1.94	19,570	Canadian Imperial Bank of Commerce	2,044,980	2,238,025	0.29
				61,289,166	62,990,705	8.26	719,580	Royal Bank of Canada	61,842,929	71,231,224	9.33
							912,260	The Toronto-Dominion Bank	55,108,485	69,413,863	9.09
									176,137,020	202,543,640	26.53
Materials						Diversified Financials					
79,530	Franco-Nevada Corp.			6,407,089	7,630,904	1.00	657,560	Brookfield Asset Management Inc.	29,841,870	35,067,674	4.59
531,915	Nutrien Ltd.			34,726,788	38,042,561	4.98	61,010	IGM Financial Inc.	2,410,850	2,325,091	0.30
				41,133,877	45,673,465	5.98	91,350	Onex Corp.	8,290,403	8,814,362	1.15
							145,820	Thomson Reuters Corp.	7,676,651	7,735,751	1.01
Industrial						Insurance					
Capital Goods						612,890	Great-West Lifeco Inc.	21,020,188	19,808,605	2.59	
557,020	Finning International Inc.			13,881,481	18,075,299	2.37	323,620	Manulife Financial Corp.	6,885,766	7,643,904	1.00
283,490	SNC-Lavalin Group Inc.			14,918,064	16,459,429	2.16	375,590	Sun Life Financial Inc.	18,606,931	19,842,420	2.60
				28,799,545	34,534,728	4.53			46,512,885	47,294,929	6.19
Transportation									270,869,679	303,781,447	39.77
250,680	Canadian National Railway Co.			21,413,353	26,955,620	3.53					
65,970	Canadian Pacific Railway Ltd.			13,045,693	15,893,492	2.08					
				34,459,046	42,849,112	5.61					
				63,258,591	77,383,840	10.14					
Consumer Discretionary						Information Technology					
Automobiles & Components						Software & Services					
160,392	Canadian Tire Corp Ltd., Class A			22,427,548	27,523,267	3.60	454,978	Open Text Corp.	17,868,734	21,051,832	2.76
				22,427,548	27,523,267	3.60			17,868,734	21,051,832	2.76
Media						Telecommunication Services					
622,330	Quebecor Inc., Class B			12,068,996	16,753,124	2.19	880,050	Rogers Communications Inc., Class B	48,705,805	54,950,321	7.20
				12,068,996	16,753,124	2.19	402,420	TELUS Corp.	17,182,507	18,793,014	2.46
									65,888,312	73,743,335	9.66
Retailing						Total Common Stocks					
530,490	Magna International Inc.			30,311,783	40,561,265	5.31	655,137,725				
				30,311,783	40,561,265	5.31					
				64,808,327	84,837,656	11.10					
Consumer Staples						Transaction Costs					
Food & Staples Retailing						Total Investments					
105,870	Loblaw Cos Ltd.			7,119,702	7,156,812	0.94	654,794,125				
795,580	Metro Inc., Class A			32,649,771	35,554,470	4.66	740,375,868				
				39,769,473	42,711,282	5.60	682,378,793				
							Other Assets Net of Liabilities				
							(4,458,173)				
							Net Assets Attributable to Holders of Redeemable Units				
							763,502,363				
							100.00				

Beutel Goodman Fundamental Canadian Equity Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Risk Management

The investment objective of the Beutel Goodman Fundamental Canadian Equity Fund (the "Fund") is to seek long-term capital appreciation primarily through investments in common shares and other equity securities of Canadian issuers with medium to large capitalization. The Fund's advisor attempts to buy the best economic value in the market regardless of what sector the issuer operates in. Research efforts will be directed to identifying stocks that are undervalued in relation to the asset value or earnings power of the issuer. If earnings fall short of expectations, the intrinsic value of the underlying assets of the issuer will provide important downside protection. The investment portfolio of the Fund will usually display a price-to-earnings ratio and price-to-book ratio that are well below market averages. The Fund may hold significant cash balances from time to time. Investments by the Fund in non-Canadian securities will generally not exceed 49% of the Fund's assets taken at book value. The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objective.

The Fund may invest in underlying Funds from time to time. Please refer to the Simplified Prospectus for additional information.

Credit Risk

As at June 30, 2018 and December 31, 2017, the Fund had no significant investments in debt instruments, other than short-term investments. Accordingly, the Fund is not subject to significant amounts of credit risk.

Interest Rate Risk

As at June 30, 2018 and December 31, 2017, the majority of the Fund's financial assets and liabilities are non-interest bearing. Accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

Other Price Risk

The impact on net assets of the Fund due to a 1 percent change in benchmark, using historical correlation between the Fund's return as compared to the return of the Fund's benchmark, as at June 30, 2018 and December 31, 2017 with all other variables held constant, is included in the table below. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 36 data points based on the monthly net returns of the Fund. The returns of all classes of units of the Fund are substantially similar except for the differences in expense structure.

Benchmark	Impact on net assets (\$000)	
	June 30, 2018	Dec. 31, 2017
S&P/TSX Composite Index	6,619	5,649
Total	6,619	5,649

The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets could be materially different.

Foreign Currency Risk

As at June 30, 2018 and December 31, 2017, the Fund did not have significant exposure to foreign currency risk.

Concentration Risk

The following is a summary of the Fund's concentration risk as at June 30, 2018 and December 31, 2017:

Market segment	June 30, 2018	Dec. 31, 2017
Short-Term Investments		
Treasury Bills	3.62%	0.85%
Common Stocks		
Energy	8.26%	8.73%
Materials	5.98%	5.93%
Industrial	10.14%	10.42%
Consumer Discretionary	11.10%	11.97%
Consumer Staples	9.29%	6.54%
Financials	39.77%	43.32%
Information Technology	2.76%	2.81%
Telecommunication Services	9.66%	9.03%
Total	100.58%	99.60%

Fair Value Hierarchy

The following tables analyze the Fund's financial instruments carried at FVTPL within the fair value hierarchy as at June 30, 2018 and December 31, 2017.

June 30, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	740,375,868	–	–	740,375,868
Total Assets	740,375,868	–	–	740,375,868
Dec. 31, 2017				
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	643,547,161	–	–	643,547,161
Total Assets	643,547,161	–	–	643,547,161

There were no transfers between level 1 and 2 during the periods ended June 30, 2018 and December 31, 2017.

Beutel Goodman Fundamental Canadian Equity Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Fund Unit Transactions

For the periods ended June 30

2018	Class B	Class F	Class I
Balance, beginning of the period	22,285	30,239	54,511,688
Redeemable units issued for cash	13,818	49,840	9,749,372
Reinvested units	–	–	228
Redeemable units redeemed	(778)	(323)	(2,377,007)
Balance, end of period	35,325	79,756	61,884,281

2017	Class B	Class F	Class I
Balance, beginning of the period	7,253	15,338	43,644,638
Redeemable units issued for cash	16,866	60,966	9,384,727
Reinvested units	–	–	179
Redeemable units redeemed	(2,846)	(36,729)	(3,271,559)
Balance, end of period	21,273	39,575	49,757,985

Beutel Goodman Small Cap Fund

Statement of Financial Position

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

	2018	2017
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	10,936,895	9,287,710
Financial assets at fair value through profit or loss*	621,231,863	678,350,447
Accrued interest	4,743	3,880
Dividends receivable	986,717	1,055,540
Due from brokers	45,884	—
Subscriptions receivable	412,167	207,087
Total assets	633,618,269	688,904,664
Liabilities		
Current liabilities		
Management and administrative fees payable	140,354	156,873
Due to brokers	1,052,521	—
Redemptions payable	265,985	328,888
Total liabilities (before net assets attributable to holders of redeemable units)	1,458,860	485,761
Net assets attributable to holders of redeemable units	632,159,409	688,418,903
*Investments at average cost	450,019,385	444,874,582
Net assets attributable to holders of redeemable units per class		
Class B	6,530,877	6,716,625
Class D	66,996,854	76,395,409
Class F	18,540,372	21,091,893
Class I	540,091,306	584,214,976
Net assets attributable to holders of redeemable units per unit		
Class B	14.03	14.57
Class D	29.17	30.19
Class F	29.76	30.75
Class I	31.56	32.43
Number of outstanding redeemable units (note 6)		
Class B	465,626	460,971
Class D	2,296,540	2,530,861
Class F	623,023	685,981
Class I	17,112,245	18,017,351

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

Statements of Comprehensive Income

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Income		
Net gains (losses) on investments		
Dividends	4,273,541	4,539,101
Interest for distribution purposes	417,540	507,956
Realized gain (loss) on sale of investments	39,323,626	15,204,429
Change in unrealized appreciation (depreciation) in the value of investments	(62,263,387)	26,774,754
Net gains (losses) on investments	(18,248,680)	47,026,240
Other income		
Realized gain (loss) on foreign currency transactions	30	172,993
Total income	(18,248,650)	47,199,233
Expenses		
Management fees	640,512	659,818
Administrative fees	229,109	372,791
Transaction costs (Note 9)	206,264	284,988
Total Expenses	1,075,885	1,317,597
Increase (decrease) in net assets attributable to holders of redeemable units	(19,324,535)	45,881,636
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class B	(244,933)	321,019
Class D	(2,599,260)	4,670,084
Class F	(648,749)	956,713
Class I	(15,831,593)	39,933,820
Increase (decrease) in net assets attributable to holders of redeemable units per unit*		
Class B	(0.52)	0.81
Class D	(1.09)	1.79
Class F	(1.00)	1.78
Class I	(0.91)	2.15

*Based on the weighted average number of redeemable units outstanding during the period.

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

Beutel Goodman Small Cap Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Net assets attributable to holders of redeemable units at beginning of period		
Class B	6,716,625	5,353,909
Class D	76,395,409	72,046,181
Class F	21,091,893	12,594,880
Class I	584,214,976	558,265,007
	688,418,903	648,259,977
Increase (decrease) in net assets attributable to holders of redeemable units		
Class B	(244,933)	321,019
Class D	(2,599,260)	4,670,084
Class F	(648,749)	956,713
Class I	(15,831,593)	39,933,820
	(19,324,535)	45,881,636
Distribution to holders of redeemable units		
From net investment income		
Class B	—	—
Class D	(10,537)	(12,234)
Class F	—	—
Class I	—	—
	(10,537)	(12,234)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class B	795,856	1,274,292
Class D	1,893,939	7,297,399
Class F	3,465,389	6,811,593
Class I	10,462,712	27,857,072
Reinvestments of distributions to holders of redeemable units		
Class B	—	—
Class D	9,188	12,234
Class F	—	—
Class I	—	—
Redemption of redeemable units		
Class B	(736,671)	(1,109,295)
Class D	(8,691,885)	(6,793,854)
Class F	(5,368,161)	(1,513,358)
Class I	(38,754,789)	(37,588,487)
	(36,924,422)	(3,752,404)
Net increase (decrease) in net assets attributable to holders of redeemable units		
Class B	(185,748)	486,016
Class D	(9,398,555)	5,173,629
Class F	(2,551,521)	6,254,948
Class I	(44,123,670)	30,202,405
	(56,259,494)	42,116,998
Net assets attributable to holders of redeemable units at end of period		
Class B	6,530,877	5,839,925
Class D	66,996,854	77,219,810
Class F	18,540,372	18,849,828
Class I	540,091,306	588,467,412
	632,159,409	690,376,975

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

Statements of Cash Flows

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	(19,324,535)	45,881,636
Adjustments for:		
Net realized (gain) loss on sale of investments	(39,323,626)	(15,204,429)
Change in unrealized (appreciation) depreciation in the value of investments	62,263,387	(26,774,754)
Purchases of investments	(45,200,678)	(56,900,250)
Proceeds from sale of investments	80,386,138	52,372,773
(Increase) decrease in accrued interest	(863)	1,837
(Increase) decrease in dividends receivable	68,823	71,471
Increase (decrease) in accrued liabilities	(16,519)	9,939
Net cash flows from (used in) operating activities	38,852,127	(541,777)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(1,349)	—
Proceeds from redeemable units issued	16,412,816	42,848,289
Redemption of redeemable units	(53,614,409)	(46,812,480)
Net cash flows from (used in) financing activities	(37,202,942)	(3,964,191)
Net increase (decrease) in cash and cash equivalents	1,649,185	(4,505,968)
Cash and cash equivalents at beginning of period	9,287,710	25,715,513
Cash and cash equivalents at end of period*	10,936,895	21,209,545
Supplementary information		
Cash flow from operating activities		
Interest received	416,677	509,793
Dividends received, net of withholding taxes	4,342,364	4,610,572
*Cash and cash equivalents include:		
Cash at banks	96,702	12,236
Short-term investments	10,840,193	21,197,309
Total	10,936,895	21,209,545

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

Beutel Goodman Small Cap Fund

Schedule of Investment Portfolio as at June 30, 2018 (unaudited)

Number of Shares / Par Value	Coupon Rate (%)	Maturity Date	Average Cost \$	Fair Value \$	% of Net Assets	Number of Shares / Par Value	Average Cost \$	Fair Value \$	% of Net Assets
Cash Equivalents (2017 - 1.35%)									
Treasury Bills									
8,625,000	Government of Canada	1.211	20-Sep-18	8,597,510	8,597,510	1.36			
475,000	Government of Canada	1.240	6-Sep-18	473,576	473,576	0.07			
1,775,000	Government of Canada	1.253	4-Oct-18	1,769,107	1,769,107	0.28			
				<u>10,840,193</u>	<u>10,840,193</u>	<u>1.71</u>			
Common Stocks (2017 - 98.53%)									
Energy									
2,605,200	Birchcliff Energy Ltd.			15,563,822	12,557,064	1.99			
8,747,200	Denison Mines Corp.			10,629,663	5,598,208	0.89			
500,900	Enerflex Ltd.			5,405,108	7,082,726	1.12			
2,575,500	NuVista Energy Ltd.			16,187,499	23,488,560	3.72			
1,498,800	Paramount Resources Ltd., Class A			19,871,704	22,317,132	3.53			
555,000	Total Energy Services Inc.			8,340,982	6,449,100	1.02			
				<u>75,998,778</u>	<u>77,492,790</u>	<u>12.27</u>			
Materials									
3,468,000	Alamos Gold Inc.			28,347,221	25,975,320	4.11			
198,985	CCL Industries Inc.			1,502,481	12,824,583	2.03			
984,000	Intertape Polymer Group Inc.			16,308,915	17,780,880	2.81			
2,047,200	Lundin Mining Corp.			11,102,298	14,965,032	2.37			
2,523,000	Major Drilling Group International Inc.			18,483,320	17,509,620	2.77			
346,571	Winpak Ltd.			4,793,658	15,249,124	2.41			
				<u>80,537,893</u>	<u>104,304,559</u>	<u>16.50</u>			
Industrial									
Capital Goods									
189,720	AG Growth International Inc.			7,629,625	10,502,899	1.66			
813,370	Badger Daylighting Ltd.			20,984,197	25,759,428	4.07			
389,400	Cervus Equipment Corp.			4,802,319	5,545,056	0.88			
900,917	Pinnacle Renewable Holdings Inc.			10,999,258	12,946,177	2.05			
445,900	GDI Integrated Facility Services Inc.			5,656,300	7,330,596	1.16			
211,180	K-Bro Linen Inc.			8,030,553	7,912,915	1.25			
126,800	Rocky Mountain Dealerships Inc.			1,396,183	1,396,068	0.22			
166,500	Toromont Industries Ltd.			3,364,482	9,467,190	1.50			
575,400	Wajax Corp.			14,140,568	14,327,460	2.27			
				<u>77,003,485</u>	<u>95,187,789</u>	<u>15.06</u>			
Commercial Services & Supplies									
98,900	Heroux-Devtek Inc.			1,414,538	1,500,313	0.24			
				<u>1,414,538</u>	<u>1,500,313</u>	<u>0.24</u>			
Transportation									
1,503,840	WestJet Airlines Ltd.			26,208,059	27,264,619	4.31			
				<u>26,208,059</u>	<u>27,264,619</u>	<u>4.31</u>			
Consumer Discretionary									
Automobiles & Components									
552,097	Linamar Corp.			19,187,555	31,916,728	5.05			
				<u>19,187,555</u>	<u>31,916,728</u>	<u>5.05</u>			
Media									
1,218,500	Quebecor Inc., Class B			8,352,672	32,802,020	5.19			
				<u>8,352,672</u>	<u>32,802,020</u>	<u>5.19</u>			
Retailing									
1,940,020	Aritzia Inc.			27,223,822	30,264,312	4.79			
458,348	Leons Furniture Ltd.			5,521,511	8,277,765	1.31			
1,229,950	Uni-Select Inc.			18,400,087	25,718,255	4.07			
				<u>51,145,420</u>	<u>64,260,332</u>	<u>10.17</u>			
				<u>78,685,647</u>	<u>128,979,080</u>	<u>20.41</u>			
Consumer Staples									
Food Beverage & Tobacco									
513,500	Maple Leaf Foods Inc.			6,969,397	17,068,740	2.70			
				<u>6,969,397</u>	<u>17,068,740</u>	<u>2.70</u>			
Health Care									
Pharmaceuticals & Biotechnology									
1,657,300	CRH Medical Corp.			8,744,450	6,811,503	1.08			
				<u>8,744,450</u>	<u>6,811,503</u>	<u>1.08</u>			
Financials									
Banks									
431,100	Canadian Western Bank			11,745,180	14,937,615	2.36			
583,200	Equitable Group Inc.			22,625,320	34,735,392	5.48			
				<u>34,370,500</u>	<u>49,673,007</u>	<u>7.84</u>			
Insurance									
528,004	Industrial Alliance Insurance & Financial Services Inc.			15,940,446	26,796,203	4.24			
				<u>15,940,446</u>	<u>26,796,203</u>	<u>4.24</u>			
Real Estate									
418,090	Colliers International Group Inc.			15,459,679	41,817,362	6.62			
124,590	FirstService Corp.			1,466,514	12,457,754	1.97			
				<u>16,926,193</u>	<u>54,275,116</u>	<u>8.59</u>			
				<u>67,237,139</u>	<u>130,744,326</u>	<u>20.67</u>			
Information Technology									
Technology Hardware & Equipment									
230,200	Evertz Technologies Ltd.			3,800,154	3,678,596	0.58			
				<u>3,800,154</u>	<u>3,678,596</u>	<u>0.58</u>			
Software & Services									
657,830	Real Matters Inc.			3,154,670	3,749,631	0.59			
				<u>3,154,670</u>	<u>3,749,631</u>	<u>0.59</u>			
				<u>6,954,824</u>	<u>7,428,227</u>	<u>1.17</u>			
Utilities									
3,424,900	Superior Plus Corp.			21,385,027	24,449,917	3.87			
				<u>21,385,027</u>	<u>24,449,917</u>	<u>3.87</u>			
Total Common Stocks									
Transaction Costs									
						<u>(1,119,852)</u>			
Total Investments						450,019,385			
Total Investments and Cash Equivalents						621,231,863			
Other Assets Net of Liabilities						97.11			
Net Assets Attributable to Holders of Redeemable Units						460,859,578			
						632,072,056			
						99.99			
						87,353			
						0.01			
						632,159,409			
						100.00			

Beutel Goodman Small Cap Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Risk Management

The investment objective for the Beutel Goodman Small Cap Fund (the "Fund") is to seek long-term capital appreciation primarily through investments in common shares and other equity securities of Canadian issuers. Currently, an issuer qualifies as a smaller capitalization Canadian issuer if its market float is in the bottom 15% of the S&P/TSX Composite Index. The Fund's advisor uses a value based approach to seek superior long-term capital appreciation at reasonable risk. The advisor believes that the value of a business is defined by its future potential to generate free cash flow for the shareholder. The advisor buys companies at a discount to that business value. Investments by the Fund in non-Canadian securities will generally not exceed 49% of the Fund's assets taken at book value. The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objective.

The Fund may invest in underlying Funds from time to time. Please refer to the Simplified Prospectus for additional information.

Credit Risk

As at June 30, 2018 and December 31, 2017, the Fund had no significant investments in debt instruments, other than short-term investments. Accordingly, the Fund is not subject to significant amounts of credit risk.

Interest Rate Risk

As at June 30, 2018 and December 31, 2017, the majority of the Fund's financial assets and liabilities are non-interest bearing. Accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

Other Price Risk

The impact on net assets of the Fund due to a 1 percent change in benchmark, using historical correlation between the Fund's return as compared to the return of the Fund's benchmark, as at June 30, 2018 and December 31, 2017, with all other variables held constant, is included in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 36 data points based on the monthly net returns of the Fund. The returns of all classes of units of the Fund are substantially similar except for the differences in expense structure.

Benchmark	Impact on net assets (\$000)	
	June 30, 2018	Dec. 31, 2017
BMO Small Cap Index	4,952	5,319
Total	4,952	5,319

The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets could be materially different.

Foreign Currency Risk

As at June 30, 2018 and December 31, 2017, the Fund did not have significant exposure to foreign currency risk.

Concentration Risk

The following is a summary of the Fund's concentration risk as at June 30, 2018 and December 31, 2017:

Market segment	June 30, 2018	Dec. 31, 2017
Short-Term Investments		
Treasury Bills	1.71%	1.35%
Common Stocks		
Energy	12.27%	13.08%
Materials	16.50%	17.71%
Industrial	19.61%	16.51%
Consumer Discretionary	20.41%	21.07%
Consumer Staples	2.70%	2.87%
Health Care	1.08%	0.86%
Financials	20.67%	22.99%
Information Technology	1.17%	0.65%
Utilities	3.87%	2.79%
Total	99.99%	99.88%

Fair Value Hierarchy

The following tables analyze the Fund's financial instruments carried at FVTPL within the fair value hierarchy as at June 30, 2018 and December 31, 2017.

June 30, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	621,231,863	–	–	621,231,863
Total Assets	621,231,863	–	–	621,231,863
Dec. 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	678,350,447	–	–	678,350,447
Total Assets	678,350,447	–	–	678,350,447

There were no transfers between level 1 and 2 during the periods ended June 30, 2018 and December 31, 2017.

Beutel Goodman Small Cap Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Fund Unit Transactions

For the periods ended June 30

2018	Class B	Class D	Class F	Class I
Balance, beginning of the period	460,971	2,530,861	685,981	18,017,351
Redeemable units issued for cash	57,321	65,075	117,861	337,826
Reinvested units	–	321	–	–
Redeemable units redeemed	(52,666)	(299,717)	(180,819)	(1,242,932)
Balance, end of period	465,626	2,296,540	623,023	17,112,245

2017	Class B	Class D	Class F	Class I
Balance, beginning of the period	392,972	2,570,186	440,223	18,535,735
Redeemable units issued for cash	89,298	248,993	228,542	884,942
Reinvested units	–	410	–	–
Redeemable units redeemed	(77,993)	(231,735)	(50,765)	(1,191,938)
Balance, end of period	404,277	2,587,854	618,000	18,228,739

Beutel Goodman Canadian Dividend Fund

Statement of Financial Position

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

	2018	2017
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	3,872,016	2,258,286
Financial assets at fair value through profit or loss*	520,574,139	468,333,259
Unrealized gain on forward agreement	256,499	1,214,656
Accrued interest	2,151	753
Dividends receivable	1,526,928	1,362,503
Subscriptions receivable	1,521,391	1,066,853
Total assets	527,753,124	474,236,310
Liabilities		
Current liabilities		
Management and administrative fees payable	396,385	308,751
Unrealized loss on forward agreement	922,441	–
Due to brokers	970,563	648,833
Redemptions payable	852,839	397,368
Distributions payable	280,980	136
Total liabilities (before net assets attributable to holders of redeemable units)	3,423,208	1,355,088
Net assets attributable to holders of redeemable units	524,329,916	472,881,222
*Investments at average cost	479,847,502	426,759,667
Net assets attributable to holders of redeemable units per class		
Class B	89,603,234	66,168,985
Class D	115,630,571	112,735,482
Class F	102,697,218	75,601,629
Class I	216,398,893	218,375,126
Net assets attributable to holders of redeemable units per unit		
Class B	15.94	15.93
Class D	10.41	10.38
Class F	16.32	16.30
Class I	11.15	11.13
Number of outstanding redeemable units (note 6)		
Class B	5,620,344	4,154,619
Class D	11,111,749	10,859,510
Class F	6,291,594	4,638,807
Class I	19,403,453	19,622,793

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

Statements of Comprehensive Income

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Income		
Net gains (losses) on investments		
Dividends	8,816,007	5,469,082
Interest for distribution purposes	18,492	11,968
Realized gain (loss) on sale of investments	6,487,984	10,033,521
Realized gain (loss) on forwards	(1,806,053)	–
Change in unrealized appreciation (depreciation) in the value of investments	(846,955)	(18,978,113)
Change in unrealized appreciation (depreciation) in the value of derivatives	(1,880,598)	2,368,284
Net gains (losses) on investments	10,788,877	(1,095,258)
Other income		
Realized gain (loss) on foreign currency transactions	4,742	(17,552)
Realized gain (loss) on derivatives	–	1,210,136
Total income	10,793,619	97,326
Expenses		
Management fees	1,898,318	1,220,327
Administrative fees	220,928	151,840
Transaction costs (Note 9)	134,322	216,560
Withholding taxes	650,236	289,298
Total Expenses	2,903,804	1,878,025
Increase (decrease) in net assets attributable to holders of redeemable units	7,889,815	(1,780,699)
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class B	911,200	(396,117)
Class D	1,381,271	225,034
Class F	1,613,440	(70,325)
Class I	3,983,904	(1,539,291)
Increase (decrease) in net assets attributable to holders of redeemable units per unit*		
Class B	0.19	(0.16)
Class D	0.13	0.02
Class F	0.30	(0.02)
Class I	0.20	(0.12)

*Based on the weighted average number of redeemable units outstanding during the period.

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

Beutel Goodman Canadian Dividend Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Net assets attributable to holders of redeemable units at beginning of period		
Class B	66,168,985	26,944,005
Class D	112,735,482	84,397,818
Class F	75,601,629	31,219,003
Class I	218,375,126	81,344,926
	472,881,222	223,905,752
Increase (decrease) in net assets attributable to holders of redeemable units		
Class B	911,200	(396,117)
Class D	1,381,271	225,034
Class F	1,613,440	(70,325)
Class I	3,983,904	(1,539,291)
	7,889,815	(1,780,699)
Distribution to holders of redeemable units		
From net investment income		
Class B	(585,602)	(175,284)
Class D	(1,075,001)	(569,454)
Class F	(1,089,188)	(410,846)
Class I	(3,457,201)	(2,188,710)
	(6,206,992)	(3,344,294)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class B	30,396,594	24,642,915
Class D	14,851,688	25,872,907
Class F	35,856,198	27,765,666
Class I	6,514,966	102,482,666
Reinvestments of distributions to holders of redeemable units		
Class B	520,786	155,075
Class D	955,360	529,055
Class F	741,454	266,655
Class I	3,457,201	2,188,710
Redemption of redeemable units		
Class B	(7,808,729)	(4,654,739)
Class D	(13,218,229)	(10,194,282)
Class F	(10,026,315)	(3,599,514)
Class I	(12,475,103)	(2,568,726)
	49,765,871	162,886,388
Net increase (decrease) in net assets attributable to holders of redeemable units		
Class B	23,434,249	19,571,850
Class D	2,895,089	15,863,260
Class F	27,095,589	23,951,636
Class I	(1,976,233)	98,374,649
	51,448,694	157,761,395
Net assets attributable to holders of redeemable units at end of period		
Class B	89,603,234	46,515,855
Class D	115,630,571	100,261,078
Class F	102,697,218	55,170,639
Class I	216,398,893	179,719,575
	524,329,916	381,667,147

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

Statements of Cash Flows

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	7,889,815	(1,780,699)
Adjustments for:		
Net realized (gain) loss on sale of investments	(6,487,984)	(10,033,521)
Change in unrealized (appreciation) depreciation in the value of investments	846,955	18,978,113
Change in unrealized (appreciation) depreciation in the value of derivatives	1,880,598	(2,368,284)
Purchases of investments	(112,806,989)	(223,235,889)
Proceeds from sale of investments	66,528,868	61,805,941
(Increase) decrease in accrued interest	(1,398)	(889)
(Increase) decrease in dividends receivable	(164,425)	(588,180)
Increase (decrease) in accrued liabilities	87,634	102,095
Net cash flows from (used in) operating activities	(42,226,926)	(157,121,313)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(251,347)	(79,660)
Proceeds from redeemable units issued	87,164,908	180,829,577
Redemption of redeemable units	(43,072,905)	(20,678,614)
Net cash flows from (used in) financing activities	43,840,656	160,071,303
Net increase (decrease) in cash and cash equivalents	1,613,730	2,949,990
Cash and cash equivalents at beginning of period	2,258,286	2,377,633
Cash and cash equivalents at end of period*	3,872,016	5,327,623
Supplementary information		
Cash flow from operating activities		
Interest received	17,094	11,079
Dividends received, net of withholding taxes	8,001,346	4,591,604
*Cash and cash equivalents include:		
Cash at banks	108,495	84,509
Short-term investments	3,763,521	5,243,114
Total	3,872,016	5,327,623

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

Beutel Goodman Canadian Dividend Fund

Schedule of Investment Portfolio as at June 30, 2018 (unaudited)

Number of Shares/ Par Value	Coupon Rate (%)	Maturity Date	Average Cost \$	Fair Value \$	% of Net Assets	Number of Shares/ Par Value	Average Cost \$	Fair Value \$	% of Net Assets					
Cash Equivalents (2017 - 0.46%)						Financials								
Treasury Bills						Banks								
2,025,000	Government of Canada	1.240	6-Sep-18	2,018,750	2,018,750	0.39	165,760	Bank of Montreal	16,344,871	16,844,531	3.21			
1,750,000	Government of Canada	1.201	20-Sep-18	1,744,771	1,744,771	0.33	450,106	Bank of Nova Scotia	32,458,118	33,505,891	6.39			
				3,763,521	3,763,521	0.72	129,070	Brookfield Asset Management Inc.	5,972,775	6,883,303	1.31			
Common Stocks (2017 - 99.03%)														
Energy						Insurance								
512,820	Canadian Natural Resources Ltd.			20,101,424	24,333,309	4.64	733,260	Power Financial Corp.	25,286,471	22,547,745	4.30			
705,910	Cenovus Energy Inc.			12,679,879	9,635,672	1.84	490,000	Sun Life Financial Inc.	24,186,609	25,886,700	4.94			
				32,781,303	33,968,981	6.48			49,473,080	48,434,445	9.24			
Materials														
139,290	Air Liquide SA			19,202,697	23,039,936	4.39			190,135,029	207,396,958	39.57			
364,258	Nutrien Ltd.			23,722,226	26,051,732	4.97								
				42,924,923	49,091,668	9.36	Telecommunication Services							
Industrial														
42,560	Parker-Hannifin Corp.			8,011,914	8,725,304	1.66	418,830	Rogers Communications Inc., Class B	22,557,340	26,151,745	4.99			
				8,011,914	8,725,304	1.66	369,040	Verizon Communications Inc.	23,188,705	24,423,050	4.66			
Consumer Discretionary														
Automobiles & Components														
287,160	Magna International Inc.			16,311,341	21,956,254	4.19			45,746,045	50,574,795	9.65			
				16,311,341	21,956,254	4.19	Utilities							
Media														
186,270	Omnicom Group Inc.			20,071,708	18,688,257	3.56	789,000	Superior Plus Corp.	10,138,043	10,028,190	1.91			
				20,071,708	18,688,257	3.56			10,138,043	10,028,190	1.91			
Retailing														
64,520	Canadian Tire Corp Ltd., Class A			8,900,725	11,071,632	2.11			480,250,498	520,574,139	99.28			
				8,900,725	11,071,632	2.11	Total Common Stocks							
				45,283,774	51,716,143	9.86			(402,996)					
Consumer Staples														
Food Beverage & Tobacco														
216,910	Kellogg Co.			19,387,427	19,936,203	3.80	Transaction Costs							
504,170	Metro Inc., Class A			20,941,438	22,531,357	4.30	Foreign Currency Forward Contracts (Schedule A)							
65,600	Molson Coors Brewing Co.			5,177,904	5,871,381	1.12	Total Investments							
78,250	Molson Coors Canada Inc., Class B			8,364,415	7,645,025	1.46	Total Investments and Cash Equivalents							
141,000	Unilever NV			8,959,798	10,347,998	1.97	Other Assets Net of Liabilities							
				62,830,982	66,331,964	12.65	Net Assets Attributable to Holders of Redeemable Units							
Health Care														
Pharmaceuticals & Biotechnology														
88,900	Eli Lilly & Co.			8,849,177	9,978,738	1.90	Schedule A							
328,380	GlaxoSmithKline PLC			7,394,196	8,724,483	1.66	Foreign Currency Forward Contract (-0.13%)							
63,400	Merck KGaA			8,865,165	8,142,262	1.55	Contracts	Counterparts	Credit Rating of the Counterparty	Settlement Date	Contract Rate (\$)	Pay	Receive	Unrealized Gain (Loss) (\$)
54,400	Roche Holding AG			17,289,947	15,894,653	3.03	1	Canadian Imperial Bank of Commerce	A-1	July 31, 2018	1.28	(6,000,000) (US \$)	7,708,800 (CAD \$)	(179,873)
				42,398,485	42,740,136	8.14	1	Toronto-Dominion Bank	A-1+	July 31, 2018	1.28	(15,055,000) (US \$)	19,329,867 (CAD \$)	(464,110)
							1	Toronto-Dominion Bank	A-1+	August 31, 2018	1.30	(15,110,000) (US \$)	19,578,027 (CAD \$)	(278,458)
							1	Toronto-Dominion Bank	A-1+	September 28, 2018	1.33	(19,160,000) (US \$)	25,425,320 (CAD \$)	256,499
							Total Foreign Currency Forward Contract Value						(665,942)	

Beutel Goodman Canadian Dividend Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Risk Management

The investment objective of the Beutel Goodman Canadian Dividend Fund (the "Fund") is to achieve a balance between high dividend income and capital growth by investing mainly in a diversified portfolio of blue-chip Canadian common stocks and, to a lesser extent, in high-yield preferred stocks and interest-bearing securities. The Fund's advisor chooses primarily blue-chip common stocks. The Fund may also invest in preferred stocks, bonds, warrants, rights, royalty trusts, income trusts, and foreign securities up to the foreign property limit. The selection gives preference to capital growth, while providing a high and regular level of income. The portfolio advisor chooses the investments by seeking out reputable stocks that are undervalued on the market compared to their true worth, focusing on small, mid and large-capitalization Canadian corporations in a variety of industries, while favouring equity securities, including preferred stocks, that provide a stable income. Investments by the Fund in non-Canadian securities will generally not exceed 49% of the Fund's assets taken at book value. The Fund may use derivatives from time to time. The Fund currently is using derivatives principally to hedge against changes in the exchange rate between the Canadian dollar and foreign currencies in which investments held by the Fund are denominated. The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objective.

The Fund may invest in derivatives and/or underlying Funds from time to time. Please refer to the Simplified Prospectus for additional information.

Credit Risk

As at June 30, 2018 and December 31, 2017, the Fund had no significant investments in debt instruments, other than short-term investments. Accordingly, the Fund is not subject to significant amounts of credit risk.

Interest Rate Risk

As at June 30, 2018 and December 31, 2017, the majority of the Fund's financial assets and liabilities are non-interest bearing. Accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

Other Price Risk

The impact on net assets of the Fund due to a 1 percent change in benchmark, using historical correlation between the Fund's return as compared to the return of the Fund's benchmark, as at June 30, 2018 and December 31, 2017, with all other variables held constant, is included in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 36 data points based on the monthly net returns of the Fund. The returns of all classes of units of the Fund are substantially similar except for the differences in expense structure.

Benchmark	Impact on net assets (\$000)	
	June 30, 2018	Dec. 31, 2017
S&P/TSX Composite Index	4,367	3,964
Total	4,367	3,964

The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets could be materially different.

Foreign Currency Risk

Currencies to which the Fund had exposure as at June 30, 2018 and December 31, 2017 are as follows:

June 30, 2018

	Cash and cash equivalents	Financial assets at fair value	Derivatives	Other assets and liabilities	Total	Percentage of net assets
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(%)
Euro Currency	–	41,530	–	–	41,530	7.9
British Pound	–	8,724	–	109	8,833	1.7
United States Dollar	25	87,623	(72,777)	319	15,190	2.9
Swiss Franc	–	15,895	–	–	15,895	3.0
Total	25	153,772	(72,777)	428	81,448	15.5

Dec. 31, 2017

	Cash and cash equivalents	Financial assets at fair value	Derivatives	Other assets and liabilities	Total	Percentage of net assets
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(%)
Euro Currency	–	39,159	–	–	39,159	8.3
United States Dollar	20	79,861	(72,132)	256	8,005	1.7
Swiss Franc	–	16,059	–	–	16,059	3.4
Total	20	135,079	(72,132)	256	63,223	13.4

The amounts in the above tables are based on the fair value of the Fund's financial instruments (including cash and cash equivalents), other financial assets (including dividend receivables, interest receivables and receivables for investments sold) and financial liabilities (including payables for investments purchased).

As at June 30, 2018 and December 31, 2017, if the Canadian dollar had strengthened or weakened by 1 percent in relation to all currencies, with all other variables held constant, net assets would have increased or decreased, respectively, by approximately \$814,500 (December 31, 2017 \$632,000).

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

Beutel Goodman Canadian Dividend Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Concentration Risk

The following is a summary of the Fund's concentration risk as at June 30, 2018 and December 31, 2017:

Market segment	June 30, 2018	Dec. 31, 2017
Short-Term Investments		
Treasury Bills	0.72%	0.46%
Common Stocks		
Energy	6.48%	5.92%
Materials	9.36%	8.96%
Industrial	1.66%	5.21%
Consumer Discretionary	9.86%	10.24%
Consumer Staples	12.65%	9.58%
Health Care	8.14%	6.93%
Financials	39.57%	40.06%
Telecommunication Services	9.65%	10.35%
Utilities	1.91%	1.78%
Total	100.00%	99.49%

Fair Value Hierarchy

The following tables analyze the Fund's financial instruments carried at FVTPL within the fair value hierarchy as at June 30, 2018 and December 31, 2017.

June 30, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	520,574,139	–	–	520,574,139
Foreign Currency Forward Contracts	–	(665,942)	–	(665,942)
Total Assets	520,574,139	(665,942)	–	519,908,197

Dec. 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	468,333,259	–	–	468,333,259
Foreign Currency Forward Contracts	–	1,214,656	–	1,214,656
Total Assets	468,333,259	1,214,656	–	469,547,915

There were no transfers between level 1 and 2 during the periods ended June 30, 2018 and December 31, 2017.

Offsetting of Financial Instruments

The following table analyzes the Fund's financial instruments that are offset, or subject to netting agreements or other similar agreements, as at June 30, 2018 (there are no such financial instruments as at December 31, 2017).

	Gross Assets/ (Liabilities)	Financial Instruments Eligible for Offset	Net Exposure
Derivative assets - Foreign currency forward contracts	256,499	(256,499)	–
Derivative liabilities - Foreign currency forward contracts	(922,441)	256,499	(665,942)

Fund Unit Transactions

For the periods ended June 30

2018	Class B	Class D	Class F	Class I
Balance, beginning of the period	4,154,619	10,859,510	4,638,807	19,622,793
Redeemable units issued for cash	1,931,311	1,449,918	2,229,326	597,522
Reinvested units	33,251	93,768	46,232	316,181
Redeemable units redeemed	(498,837)	(1,291,447)	(622,771)	(1,133,043)
Balance, end of period	5,620,344	11,111,749	6,291,594	19,403,453

2017	Class B	Class D	Class F	Class I
Balance, beginning of the period	1,781,341	8,594,196	2,020,504	7,719,645
Redeemable units issued for cash	1,591,028	2,573,016	1,762,954	9,363,281
Reinvested units	10,232	53,444	17,110	205,253
Redeemable units redeemed	(302,438)	(1,014,379)	(228,452)	(238,250)
Balance, end of period	3,080,163	10,206,277	3,572,116	17,049,929

Beutel Goodman Global Dividend Fund

Statement of Financial Position

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

	2018	2017
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	323,237	562,681
Financial assets at fair value through profit or loss*	26,624,157	23,389,196
Accrued interest	128	270
Dividends receivable	100,919	27,300
Subscriptions receivable	25,983	10,000
Total assets	27,074,424	23,989,447
Liabilities		
Current liabilities		
Management and administrative fees payable	26,475	20,238
Redemptions payable	68,680	—
Total liabilities (before net assets attributable to holders of redeemable units)	95,155	20,238
Net assets attributable to holders of redeemable units	26,979,269	23,969,209
*Investments at average cost	25,833,504	20,893,486
Net assets attributable to holders of redeemable units per class		
Class B	14,107,294	10,754,886
Class F	8,161,005	7,299,855
Class I	4,710,970	5,914,468
Net assets attributable to holders of redeemable units per unit		
Class B	13.05	13.40
Class F	13.37	13.75
Class I	14.00	14.39
Number of outstanding redeemable units (note 6)		
Class B	1,080,730	802,378
Class F	610,338	531,014
Class I	336,432	410,964

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

Statements of Comprehensive Income

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Income		
Net gains (losses) on investments		
Dividends	669,410	459,396
Interest for distribution purposes	4,166	1,235
Realized gain (loss) on sale of investments	1,565,786	725,166
Change in unrealized appreciation (depreciation) in the value of investments	(1,705,057)	731,501
Net gains (losses) on investments	534,305	1,917,298
Other income		
Realized gain (loss) on foreign currency transactions	(21,930)	(111,466)
Total income	512,375	1,805,832
Expenses		
Management fees	150,788	70,738
Administrative fees	20,248	12,106
Transaction costs (Note 9)	26,341	13,089
Withholding taxes	76,950	39,632
Total Expenses	274,327	135,565
Increase (decrease) in net assets attributable to holders of redeemable units	238,048	1,670,267
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class B	84,836	487,220
Class F	79,452	603,957
Class I	73,760	579,090
Increase (decrease) in net assets attributable to holders of redeemable units per unit*		
Class B	0.09	1.24
Class F	0.14	1.34
Class I	0.19	1.51

*Based on the weighted average number of redeemable units outstanding during the period.

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

Beutel Goodman Global Dividend Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Net assets attributable to holders of redeemable units at beginning of period		
Class B	10,754,886	5,348,230
Class F	7,299,855	4,237,169
Class I	5,914,468	4,973,741
	23,969,209	14,559,140
Increase (decrease) in net assets attributable to holders of redeemable units		
Class B	84,836	487,220
Class F	79,452	603,957
Class I	73,760	579,090
	238,048	1,670,267
Distribution to holders of redeemable units		
From net investment income		
Class B	(144,628)	(96,361)
Class F	(117,651)	(112,176)
Class I	(103,179)	(110,850)
From net realized gains on investments		
Class B	(285,344)	—
Class F	(176,897)	—
Class I	(127,409)	—
	(955,108)	(319,387)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class B	5,096,925	1,171,947
Class F	1,680,873	1,987,233
Class I	86,959	208,477
Reinvestments of distributions to holders of redeemable units		
Class B	421,533	92,498
Class F	279,269	110,371
Class I	230,588	110,850
Redemption of redeemable units		
Class B	(1,820,914)	(1,225,309)
Class F	(883,896)	(137,466)
Class I	(1,364,217)	(151,174)
	3,727,120	2,167,427
Net increase (decrease) in net assets attributable to holders of redeemable units		
Class B	3,352,408	429,995
Class F	861,150	2,451,919
Class I	(1,203,498)	636,393
	3,010,060	3,518,307
Net assets attributable to holders of redeemable units at end of period		
Class B	14,107,294	5,778,225
Class F	8,161,005	6,689,088
Class I	4,710,970	5,610,134
	26,979,269	18,077,447

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

Statements of Cash Flows

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	238,048	1,670,267
Adjustments for:		
Net realized (gain) loss on sale of investments	(1,565,786)	(725,166)
Change in unrealized (appreciation) depreciation in the value of investments	1,705,057	(731,501)
Purchases of investments	(9,794,129)	(6,769,863)
Proceeds from sale of investments	6,419,897	5,062,991
(Increase) decrease in accrued interest	142	(32)
(Increase) decrease in dividends receivable	(73,619)	(23,810)
Increase (decrease) in accrued liabilities	6,237	8,661
Net cash flows from (used in) operating activities	(3,064,153)	(1,508,453)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(23,718)	(5,668)
Proceeds from redeemable units issued	6,848,774	3,213,431
Redemption of redeemable units	(4,000,347)	(1,502,893)
Net cash flows from (used in) financing activities	2,824,709	1,704,870
Net increase (decrease) in cash and cash equivalents	(239,444)	196,417
Cash and cash equivalents at beginning of period	562,681	407,916
Cash and cash equivalents at end of period*	323,237	604,333
Supplementary information		
Cash flow from operating activities		
Interest received	4,308	1,203
Dividends received, net of withholding taxes	518,841	395,954
*Cash and cash equivalents include:		
Cash at banks (overdraft)	74,038	(94,750)
Short-term investments	249,199	699,083
Total	323,237	604,333

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

Beutel Goodman Global Dividend Fund

Schedule of Investment Portfolio as at June 30, 2018 (unaudited)

Number of Shares / Par Value	Coupon Rate (%)	Maturity Date	Average Cost \$	Fair Value \$	% of Net Assets	Number of Shares / Par Value	Average Cost \$	Fair Value \$	% of Net Assets
Cash Equivalents (2017 - 2.08%)									
Treasury Bills									
250,000	Government of Canada	1.209	20-Sep-28	249,199	249,199	0.92			
				249,199	249,199	0.92			
Common Stocks (2017 - 97.58%)									
Australia									
41,780	Caltex Australia Ltd.			1,333,366	1,321,335	4.90			
				1,333,366	1,321,335	4.90			
Denmark									
5,300	Carlsberg A/S			696,070	821,130	3.04			
				696,070	821,130	3.04			
Finland									
21,625	Konecranes OYJ			1,025,567	1,173,729	4.35			
				1,025,567	1,173,729	4.35			
France									
3,280	Cie Générale des Établissements Michelin			431,671	525,417	1.95			
				431,671	525,417	1.95			
Germany									
6,300	BASF SE			679,740	792,544	2.94			
14,940	GEA Group AG			785,970	662,894	2.46			
133,070	Telefonica Deutschland Holding AG			819,683	689,967	2.56			
				2,285,393	2,145,405	7.96			
Japan									
35,180	NTT DOCOMO Inc.			1,101,115	1,179,232	4.37			
				1,101,115	1,179,232	4.37			
Jersey									
58,850	WPP PLC			1,281,831	1,219,313	4.52			
				1,281,831	1,219,313	4.52			
Netherlands									
10,127	Akzo Nobel NV			1,106,572	1,140,377	4.23			
276,610	Koninklijke KPN NV			1,129,727	989,850	3.67			
7,550	LyondellBasell Industries NV			873,100	1,090,986	4.04			
				3,109,399	3,221,213	11.94			
						Norway			
40,640	Atea ASA						518,779	770,044	2.85
33,090	Gjensidige Forsikring ASA						698,739	713,505	2.64
							1,217,518	1,483,549	5.49
						Switzerland			
4,250	Roche Holding AG						1,316,843	1,241,770	4.60
							1,316,843	1,241,770	4.60
						United Kingdom			
52,090	IMI PLC						975,677	1,024,068	3.80
24,550	GlaxoSmithKline PLC						628,266	652,251	2.42
33,690	Smiths Group PLC						872,414	993,498	3.68
296,720	Vodafone Group PLC						1,111,806	947,257	3.51
							3,588,163	3,617,074	13.41
						United States			
3,440	Amgen Inc.						793,320	835,293	3.10
18,870	Campbell Soup Co.						1,118,419	1,006,301	3.73
25,880	Comcast Corp.						1,041,861	1,116,973	4.14
8,440	Eli Lilly & Co.						815,346	947,363	3.51
24,950	Harley-Davidson Inc.						1,542,664	1,381,079	5.12
14,080	Kellogg Co.						1,194,461	1,294,092	4.80
10,270	Omnicom Group Inc.						1,030,647	1,030,377	3.82
16,070	Verizon Communications Inc.						961,715	1,063,512	3.94
							8,498,433	8,674,990	32.16
						Total Common Stocks			
						25,885,369			
						26,624,157			
						98.69			
						Transaction Costs			
						(51,865)			
						Total Investments			
						25,833,504			
						26,624,157			
						98.69			
						Total Investments and Cash Equivalents			
						26,082,703			
						26,873,356			
						99.61			
						Other Assets Net of Liabilities			
						105,913			
						0.39			
						Net Assets Attributable to Holders of Redeemable Units			
						26,979,269			
						100.00			

Beutel Goodman Global Dividend Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Risk Management

The investment objective of the Beutel Goodman Global Dividend Fund (the "Fund") is to seek maximum portfolio returns by investing in equities offering a high, sustainable yield or high dividend growth rate as well as offering the potential for capital appreciation. The Beutel Goodman Global Dividend Fund may invest in stocks, bonds, warrants, rights and short term investments having a term to maturity not exceeding 1 year and other equivalent securities of both Canadian and non-Canadian issuers. There will be a minimum of 20 and a maximum of 50 equity issues held in the portfolio. The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objective.

The Fund may invest in underlying Funds from time to time. Please refer to the Simplified Prospectus for additional information.

Credit Risk

As at June 30, 2018 and December 31, 2017, the Fund had no significant investments in debt instruments, other than short-term investments. Accordingly, the Fund is not subject to significant amounts of credit risk.

Interest Rate Risk

As at June 30, 2018 and December 31, 2017, the majority of the Fund's financial assets and liabilities are non-interest bearing. Accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

Other Price Risk

The impact on net assets of the Fund due to a 1 percent change in benchmark, using historical correlation between the Fund's return as compared to the return of the Fund's benchmark, as at June 30, 2018 and December 31, 2017, with all other variables held constant, is included in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 36 data points based on the monthly net returns of the Fund. The returns of all classes of units of the Fund are substantially similar except for the differences in expense structure.

Benchmark	Impact on net assets (\$000)	
	June 30, 2018	Dec. 31, 2017
MSCI World (C\$) Index	235	215
Total	235	215

The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets could be materially different.

Foreign Currency Risk

Currencies to which the Fund had exposure as at June 30, 2018 and December 31, 2017 are as follows:

June 30, 2018

	Cash and cash equivalents	Financial assets at fair value	Other assets and liabilities	Total	Percentage of net assets
	(\$000)	(\$000)	(\$000)	(\$000)	(%)
Euro Currency	–	5,975	48	6,023	22.3
British Pound	–	4,836	46	4,882	18.1
Japanese Yen	–	1,179	–	1,179	4.4
Norwegian Krone	–	1,484	–	1,484	5.5
United States Dollar	–	9,766	7	9,773	36.2
Swiss Franc	–	1,242	–	1,242	4.6
Danish Krone	–	821	–	821	3.0
Australian Dollar	–	1,321	–	1,321	4.9
Total	–	26,624	101	26,725	99.0

Dec. 31, 2017

	Cash and cash equivalents	Financial assets at fair value	Other assets and liabilities	Total	Percentage of net assets
	(\$000)	(\$000)	(\$000)	(\$000)	(%)
Euro Currency	–	6,036	20	6,056	25.2
British Pound	–	3,012	–	3,012	12.6
Norwegian Krone	–	2,866	–	2,866	12.0
United States Dollar	1	7,667	7	7,675	32.0
Singapore Dollar	–	550	–	550	2.3
Swiss Franc	–	1,316	–	1,316	5.5
Danish Krone	–	747	–	747	3.1
Australian Dollar	–	1,195	–	1,195	5.0
Total	1	23,389	27	23,417	97.7

The amounts in the above tables are based on the fair value of the Fund's financial instruments (including cash and cash equivalents), other financial assets (including dividend receivables, interest receivables and receivables for investments sold) and financial liabilities (including payables for investments purchased).

As at June 30, 2018 and December 31, 2017, if the Canadian dollar had strengthened or weakened by 1 percent in relation to all currencies, with all other variables held constant, net assets would have increased or decreased, respectively, by approximately \$267,000 (December 31, 2017 \$234,000).

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

Beutel Goodman Global Dividend Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Concentration Risk

The following is a summary of the Fund's concentration risk as at June 30, 2018 and December 31, 2017:

Country segment	June 30, 2018	Dec. 31, 2017
Short-Term Investments		
Treasury Bills	0.92%	2.08%
Common Stocks		
Australia	4.90%	4.99%
Denmark	3.04%	3.12%
Finland	4.35%	2.11%
France	1.95%	5.05%
Germany	7.96%	10.12%
Ireland	–	1.87%
Japan	4.37%	–
Jersey	4.52%	–
Netherlands	11.94%	13.58%
Norway	5.49%	11.95%
Singapore	–	2.29%
Switzerland	4.60%	5.49%
United Kingdom	13.41%	12.57%
United States	32.16%	24.44%
Total	99.61%	99.66%

Fair Value Hierarchy

The following tables analyze the Fund's financial instruments carried at FVTPL within the fair value hierarchy as at June 30, 2018 and December 31, 2017.

June 30, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	26,624,157	–	–	26,624,157
Total Assets	26,624,157	–	–	26,624,157

Dec. 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	23,389,196	–	–	23,389,196
Total Assets	23,389,196	–	–	23,389,196

There were no transfers between level 1 and 2 during the periods ended June 30, 2018 and December 31, 2017.

Fund Unit Transactions

For the periods ended June 30

2018	Class B	Class F	Class I
Balance, beginning of the period	802,378	531,014	410,964
Redeemable units issued for cash	383,600	122,413	6,007
Reinvested units	32,340	20,893	16,462
Redeemable units redeemed	(137,588)	(63,982)	(97,001)
Balance, end of period	1,080,730	610,338	336,432

2017	Class B	Class F	Class I
Balance, beginning of the period	440,262	340,731	383,566
Redeemable units issued for cash	86,084	154,755	14,856
Reinvested units	6,997	8,135	7,811
Redeemable units redeemed	(96,663)	(10,594)	(10,893)
Balance, end of period	436,680	493,027	395,340

Beutel Goodman World Focus Equity Fund

Statement of Financial Position

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

	2018	2017
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	890,727	813,486
Financial assets at fair value through profit or loss*	21,510,299	21,623,148
Accrued interest	1,152	582
Dividends receivable	34,590	20,356
Subscriptions receivable	195,959	67,030
Total assets	22,632,727	22,524,602
Liabilities		
Current liabilities		
Management and administrative fees payable	20,474	20,992
Redemptions payable	28,923	33,443
Total liabilities (before net assets attributable to holders of redeemable units)	49,397	54,435
Net assets attributable to holders of redeemable units	22,583,330	22,470,167
*Investments at average cost	19,763,941	18,956,748
Net assets attributable to holders of redeemable units per class		
Class B	1,437,182	1,464,901
Class D	4,616,699	4,916,047
Class F	3,003,416	2,531,584
Class I	13,526,033	13,557,635
Net assets attributable to holders of redeemable units per unit		
Class B	14.37	14.53
Class D	5.57	5.61
Class F	14.91	14.99
Class I	5.99	5.99
Number of outstanding redeemable units (note 6)		
Class B	100,010	100,819
Class D	828,801	876,217
Class F	201,420	168,839
Class I	2,258,466	2,262,901

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

Statements of Comprehensive Income

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Income		
Net gains (losses) on investments		
Dividends	404,600	347,339
Interest for distribution purposes	4,465	2,366
Realized gain (loss) on sale of investments	578,333	1,329,813
Change in unrealized appreciation (depreciation) in the value of investments	(920,042)	548,005
Net gains (losses) on investments	67,356	2,227,523
Other income		
Realized gain (loss) on foreign currency transactions	(4,190)	(10,974)
Total income	63,166	2,216,549
Expenses		
Management fees	56,416	34,500
Administrative fees	13,413	11,028
Transaction costs (Note 9)	8,257	16,485
Withholding taxes	66,697	49,295
Total expenses before waiver	144,783	111,308
Expenses waived by the manager	(1,435)	—
Total expenses	143,348	111,308
Increase (decrease) in net assets attributable to holders of redeemable units	(80,182)	2,105,241
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class B	(23,603)	103,527
Class D	(38,575)	317,200
Class F	(21,053)	76,242
Class I	3,049	1,608,272
Increase (decrease) in net assets attributable to holders of redeemable units per unit*		
Class B	(0.23)	1.33
Class D	(0.05)	0.53
Class F	(0.12)	1.14
Class I	—	0.71

*Based on the weighted average number of redeemable units outstanding during the period.

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

Beutel Goodman World Focus Equity Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Net assets attributable to holders of redeemable units at beginning of period		
Class B	1,464,901	970,209
Class D	4,916,047	2,313,614
Class F	2,531,584	428,001
Class I	13,557,635	12,868,990
	22,470,167	16,580,814
Increase (decrease) in net assets attributable to holders of redeemable units		
Class B	(23,603)	103,527
Class D	(38,575)	317,200
Class F	(21,053)	76,242
Class I	3,049	1,608,272
	(80,182)	2,105,241
Distribution to holders of redeemable units		
From net investment income		
Class B	—	—
Class D	(6,256)	(6,072)
Class F	—	—
Class I	—	—
	(6,256)	(6,072)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class B	201,611	555,342
Class D	1,277,212	2,512,020
Class F	1,179,314	1,436,911
Class I	1,159,002	1,340,657
Reinvestments of distributions to holders of redeemable units		
Class B	—	—
Class D	6,256	6,072
Class F	—	—
Class I	—	—
Redemption of redeemable units		
Class B	(205,727)	(195,541)
Class D	(1,537,985)	(401,907)
Class F	(686,429)	(85,943)
Class I	(1,193,653)	(1,489,550)
	199,601	3,678,061
Net increase (decrease) in net assets attributable to holders of redeemable units		
Class B	(27,719)	463,328
Class D	(299,348)	2,427,313
Class F	471,832	1,427,210
Class I	(31,602)	1,459,379
	113,163	5,777,230
Net assets attributable to holders of redeemable units at end of period		
Class B	1,437,182	1,433,537
Class D	4,616,699	4,740,927
Class F	3,003,416	1,855,211
Class I	13,526,033	14,328,369
	22,583,330	22,358,044

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

Statements of Cash Flows

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	(80,182)	2,105,241
Adjustments for:		
Net realized (gain) loss on sale of investments	(578,333)	(1,329,813)
Change in unrealized (appreciation) depreciation in the value of investments	920,042	(548,005)
Purchases of investments	(2,440,045)	(7,517,651)
Proceeds from sale of investments	2,211,185	4,061,272
(Increase) decrease in accrued interest	(570)	(194)
(Increase) decrease in dividends receivable	(14,234)	(24,809)
Increase (decrease) in accrued liabilities	(518)	8,520
Net cash flows from (used in) operating activities	17,345	(3,245,439)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	—	—
Proceeds from redeemable units issued	3,688,210	5,797,187
Redemption of redeemable units	(3,628,314)	(2,156,100)
Net cash flows from (used in) financing activities	59,896	3,641,087
Net increase (decrease) in cash and cash equivalents	77,241	395,648
Cash and cash equivalents at beginning of period	813,486	639,514
Cash and cash equivalents at end of period*	890,727	1,035,162
Supplementary information		
Cash flow from operating activities		
Interest received	3,895	2,172
Dividends received, net of withholding taxes	323,669	273,235
*Cash and cash equivalents include:		
Cash at banks	18,382	11,480
Short-term investments	872,345	1,023,682
Total	890,727	1,035,162

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

Beutel Goodman World Focus Equity Fund

Schedule of Investment Portfolio as at June 30, 2018 (unaudited)

Number of Shares / Par Value			Coupon Rate (%)	Maturity Date	Average Cost \$	Fair Value \$	% of Net Assets	Number of Shares / Par Value			Average Cost \$	Fair Value \$	% of Net Assets
Cash Equivalents (2017 - 3.55%)													
Treasury Bills													
525,000	Government of Canada		1.224	9-Aug-18	523,410	523,410	2.32						
75,000	Government of Canada		1.266	23-Aug-18	74,776	74,776	0.33						
125,000	Government of Canada		1.251	6-Sep-18	124,591	124,591	0.55						
150,000	Government of Canada		1.205	20-Sep-18	149,568	149,568	0.66						
					872,345	872,345	3.86						
Common Stocks (2017 - 96.23%)													
Australia													
13,440	Caltex Australia Ltd.				433,450	425,054	1.88						
					433,450	425,054	1.88						
Denmark													
6,020	Carlsberg A/S				687,633	932,679	4.13						
					687,633	932,679	4.13						
Finland													
12,405	Konecranes OYJ				478,355	673,301	2.98						
					478,355	673,301	2.98						
France													
2,865	Air Liquide SA				363,946	473,899	2.10						
3,780	Cie Générale des Établissements Michelin				507,209	605,511	2.68						
					871,155	1,079,410	4.78						
Germany													
4,830	BASF SE				510,948	607,617	2.69						
10,420	GEA Group AG				552,807	462,338	2.05						
5,340	HeidelbergCement AG				544,384	591,155	2.62						
6,540	Merck KGaA				862,828	839,912	3.72						
11,800	Software AG				577,460	723,285	3.20						
					3,048,427	3,224,307	14.28						
Guernsey													
8,460	Amdocs Ltd.				517,740	736,605	3.26						
					517,740	736,605	3.26						
Japan													
37,100	Hakuhodo DY Holdings Inc.				663,156	783,385	3.47						
					663,156	783,385	3.47						
								Netherlands					
156,430	Koninklijke KPN NV							623,062	559,785	2.48			
6,660	LyondellBasell Industries NV							792,844	962,380	4.26			
								1,415,906	1,522,165	6.74			
								Switzerland					
6,490	Julius Baer Group Ltd.							389,178	501,083	2.22			
2,530	Roche Holding AG							798,229	739,218	3.27			
								1,187,407	1,240,301	5.49			
								United Kingdom					
34,220	IMI PLC							769,502	672,752	2.98			
36,030	Smith & Nephew PLC							831,399	874,782	3.87			
29,700	Smiths Group PLC							765,080	875,835	3.89			
15,480	Vodafone Group PLC							590,535	495,026	2.19			
								2,956,516	2,918,395	12.93			
								United States					
3,950	American Express Co.							371,537	509,208	2.25			
7,570	AmerisourceBergen Corp.							790,317	849,111	3.76			
1,020	AutoZone Inc.							829,777	900,222	3.99			
16,380	Campbell Soup Co.							987,057	873,513	3.87			
15,940	Comcast Corp.							658,848	687,966	3.05			
10,780	Harley-Davidson Inc.							695,018	596,715	2.64			
10,300	Kellogg Co.							844,538	946,673	4.19			
10,270	Omnicom Group Inc.							1,106,089	1,030,378	4.56			
10,480	Oracle Corp.							401,997	607,404	2.69			
14,710	Verizon Communications Inc.							854,593	973,507	4.31			
								7,539,771	7,974,697	35.31			
Total Common Stocks								19,799,516	21,510,299	95.25			
Transaction Costs								(35,575)					
Total Investments								19,763,941	21,510,299	95.25			
Total Investments and Cash Equivalents								20,636,286	22,382,644	99.11			
Other Assets Net of Liabilities									200,686	0.89			
Net Assets Attributable to Holders of Redeemable Units									22,583,330	100.00			

Beutel Goodman World Focus Equity Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Risk Management

The investment objective of the Beutel Goodman World Focus Equity Fund (the "Fund") is to seek long term capital growth through investment in common stocks and other equity securities of global issuers. The Fund invests in a very limited number of mid-to-large capitalization stocks chosen from anywhere in the world, based primarily on the highest risk-adjusted return to Beutel Goodman's research target price. Each of the 20 – 35 holdings will be among the best businesses in their respective industries, and generators of sustainable shareholder value and free cash flow. Portfolio risk and return will be judged on an absolute – not relative – basis. At all times the Fund will seek to be diversified and generally fully invested, but there will be no specific geographic or sector constraints. The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objective.

The Fund may invest in underlying Funds from time to time. Please refer to the Simplified Prospectus for additional information.

Credit Risk

As at June 30, 2018 and December 31, 2017, the Fund had no significant investments in debt instruments, other than short-term investments. Accordingly, the Fund is not subject to significant amounts of credit risk.

Interest Rate Risk

As at June 30, 2018 and December 31, 2017, the majority of the Fund's financial assets and liabilities are non-interest bearing. Accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

Other Price Risk

The impact on net assets of the Fund due to a 1 percent change in benchmark, using historical correlation between the Fund's return as compared to the return of the Fund's benchmark, as at June 30, 2018 and December 31, 2017, with all other variables held constant, is included in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 36 data points based on the monthly net returns of the Fund. The returns of all classes of units of the Fund are substantially similar except for the differences in expense structure.

Benchmark	Impact on net assets (\$000)	
	June 30, 2018	Dec. 31, 2017
MSCI World (C\$) Index	205	211
Total	205	211

The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets could be materially different.

Foreign Currency Risk

Currencies to which the Fund had exposure as at June 30, 2018 and December 31, 2017 are as follows:

June 30, 2018

	Cash and cash equivalents	Financial assets at fair value	Other assets and liabilities	Total	Percentage of net assets
	(\$000)	(\$000)	(\$000)	(\$000)	(%)
Euro Currency	–	5,537	–	5,537	24.4
British Pound	–	2,423	–	2,423	10.7
Japanese Yen	5	783	–	788	3.5
United States Dollar	–	10,169	35	10,204	45.1
Swiss Franc	–	1,240	–	1,240	5.5
Danish Krone	–	933	–	933	4.1
Australian Dollar	–	425	–	425	1.9
Total	5	21,510	35	21,550	95.2

Dec. 31, 2017

	Cash and cash equivalents	Financial assets at fair value	Other assets and liabilities	Total	Percentage of net assets
	(\$000)	(\$000)	(\$000)	(\$000)	(%)
Euro Currency	–	6,167	–	6,167	27.5
British Pound	–	2,136	–	2,136	9.5
Norwegian Krone	–	1,031	–	1,031	4.6
United States Dollar	–	9,740	20	9,760	43.4
Swiss Franc	–	1,133	–	1,133	5.0
Danish Krone	–	947	–	947	4.2
Australian Dollar	–	468	–	468	2.1
Total	–	21,622	20	21,642	96.3

The amounts in the above tables are based on the fair value of the Fund's financial instruments (including cash and cash equivalents), other financial assets (including dividend receivables, interest receivables and receivables for investments sold) and financial liabilities (including payables for investments purchased).

As at June 30, 2018 and December 31, 2017, if the Canadian dollar had strengthened or weakened by 1 percent in relation to all currencies, with all other variables held constant, net assets would have increased or decreased, respectively, by approximately \$215,000 (December 31, 2017 \$216,000).

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

Beutel Goodman World Focus Equity Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Concentration Risk

The following is a summary of the Fund's concentration risk as at June 30, 2018 and December 31, 2017:

Country segment	June 30, 2018	Dec. 31, 2017
Short-Term Investments		
Treasury Bills	3.86%	3.55%
Common Stocks		
Australia	1.88%	2.08%
Denmark	4.13%	4.21%
Finland	2.98%	2.84%
France	4.78%	4.78%
Germany	14.28%	16.65%
Guernsey	3.26%	–
Japan	3.47%	–
Netherlands	6.74%	7.46%
Norway	–	4.59%
Switzerland	5.49%	5.04%
United Kingdom	12.93%	12.39%
United States	35.31%	36.19%
Total	99.11%	99.78%

Fair Value Hierarchy

The following tables analyze the Fund's financial instruments carried at FVTPL within the fair value hierarchy as at June 30, 2018 and December 31, 2017.

June 30, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	21,510,298	–	–	21,510,298
Total Assets	21,510,298	–	–	21,510,298

Dec. 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	21,623,148	–	–	21,623,148
Total Assets	21,623,148	–	–	21,623,148

There were no transfers between level 1 and 2 during the periods ended June 30, 2018 and December 31, 2017.

Fund Unit Transactions

For the periods ended June 30

2018	Class B	Class D	Class F	Class I
Balance, beginning of the period	100,819	876,217	168,839	2,262,901
Redeemable units issued for cash	13,860	227,268	78,813	194,629
Reinvested units	–	1,134	–	–
Redeemable units redeemed	(14,669)	(275,818)	(46,232)	(199,064)
Balance, end of period	100,010	828,801	201,420	2,258,466

2017	Class B	Class D	Class F	Class I
Balance, beginning of the period	70,420	435,159	30,041	2,268,007
Redeemable units issued for cash	36,087	431,222	91,789	219,454
Reinvested units	–	1,038	–	–
Redeemable units redeemed	(13,004)	(69,258)	(5,467)	(242,291)
Balance, end of period	93,503	798,161	116,363	2,245,170

Beutel Goodman Global Equity Fund

Statement of Financial Position

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

	2018	2017
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	49,306,612	4,228,227
Financial assets at fair value through profit or loss*	296,619,543	351,020,582
Accrued interest	1,997	1,905
Dividends receivable	832,532	377,520
Due from brokers	15,007,346	—
Subscriptions receivable	3,864	42,533
Total assets	361,771,894	355,670,767
Liabilities		
Current liabilities		
Management and administrative fees payable	35,780	37,230
Due to brokers	4,693,878	—
Redemptions payable	55,055,073	697,482
Distributions payable	15	595
Total liabilities (before net assets attributable to holders of redeemable units)	59,784,746	735,307
Net assets attributable to holders of redeemable units	301,987,148	354,935,460
*Investments at average cost	269,648,343	300,909,905
Net assets attributable to holders of redeemable units per class		
Class B	843,660	712,647
Class D	1,474,649	1,288,940
Class F	1,290,618	998,258
Class I	298,378,221	351,935,615
Net assets attributable to holders of redeemable units per unit		
Class B	10.74	11.44
Class D	11.07	11.77
Class F	10.78	11.47
Class I	12.33	13.12
Number of outstanding redeemable units (note 6)		
Class B	78,543	62,308
Class D	133,266	109,508
Class F	119,739	87,006
Class I	24,191,690	26,818,045

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

Statements of Comprehensive Income

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Income		
Net gains (losses) on investments		
Dividends	6,517,897	6,047,652
Interest for distribution purposes	23,992	12,225
Realized gain (loss) on sale of investments	16,652,997	32,502,758
Change in unrealized appreciation (depreciation) in the value of investments	(23,139,477)	4,680,338
Net gains (losses) on investments	55,409	43,242,973
Other income		
Realized gain (loss) on foreign currency transactions	(107,281)	(208,700)
Total income	(51,872)	43,034,273
Expenses		
Management fees	23,806	11,232
Administrative fees	192,085	197,870
Transaction costs (Note 9)	190,344	287,916
Withholding taxes	824,087	579,575
Total Expenses	1,230,322	1,076,593
Increase (decrease) in net assets attributable to holders of redeemable units	(1,282,194)	41,957,680
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class B	(13,487)	29,310
Class D	(21,545)	79,201
Class F	(14,215)	27,327
Class I	(1,232,947)	41,821,842
Increase (decrease) in net assets attributable to holders of redeemable units per unit*		
Class B	(0.20)	0.87
Class D	(0.16)	1.14
Class F	(0.13)	0.91
Class I	(0.05)	1.64

*Based on the weighted average number of redeemable units outstanding during the period.

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

Beutel Goodman Global Equity Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Net assets attributable to holders of redeemable units at beginning of period		
Class B	712,647	346,761
Class D	1,288,940	510,632
Class F	998,258	256,846
Class I	351,935,615	386,397,804
	354,935,460	387,512,043
Increase (decrease) in net assets attributable to holders of redeemable units		
Class B	(13,487)	29,310
Class D	(21,545)	79,201
Class F	(14,215)	27,327
Class I	(1,232,947)	41,821,842
	(1,282,194)	41,957,680
Distribution to holders of redeemable units		
From net investment income		
Class B	(3,875)	—
Class D	(12,256)	(913)
Class F	(11,653)	—
Class I	(4,921,986)	(10,732)
From net realized gains on investments		
Class B	(35,507)	(5,507)
Class D	(62,983)	(8,795)
Class F	(54,907)	(4,835)
Class I	(14,648,379)	(6,456,821)
	(19,751,546)	(6,487,603)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class B	221,410	316,456
Class D	701,577	876,837
Class F	482,792	311,198
Class I	29,997,750	9,032,806
Reinvestments of distributions to holders of redeemable units		
Class B	36,640	5,219
Class D	74,736	9,708
Class F	65,438	4,835
Class I	19,565,215	6,467,553
Redemption of redeemable units		
Class B	(74,168)	(85,264)
Class D	(493,820)	(268,823)
Class F	(175,095)	(32,652)
Class I	(82,317,047)	(90,754,126)
	(31,914,572)	(74,116,253)
Net increase (decrease) in net assets attributable to holders of redeemable units		
Class B	131,013	260,214
Class D	185,709	687,215
Class F	292,360	305,873
Class I	(53,557,394)	(39,899,478)
	(52,948,312)	(38,646,176)
Net assets attributable to holders of redeemable units at end of period		
Class B	843,660	606,975
Class D	1,474,649	1,197,847
Class F	1,290,618	562,719
Class I	298,378,221	346,498,326
	301,987,148	348,865,867

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

Statements of Cash Flows

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	(1,282,194)	41,957,680
Adjustments for:		
Net realized (gain) loss on sale of investments	(16,652,997)	(32,502,758)
Change in unrealized (appreciation) depreciation in the value of investments	23,139,477	(4,680,338)
Purchases of investments	(42,266,451)	(74,254,935)
Proceeds from sale of investments	79,867,542	150,737,104
(Increase) decrease in accrued interest	(92)	(252)
(Increase) decrease in dividends receivable	(455,012)	(331,085)
Increase (decrease) in accrued liabilities	(1,450)	(1,536)
Net cash flows from (used in) operating activities	42,348,823	80,923,880
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(10,097)	(6,592)
Proceeds from redeemable units issued	31,442,198	10,647,158
Redemption of redeemable units	(28,702,539)	(91,538,633)
Net cash flows from (used in) financing activities	2,729,562	(80,898,067)
Net increase (decrease) in cash and cash equivalents	45,078,385	25,813
Cash and cash equivalents at beginning of period	4,228,227	6,152,549
Cash and cash equivalents at end of period*	49,306,612	6,178,362
Supplementary information		
Cash flow from operating activities		
Interest received	23,900	11,973
Dividends received, net of withholding taxes	5,238,798	5,136,992
*Cash and cash equivalents include:		
Cash at banks	38,092,882	187,535
Short-term investments	11,213,730	5,990,827
Total	49,306,612	6,178,362

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

Beutel Goodman Global Equity Fund

Schedule of Investment Portfolio as at June 30, 2018 (unaudited)

Number of Shares / Par Value	Coupon Rate (%)	Maturity Date	Average Cost \$	Fair Value \$	% of Net Assets	Number of Shares / Par Value	Average Cost \$	Fair Value \$	% of Net Assets
Cash Equivalents (2017 - 1.15%)									
Treasury Bills									
4,000,000	Government of Canada	1.201	29-Sep-18	3,987,871	3,987,871	1.32			
7,250,000	Government of Canada	1.253	4-Oct-18	7,225,859	7,225,859	2.39			
				11,213,730	11,213,730	3.71			
Common Stocks (2017 - 98.90%)									
Australia									
229,030	Caltex Australia Ltd.			7,419,405	7,243,305	2.40			
				7,419,405	7,243,305	2.40			
Denmark									
38,760	Carlsberg A/S			4,409,682	6,005,090	1.99			
				4,409,682	6,005,090	1.99			
Finland									
103,230	Konecranes OYJ			4,346,648	5,602,968	1.86			
				4,346,648	5,602,968	1.86			
France									
34,450	Air Liquide SA			4,464,405	5,698,369	1.89			
24,680	Cie Générale des Établissements Michelin			3,001,642	3,953,440	1.31			
				7,466,047	9,651,809	3.20			
Germany									
47,640	BASF SE			5,007,093	5,993,138	1.98			
151,240	GEA Group AG			7,888,092	6,710,577	2.22			
41,100	Henkel AG & Co KGaA			5,361,081	6,012,463	1.99			
84,450	Merck KGaA			10,824,179	10,845,647	3.59			
123,420	Software AG			6,162,273	7,565,068	2.51			
664,850	Telefonica Deutschland Holding AG			4,385,578	3,447,242	1.14			
				39,628,296	40,574,135	13.43			
Guernsey									
78,240	Amdocs Ltd.			6,155,308	6,812,294	2.26			
				6,155,308	6,812,294	2.26			
Ireland									
54,910	Ingersoll-Rand PLC			4,430,300	6,481,287	2.15			
				4,430,300	6,481,287	2.15			
Italy									
100,030	Luxottica Group SpA			7,193,396	8,489,591	2.81			
				7,193,396	8,489,591	2.81			
Japan									
61,550	Kao Corp.			4,240,589	6,176,670	2.05			
137,720	NTT DOCOMO Inc.			4,318,205	4,616,370	1.53			
				8,558,794	10,793,040	3.58			
Jersey									
403,990	WPP PLC			9,154,819	8,370,269	2.77			
				9,154,819	8,370,269	2.77			
Netherlands									
68,443	Akzo Nobel NV			7,890,044	7,707,209	2.55			
1,933,310	Koninklijke KPN NV			8,094,726	6,918,358	2.29			
53,900	LyondellBasell Industries NV			6,284,423	7,788,628	2.58			
				22,269,193	22,414,195	7.42			
Norway									
263,272	Atea ASA			3,081,043	4,988,457	1.65			
				3,081,043	4,988,457	1.65			
Switzerland									
90,850	Julius Baer Group Ltd.			5,345,716	7,014,385	2.32			
36,220	Roche Holding AG			11,616,804	10,582,800	3.50			
				16,962,520	17,597,185	5.82			
United Kingdom									
357,990	IMI PLC			7,424,135	7,037,942	2.33			
354,430	Smith & Nephew PLC			8,094,857	8,605,298	2.85			
80,320	Spectris PLC			2,704,185	3,640,764	1.21			
2,307,520	Vodafone Group PLC			8,726,116	7,366,591	2.44			
				26,949,293	26,650,595	8.83			
United States									
50,430	American Express Co.			4,793,933	6,501,105	2.15			
38,750	Ameriprise Financial Inc.			6,280,369	7,130,163	2.36			
81,890	AmerisourceBergen Corp.			8,397,522	9,185,425	3.04			
31,330	Amgen Inc.			7,224,854	7,607,478	2.52			
9,549	AutoZone Inc.			7,519,165	8,427,665	2.79			
115,190	Campbell Soup Co.			6,964,501	6,142,861	2.03			
154,890	Comcast Corp.			6,452,553	6,685,005	2.21			
77,830	Eli Lilly & Co.			6,256,575	8,736,167	2.89			
105,730	Halliburton Co.			4,902,360	6,267,027	2.08			
149,630	Harley-Davidson Inc.			9,458,009	8,282,597	2.74			
111,440	Kellogg Co.			9,107,598	10,242,453	3.40			
87,920	Omnicom Group Inc.			9,448,909	8,820,913	2.92			
129,170	Oracle Corp.			4,586,905	7,486,491	2.48			
28,950	Parker-Hannifin Corp.			4,305,671	5,935,093	1.97			
113,250	Verizon Communications Inc.			6,395,860	7,494,880	2.48			
				102,094,784	114,945,323	38.06			
				270,119,528	296,619,543	98.23			
Total Common Stocks									
Transaction Costs						(471,185)			
Total Investments						269,648,343 296,619,543 98.23			
Total Investments and Cash Equivalents						280,862,073 307,833,273 101.94			
Other Assets Net of Liabilities						(5,846,125) (1.94)			
Net Assets Attributable to Holders of Redeemable Units						301,987,148 100.00			

Beutel Goodman Global Equity Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Risk Management

The investment objective of the Beutel Goodman Global Equity Fund (the "Fund") is to seek long-term enhancement of capital primarily through investments in common stocks and other equity securities of global issuers. The Fund's adviser seeks companies creating shareholder value through the sustainable generation of free cash flow. This should provide acceptable longer-term returns and protect investors' capital by limiting downside risk. The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objective.

The Fund may invest in underlying Funds from time to time. Please refer to the Simplified Prospectus for additional information.

Credit Risk

As at June 30, 2018 and December 31, 2017, the Fund had no significant investments in debt instruments, other than short-term investments. Accordingly, the Fund is not subject to significant amounts of credit risk.

Interest Rate Risk

As at June 30, 2018 and December 31, 2017, the majority of the Fund's financial assets and liabilities are non-interest bearing. Accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

Other Price Risk

The impact on net assets of the Fund due to a 1 percent change in benchmark, using historical correlation between the Fund's return as compared to the return of the Fund's benchmark, as at June 30, 2018 and December 31, 2017, with all other variables held constant, is included in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 36 data points based on the monthly net returns of the Fund. The returns of all classes of units of the Fund are substantially similar except for the differences in expense structure.

Benchmark	Impact on net assets (\$000)	
	June 30, 2018	Dec. 31, 2017
MSCI World Index	2,776	3,343
Total	2,776	3,343

The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets could be materially different.

Foreign Currency Risk

Currencies to which the Fund had exposure as at June 30, 2018 and December 31, 2017 are as follows:

June 30, 2018

	Cash and cash equivalents	Financial assets at fair value	Other assets and liabilities	Total	Percentage of net assets
	(\$000)	(\$000)	(\$000)	(\$000)	(%)
Euro Currency	–	78,944	2,677	81,621	27.0
British Pound	–	35,021	1,523	36,544	12.1
Japanese Yen	–	10,793	686	11,479	3.8
Norwegian Krone	–	4,988	–	4,988	1.7
United States Dollar	31	136,029	4,485	140,544	46.5
Swiss Franc	–	17,597	414	18,011	6.0
Danish Krone	(1,001)	6,005	1,361	6,365	2.1
Australian Dollar	–	7,243	–	7,243	2.4
Total	(970)	296,620	11,146	306,795	99.0

Dec. 31, 2017

	Cash and cash equivalents	Financial assets at fair value	Other assets and liabilities	Total	Percentage of net assets
	(\$000)	(\$000)	(\$000)	(\$000)	(%)
Euro Currency	–	101,630	216	101,846	28.7
British Pound	–	40,424	–	40,424	11.4
Japanese Yen	–	11,615	70	11,685	3.3
Norwegian Krone	–	8,181	–	8,181	2.3
United States Dollar	31	147,717	92	147,840	41.7
Singapore Dollar	–	5,776	–	5,775	1.6
Swiss Franc	–	21,003	–	21,003	5.9
Danish Krone	–	7,541	–	7,541	2.1
Australian Dollar	–	7,134	–	7,134	2.0
Total	31	351,021	378	351,429	99.0

The amounts in the above tables are based on the fair value of the Fund's financial instruments (including cash and cash equivalents), other financial assets (including dividend receivables, interest receivables and receivables for investments sold) and financial liabilities (including payables for investments purchased).

As at June 30, 2018 and December 31, 2017, if the Canadian dollar had strengthened or weakened by 1 percent in relation to all currencies, with all other variables held constant, net assets would have increased or decreased, respectively, by approximately \$3,068,000 (December 31, 2017 \$3,514,000).

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

Beutel Goodman Global Equity Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Concentration Risk

The following is a summary of the Fund's concentration risk as at June 30, 2018 and December 31, 2017:

Country segment	June 30, 2018	Dec. 31, 2017
Short-Term Investments		
Treasury Bills	3.71%	1.15%
Common Stocks		
Australia	2.40%	2.01%
Denmark	1.99%	2.12%
Finland	1.86%	0.99%
France	3.20%	3.68%
Germany	13.43%	16.09%
Guernsey	2.26%	–
Italy	2.81%	2.81%
Ireland	2.15%	2.15%
Japan	3.58%	3.27%
Jersey	2.77%	1.99%
Netherlands	7.42%	8.01%
Norway	1.65%	2.30%
Singapore	–	1.63%
Switzerland	5.82%	5.91%
United Kingdom	8.83%	9.40%
United States	38.06%	36.54%
Total	101.94%	100.05%

Fair Value Hierarchy

The following tables analyze the Fund's financial instruments carried at FVTPL within the fair value hierarchy as at June 30, 2018 and December 31, 2017.

June 30, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	296,619,543	–	–	296,619,543
Total Assets	296,619,543	–	–	296,619,543

Dec. 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	351,020,582	–	–	351,020,582
Total Assets	351,020,582	–	–	351,020,582

There were no transfers between level 1 and 2 during the periods ended June 30, 2018 and December 31, 2017.

Fund Unit Transactions

For the periods ended June 30

2018	Class B	Class D	Class F	Class I
Balance, beginning of the period	62,308	109,508	87,006	26,818,045
Redeemable units issued for cash	19,293	58,873	42,215	2,295,544
Reinvested units	3,385	6,730	6,025	1,574,686
Redeemable units redeemed	(6,443)	(41,845)	(15,507)	(6,496,585)
Balance, end of period	78,543	133,266	119,739	24,191,690

2017	Class B	Class D	Class F	Class I
Balance, beginning of the period	30,604	43,951	22,635	29,909,591
Redeemable units issued for cash	24,935	69,433	24,586	654,860
Reinvested units	469	831	434	509,528
Redeemable units redeemed	(7,191)	(20,567)	(2,666)	(6,883,285)
Balance, end of period	48,817	93,648	44,989	24,190,694

Beutel Goodman International Equity Fund

Statement of Financial Position

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

	2018	2017
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	4,118,190	5,631,131
Financial assets at fair value through profit or loss*	195,033,194	176,999,046
Accrued interest	2,979	2,299
Dividends receivable	525,910	143,917
Subscriptions receivable	58,026	164,176
Total assets	199,738,299	182,940,569
Liabilities		
Current liabilities		
Management and administrative fees payable	33,565	28,484
Redemptions payable	31,521	25,802
Total liabilities (before net assets attributable to holders of redeemable units)	65,086	54,286
Net assets attributable to holders of redeemable units	199,673,213	182,886,283
*Investments at average cost	177,308,221	152,299,093
Net assets attributable to holders of redeemable units per class		
Class B	1,746,671	750,085
Class D	6,866,472	3,563,012
Class F	1,310,935	1,064,383
Class I	189,749,135	177,508,803
Net assets attributable to holders of redeemable units per unit		
Class B	14.49	14.28
Class D	6.01	5.90
Class F	6.03	5.92
Class I	6.50	6.34
Number of outstanding redeemable units (note 6)		
Class B	120,525	52,513
Class D	1,141,788	603,470
Class F	217,384	179,901
Class I	29,178,368	27,985,759

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

Statements of Comprehensive Income

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Income		
Net gains (losses) on investments		
Dividends	4,653,196	3,326,613
Interest for distribution purposes	21,788	6,948
Realized gain (loss) on sale of investments	7,907,481	3,885,567
Change in unrealized appreciation (depreciation) in the value of investments	(6,974,980)	13,569,753
Net gains (losses) on investments	5,607,485	20,788,881
Other income		
Realized gain (loss) on foreign currency transactions	(103,351)	(85,727)
Total income	5,504,134	20,703,154
Expenses		
Management fees	37,256	20,441
Administrative fees	106,539	84,584
Transaction costs (Note 9)	158,858	149,774
Withholding taxes	608,732	430,971
Total Expenses	911,385	685,770
Increase (decrease) in net assets attributable to holders of redeemable units	4,592,749	20,017,384
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class B	10,050	(1,994)
Class D	68,735	653,016
Class F	21,678	(31,352)
Class I	4,492,286	19,397,714
Increase (decrease) in net assets attributable to holders of redeemable units per unit*		
Class B	0.13	(0.14)
Class D	0.08	0.73
Class F	0.11	(0.41)
Class I	0.16	0.76

*Based on the weighted average number of redeemable units outstanding during the period.

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

Beutel Goodman International Equity Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Net assets attributable to holders of redeemable units at beginning of period		
Class B	750,085	65,840
Class D	3,563,012	4,037,148
Class F	1,064,383	129,366
Class I	177,508,803	129,881,746
	182,886,283	134,114,100
Increase (decrease) in net assets attributable to holders of redeemable units		
Class B	10,050	(1,994)
Class D	68,735	653,016
Class F	21,678	(31,352)
Class I	4,492,286	19,397,714
	4,592,749	20,017,384
Distribution to holders of redeemable units		
From net investment income		
Class B	—	—
Class D	(14,399)	(15,910)
Class F	(20)	—
Class I	—	—
	(14,419)	(15,910)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class B	1,170,647	498,942
Class D	3,525,878	1,295,231
Class F	272,959	1,266,412
Class I	16,254,147	25,915,649
Reinvestments of distributions to holders of redeemable units		
Class B	—	—
Class D	14,399	15,910
Class F	20	—
Class I	—	—
Redemption of redeemable units		
Class B	(184,111)	(160,866)
Class D	(291,153)	(755,288)
Class F	(48,085)	(404,107)
Class I	(8,506,101)	(9,280,703)
	12,208,600	18,391,180
Net increase (decrease) in net assets attributable to holders of redeemable units		
Class B	996,586	336,082
Class D	3,303,460	1,192,959
Class F	246,552	830,953
Class I	12,240,332	36,032,660
	16,786,930	38,392,654
Net assets attributable to holders of redeemable units at end of period		
Class B	1,746,671	401,922
Class D	6,866,472	5,230,107
Class F	1,310,935	960,319
Class I	189,749,135	165,914,406
	199,673,213	172,506,754

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

Statements of Cash Flows

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	4,592,749	20,017,384
Adjustments for:		
Net realized (gain) loss on sale of investments	(7,907,481)	(3,885,567)
Change in unrealized (appreciation) depreciation in the value of investments	6,974,980	(13,569,753)
Purchases of investments	(42,106,051)	(47,793,637)
Proceeds from sale of investments	25,004,404	26,924,617
(Increase) decrease in accrued interest	(680)	120
(Increase) decrease in dividends receivable	(381,993)	(148,244)
Increase (decrease) in accrued liabilities	5,081	6,612
Net cash flows from (used in) operating activities	(13,818,991)	(18,448,468)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	—	—
Proceeds from redeemable units issued	21,329,781	28,985,535
Redemption of redeemable units	(9,023,731)	(10,321,169)
Net cash flows from (used in) financing activities	12,306,050	18,664,366
Net increase (decrease) in cash and cash equivalents	(1,512,941)	215,898
Cash and cash equivalents at beginning of period	5,631,131	1,423,853
Cash and cash equivalents at end of period*	4,118,190	1,639,751
Supplementary information		
Cash flow from operating activities		
Interest received	21,108	7,068
Dividends received, net of withholding taxes	3,662,471	2,747,398
*Cash and cash equivalents include:		
Cash at banks/(overdraft)	155,268	(7,828)
Short-term investments	3,962,922	1,647,579
Total	4,118,190	1,639,751

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

Beutel Goodman International Equity Fund

Schedule of Investment Portfolio as at June 30, 2018 (unaudited)

Number of Shares / Par Value	Coupon Rate (%)	Maturity Date	Average Cost \$	Fair Value \$	% of Net Assets	Number of Shares / Par Value	Average Cost \$	Fair Value \$	% of Net Assets
Cash Equivalents (2017 - 3.03%)									
Treasury Bills									
1,225,000	Government of Canada	1.204	20-Sep-18	1,221,337	1,221,337	0.61			
50,000	Government of Canada	1.253	4-Oct-18	49,834	49,834	0.02			
1,525,000	Government of Canada	1.246	6-Sep-18	1,520,314	1,520,314	0.76			
1,175,000	Government of Canada	1.266	23-Aug-18	1,171,437	1,171,437	0.59			
				3,962,922	3,962,922	1.98			
Common Stocks (2017 - 96.78%)									
Australia									
230,570	Caltex Australia Ltd.			7,444,199	7,292,009	3.65			
				7,444,199	7,292,009	3.65			
Denmark									
53,870	Carlsberg A/S			6,751,794	8,346,084	4.17			
				6,751,794	8,346,084	4.17			
Finland									
128,628	Konecranes OYJ			5,852,223	6,981,483	3.50			
				5,852,223	6,981,483	3.50			
France									
34,096	Air Liquide SA			4,534,667	5,639,814	2.82			
41,670	Cie Générale des Établissements Michelin			5,546,569	6,675,033	3.34			
				10,081,236	12,314,847	6.16			
Germany									
48,720	BASF SE			5,468,902	6,129,003	3.07			
123,070	GEA Group AG			6,427,719	5,460,663	2.73			
47,030	HeidelbergCement AG			5,014,431	5,206,374	2.61			
45,390	Henkel AG & Co KGaA			6,530,242	6,640,042	3.33			
62,120	Merck KGaA			8,286,357	7,977,875	4.00			
93,460	Software AG			4,827,702	5,728,661	2.87			
1,004,130	Telefonica Deutschland Holding AG			6,162,765	5,206,406	2.61			
				42,718,118	42,349,024	21.22			
Italy									
56,820	Luxtottica Group SpA			4,158,114	4,822,339	2.42			
				4,158,114	4,822,339	2.42			
Japan									
340,900	Hakuhodo DY Holdings Inc.			6,093,442	7,198,274	3.61			
53,950	Kao Corp.			3,840,092	5,413,994	2.71			
185,410	NTT DOCOMO Inc.			4,908,059	6,214,937	3.11			
794,590	Resona Holdings Inc.			5,216,477	5,592,092	2.80			
				20,058,070	24,419,297	12.23			
						Jersey			
282,650	WPP PLC			6,415,396	5,856,225	2.93			
				6,415,396	5,856,225	2.93			
						Netherlands			
61,325	Akzo Nobel NV			5,975,368	6,905,667	3.46			
1,492,260	Koninklijke KPN NV			6,119,038	5,340,059	2.67			
53,270	Unilever NV			2,754,287	3,909,488	1.96			
				14,848,693	16,155,214	8.09			
						Norway			
264,040	Atea ASA			3,249,379	5,003,009	2.51			
294,680	Gjensidige Forsikring ASA			6,175,244	6,354,050	3.18			
131,180	TGS Nopec Geophysical Co ASA			3,833,804	6,351,589	3.18			
				13,258,427	17,708,648	8.87			
						Singapore			
146,280	DBS Group Holdings Ltd.			2,630,774	3,755,329	1.88			
				2,630,774	3,755,329	1.88			
						Switzerland			
41,340	Julius Baer Group Ltd.			2,594,261	3,191,796	1.60			
22,480	Roche Holding AG			7,092,232	6,568,232	3.29			
				9,686,493	9,760,028	4.89			
						United Kingdom			
298,230	IMI PLC			6,348,512	5,863,084	2.94			
311,480	Smith & Nephew PLC			7,095,275	7,562,505	3.79			
256,340	GlaxoSmithKline PLC			5,897,421	6,810,506	3.41			
234,930	Smiths Group PLC			6,107,143	6,927,946	3.47			
77,040	Spectris PLC			2,828,620	3,492,088	1.75			
1,446,090	Vodafone Group PLC			5,611,862	4,616,538	2.31			
				33,888,833	35,272,667	17.67			
				177,792,370	195,033,194	97.68			
						Total Common Stocks			
						Transaction Costs			
						(484,149)			
						Total Investments			
						177,308,221			
						195,033,194			
						97.68			
						Total Investments and Cash Equivalents			
						181,271,143			
						198,996,116			
						99.66			
						Other Assets Net of Liabilities			
						677,097			
						0.34			
						Net Assets Attributable to Holders of Redeemable Units			
						199,673,213			
						100.00			

Beutel Goodman International Equity Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Risk Management

The investment objective of the Beutel Goodman International Equity Fund (the "Fund") is to seek long-term enhancement of capital primarily through investments in common stocks and other equity securities of non-North American issuers. The Fund's advisor seeks companies creating shareholder value through the sustainable generation of free cash flow. This should provide acceptable longer-term returns and protect investors' capital by limiting downside risk. The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objective.

The Fund may invest in underlying Funds from time to time. Please refer to the Simplified Prospectus for additional information.

Credit Risk

As at June 30, 2018 and December 31, 2017, the Fund had no significant investments in debt instruments, other than short-term investments. Accordingly, the Fund is not subject to significant amounts of credit risk.

Interest Rate Risk

As at June 30, 2018 and December 31, 2017, the majority of the Fund's financial assets and liabilities are non-interest bearing. Accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

Other Price Risk

The impact on net assets of the Fund due to a 1 percent change in benchmark, using historical correlation between the Fund's return as compared to the return of the Fund's benchmark, as at June 30, 2018 and December 31, 2017, with all other variables held constant, is included in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 36 data points based on the monthly net returns of the Fund. The returns of all classes of units of the Fund are substantially similar except for the differences in expense structure.

Benchmark	Impact on net assets (\$000)	
	June 30, 2018	Dec. 31, 2017
MSCI EAFE (C\$) Index	1,861	1,735
Total	1,861	1,735

The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets could be materially different.

Foreign Currency Risk

Currencies to which the Fund had exposure as at June 30, 2018 and December 31, 2017 are as follows:

June 30, 2018

	Cash and cash equivalents	Financial assets at fair value	Other assets and liabilities	Total	Percentage of net assets
	(\$000)	(\$000)	(\$000)	(\$000)	(%)
Euro Currency	–	82,623	227	82,850	41.1
British Pound	–	41,129	266	41,395	20.7
Norwegian Krone	–	17,709	–	17,709	8.9
Japanese Yen	44	24,419	33	24,496	12.3
Singapore Dollar	–	3,755	–	3,755	1.9
Swiss Franc	–	9,760	–	9,760	4.9
Danish Krone	–	8,346	–	8,346	4.2
Australian Dollar	–	7,292	–	7,292	3.7
Total	44	195,033	526	195,603	97.7

Dec. 31, 2017

	Cash and cash equivalents	Financial assets at fair value	Other assets and liabilities	Total	Percentage of net assets
	(\$000)	(\$000)	(\$000)	(\$000)	(%)
Euro Currency	–	84,869	96	84,965	46.4
British Pound	–	29,321	–	29,321	16.0
Norwegian Krone	–	16,105	–	16,105	8.8
Japanese Yen	–	17,634	48	17,682	9.7
Singapore Dollar	–	4,142	–	4,142	2.3
Swiss Franc	–	11,886	–	11,886	6.5
Danish Krone	–	7,119	–	7,119	3.9
Australian Dollar	–	5,924	–	5,924	3.2
Total	–	177,000	144	177,144	96.8

The amounts in the above tables are based on the fair value of the Fund's financial instruments (including cash and cash equivalents), other financial assets (including dividend receivables, interest receivables and receivables for investments sold) and financial liabilities (including payables for investments purchased).

As at June 30, 2018 and December 31, 2017, if the Canadian dollar had strengthened or weakened by 1 percent in relation to all currencies, with all other variables held constant, net assets would have increased or decreased, respectively, by approximately \$1,956,000 (December 31, 2017 \$1,771,000).

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

Beutel Goodman International Equity Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Concentration Risk

The following is a summary of the Fund's concentration risk as at June 30, 2018 and December 31, 2017:

Country segment	June 30, 2018	Dec. 31, 2017
Short-Term Investments		
Treasury Bills	1.98%	3.03%
Common Stocks		
Australia	3.65%	3.24%
Denmark	4.17%	3.89%
Finland	3.50%	2.52%
France	6.16%	6.75%
Germany	21.22%	26.53%
Italy	2.42%	2.27%
Japan	12.23%	9.64%
Jersey	2.93%	2.33%
Netherlands	8.09%	8.32%
Norway	8.87%	8.82%
Singapore	1.88%	2.26%
Switzerland	4.89%	6.50%
United Kingdom	17.67%	13.71%
Total	99.66%	99.81%

Fair Value Hierarchy

The following tables analyze the Fund's financial instruments carried at FVTPL within the fair value hierarchy as at June 30, 2018 and December 31, 2017.

June 30, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	195,033,194	–	–	195,033,194
Total Assets	195,033,194	–	–	195,033,194

Dec. 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	176,999,046	–	–	176,999,046
Total Assets	176,999,046	–	–	176,999,046

There were no transfers between level 1 and 2 during the periods ended June 30, 2018 and December 31, 2017.

Fund Unit Transactions

For the periods ended June 30

2018	Class B	Class D	Class F	Class I
Balance, beginning of the period	52,513	603,470	179,901	27,985,759
Redeemable units issued for cash	80,541	583,995	45,290	2,495,373
Reinvested units	–	2,398	3	–
Redeemable units redeemed	(12,529)	(48,075)	(7,810)	(1,302,764)
Balance, end of period	120,525	1,141,788	217,384	29,178,368

2017	Class B	Class D	Class F	Class I
Balance, beginning of the period	5,458	824,122	26,097	24,558,993
Redeemable units issued for cash	35,372	240,297	215,065	4,313,020
Reinvested units	–	2,900	1	–
Redeemable units redeemed	(11,525)	(132,239)	(71,630)	(1,577,742)
Balance, end of period	29,305	935,080	169,533	27,294,271

Beutel Goodman American Equity Fund

Statement of Financial Position

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

	2018	2017
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	13,573,421	47,009,381
Financial assets at fair value through profit or loss*	1,350,246,311	1,348,753,970
Accrued interest	3,871	29,239
Dividends receivable	967,764	920,762
Subscriptions receivable	3,943,712	2,054,341
Total assets	1,368,735,079	1,398,767,693
Liabilities		
Current liabilities		
Management and administrative fees payable	512,071	554,301
Redemptions payable	3,926,675	1,354,629
Distributions payable	—	2,236
Total liabilities (before net assets attributable to holders of redeemable units)	4,438,746	1,911,166
Net assets attributable to holders of redeemable units	1,364,296,333	1,396,856,527
*Investments at average cost	1,184,891,505	1,118,497,342
Net assets attributable to holders of redeemable units per class		
Class B	90,956,527	97,106,531
Class D	141,628,058	156,797,786
Class F	152,140,042	158,074,777
Class I	979,571,706	984,877,433
Net assets attributable to holders of redeemable units per unit		
Class B	21.72	22.05
Class D	15.06	15.24
Class F	15.28	15.43
Class I	16.54	16.62
Number of outstanding redeemable units (note 6)		
Class B	4,187,034	4,404,532
Class D	9,402,564	10,291,413
Class F	9,954,296	10,244,949
Class I	59,210,546	59,274,578

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

Statements of Comprehensive Income

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Income		
Net gains (losses) on investments		
Dividends	15,435,186	12,913,657
Interest for distribution purposes	163,554	92,117
Realized gain (loss) on sale of investments	46,354,561	83,633,382
Change in unrealized appreciation (depreciation) in the value of investments	(64,901,822)	(7,308,031)
Net gains (losses) on investments	(2,948,521)	89,331,125
Other income		
Realized gain (loss) on foreign currency transactions	(436,429)	(669,456)
Unrealized gain (loss) on foreign currency transactions	530,198	(237,523)
Total income	(2,854,752)	88,424,146
Expenses		
Management fees	2,714,068	2,286,520
Administrative fees	540,720	678,627
Transaction costs (Note 9)	300,433	523,977
Withholding taxes	1,902,774	1,698,335
Total Expenses	5,457,995	5,187,459
Increase (decrease) in net assets attributable to holders of redeemable units	(8,312,747)	83,236,687
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class B	(1,516,452)	3,670,002
Class D	(1,792,000)	9,672,693
Class F	(1,576,774)	5,961,088
Class I	(3,427,521)	63,932,904
Increase (decrease) in net assets attributable to holders of redeemable units per unit*		
Class B	(0.34)	1.13
Class D	(0.18)	1.00
Class F	(0.15)	0.85
Class I	(0.06)	1.22

*Based on the weighted average number of redeemable units outstanding during the period.

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

Beutel Goodman American Equity Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Net assets attributable to holders of redeemable units at beginning of period		
Class B	97,106,531	53,042,286
Class D	156,797,786	128,918,987
Class F	158,074,777	72,157,343
Class I	984,877,433	787,417,528
	1,396,856,527	1,041,536,144
Increase (decrease) in net assets attributable to holders of redeemable units		
Class B	(1,516,452)	3,670,002
Class D	(1,792,000)	9,672,693
Class F	(1,576,774)	5,961,088
Class I	(3,427,521)	63,932,904
	(8,312,747)	83,236,687
Distribution to holders of redeemable units		
From net investment income		
Class B	—	—
Class D	(53,995)	(53,222)
Class F	(315)	—
Class I	—	—
	(54,310)	(53,222)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class B	14,167,649	38,465,985
Class D	11,438,491	34,595,218
Class F	24,951,777	69,093,837
Class I	110,636,006	134,672,185
Reinvestments of distributions to holders of redeemable units		
Class B	—	—
Class D	52,291	53,222
Class F	315	—
Class I	—	—
Redemption of redeemable units		
Class B	(18,801,201)	(7,764,975)
Class D	(24,814,515)	(15,679,714)
Class F	(29,309,738)	(11,005,836)
Class I	(112,514,212)	(57,604,805)
	(24,193,137)	184,825,117
Net increase (decrease) in net assets attributable to holders of redeemable units		
Class B	(6,150,004)	34,371,012
Class D	(15,169,728)	28,588,197
Class F	(5,934,735)	64,049,089
Class I	(5,305,727)	141,000,284
	(32,560,194)	268,008,582
Net assets attributable to holders of redeemable units at end of period		
Class B	90,956,527	87,413,298
Class D	141,628,058	157,507,184
Class F	152,140,042	136,206,432
Class I	979,571,706	928,417,812
	1,364,296,333	1,309,544,726

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

Statements of Cash Flows

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	(8,312,747)	83,236,687
Adjustments for:		
Unrealized (gain) loss on foreign currency transactions	(530,198)	237,523
Net realized (gain) loss on sale of investments	(46,354,561)	(83,633,382)
Change in unrealized (appreciation) depreciation in the value of investments	64,901,822	7,308,031
Purchases of investments	(193,818,269)	(426,022,412)
Proceeds from sale of investments	173,778,667	243,023,070
(Increase) decrease in accrued interest	25,368	(13,851)
(Increase) decrease in dividends receivable	(47,002)	(415,283)
Increase (decrease) in accrued liabilities	(42,230)	166,262
Net cash flows from (used in) operating activities	(10,399,150)	(176,113,355)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(3,940)	(16)
Proceeds from redeemable units issued	159,304,552	277,304,878
Redemption of redeemable units	(182,867,620)	(78,572,212)
Net cash flows from (used in) financing activities	(23,567,008)	198,732,650
Unrealized gain (loss) on foreign currency transactions	530,198	(237,523)
Net increase (decrease) in cash and cash equivalents	(33,966,158)	22,619,295
Cash and cash equivalents at beginning of period	47,009,381	40,669,901
Cash and cash equivalents at end of period*	13,573,421	63,051,673

Supplementary information

Cash flow from operating activities		
Interest received	188,922	78,266
Dividends received, net of withholding taxes	13,485,410	10,800,039

*Cash and cash equivalents include:

Cash at banks	4,078,088	11,794,235
Short-term investments	9,495,333	51,257,438
Total	13,573,421	63,051,673

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

Beutel Goodman American Equity Fund

Schedule of Investment Portfolio as at June 30, 2018 (unaudited)

Number of Shares / Par Value	Coupon Rate (%)	Maturity Date	Average Cost \$	Fair Value \$	% of Net Assets	Number of Shares / Par Value	Average Cost \$	Fair Value \$	% of Net Assets		
Cash Equivalents (2017 - 1.82%)						Health Care					
Treasury Bills						Pharmaceuticals & Biotechnology					
9,350,000	Government of Canada	1.201	20-Sep-18	9,320,914	9,320,914	0.68	665,450	AmerisourceBergen Corp.	70,347,120	74,642,097	5.47
175,000	Government of Canada	1.253	4-Oct-18	174,419	174,419	0.01	636,960	Eli Lilly & Co.	54,805,818	71,496,707	5.24
				9,495,333	9,495,333	0.69	77,100	Johnson & Johnson	8,623,689	12,306,385	0.90
							271,980	Merck & Co Inc.	16,837,840	21,716,898	1.59
									150,614,467	180,162,087	13.20
Common Stocks (2017 - 96.57%)						Equipment & Service					
United States						Equipment & Service					
Energy						195,000 Amgen Inc.					
926,440	Halliburton Co.			49,621,350	54,913,689	4.03			43,848,030	47,349,448	3.47
				49,621,350	54,913,689	4.03			43,848,030	47,349,448	3.47
									194,462,497	227,511,535	16.67
Materials						Financials					
395,820	LyondellBasell Industries NV			47,016,661	57,196,563	4.19	Banks				
				47,016,661	57,196,563	4.19	304,800	Wells Fargo & Co.	16,039,774	22,228,508	1.63
									16,039,774	22,228,508	1.63
Industrial						Credit Services					
Capital Goods						553,550 American Express Co.					
591,950	Flowserve Corp.			33,470,922	31,458,537	2.31			54,877,400	71,360,037	5.23
520,830	Ingersoll-Rand PLC			40,757,160	61,476,027	4.51			54,877,400	71,360,037	5.23
348,520	Parker-Hannifin Corp.			56,485,753	71,450,726	5.24					
				130,713,835	164,385,290	12.06	Diversified Financials				
							295,330	Ameriprise Financial Inc.	46,987,363	54,341,963	3.98
							211,580	JPMorgan Chase & Co.	15,747,784	29,001,100	2.13
									62,735,147	83,343,063	6.11
									133,652,321	176,931,608	12.97
Consumer Discretionary						Information Technology					
Automobiles & Components						Software & Services					
88,335	AutoZone Inc.			68,248,910	77,961,854	5.71	665,580	Amdocs Ltd.	43,531,281	57,951,513	4.25
999,780	Harley-Davidson Inc.			64,638,035	55,341,676	4.06	1,229,350	Oracle Corp.	55,748,209	71,251,198	5.22
				132,886,945	133,303,530	9.77	1,362,390	Symantec Corp.	40,577,829	37,007,831	2.71
									139,857,319	166,210,542	12.18
Media						Telecommunication Services					
1,117,860	Comcast Corp.			45,931,520	48,246,496	3.54	1,417,420	Verizon Communications Inc.	83,794,939	93,804,788	6.88
711,240	Omnicom Group Inc.			77,116,885	71,357,899	5.23			83,794,939	93,804,788	6.88
				123,048,405	119,604,395	8.77					
				255,935,350	252,907,925	18.54	Total Common Stocks				
Consumer Staples						Transaction Costs					
Food & Staples Retailing						(870,636)					
772,550	Campbell Soup Co.			46,559,144	41,198,602	3.02	Total Investments				
				46,559,144	41,198,602	3.02	1,184,891,505 1,350,246,311 98.98				
Household & Personal Products						Total Investments and Cash Equivalents					
288,320	The Procter & Gamble Co.			28,368,018	29,605,708	2.17	1,194,386,838 1,359,741,644 99.67				
				28,368,018	29,605,708	2.17	Other Assets Net of Liabilities				
							4,554,689 0.33				
Food Beverage & Tobacco						Net Assets Attributable to Holders of Redeemable Units					
774,150	Kellogg Co.			66,394,036	71,152,146	5.21	1,364,296,333 100.00				
				66,394,036	71,152,146	5.21					
				141,321,198	141,956,456	10.40					

Beutel Goodman American Equity Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Risk Management

The investment objective of Beutel Goodman American Equity Fund (the "Fund") is to seek long-term enhancement of capital primarily through investments in common stocks and other equity securities of American issuers. The investment strategy for this Fund seeks companies creating shareholder value through the sustainable generation of free cash flow. This should provide acceptable longer-term returns and protect investors' capital by limiting downside risk. The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objective.

The Fund may invest in underlying Funds from time to time. Please refer to the Simplified Prospectus for additional information.

Credit Risk

As at June 30, 2018 and December 31, 2017, the Fund had no significant investments in debt instruments, other than short-term investments. Accordingly, the Fund is not subject to significant amounts of credit risk.

Interest Rate Risk

As at June 30, 2018 and December 31, 2017, the majority of the Fund's financial assets and liabilities are non-interest bearing. Accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

Other Price Risk

The impact on net assets of the Fund due to a 1 percent change in benchmark, using historical correlation between the Fund's return as compared to the return of the Fund's benchmark, as at June 30, 2018 and December 31, 2017, with all other variables held constant, is included in the table below. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 36 data points based on the monthly net returns of the Fund. The returns of all classes of units of the Fund are substantially similar except for the differences in expense structure.

Benchmark	Impact on net assets (\$000)	
	Jun. 30, 2018	Dec. 31, 2017
S&P 500 Index	11,763	12,694
Total	11,763	12,694

The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets could be materially different.

Foreign Currency Risk

Currencies to which the Fund had exposure as at June 30, 2018 and December 31, 2017 are as follows:

June 30, 2018

	Cash and cash equivalents	Financial assets at fair value	Other assets and liabilities	Total	Percentage of net assets
	(\$000)	(\$000)	(\$000)	(\$000)	(%)
United States Dollar	5,481	1,350,246	968	1,356,695	99.4
Total	5,481	1,350,246	968	1,356,695	99.4

Dec. 31, 2017

	Cash and cash equivalents	Financial assets at fair value	Other assets and liabilities	Total	Percentage of net assets
	(\$000)	(\$000)	(\$000)	(\$000)	(%)
United States Dollar	21,418	1,348,754	921	1,371,093	98.2
Total	21,418	1,348,754	921	1,371,093	98.2

The amounts in the above tables are based on the fair value of the Fund's financial instruments (including cash and cash equivalents), other financial assets (including dividend receivables, interest receivables and receivables for investments sold) and financial liabilities (including payables for investments purchased).

As at June 30, 2018 and December 31, 2017, if the Canadian dollar had strengthened or weakened by 1 percent in relation to all currencies, with all other variables held constant, net assets would have increased or decreased, respectively, by approximately \$13,567,000 (December 31, 2017 \$13,711,000).

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

Beutel Goodman American Equity Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Concentration Risk

The following is a summary of the Fund's concentration risk as at June 30, 2018 and December 31, 2017:

Market segment	June 30, 2018	Dec. 31, 2017
Short-Term Investments		
Treasury Bills	0.69%	1.82%
Common Stocks		
Energy	4.03%	4.07%
Materials	4.19%	4.96%
Industrial	13.12%	13.51%
Consumer Discretionary	18.54%	13.71%
Consumer Staples	10.40%	11.03%
Health Care	16.67%	15.06%
Financials	12.97%	13.02%
Information Technology	12.18%	14.41%
Telecommunication Services	6.88%	6.80%
Total	99.67%	98.39%

Fair Value Hierarchy

The following tables analyze the Fund's financial instruments carried at FVTPL within the fair value hierarchy as at June 30, 2018 and December 31, 2017.

June 30, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	1,350,246,311	–	–	1,350,246,311
Total Assets	1,350,246,311	–	–	1,350,246,311

Dec. 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Equity securities	1,348,753,970	–	–	1,348,753,970
Total Assets	1,348,753,970	–	–	1,348,753,970

There were no transfers between level 1 and 2 during the periods ended June 30, 2018 and December 31, 2017.

Fund Unit Transactions

For the periods ended June 30

2018	Class B	Class D	Class F	Class I
Balance, beginning of the period	4,404,532	10,291,413	10,244,949	59,274,578
Redeemable units issued for cash	648,526	752,765	1,631,366	6,747,606
Reinvested units	32	3,516	41	–
Redeemable units redeemed	(866,056)	(1,645,130)	(1,922,060)	(6,811,638)
Balance, end of period	4,187,034	9,402,564	9,954,296	59,210,546

2017	Class B	Class D	Class F	Class I
Balance, beginning of the period	2,506,315	8,853,095	4,883,420	49,575,978
Redeemable units issued for cash	1,703,139	2,237,431	4,389,377	7,913,816
Reinvested units	–	3,400	12	–
Redeemable units redeemed	(344,596)	(1,007,081)	(693,120)	(3,351,037)
Balance, end of period	3,864,858	10,086,845	8,579,689	54,138,757

Beutel Goodman Income Fund

Statement of Financial Position

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

	2018	2017
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	110,939,625	5,180,884
Financial assets at fair value through profit or loss*	1,122,707,116	786,711,512
Accrued interest	5,973,048	3,877,917
Due from brokers	42,713,006	110,596
Subscriptions receivable	240,980	4,626,775
Total assets	1,282,573,775	800,507,684
Liabilities		
Current liabilities		
Management and administrative fees payable	59,760	62,431
Due to brokers	144,641,828	–
Redemptions payable	281,906	313,293
Distributions payable	101,124	45
Total liabilities (before net assets attributable to holders of redeemable units)	145,084,618	375,769
Net assets attributable to holders of redeemable units	1,137,489,157	800,131,915
*Investments at average cost	1,122,498,992	788,255,833
Net assets attributable to holders of redeemable units per class		
Class B	1,728,423	1,977,292
Class D	39,639,302	45,684,738
Class F	2,938,056	3,303,341
Class I	1,093,183,376	749,166,544
Net assets attributable to holders of redeemable units per unit		
Class B	9.42	9.48
Class D	11.79	11.85
Class F	9.48	9.53
Class I	12.08	12.15
Number of outstanding redeemable units (note 6)		
Class B	183,402	208,666
Class D	3,363,511	3,854,999
Class F	309,992	346,557
Class I	90,501,494	61,660,377

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

Statements of Comprehensive Income

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Income		
Net gains (losses) on investments		
Interest for distribution purposes	11,904,253	10,632,654
Realized gain (loss) on sale of investments	(5,309,075)	405,050
Change in unrealized appreciation (depreciation) in the value of investments	1,752,445	7,895,398
Net gains (losses) on investments	8,347,623	18,933,102
Other income		
Realized gain (loss) on foreign currency transactions	–	–
Total income	8,347,623	18,933,102
Expenses		
Management fees	179,411	211,245
Administrative fees	193,603	189,771
Total expenses before waiver	373,014	401,016
Expenses waived by the manager	(23,237)	–
Total expenses	349,777	401,016
Increase (decrease) in net assets attributable to holders of redeemable units	7,997,846	18,532,086
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class B	172	49,365
Class D	104,582	1,113,248
Class F	10,170	97,914
Class I	7,882,922	17,271,559
Increase (decrease) in net assets attributable to holders of redeemable units per unit*		
Class B	–	0.19
Class D	0.03	0.24
Class F	0.03	0.20
Class I	0.12	0.30

*Based on the weighted average number of redeemable units outstanding during the period.

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

Beutel Goodman Income Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Net assets attributable to holders of redeemable units at beginning of period		
Class B	1,977,292	2,545,669
Class D	45,684,738	59,553,219
Class F	3,303,341	4,756,136
Class I	749,166,544	634,143,326
	800,131,915	700,998,350
Increase (decrease) in net assets attributable to holders of redeemable units		
Class B	172	49,365
Class D	104,582	1,113,248
Class F	10,170	97,914
Class I	7,882,922	17,271,559
	7,997,846	18,532,086
Distribution to holders of redeemable units		
From net investment income		
Class B	(13,207)	(19,957)
Class D	(396,424)	(567,338)
Class F	(29,742)	(52,759)
Class I	(12,007,204)	(10,476,382)
	(12,446,577)	(11,116,436)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class B	118,084	183,760
Class D	420,544	1,118,292
Class F	492,650	772,913
Class I	433,590,838	116,234,865
Reinvestments of distributions to holders of redeemable units		
Class B	13,183	19,718
Class D	374,512	536,135
Class F	27,155	48,071
Class I	11,765,501	10,245,029
Redemption of redeemable units		
Class B	(367,101)	(578,940)
Class D	(6,548,650)	(9,354,120)
Class F	(865,518)	(1,096,973)
Class I	(97,215,225)	(45,418,858)
	341,805,973	72,709,892
Net increase (decrease) in net assets attributable to holders of redeemable units		
Class B	(248,869)	(346,054)
Class D	(6,045,436)	(7,153,783)
Class F	(365,285)	(230,834)
Class I	344,016,832	87,856,213
	337,357,242	80,125,542
Net assets attributable to holders of redeemable units at end of period		
Class B	1,728,423	2,199,615
Class D	39,639,302	52,399,436
Class F	2,938,056	4,525,302
Class I	1,093,183,376	721,999,539
	1,137,489,157	781,123,892

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

Statements of Cash Flows

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	7,997,846	18,532,086
Adjustments for:		
Net realized (gain) loss on sale of investments	5,309,075	(405,050)
Change in unrealized (appreciation) depreciation in the value of investments	(1,752,445)	(7,895,398)
Purchases of investments	(1,570,610,367)	(1,325,156,551)
Proceeds from sale of investments	1,529,731,711	1,248,101,199
(Increase) decrease in accrued interest	(2,095,131)	(427,830)
Increase (decrease) in accrued liabilities	(2,671)	(21,200)
Net cash flows from (used in) operating activities	(31,421,982)	(67,272,744)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(165,147)	(141,852)
Proceeds from redeemable units issued	242,373,751	118,880,780
Redemption of redeemable units	(105,027,881)	(55,680,465)
Net cash flows from (used in) financing activities	137,180,723	63,058,463
Net increase (decrease) in cash and cash equivalents	105,758,741	(4,214,281)
Cash and cash equivalents at beginning of period	5,180,884	4,369,571
Cash and cash equivalents at end of period*	110,939,625	155,290
Supplementary information		
Cash flow from operating activities		
Interest received	9,809,122	10,204,824
*Cash and cash equivalents include:		
Cash at banks	53,693	30,492
Short-term investments	110,885,932	124,798
Total	110,939,625	155,290

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

Beutel Goodman Income Fund

Schedule of Investment Portfolio as at June 30, 2018 (unaudited)

Par Value	Coupon Rate (%)	Maturity Date	Average Cost \$	Fair Value \$	% of Net Assets	Par Value	Coupon Rate (%)	Maturity Date	Average Cost \$	Fair Value \$	% of Net Assets		
Cash Equivalents (2017 - 0.65%)						Corporate Bonds							
Treasury Bills						886,593	Alliance Pipeline LP	6.765	31-Dec-25	958,019	1,001,762	0.09	
12,825,000	Government of Canada	1.240	6-Sep-18	12,784,059	12,784,059	1.12	4,516,000	AltaGas Ltd.	3.720	28-Sep-21	4,609,584	4,606,678	0.40
16,525,000	Government of Canada	1.201	20-Sep-18	16,476,920	16,476,920	1.45	3,840,000	AltaLink LP	3.717	3-Dec-46	3,861,904	3,975,775	0.35
81,900,000	Government of Canada	1.253	4-Oct-18	81,624,953	81,624,953	7.18	31,548,000	Bank of Montreal	2.100	6-Oct-20	31,480,239	31,189,982	2.74
				<u>110,885,932</u>	<u>110,885,932</u>	<u>9.75</u>	19,367,000	Bank of Montreal	1.610	28-Oct-21	18,868,842	18,674,420	1.64
Canadian Bonds (2017 - 98.32%)						16,711,000	Bank of Montreal	2.270	11-Jul-22	16,477,197	16,356,226	1.44	
Mortgage Backed Securities						7,215,000	Bank of Montreal	2.890	20-Jun-23	7,213,701	7,202,626	0.63	
18,084,000	Canadian Mortgage Pools	1.620	1-Mar-22	16,086,272	15,951,962	1.40	29,846,000	Bank of Nova Scotia	2.270	13-Jan-20	29,814,884	29,765,625	2.62
15,550,000	Canadian Mortgage Pools	1.420	1-Jun-22	14,387,473	14,197,233	1.25	5,043,000	Bank of Nova Scotia	2.130	15-Jun-20	5,017,108	5,000,563	0.44
8,545,000	Canadian Mortgage Pools	1.840	1-Dec-22	8,215,754	8,137,336	0.72	4,554,000	Bank of Nova Scotia	2.980	17-Apr-23	4,535,594	4,562,594	0.40
				<u>38,689,499</u>	<u>38,286,531</u>	<u>3.37</u>	12,095,000	Bell Canada Inc.	3.000	3-Oct-22	12,132,627	12,083,461	1.06
Federal Bonds						6,506,000	Bell Canada Inc.	2.700	27-Feb-24	6,371,900	6,325,483	0.56	
29,224,000	Canadian Government Bond	1.250	1-Sep-18	29,218,504	29,215,608	2.57	2,039,000	Bell Canada Inc.	3.600	29-Sep-27	2,032,687	2,040,951	0.18
20,748,000	Canadian Government Bond	1.250	1-Feb-20	20,564,120	20,543,070	1.81	6,864,000	Brookfield Infrastructure Finance ULC	3.315	22-Feb-24	6,857,210	6,807,131	0.60
13,484,000	Canadian Government Bond	1.000	1-Sep-22	12,943,431	12,926,881	1.14	19,374,000	Canadian Imperial Bank of Commerce	1.900	26-Apr-21	19,087,184	18,974,099	1.67
31,089,000	Canadian Government Bond	2.000	1-Jun-28	30,139,646	30,630,092	2.69	20,361,000	Canadian Imperial Bank of Commerce	2.040	21-Mar-22	19,950,262	19,826,400	1.74
58,919,000	Canadian Government Bond	2.750	1-Dec-48	65,466,495	66,045,253	5.81	12,060,000	Canadian Imperial Bank of Commerce	3.000	28-Oct-24	12,199,231	12,107,795	1.06
9,795,000	CPPIB Capital Inc.	1.400	4-Jun-20	9,662,417	9,660,883	0.85	16,673,000	Canadian Imperial Bank of Commerce	3.300	26-May-25	16,725,120	16,925,043	1.49
				<u>167,994,613</u>	<u>169,021,787</u>	<u>14.87</u>	14,385,000	Canadian Natural Resources Ltd.	2.050	1-Jun-20	14,291,730	14,211,195	1.25
Provincial Bonds						3,331,000	Canadian Natural Resources Ltd	3.420	1-Dec-26	3,240,795	3,264,031	0.29	
18,030,000	Province of Alberta	2.350	1-Jun-25	17,771,057	17,679,140	1.55	3,946,000	CU Inc.	3.763	19-Nov-46	4,018,674	4,099,229	0.36
35,295,000	Province of Alberta	2.900	1-Dec-28	35,272,253	35,451,112	3.12	2,631,000	CU Inc.	4.947	18-Nov-50	3,202,964	3,294,686	0.29
1,017,000	Province of Alberta	3.900	1-Dec-33	1,094,451	1,135,458	0.10	1,015,000	CU Inc.	3.857	14-Nov-52	988,451	1,058,263	0.09
9,242,000	Province of Alberta	3.050	1-Dec-48	9,184,139	9,370,181	0.82	563,000	Enbridge Gas Distribution Inc.	9.850	2-Dec-24	831,478	778,230	0.07
17,268,000	Province of British Columbia	2.550	18-Jun-27	16,984,238	17,065,319	1.50	2,363,000	Enbridge Gas Distribution Inc.	7.600	29-Oct-26	3,168,532	3,100,735	0.27
6,465,000	Province of British Columbia	2.950	18-Dec-28	6,482,289	6,573,558	0.58	4,147,000	Enbridge Gas Distribution Inc.	4.950	22-Nov-50	4,963,700	5,170,955	0.45
20,040,000	Province of British Columbia	2.800	18-Jun-48	19,207,141	19,717,637	1.73	5,255,000	Enbridge Pipelines Inc.	6.350	17-Nov-23	6,214,480	6,042,929	0.53
2,093,000	Province of Manitoba	4.400	5-Sep-25	2,366,346	2,316,383	0.20	1,632,000	Enbridge Pipelines Inc.	8.200	15-Feb-24	2,161,326	2,029,800	0.18
1,333,000	Province of Ontario	2.100	8-Sep-19	1,336,590	1,335,658	0.12	3,340,000	EPCOR Utilities Inc.	3.554	27-Nov-47	3,336,347	3,336,977	0.29
10,552,000	Province of Ontario	4.200	2-Jun-20	10,977,773	10,960,351	0.96	1,113,000	FortisAlberta Inc.	4.800	27-Oct-50	1,315,048	1,358,028	0.12
8,366,000	Province of Ontario	4.000	2-Jun-21	8,814,800	8,767,139	0.77	1,697,000	FortisBC Energy Inc.	6.950	21-Sep-29	2,259,153	2,275,529	0.20
14,070,000	Province of Ontario	3.150	2-Jun-22	14,600,162	14,450,878	1.27	1,642,000	FortisBC Energy Inc.	5.900	26-Feb-35	1,992,764	2,140,553	0.19
23,985,000	Province of Ontario	2.600	8-Sep-23	23,997,367	24,041,278	2.11	2,493,000	FortisBC Energy Inc.	6.000	2-Oct-37	3,339,800	3,351,446	0.29
40,453,000	Province of Ontario	2.600	2-Jun-25	39,912,751	40,236,764	3.54	2,424,000	FortisBC Energy Inc.	3.690	30-Oct-47	2,418,788	2,485,771	0.22
47,827,000	Province of Ontario	2.900	2-Jun-28	47,552,258	48,026,592	4.22	822,000	FortisBC Inc.	5.000	24-Nov-50	1,003,573	1,027,403	0.09
1,734,000	Province of Ontario	6.500	8-Mar-29	2,446,788	2,304,659	0.20	230,000	Greater Toronto Airports Authority	3.260	1-Jun-37	226,780	230,836	0.02
6,877,000	Province of Ontario	4.700	2-Jun-37	8,550,248	8,560,786	0.75	121,000	Husky Energy Inc.	3.600	10-Mar-27	120,536	120,182	0.01
10,385,000	Province of Ontario	4.650	2-Jun-41	13,124,401	13,177,900	1.16	1,309,000	Hydro One Inc.	4.400	1-Jun-20	1,386,352	1,355,624	0.12
6,459,000	Province of Ontario	3.500	2-Jun-43	6,807,160	7,004,388	0.62	1,449,000	Inter Pipeline Ltd.	2.734	18-Apr-24	1,430,216	1,397,797	0.12
25,556,000	Province of Ontario	2.800	2-Jun-48	24,045,642	24,545,782	2.16	1,660,000	Keyera Corp	3.934	21-Jun-28	1,666,863	1,667,175	0.15
9,273,000	Province of Quebec	4.500	1-Dec-20	9,959,208	9,778,840	0.86	1,759,000	Lower Mattagami Energy LP	2.307	21-Oct-26	1,733,060	1,673,458	0.15
36,410,000	Province of Quebec	2.750	1-Sep-28	35,888,363	36,219,713	3.18	1,421,000	Lower Mattagami Energy LP	4.176	23-Feb-46	1,548,539	1,582,457	0.14
15,039,000	Province of Quebec	5.000	1-Dec-41	19,942,544	20,129,750	1.77	2,452,000	North West Redwater Partnership / NWR Financing Co Ltd.	2.800	1-Jun-27	2,431,379	2,352,716	0.21
8,918,000	Province of Quebec	3.500	1-Dec-48	9,673,216	9,882,407	0.87	909,000	North West Redwater Partnership / NWR Financing Co Ltd.	3.650	1-Jun-35	906,010	903,865	0.08
943,000	Province of Saskatchewan	5.800	5-Sep-33	1,301,141	1,269,455	0.11							
				<u>387,292,326</u>	<u>390,001,128</u>	<u>34.27</u>							
Municipal Bonds													
7,024,000	City of Montreal	3.000	1-Sep-27	6,997,306	7,015,727	0.62							
9,058,000	City of Toronto	3.900	29-Sep-23	9,613,797	9,584,462	0.84							
				<u>16,611,103</u>	<u>16,600,189</u>	<u>1.46</u>							

Beutel Goodman Income Fund

Schedule of Investment Portfolio as at June 30, 2018 (unaudited)

Par Value		Coupon Rate (%)	Maturity Date	Average Cost \$	Fair Value \$	% of Net Assets
419,000	NOVA Gas Transmission Ltd.	6.590	1-Dec-27	512,814	518,173	0.05
2,658,000	Nova Scotia Power Inc.	6.950	25-Aug-33	3,744,883	3,674,215	0.32
9,444,000	Pembina Pipeline Corp.	2.990	22-Jan-24	9,313,822	9,280,848	0.82
5,584,000	Rogers Communications Inc.	4.700	29-Sep-20	5,864,120	5,828,500	0.51
31,044,000	Royal Bank of Canada	2.030	15-Mar-21	30,813,646	30,517,962	2.68
16,862,000	Royal Bank of Canada	3.040	17-Jul-24	17,077,781	16,937,415	1.49
5,681,000	Royal Bank of Canada	3.310	20-Jan-26	5,751,510	5,717,987	0.50
33,297,000	The Toronto-Dominion Bank	2.045	8-Mar-21	32,897,247	32,786,479	2.88
13,238,000	The Toronto-Dominion Bank	3.005	30-May-23	13,254,243	13,312,340	1.17
9,537,000	The Toronto-Dominion Bank	2.063	28-Jun-23	9,539,462	9,537,000	0.84
13,532,000	The Toronto-Dominion Bank	2.692	24-Jun-25	13,648,842	13,488,033	1.19
15,389,000	The Toronto-Dominion Bank	3.224	25-Jul-29	15,271,255	15,055,738	1.32
9,489,000	TransCanada PipeLines Ltd.	8.290	5-Feb-26	13,013,729	12,533,140	1.10
1,342,000	TransCanada PipeLines Ltd.	7.310	15-Jan-27	1,741,499	1,700,407	0.15
4,129,000	TransCanada PipeLines Ltd.	7.900	15-Apr-27	5,595,071	5,441,908	0.48
2,035,000	TransCanada PipeLines Ltd.	6.280	26-May-28	2,506,669	2,458,974	0.22
1,447,000	TransCanada PipeLines Ltd.	6.890	7-Aug-28	1,838,277	1,826,979	0.16
324,000	TransCanada PipeLines Ltd.	8.210	25-Apr-30	456,056	447,620	0.04
1,361,000	TransCanada PipeLines Ltd.	8.230	16-Jan-31	1,895,754	1,902,379	0.17
458,000	TransCanada PipeLines Ltd.	8.200	15-Aug-31	660,120	642,502	0.06
2,444,000	TransCanada PipeLines Ltd.	4.350	6-Jun-46	2,561,570	2,519,016	0.22
945,000	TransCanada PipeLines Ltd.	4.330	16-Sep-47	947,732	970,336	0.09
2,875,000	TransCanada Trust	4.650	18-May-77	2,871,810	2,759,257	0.24
2,228,000	Union Gas Ltd.	8.650	10-Nov-25	3,199,198	3,012,613	0.26
2,225,000	Union Gas Ltd.	2.880	22-Nov-27	2,185,859	2,188,242	0.19
2,013,000	Union Gas Ltd.	5.200	23-Jul-40	2,355,891	2,516,863	0.22
3,709,000	Union Gas Ltd.	3.590	22-Nov-47	3,702,620	3,734,705	0.33
3,742,000	Westcoast Energy Inc.	5.600	16-Jan-19	3,978,575	3,809,555	0.33
1,299,000	Westcoast Energy Inc.	9.900	10-Jan-20	1,697,825	1,434,408	0.13
1,072,000	Westcoast Energy Inc.	3.883	28-Oct-21	1,124,897	1,106,827	0.10
823,000	Westcoast Energy Inc.	8.850	21-Jul-25	1,120,226	1,095,596	0.10
7,067,000	Westcoast Energy Inc.	7.300	18-Dec-26	8,919,547	8,851,441	0.78
2,640,000	Westcoast Energy Inc.	7.150	20-Mar-31	3,458,270	3,453,539	0.30
				511,911,451	508,797,481	44.73
Total Canadian Bonds				1,122,498,992	1,122,707,116	98.70
Transaction Costs				—	—	—
Total Investments				1,122,498,992	1,122,707,116	98.70
Total Investments and Cash Equivalents				1,233,384,924	1,233,593,048	108.45
Other Assets Net of Liabilities				(96,103,891)	(8.45)	
Net Assets Attributable to Holders of Redeemable Units				1,137,489,157	100.00	

Beutel Goodman Income Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Risk Management

The investment objective of the Beutel Goodman Income Fund (the "Fund") is to seek to earn a high rate of income return by investing primarily in fixed-income securities of Canadian government and corporate issuers. The Fund invests primarily in a well-diversified portfolio of Canadian government and Canadian corporate bonds of various maturities. The bonds will usually have a credit rating of BBB or higher by a recognized rating agency. The Fund's portfolio turnover rate may exceed 70%. As a result, the Fund may incur higher trading costs and a unitholder may be more likely to receive distributions of income or capital gains which must be included in the unitholder's income. A high portfolio turnover rate does not mean that the Fund's performance will be higher. The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objective.

The Fund may invest in derivatives and/or underlying Funds from time to time. Please refer to the Simplified Prospectus for additional information.

Credit Risk

As at June 30, 2018 and December 31, 2017, the Fund invested in debt instruments with the following credit ratings:

Debt Instruments* by Credit Rating	Percentage of net assets (%)	
	June 30, 2018	Dec. 31, 2017
AAA	23	20
AA	24	15
A	42	48
BBB	10	13
Not rated	–	2
Total	99	98

*Excludes cash and cash equivalents

Credit ratings are obtained primarily from Dominion Bond Rating Service, Standard & Poor's and Moody's.

Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. The table below summarizes the Fund's exposure to interest rate risks by remaining term to maturity as at June 30, 2018 and December 31, 2017.

Debt Instruments* by Maturity Date	June 30, 2018	Dec. 31, 2017
	(\$000)	(\$000)
Less than 1 year	33,025	49,436
1-3 years	232,110	137,479
3-5 years	172,933	165,040
Greater than 5 years	684,639	434,757
Total	1,122,707	786,712

*Excludes cash and cash equivalents

As at June 30, 2018 and December 31, 2017, if prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve, with all other variables held constant, net assets would have decreased or increased, respectively, by approximately \$20,820,000 (December 31, 2017 \$14,770,000). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, actual trading results may differ from the above sensitivity analysis and the difference could be material.

Other Price Risk

The impact on net assets of the Fund due to a 1 percent change in benchmark, using historical correlation between the Fund's return as compared to the return of the Fund's benchmark, as at June 30, 2018 and December 31, 2017, with all other variables held constant, is included in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 36 data points based on the monthly net returns of the Fund. The returns of all classes of units of the Fund are substantially similar except for the differences in expense structure.

Benchmark	Impact on net assets (\$000)	
	June 30, 2018	Dec. 31, 2017
FTSE TMX Canada Universe Bond Index	9,136	7,860
Total	9,136	7,860

The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets could be materially different.

Beutel Goodman Income Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Foreign Currency Risk

As at June 30, 2018 and December 31, 2017, the Fund did not have significant exposure to foreign currency risk.

Concentration Risk

The following is a summary of the Fund's concentration risk as at June 30, 2018 and December 31, 2017:

Market segment	June 30, 2018	Dec. 31, 2017
Short-Term Investments		
Treasury Bills	9.75%	0.65%
Canadian Bonds		
Mortgage Backed Securities	3.37%	3.82%
Federal Bonds	14.87%	15.43%
Provincial Bonds	34.27%	31.58%
Municipal Bonds	1.46%	–
Corporate Bonds	44.73%	47.49%
Total	108.45%	98.97%

Fair Value Hierarchy

The following tables analyze the Fund's financial instruments carried at FVTPL within the fair value hierarchy as at June 30, 2018 and December 31, 2017:

June 30, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Bonds	–	1,084,420,585	–	1,084,420,585
Mortgage Backed Securities	–	38,286,531	–	38,286,531
Total Assets	–	1,122,707,116	–	1,122,707,116

Dec. 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Bonds	–	756,232,288	–	756,232,288
Mortgage Backed Securities	–	30,479,224	–	30,479,224
Total Assets	–	786,711,512	–	786,711,512

There were no transfers between level 1 and 2 during the periods ended June 30, 2018 and December 31, 2017.

Fund Unit Transactions

For the periods ended June 30

2018	Class B	Class D	Class F	Class I
Balance, beginning of the period	208,666	3,854,999	346,557	61,660,377
Redeemable units issued for cash	12,600	35,777	52,185	35,974,902
Reinvested units	1,401	31,821	2,868	974,960
Redeemable units redeemed	(39,265)	(559,086)	(91,618)	(8,108,745)
Balance, end of period	183,402	3,363,511	309,992	90,501,494

2017	Class B	Class D	Class F	Class I
Balance, beginning of the period	268,811	5,027,006	499,193	52,185,236
Redeemable units issued for cash	19,197	93,253	80,253	9,540,861
Reinvested units	2,067	44,919	5,009	836,906
Redeemable units redeemed	(59,941)	(781,821)	(113,680)	(3,667,672)
Balance, end of period	230,134	4,383,357	470,775	58,895,331

Beutel Goodman Long Term Bond Fund

Statement of Financial Position

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

	2018	2017
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	832,419	2,323,326
Financial assets at fair value through profit or loss*	360,159,642	383,320,765
Accrued interest	1,736,821	1,790,399
Due from brokers	2,193,463	2,878,744
Subscriptions receivable	—	370,470
Total assets	364,922,345	390,683,704
Liabilities		
Current liabilities		
Management and administrative fees payable	17,227	19,718
Due to brokers	1,769,971	3,745,572
Redemptions payable	130,487	214,896
Distributions payable	1,553	—
Total liabilities (before net assets attributable to holders of redeemable units)	1,919,238	3,980,186
Net assets attributable to holders of redeemable units	363,003,107	386,703,518
*Investments at average cost	353,315,601	375,522,138
Net assets attributable to holders of redeemable units per class		
Class B	95,135	101,141
Class D	6,832,821	7,568,465
Class F	352,488	358,638
Class I	355,722,663	378,675,274
Net assets attributable to holders of redeemable units per unit		
Class B	9.62	9.71
Class D	5.55	5.60
Class F	9.67	9.76
Class I	5.64	5.69
Number of outstanding redeemable units (note 6)		
Class B	9,894	10,417
Class D	1,231,093	1,350,916
Class F	36,435	36,733
Class I	63,068,947	66,505,329

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

Statements of Comprehensive Income

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Income		
Net gains (losses) on investments		
Interest for distribution purposes	6,653,259	10,741,475
Realized gain (loss) on sale of investments	(2,579,484)	1,118,667
Change in unrealized appreciation (depreciation) in the value of investments	(954,586)	23,760,305
Net gains (losses) on investments	3,119,189	35,620,447
Other income		
Realized gain (loss) on foreign currency transactions	—	—
Total income	3,119,189	35,620,447
Expenses		
Management fees	28,830	35,168
Administrative fees	81,287	134,725
Total expenses before waiver	110,117	169,893
Expenses waived by the manager	(3,909)	—
Total expenses	106,208	169,893
Increase (decrease) in net assets attributable to holders of redeemable units	3,012,981	35,450,554
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class B	325	10,325
Class D	29,670	458,898
Class F	(787)	96,593
Class I	2,983,773	34,884,738
Increase (decrease) in net assets attributable to holders of redeemable units per unit*		
Class B	0.03	0.48
Class D	0.02	0.29
Class F	(0.02)	0.52
Class I	0.05	0.33

*Based on the weighted average number of redeemable units outstanding during the period.

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

Beutel Goodman Long Term Bond Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Net assets attributable to holders of redeemable units at beginning of period		
Class B	101,141	219,835
Class D	7,568,465	9,100,467
Class F	358,638	789,318
Class I	378,675,274	497,988,627
	386,703,518	508,098,247
Increase (decrease) in net assets attributable to holders of redeemable units		
Class B	325	10,325
Class D	29,670	458,898
Class F	(787)	96,593
Class I	2,983,773	34,884,738
	3,012,981	35,450,554
Distribution to holders of redeemable units		
From net investment income		
Class B	(1,280)	(2,442)
Class D	(107,223)	(125,807)
Class F	(5,563)	(26,857)
Class I	(6,996,661)	(11,252,449)
	(7,110,727)	(11,407,555)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class B	5,000	400
Class D	652,433	766,113
Class F	205,000	2,470,974
Class I	835,935	146,239,722
Reinvestments of distributions to holders of redeemable units		
Class B	1,280	2,389
Class D	103,693	120,259
Class F	5,563	26,857
Class I	6,996,661	11,252,449
Redemption of redeemable units		
Class B	(11,331)	(51,675)
Class D	(1,414,217)	(1,598,611)
Class F	(210,363)	(481,981)
Class I	(26,772,319)	(10,694,551)
	(19,602,665)	148,052,345
Net increase (decrease) in net assets attributable to holders of redeemable units		
Class B	(6,006)	(41,003)
Class D	(735,644)	(379,148)
Class F	(6,150)	2,085,586
Class I	(22,952,611)	170,429,909
	(23,700,411)	172,095,344
Net assets attributable to holders of redeemable units at end of period		
Class B	95,135	178,832
Class D	6,832,821	8,721,319
Class F	352,488	2,874,904
Class I	355,722,663	668,418,536
	363,003,107	680,193,591

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

Statements of Cash Flows

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	3,012,981	35,450,554
Adjustments for:		
Net realized (gain) loss on sale of investments	2,579,484	(1,118,775)
Change in unrealized (appreciation) depreciation in the value of investments	954,586	(23,760,305)
Purchases of investments	(421,769,554)	(817,559,802)
Proceeds from sale of investments	440,106,287	681,412,085
(Increase) decrease in accrued interest	53,578	(278,719)
Increase (decrease) in accrued liabilities	(2,491)	6,835
Net cash flows from (used in) operating activities	24,934,871	(125,848,127)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(1,977)	(3,271)
Proceeds from redeemable units issued	2,068,838	149,477,209
Redemption of redeemable units	(28,492,639)	(13,263,412)
Net cash flows from (used in) financing activities	(26,425,778)	136,210,526
Net increase (decrease) in cash and cash equivalents	(1,490,907)	10,362,507
Cash and cash equivalents at beginning of period	2,323,326	3,257,071
Cash and cash equivalents at end of period*	832,419	13,619,578
Supplementary information		
Cash flow from operating activities		
Interest received	6,706,837	10,462,756
*Cash and cash equivalents include:		
Cash at banks	9,757	29,173
Short-term investments	822,662	13,590,405
Total	832,419	13,619,578

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

Beutel Goodman Long Term Bond Fund

Schedule of Investment Portfolio as at June 30, 2018 (unaudited)

Par Value	Coupon Rate (%)	Maturity Date	Average Cost \$	Fair Value \$	% of Net Assets	Par Value	Coupon Rate (%)	Maturity Date	Average Cost \$	Fair Value \$	% of Net Assets			
Cash Equivalents (2017 - 0.59%)						5,915,000	Bell Canada Inc.	3.600	29-Sep-27	5,898,798	5,920,660	1.63		
Treasury Bills						2,485,000	CU Inc.	3.763	19-Nov-46	2,524,117	2,581,496	0.71		
825,000	Government of Canada	1.205	20-Sep-18	822,662	822,662	0.23	888,000	CU Inc.	3.548	22-Nov-47	888,000	889,609	0.25	
				822,662	822,662	0.23	1,094,000	CU Inc.	4.947	18-Nov-50	1,289,837	1,369,968	0.38	
Canadian Bonds (2017 - 99.13%)						283,000	CU Inc.	3.857	14-Nov-52	296,881	295,062	0.08		
Federal Bonds						215,000	CU Inc.	4.558	7-Nov-53	254,743	253,965	0.07		
799,000	Government of Canada	2.750	1-Dec-64	921,878	934,744	0.26	7,085,000	Enbridge Gas Distribution Inc.	6.900	15-Nov-32	9,735,590	9,827,378	2.70	
2,306,000	Government of Canada	1.250	1-Sep-18	2,305,704	2,305,338	0.64	1,630,000	Enbridge Gas Distribution Inc.	4.950	22-Nov-50	1,868,436	2,032,471	0.56	
45,635,000	Government of Canada	2.750	1-Dec-48	49,492,578	51,154,553	14.09	3,678,000	Enbridge Pipelines Inc.	6.050	12-Feb-29	4,322,639	4,421,116	1.22	
				52,720,160	54,394,635	14.99	4,966,000	ENMAX Corp.	3.836	5-Jun-28	4,977,011	5,028,067	1.39	
Provincial Bonds						2,140,000	EPCOR Utilities Inc.	3.554	27-Nov-47	2,140,000	2,138,063	0.59		
9,376,000	Province of Alberta	2.900	1-Dec-28	9,342,340	9,417,471	2.59	1,866,000	FortisAlberta Inc.	4.800	27-Oct-50	2,256,342	2,276,801	0.63	
5,743,000	Province of Alberta	3.500	1-Jun-31	5,951,889	6,100,561	1.68	1,648,000	FortisBC Energy Inc.	6.950	21-Sep-29	2,208,970	2,209,825	0.61	
5,669,000	Province of Alberta	3.900	1-Dec-33	6,149,820	6,329,316	1.74	276,000	FortisBC Energy Inc.	5.900	26-Feb-35	365,897	359,801	0.10	
7,255,000	Province of Alberta	3.050	1-Dec-48	7,091,781	7,355,623	2.03	2,104,000	FortisBC Energy Inc.	6.000	2-Oct-37	2,763,071	2,828,497	0.78	
16,324,000	Province of British Columbia	6.350	18-Jun-13	22,126,615	22,557,107	6.21	2,144,000	FortisBC Inc.	5.000	24-Nov-50	2,366,488	2,679,747	0.74	
9,601,000	Province of British Columbia	2.800	18-Jun-48	9,040,158	9,446,559	2.60	3,101,000	Greater Toronto Airports Authority	3.260	1-Jun-37	3,097,957	3,112,276	0.86	
1,558,000	Province of Manitoba	3.750	5-Sep-33	1,633,579	1,679,177	0.46	1,299,000	Husky Energy Inc.	3.600	10-Mar-27	1,287,036	1,290,222	0.36	
659,000	Province of Manitoba	4.700	5-Mar-50	826,228	867,144	0.24	3,435,000	Keyera Corp.	3.934	21-Jun-28	3,460,582	3,449,848	0.95	
6,188,000	Province of Ontario	2.900	2-Jun-28	6,117,397	6,213,824	1.71	3,073,000	Lower Mattagami Energy LP	4.176	23-Feb-46	3,290,355	3,422,161	0.94	
8,288,000	Province of Ontario	4.700	2-Jun-37	10,334,848	10,317,259	2.84	4,746,000	North West Redwater Partnership / NWR Financing Co. Ltd.	4.150	1-Jun-33	4,794,931	5,038,204	1.39	
8,403,000	Province of Ontario	4.650	2-Jun-41	10,698,420	10,662,869	2.94	3,587,000	NOVA Gas Transmission Ltd.	6.590	1-Dec-27	4,228,857	4,436,002	1.22	
12,441,000	Province of Ontario	2.900	2-Dec-46	12,193,829	12,164,017	3.35	1,480,000	Nova Scotia Power Inc.	6.950	25-Aug-33	2,044,358	2,045,838	0.56	
29,935,000	Province of Ontario	2.800	2-Jun-48	27,675,096	28,751,682	7.92	2,252,000	Nova Scotia Power Inc.	5.610	15-Jun-40	2,568,037	2,908,080	0.80	
14,637,000	Province of Quebec	5.000	1-Dec-41	19,529,849	19,591,672	5.40	1,022,000	Toronto Hydro Corp.	3.485	28-Feb-48	1,018,578	1,025,214	0.28	
23,376,000	Province of Quebec	3.500	1-Dec-48	25,620,086	25,903,919	7.14	386,000	TransCanada PipeLines Ltd.	8.210	25-Apr-30	542,323	533,276	0.15	
6,855,000	Province of Quebec	2.750	1-Sep-28	6,739,267	6,819,174	1.88	7,977,000	TransCanada PipeLines Ltd.	8.200	15-Aug-31	11,431,985	11,190,483	3.07	
3,396,000	Province of Saskatchewan	6.400	5-Sep-31	4,689,416	4,677,763	1.29	4,697,000	Transcanada Trust	4.650	18-May-77	4,630,363	4,507,906	1.24	
4,900,000	Province of Saskatchewan	5.800	5-Sep-33	6,621,860	6,596,322	1.82	775,000	Union Gas Ltd.	3.590	22-Nov-47	773,729	780,371	0.21	
				192,382,478	195,451,459	53.84	2,607,000	Westcoast Energy Inc.	7.150	20-Mar-31	3,359,167	3,410,370	0.94	
Municipal Bonds										99,815,652	101,851,798	28.05		
4,907,000	City of Montreal	3.150	1-Dec-36	4,827,242	4,857,904	1.34	Total Canadian Bonds					353,315,601	360,159,642	99.21
3,461,000	City of Toronto	3.500	2-Jun-36	3,570,069	3,603,846	0.99	Transaction Costs					-		
				8,397,311	8,461,750	2.33	Total Investments					353,315,601	360,159,642	99.21
Corporate Bonds											354,138,263	360,982,304	99.44	
4,845,000	Alberta Powerline LP	4.065	1-Mar-54	4,926,338	5,194,335	1.43	Other Assets Net of Liabilities					2,020,803	0.56	
2,632,000	Alectra Inc.	3.958	30-Jul-42	2,682,181	2,825,474	0.78	Net Assets Attributable to Holders of Redeemable Units					363,003,107	100.00	
35,391	Alliance Pipeline LP	6.765	31-Dec-25	34,907	39,988	0.01								
1,477,000	AltaLink LP	3.717	3-Dec-46	1,487,148	1,529,224	0.42								

Beutel Goodman Long Term Bond Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Risk Management

The investment objective of the Beutel Goodman Long Term Bond Fund (the "Fund") is to seek to earn a high rate of income by investing primarily in long-term fixed income securities of Canadian government and corporate issuers. The Fund invests primarily in a well-diversified portfolio of Canadian provincial and Canadian corporate bonds. The corporate bonds have a credit rating of BBB or higher by a recognized rating agency. The average term of the Fund is limited to a range of 9 to 25 years. Investments by the Fund in non-Canadian securities will generally not exceed 49% of the Fund's assets taken at book value. The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objective.

The Fund may invest in derivatives and/or underlying Funds from time to time. Please refer to the Simplified Prospectus for additional information.

Credit Risk

As at June 30, 2018 and December 31, 2017, the Fund invested in debt instruments with the following credit ratings:

Debt Instruments* by Credit Rating	Percentage of net assets (%)	
	June 30, 2018	Dec. 31, 2017
AAA	24	19
AA	25	17
A	40	54
BBB	10	9
Total	99	99

*Excludes cash and cash equivalents

Credit ratings are obtained primarily from Dominion Bond Rating Service, Standard & Poor's and Moody's.

Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. The table below summarizes the Fund's exposure to interest rate risks by remaining term to maturity as at June 30, 2018 and December 31, 2017.

Debt Instruments* by Maturity Date	June 30, 2018	Dec. 31, 2017
	(\$000)	(\$000)
Less than 1 year	2,305	3,482
1-3 years	–	2,986
Greater than 5 years	357,855	376,853
Total	360,160	383,321

*Excludes cash and cash equivalents

As at June 30, 2018 and December 31, 2017, if prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve, with all other variables held constant, net assets would have decreased or increased, respectively, by approximately \$13,377,000 (December 31, 2017 \$14,187,000). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, actual trading results may differ from the above sensitivity analysis and the difference could be material.

Other Price Risk

The impact on net assets of the Fund due to a 1 percent change in benchmark, using historical correlation between the Fund's return as compared to the return of the Fund's benchmark, as at June 30, 2018 and December 31, 2017, with all other variables held constant, is included in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 36 data points based on the monthly net returns of the Fund. The returns of all classes of units of the Fund are substantially similar except for the differences in expense structure.

Benchmark	Impact on net assets (\$000)	
	June 30, 2018	Dec. 31, 2017
FTSE TMX Canada Long Term Bond Index	3,605	3,831
Total	3,605	3,831

The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets could be materially different.

Beutel Goodman Long Term Bond Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Foreign Currency Risk

As at June 30, 2018 and December 31, 2017, the Fund did not have significant exposure to foreign currency risk.

Concentration Risk

The following is a summary of the Fund's concentration risk as at June 30, 2018 and December 31, 2017:

Market segment	June 30, 2018	Dec. 31, 2017
Short-Term Investments		
Treasury Bills	0.23%	0.59%
Canadian Bonds		
Federal Bonds	14.99%	16.58%
Provincial Bonds	53.84%	50.86%
Municipal Bonds	2.33%	2.36%
Corporate Bonds	28.05%	29.33%
Total	99.44%	99.72%

Fair Value Hierarchy

The following tables analyze the Fund's financial instruments carried at FVTPL within the fair value hierarchy as at June 30, 2018 and December 31, 2017.

June 30, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Bonds	–	360,159,642	–	360,159,642
Total Assets	–	360,159,642	–	360,159,642

Dec. 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Bonds	–	383,320,765	–	383,320,765
Total Assets	–	383,320,765	–	383,320,765

There were no transfers between level 1 and 2 during the periods ended June 30, 2018 and December 31, 2017.

Fund Unit Transactions

For the periods ended June 30

2018	Class B	Class D	Class F	Class I
Balance, beginning of the period	10,417	1,350,916	36,733	66,505,329
Redeemable units issued for cash	522	119,901	21,463	150,200
Reinvested units	133	18,697	576	1,242,088
Redeemable units redeemed	(1,178)	(258,421)	(22,337)	(4,828,670)
Balance, end of period	9,894	1,231,093	36,435	63,068,947

2017	Class B	Class D	Class F	Class I
Balance, beginning of the period	23,468	1,678,826	83,996	90,363,986
Redeemable units issued for cash	43	137,625	257,558	26,270,051
Reinvested units	250	21,691	2,768	1,994,149
Redeemable units redeemed	(5,390)	(289,337)	(49,762)	(1,848,651)
Balance, end of period	18,371	1,548,805	294,560	116,779,535

Beutel Goodman Core Plus Bond Fund

(formerly the Beutel Goodman Corporate/Provincial Active Bond Fund)

Statement of Financial Position

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

	2018	2017
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	761,168	1,080,930
Financial assets at fair value through profit or loss*	57,490,357	52,112,680
Accrued interest	404,899	373,143
Due from brokers	392,553	1,084,766
Subscriptions receivable	312,230	435,148
Total assets	59,361,207	55,086,667
Liabilities		
Current liabilities		
Management and administrative fees payable	26,910	28,049
Due to brokers	950,312	1,545,788
Redemptions payable	159,166	2,510
Distributions payable	67,291	14
Total liabilities (before net assets attributable to holders of redeemable units)	1,203,679	1,576,361
Net assets attributable to holders of redeemable units	58,157,528	53,510,306
*Investments at average cost	57,373,056	52,137,964
Net assets attributable to holders of redeemable units per class		
Class B	2,656,791	3,045,650
Class D	29,323,055	31,911,943
Class F	9,184,766	9,528,953
Class I	16,992,916	9,023,760
Net assets attributable to holders of redeemable units per unit		
Class B	9.37	9.45
Class D	5.04	5.09
Class F	9.39	9.47
Class I	5.15	5.20
Number of outstanding redeemable units (note 6)		
Class B	283,592	322,134
Class D	5,817,299	6,272,643
Class F	978,393	1,005,703
Class I	3,302,310	1,737,008

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

Statements of Comprehensive Income

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Income		
Net gains (losses) on investments		
Interest for distribution purposes	915,601	872,875
Realized gain (loss) on sale of investments	(601,330)	304,974
Change in unrealized appreciation (depreciation) in the value of investments	142,585	486,062
Net gains (losses) on investments	456,856	1,663,911
Other income		
Realized gain (loss) on foreign currency transactions	—	—
Total income	456,856	1,663,911
Expenses		
Management fees	153,183	160,821
Administrative fees	26,015	27,629
Total expenses before waiver	179,198	188,450
Expenses waived by the manager	(16,115)	—
Total expenses	163,083	188,450
Increase (decrease) in net assets attributable to holders of redeemable units	293,773	1,475,461
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class B	3,039	92,124
Class D	101,315	989,506
Class F	42,075	316,118
Class I	147,344	77,713
Increase (decrease) in net assets attributable to holders of redeemable units per unit*		
Class B	0.01	0.25
Class D	0.02	0.15
Class F	0.04	0.28
Class I	0.06	0.14

*Based on the weighted average number of redeemable units outstanding during the period.

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

Beutel Goodman Core Plus Bond Fund

(formerly the Beutel Goodman Corporate/Provincial Active Bond Fund)

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Net assets attributable to holders of redeemable units at beginning of period		
Class B	3,045,650	3,620,612
Class D	31,911,943	35,996,184
Class F	9,528,953	9,036,991
Class I	9,023,760	1,146,018
	53,510,306	49,799,805
Increase (decrease) in net assets attributable to holders of redeemable units		
Class B	3,039	92,124
Class D	101,315	989,506
Class F	42,075	316,118
Class I	147,344	77,713
	293,773	1,475,461
Distribution to holders of redeemable units		
From net investment income		
Class B	(30,795)	(41,282)
Class D	(402,931)	(478,352)
Class F	(130,678)	(170,979)
Class I	(257,825)	(68,594)
	(822,229)	(759,207)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class B	62,978	217,210
Class D	398,250	648,305
Class F	1,141,278	3,582,402
Class I	8,539,915	3,516,715
Reinvestments of distributions to holders of redeemable units		
Class B	29,232	38,611
Class D	357,640	449,131
Class F	44,275	59,882
Class I	257,797	68,465
Redemption of redeemable units		
Class B	(453,313)	(411,441)
Class D	(3,043,162)	(3,841,513)
Class F	(1,441,137)	(1,425,888)
Class I	(718,075)	(146,879)
	5,175,678	2,755,000
Net increase (decrease) in net assets attributable to holders of redeemable units		
Class B	(388,859)	(104,778)
Class D	(2,588,888)	(2,232,923)
Class F	(344,187)	2,361,535
Class I	7,969,156	3,447,420
	4,647,222	3,471,254
Net assets attributable to holders of redeemable units at end of period		
Class B	2,656,791	3,515,834
Class D	29,323,055	33,763,261
Class F	9,184,766	11,398,526
Class I	16,992,916	4,593,438
	58,157,528	53,271,059

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

Statements of Cash Flows

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	293,773	1,475,461
Adjustments for:		
Net realized (gain) loss on sale of investments	601,330	(304,974)
Change in unrealized (appreciation) depreciation in the value of investments	(142,585)	(486,062)
Purchases of investments	(49,865,584)	(26,695,934)
Proceeds from sale of investments	44,125,899	24,411,278
(Increase) decrease in accrued interest	(31,756)	2,113
Increase (decrease) in accrued liabilities	(1,139)	1,415
Net cash flows from (used in) operating activities	(5,020,062)	(1,596,703)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(66,008)	(79,581)
Proceeds from redeemable units issued	10,265,339	7,920,583
Redemption of redeemable units	(5,499,031)	(5,745,342)
Net cash flows from (used in) financing activities	4,700,300	2,095,660
Net increase (decrease) in cash and cash equivalents	(319,762)	498,957
Cash and cash equivalents at beginning of period	1,080,930	211,672
Cash and cash equivalents at end of period*	761,168	710,629
Supplementary information		
Cash flow from operating activities		
Interest received	883,845	874,988
*Cash and cash equivalents include:		
Cash at banks/(overdraft)	(61,351)	11,528
Short-term investments	822,519	699,101
Total	761,168	710,629

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

Beutel Goodman Core Plus Bond Fund

(formerly the Beutel Goodman Corporate/Provincial Active Bond Fund)

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Risk Management

The investment objective of the Beutel Goodman Core Plus Bond Fund (formerly known as Beutel Goodman Corporate/Provincial Active Bond Fund) (the "Fund") is to seek long-term capital appreciation by actively managing a portfolio primarily consisting of (i) short-term debt instruments of Canadian government and corporate issuers, and (ii) long-term fixed income securities of Canadian issuers which have a rating of at least BBB by a recognized Canadian rating agency. The Fund invests primarily in a well-diversified portfolio of Canadian government and Canadian corporate bonds of various maturities. The corporate bonds have an average credit rating of BBB or higher by a recognized rating agency. The average term of the bond portfolio is limited to a range of 6 to 15 years. Investments by the Fund in non-Canadian securities will generally not exceed 49% of the Fund's assets taken at book value. The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objective.

The Fund may invest in derivatives and/or underlying Funds from time to time. Please refer to the Simplified Prospectus for additional information.

Credit Risk

As at June 30, 2018 and December 31, 2017, the Fund invested in debt instruments with the following credit ratings:

Debt Instruments* by Credit Rating	Percentage of net assets (%)	
	June 30, 2018	Dec. 31, 2017
AAA	12	–
AA	21	12
A	32	55
BBB	32	30
BB	2	–
Total	99	97

*Excludes cash and cash equivalents

Credit ratings are obtained primarily from Dominion Bond Rating Service, Standard & Poor's and Moody's.

Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. The table below summarizes the Fund's exposure to interest rate risks by remaining term to maturity as at June 30, 2018 and December 31, 2017.

Debt Instruments* by Maturity Date	June 30, 2018	Dec. 31, 2017
	(\$000)	(\$000)
Less than 1 year	–	17
1-3 years	8,718	7,071
3-5 years	6,798	16,060
Greater than 5 years	41,974	28,965
Total	57,490	52,113

*Excludes cash and cash equivalents

As at June 30, 2018 and December 31, 2017, if prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve, with all other variables held constant, net assets would have decreased or increased, respectively, by approximately \$1,112,000 (December 31, 2017 \$988,000). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, actual trading results may differ from the above sensitivity analysis and the difference could be material.

Other Price Risk

The impact on net assets of the Fund due to a 1 percent change in benchmark, using historical correlation between the Fund's return as compared to the return of the Fund's benchmark, as at June 30, 2018 and December 31, 2017, with all other variables held constant, is included in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 36 data points based on the monthly net returns of the Fund. The returns of all classes of units of the Fund are substantially similar except for the differences in expense structure.

Benchmark	Impact on net assets (\$000)	
	June 30, 2018	Dec. 31, 2017
FTSE TMX Canada Universe Bond Index	552	506
Total	552	506

The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets could be materially different.

Foreign Currency Risk

As at June 30, 2018 and December 31, 2017, the Fund did not have significant exposure to foreign currency risk.

Beutel Goodman Core Plus Bond Fund

(formerly the Beutel Goodman Corporate/Provincial Active Bond Fund)

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Concentration Risk

As at June 30, 2018 and December 31, 2017, the Fund did not have significant exposure to foreign currency risk.

Market segment	June 30, 2018	Dec. 31, 2017
Short-Term Investments		
Treasury Bills	1.42%	2.00%
Canadian Bonds		
Mortgage Backed Securities	4.31%	—
Federal Bonds	5.03%	—
Provincial Bonds	23.04%	12.35%
Corporate Bonds	66.47%	85.04%
Total	100.27%	99.39%

Fair Value Hierarchy

The following tables analyze the Fund's financial instruments carried at FVTPL within the fair value hierarchy as at June 30, 2018 and December 31, 2017.

June 30, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Bonds	—	54,985,829	—	54,985,829
Mortgage Backed Securities	—	2,504,528	—	2,504,528
Total Assets	—	57,490,357	—	57,490,357

Dec. 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Bonds	—	52,112,680	—	52,112,680
Total Assets	—	52,112,680	—	52,112,680

There were no transfers between level 1 and 2 during the periods ended June 30, 2018 and December 31, 2017.

Fund Unit Transactions

For the periods ended June 30

2018	Class B	Class D	Class F	Class I
Balance, beginning of the period	322,134	6,272,643	1,005,703	1,737,008
Redeemable units issued for cash	6,740	79,005	121,674	1,655,012
Reinvested units	3,118	70,904	4,714	50,068
Redeemable units redeemed	(48,400)	(605,253)	(153,698)	(139,778)
Balance, end of period	283,592	5,817,299	978,393	3,302,310

2017	Class B	Class D	Class F	Class I
Balance, beginning of the period	383,368	7,084,297	954,416	220,709
Redeemable units issued for cash	22,559	125,563	374,444	666,391
Reinvested units	4,042	87,392	6,256	13,033
Redeemable units redeemed	(42,874)	(745,356)	(147,601)	(27,612)
Balance, end of period	367,095	6,551,896	1,187,515	872,521

Beutel Goodman Short Term Bond Fund

Statement of Financial Position

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

	2018	2017
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	48,065	26,863
Financial assets at fair value through profit or loss*	93,970,478	178,018,815
Accrued interest	666,153	980,568
Subscriptions receivable	613,898	41,793
Total assets	95,298,594	179,068,039
Liabilities		
Current liabilities		
Management and administrative fees payable	5,311	10,340
Redemptions payable	61,713	69,535
Distributions payable	6,366	2,051
Total liabilities (before net assets attributable to holders of redeemable units)	73,390	81,926
Net assets attributable to holders of redeemable units	95,225,204	178,986,113
*Investments at average cost	94,638,476	181,467,416
Net assets attributable to holders of redeemable units per class		
Class B	321,505	351,728
Class F	2,371,263	1,937,674
Class I	92,532,436	176,696,711
Net assets attributable to holders of redeemable units per unit		
Class B	9.22	9.25
Class F	9.22	9.28
Class I	9.27	9.34
Number of outstanding redeemable units (note 6)		
Class B	34,859	38,020
Class F	257,272	208,734
Class I	9,981,340	18,928,074

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

Statements of Comprehensive Income

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Income		
Net gains (losses) on investments		
Interest for distribution purposes	1,996,174	2,609,337
Realized gain (loss) on sale of investments	(4,416,195)	(1,279,884)
Change in unrealized appreciation (depreciation) in the value of investments	2,780,603	20,883
Net gains (losses) on investments	360,582	1,350,336
Other income		
Realized gain (loss) on foreign currency transactions	—	—
Total income	360,582	1,350,336
Expenses		
Management fees	6,684	8,508
Administrative fees	35,512	46,737
Total Expenses	42,196	55,245
Increase (decrease) in net assets attributable to holders of redeemable units	318,386	1,295,091
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class B	826	(50)
Class F	5,857	15,460
Class I	311,703	1,279,681
Increase (decrease) in net assets attributable to holders of redeemable units per unit*		
Class B	0.02	—
Class F	0.02	0.05
Class I	0.02	0.06

*Based on the weighted average number of redeemable units outstanding during the period.

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

Beutel Goodman Short Term Bond Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Net assets attributable to holders of redeemable units at beginning of period		
Class B	351,728	112,704
Class F	1,937,674	2,787,221
Class I	176,696,711	208,810,835
	178,986,113	211,710,760
Increase (decrease) in net assets attributable to holders of redeemable units		
Class B	826	(50)
Class F	5,857	15,460
Class I	311,703	1,279,681
	318,386	1,295,091
Distribution to holders of redeemable units		
From net investment income		
Class B	(1,890)	(2,502)
Class F	(21,265)	(23,620)
Class I	(1,918,289)	(2,527,069)
	(1,941,444)	(2,553,191)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class B	—	229,920
Class F	756,630	1,094,993
Class I	32,461,932	7,663,596
Reinvestments of distributions to holders of redeemable units		
Class B	1,816	2,502
Class F	1,044	4,786
Class I	1,917,530	2,525,139
Redemption of redeemable units		
Class B	(30,975)	(40,853)
Class F	(308,677)	(1,526,902)
Class I	(116,937,151)	(17,720,502)
	(82,137,851)	(7,767,321)
Net increase (decrease) in net assets attributable to holders of redeemable units		
Class B	(30,223)	189,017
Class F	433,589	(435,283)
Class I	(84,164,275)	(8,779,155)
	(83,760,909)	(9,025,421)
Net assets attributable to holders of redeemable units at end of period		
Class B	321,505	301,721
Class F	2,371,263	2,351,938
Class I	92,532,436	200,031,680
	95,225,204	202,685,339

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

Statements of Cash Flows

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	318,386	1,295,091
Adjustments for:		
Net realized (gain) loss on sale of investments	4,416,195	1,279,884
Change in unrealized (appreciation) depreciation in the value of investments	(2,780,603)	(20,883)
Purchases of investments	(234,264,070)	(150,702,803)
Proceeds from sale of investments	316,676,815	157,920,996
(Increase) decrease in accrued interest	314,415	132,940
Increase (decrease) in accrued liabilities	(5,029)	(849)
Net cash flows from (used in) operating activities	84,676,109	9,904,376
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(16,739)	(25,158)
Proceeds from redeemable units issued	32,646,457	8,988,589
Redemption of redeemable units	(117,284,625)	(19,289,896)
Net cash flows from (used in) financing activities	(84,654,907)	(10,326,465)
Net increase (decrease) in cash and cash equivalents	21,202	(422,089)
Cash and cash equivalents at beginning of period	26,863	1,113,045
Cash and cash equivalents at end of period*	48,065	690,956
Supplementary information		
Cash flow from operating activities		
Interest received	2,310,589	2,742,277
*Cash and cash equivalents include:		
Cash at banks/(overdraft)	(599,777)	16,934
Short-term investments	647,842	674,022
Total	48,065	690,956

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

Beutel Goodman Short Term Bond Fund

Schedule of Investment Portfolio as at June 30, 2018 (unaudited)

Par Value		Coupon Rate (%)	Maturity Date	Average Cost \$	Fair Value \$	% of Net Assets
Cash Equivalents (2017 - 0.00%)						
Treasury Bills						
650,000	Government of Canada	1.253	4-Oct-18	647,842	647,842	0.68
				<u>647,842</u>	<u>647,842</u>	<u>0.68</u>
Canadian Bonds (2017 - 99.46%)						
Federal Bonds						
8,382,000	CPPIB Capital Inc.	1.400	4-Jun-20	8,263,834	8,267,230	8.68
2,645,000	Government of Canada	1.250	1-Feb-20	2,613,860	2,618,875	2.75
3,759,000	Government of Canada	1.000	1-Sep-22	3,582,435	3,603,689	3.78
				<u>14,460,129</u>	<u>14,489,794</u>	<u>15.21</u>
Provincial Bonds						
5,171,000	Province of Ontario	3.150	2-Jun-22	5,286,358	5,310,980	5.58
				<u>5,286,358</u>	<u>5,310,980</u>	<u>5.58</u>
Corporate Bonds						
4,787,000	Bank of Montreal	1.610	28-Oct-21	4,661,752	4,615,813	4.85
3,215,000	Bank of Montreal	2.270	11-Jul-22	3,143,938	3,146,746	3.30
547,000	Bank of Montreal	2.890	20-Jun-23	546,902	546,062	0.57
3,062,000	Bank of Nova Scotia	2.130	15-Jun-20	3,070,830	3,036,233	3.19
6,070,000	Bank of Nova Scotia	2.980	17-Apr-23	6,056,471	6,081,455	6.40
1,672,000	Bell Canada Inc.	3.000	3-Oct-22	1,687,835	1,670,404	1.75
100,000	Canadian Imperial Bank of Commerce	1.900	26-Apr-21	99,552	97,936	0.10
7,342,000	Canadian Imperial Bank of Commerce	2.040	21-Mar-22	7,118,573	7,149,228	7.51
1,782,000	Canadian Imperial Bank of Commerce	3.000	28-Oct-24	1,798,634	1,789,062	1.88
2,064,000	Canadian Natural Resources Ltd.	2.050	1-Jun-20	2,049,161	2,039,062	2.14
1,917,000	Gaz Métro Inc.	1.520	25-May-20	1,914,142	1,886,576	1.98
4,340,000	Lower Mattagami Energy LP	4.331	18-May-21	4,766,820	4,549,274	4.78
3,251,000	Rogers Communications Inc.	4.700	29-Sep-20	3,414,573	3,393,347	3.56
4,044,000	Royal Bank of Canada	2.030	15-Mar-21	4,022,855	3,975,475	4.17
3,031,000	Royal Bank of Canada	3.040	17-Jul-24	3,060,909	3,044,556	3.20
1,538,000	Royal Bank of Canada	3.310	20-Jan-26	1,569,851	1,548,013	1.63
8,651,000	The Toronto-Dominion Bank	2.045	8-Mar-21	8,551,047	8,518,360	8.95
802,000	The Toronto-Dominion Bank	2.063	28-Jun-23	802,000	802,000	0.84
1,632,000	TransCanada Pipelines Ltd.	3.690	19-Jul-23	1,689,907	1,681,622	1.77
1,054,000	Union Gas Ltd.	8.750	3-Aug-18	1,074,658	1,060,181	1.11
2,931,000	Union Gas Ltd.	4.850	25-Apr-22	3,251,356	3,160,442	3.32
4,150,000	Westcoast Energy Inc.	8.500	4-Sep-18	4,247,411	4,192,796	4.40
1,029,000	Westcoast Energy Inc.	9.900	10-Jan-20	1,208,787	1,136,263	1.19
				<u>69,807,964</u>	<u>69,120,906</u>	<u>72.59</u>
Mortgage Backed Securities						
2,283,000	Canadian Mortgage Pools	1.620	1-Mar-22	2,042,430	2,013,843	2.11
3,187,000	Canadian Mortgage Pools	1.840	1-Dec-22	3,041,595	3,034,955	3.19
				<u>5,084,025</u>	<u>5,048,798</u>	<u>5.30</u>
Total Canadian Bonds				<u>94,638,476</u>	<u>93,970,478</u>	<u>98.68</u>
Transaction Costs				<u>-</u>		
Total Investments				<u>94,638,476</u>	<u>93,970,478</u>	<u>98.68</u>
Total Investments and Cash Equivalents				<u>95,286,318</u>	<u>94,618,320</u>	<u>99.36</u>
Other Assets Net of Liabilities					<u>1,254,726</u>	<u>1.32</u>
Net Assets Attributable to Holders of Redeemable Units					<u>95,225,204</u>	<u>100.00</u>

Beutel Goodman Short Term Bond Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Risk Management

The investment objective of the Beutel Goodman Short Term Bond Fund (the "Fund") is to seek to maximize returns through capital enhancement and investment income. The Fund invests primarily in a well-diversified portfolio of short term fixed income securities of Canadian government and corporate issuers. The bonds have a credit rating of BBB or higher by a recognized agency. The average portfolio duration of the Fund is limited to a range of 2 to 4 years. The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objective.

The Fund may invest in derivatives and/or underlying Funds from time to time. Please refer to the Simplified Prospectus for additional information.

Credit Risk

As at June 30, 2018 and December 31, 2017, the Fund invested in debt instruments with the following credit ratings:

Debt Instruments* by Credit Rating	Percentage of net assets (%)	
	June 30, 2018	Dec. 31, 2017
AAA	21	21
AA	13	17
A	49	48
BBB	15	13
Total	99	99

*Excludes cash and cash equivalents

Credit ratings are obtained primarily from Dominion Bond Rating Service, Standard & Poor's and Moody's.

Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. The table below summarizes the Fund's exposure to interest rate risks by remaining term to maturity as at June 30, 2018 and December 31, 2017.

Debt Instruments* by Maturity Date	June 30, 2018	Dec. 31, 2017
	(\$000)	(\$000)
Less than 1 year	5,253	24,483
1-3 years	39,519	56,975
3-5 years	41,135	92,100
Greater than 5 years	8,063	4,461
Total	93,970	178,019

*Excludes cash and cash equivalents

As at June 30, 2018 and December 31, 2017, if prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve, with all other variables held constant, net assets would have decreased or increased, respectively, by approximately \$638,000 (December 31, 2017 \$1,185,000). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, actual trading results may differ from the above sensitivity analysis and the difference could be material.

Other Price Risk

The impact on net assets of the Fund due to a 1 percent change in benchmark, using historical correlation between the Fund's return as compared to the return of the Fund's benchmark, as at June 30, 2018 and December 31, 2017, with all other variables held constant, is included in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 36 data points based on the monthly net returns of the Fund. The returns of all classes of units of the Fund are substantially similar except for the differences in expense structure.

Benchmark	Impact on net assets (\$000)	
	June 30, 2018	Dec. 31, 2017
FTSETMX Canada Short Term Bond Index	937	1,775
Total	937	1,775

The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets could be materially different.

Foreign Currency Risk

As at June 30, 2018 and December 31, 2017, the Fund did not have significant exposure to foreign currency risk.

Beutel Goodman Short Term Bond Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Concentration Risk

The following is a summary of the Fund's concentration risk as at June 30, 2018 and December 31, 2017:

Market segment	June 30, 2018	Dec. 31, 2017
Short-Term Investments		
Treasury Bills	0.68%	–
Canadian Bonds		
Federal Bonds	15.21%	15.41%
Provincial Bonds	5.58%	5.14%
Corporate Bonds	72.59%	73.72%
Mortgage Backed Securities	5.30%	5.19%
Total	99.36%	99.46%

Fair Value Hierarchy

The following tables analyze the Fund's financial instruments carried at FVTPL within the fair value hierarchy as at June 30, 2018 and December 31, 2017.

June 30, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Bonds	–	88,921,680	–	88,921,680
Mortgage Backed Securities	–	5,048,798	–	5,048,798
Total Assets	–	93,970,478	–	93,970,478

Dec. 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Bonds	–	168,732,876	–	168,732,876
Mortgage Backed Securities	–	9,285,939	–	9,285,939
Total Assets	–	178,018,815	–	178,018,815

There were no transfers between level 1 and 2 during the periods ended June 30, 2018 and December 31, 2017.

Fund Unit Transactions

For the periods ended June 30

2018	Class B	Class F	Class I
Balance, beginning of the period	38,020	208,734	18,928,074
Redeemable units issued for cash	–	81,741	3,502,682
Reinvested units	197	113	206,737
Redeemable units redeemed	(3,358)	(33,316)	(12,656,153)
Balance, end of period	34,859	257,272	9,981,340

2017	Class B	Class F	Class I
Balance, beginning of the period	11,952	294,758	21,940,331
Redeemable units issued for cash	24,320	115,242	800,437
Reinvested units	266	507	265,978
Redeemable units redeemed	(4,307)	(160,363)	(1,859,686)
Balance, end of period	32,231	250,144	21,147,060

Beutel Goodman Money Market Fund

Statement of Financial Position

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

	2018	2017
	\$	\$
Assets		
Current assets		
Cash	20,201	20,585
Financial assets at fair value through profit or loss*	186,725,339	269,452,815
Accrued interest	274,138	278,722
Subscriptions receivable	5,218,516	500,302
Total assets	192,238,194	270,252,424
Liabilities		
Current liabilities		
Management and administrative fees payable	9,143	9,778
Redemptions payable	992,903	47,119,189
Distributions payable	7,504	5,187
Total liabilities (before net assets attributable to holders of redeemable units)	1,009,550	47,134,154
Net assets attributable to holders of redeemable units	191,228,644	223,118,270
*Investments at average cost	186,725,339	269,452,815
Net assets attributable to holders of redeemable units per class		
Class D	22,442,923	21,905,460
Class F	3,182,080	3,516,294
Class I	165,603,641	197,696,516
Net assets attributable to holders of redeemable units per unit		
Class D	10.00	10.00
Class F	10.00	10.00
Class I	10.00	10.00
Number of outstanding redeemable units (note 6)		
Class D	2,244,216	2,190,390
Class F	318,197	351,606
Class I	16,559,631	19,768,014

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

Statements of Comprehensive Income

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Income		
Interest for distribution purposes	2,001,553	1,034,628
Total income	2,001,553	1,034,628
Expenses		
Management fees	68,237	14,794
Administrative fees	40,295	41,003
Total expenses before waiver	108,532	55,797
Expenses waived by the manager	(54,283)	–
Total expenses	54,249	55,797
Increase (decrease) in net assets attributable to holders of redeemable units	1,947,304	978,831
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class D	140,628	70,686
Class F	22,418	3,800
Class I	1,784,258	904,345
Increase (decrease) in net assets attributable to holders of redeemable units per unit*		
Class D	0.06	0.03
Class F	0.06	0.03
Class I	0.07	0.04

*Based on the weighted average number of redeemable units outstanding during the period.

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

Beutel Goodman Money Market Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Net assets attributable to holders of redeemable units at beginning of period		
Class D	21,905,460	26,765,002
Class F	3,516,294	96,559
Class I	197,696,516	309,073,865
	223,118,270	335,935,426
Increase (decrease) in net assets attributable to holders of redeemable units		
Class D	140,628	70,686
Class F	22,418	3,800
Class I	1,784,258	904,345
	1,947,304	978,831
Distribution to holders of redeemable units		
From net investment income		
Class D	(141,423)	(71,190)
Class F	(22,545)	(3,802)
Class I	(1,793,304)	(910,947)
	(1,957,272)	(985,939)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class D	6,579,820	14,496,386
Class F	687,940	4,445,366
Class I	734,798,863	707,071,660
Reinvestments of distributions to holders of redeemable units		
Class D	136,546	68,986
Class F	22,538	3,781
Class I	1,761,451	892,030
Redemption of redeemable units		
Class D	(6,178,108)	(20,751,295)
Class F	(1,044,565)	(784,221)
Class I	(768,644,143)	(761,493,087)
	(31,879,658)	(56,050,394)
Net increase (decrease) in net assets attributable to holders of redeemable units		
Class D	537,463	(6,186,427)
Class F	(334,214)	3,664,924
Class I	(32,092,875)	(53,535,999)
	(31,889,626)	(56,057,502)
Net assets attributable to holders of redeemable units at end of period		
Class D	22,442,923	20,578,575
Class F	3,182,080	3,761,483
Class I	165,603,641	255,537,866
	191,228,644	279,877,924

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

Statements of Cash Flows

For the periods ended June 30 (note 1) (unaudited)

	2018	2017
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	1,947,304	978,831
Purchases of investments	(1,657,404,719)	(1,120,302,660)
Proceeds from sale of investments	1,740,132,195	1,206,648,977
(Increase) decrease in accrued interest	4,584	238,354
Increase (decrease) in accrued liabilities	(635)	144
Net cash flows from (used in) operating activities	84,678,729	87,563,646
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(34,420)	(23,135)
Proceeds from redeemable units issued	737,348,409	723,195,674
Redemption of redeemable units	(821,993,102)	(810,725,492)
Net cash flows from (used in) financing activities	(84,679,113)	(87,552,953)
Net increase (decrease) in cash	(384)	10,693
Cash at beginning of year	20,585	9,151
Cash at end of period*	20,201	19,844
Supplementary information		
Interest received	2,006,137	1,272,982

*This is cash flow from operating activities

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

Beutel Goodman Money Market Fund

Schedule of Investment Portfolio as at June 30, 2018 (unaudited)

Par Value		Coupon Rate (%)	Maturity Date	Average Cost \$	Fair Value \$	% of Net Assets
Cash Equivalents (2017 - 120.77%)						
Treasury Bills						
2,775,000	Government of Canada	1.205	20-Sep-18	2,766,219	2,766,219	1.45
2,275,000	Government of Canada	1.253	4-Oct-18	2,267,447	2,267,447	1.19
				<u>5,033,666</u>	<u>5,033,666</u>	<u>2.64</u>
Bankers Acceptance						
15,000,000	Bank of Nova Scotia	1.590	31-Aug-18	14,941,000	14,941,000	7.81
18,000,000	Canadian Imperial Bank of Commerce	1.610	31-Aug-18	17,929,098	17,929,098	9.38
15,000,000	Firstbank	1.600	28-Aug-18	14,943,530	14,943,530	7.81
15,000,000	Royal Bank of Canada	1.629	3-Aug-18	14,938,650	14,938,650	7.81
18,000,000	Toronto-Dominion Bank	1.621	13-Sep-18	17,926,740	17,926,740	9.37
				<u>80,679,018</u>	<u>80,679,018</u>	<u>42.18</u>
Discount Commercial Paper						
15,875,000	AltaLink LP	1.731	29-Aug-18	15,806,570	15,806,570	8.27
15,000,000	Enbridge Pipelines Inc.	1.781	6-Jul-18	14,988,300	14,988,300	7.84
4,500,000	Énergir Inc.	1.599	1-Aug-18	4,489,380	4,489,380	2.35
15,000,000	Greater Toronto Airports Authority	1.678	13-Jul-18	14,939,550	14,939,550	7.81
15,000,000	Hydro One Inc.	1.599	30-Aug-18	14,945,275	14,945,275	7.82
18,000,000	Inter Pipeline Inc.	1.741	7-Aug-18	17,921,340	17,921,340	9.37
18,000,000	TransCanada Pipelines Ltd.	1.740	18-Sep-18	17,922,240	17,922,240	9.37
	Total Short-Term Investments			<u>101,012,655</u>	<u>101,012,655</u>	<u>52.83</u>
	Transaction Costs			<u>-</u>	<u>-</u>	<u>-</u>
	Total Investments and Cash Equivalents			<u>186,725,339</u>	<u>186,725,339</u>	<u>97.65</u>
	Other Assets Net of Liabilities			<u>4,503,305</u>	<u>4,503,305</u>	<u>2.35</u>
	Net Assets Attributable to Holders of Redeemable Units			<u>191,228,644</u>	<u>191,228,644</u>	<u>100.00</u>

Beutel Goodman Money Market Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Risk Management

The investment objective of the Beutel Goodman Money Market Fund (the "Fund") is to seek to maintain a high level of liquidity by investing in high quality Canadian money market instruments such as treasury bills, short-term government and corporate securities and deposit receipts of Canadian chartered banks and trust companies having a term to maturity not exceeding one year. The Fund will invest in a variety of money market instruments including Government of Canada treasury bills, short-term government bonds, commercial paper, short-term corporate bonds, chartered bank deposit receipts with a rating of A1 or R1 (low) depending on the rating agency, with a term to maturity of less than a year. The Fund is conservatively managed with an average term to maturity of less than 183 days. The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objective.

Credit Risk

As at June 30, 2018 and December 31, 2017, the Fund invested in debt instruments with the following credit ratings:

Debt Instruments* by Credit Rating	Percentage of net assets (%)	
	June 30, 2018	Dec. 31, 2017
R1 (high)	45	72
R1 (mid)	53	38
Not Rated	–	11
Total	98	121

*Excludes cash and cash equivalents

Credit ratings are obtained primarily from Dominion Bond Rating Service, Standard & Poor's and Moody's.

Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments. Due to the short term nature of the investments held by the Fund, the Fund is not exposed to a significant risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates.

Other Price Risk

The impact on net assets of the Fund due to a 1 percent change in benchmark, using historical correlation between the Fund's return as compared to the return of the Fund's benchmark, as at June 30, 2018 and December 31, 2017, with all other variables held constant, is included in the following table. Regression analysis has been utilized to estimate the historical correlation. The analysis uses 36 data points based on the monthly net returns of the Fund. The returns of all classes of units of the Fund are substantially similar except for the differences in expense structure.

Benchmark	Impact on net assets (\$000)	
	June 30, 2018	Dec. 31, 2017
FTSE TMX Canada 91-day Treasury Bills	1,461	1,407
Total	1,461	1,407

The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets could be materially different.

Foreign Currency Risk

As at June 30, 2018 and December 31, 2017, the Fund did not have significant exposure to foreign currency risk.

Beutel Goodman Money Market Fund

Fund Specific Notes to the Financial Statements

As at June 30, 2018 (unaudited) and December 31, 2017 (audited)

Concentration Risk

The following is a summary of the Fund's concentration risk as at June 30, 2018 and December 31, 2017:

Market segment	June 30, 2018	Dec. 31, 2017
Short-Term Investments		
Treasury Bills	2.64%	19.81%
Bankers Acceptance	42.18%	51.86%
Discount Commercial Paper	52.83%	49.10%
Total	97.65%	120.77%

Fair Value Hierarchy

The following tables analyze the Fund's financial instruments carried at FVTPL within the fair value hierarchy as at June 30, 2018 and December 31, 2017.

June 30, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Short-term investments	–	186,725,339	–	186,725,339
Total Assets	–	186,725,339	–	186,725,339

Dec. 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Assets				
Short-term investments	–	269,452,815	–	269,452,815
Total Assets	–	269,452,815	–	269,452,815

There were no transfers between level 1 and 2 during the periods ended June 30, 2018 and December 31, 2017.

Fund Unit Transactions

For the periods ended June 30

2018	Class D	Class F	Class I
Balance, beginning of the period	2,190,390	351,606	19,768,014
Redeemable units issued for cash	657,982	68,794	73,479,886
Reinvested units	13,655	2,254	176,145
Redeemable units redeemed	(617,811)	(104,457)	(76,864,414)
Balance, end of period	2,244,216	318,197	16,559,631

2017	Class D	Class F	Class I
Balance, beginning of the period	2,676,442	9,656	30,906,739
Redeemable units issued for cash	1,449,638	444,536	70,707,166
Reinvested units	6,899	378	89,203
Redeemable units redeemed	(2,075,129)	(78,422)	(76,149,309)
Balance, end of period	2,057,850	376,148	25,553,799

Beutel Goodman Managed Funds

Notes to Financial Statements

For the periods ended June 30, 2018 and 2017 (unaudited)

1. General Information

Beutel, Goodman & Company Ltd. (the "Manager") is the trustee and manager of the following open-ended unit trusts formed under the laws of Ontario by Declarations of Trust on the dates noted below:

Fund Name	Short Name	Formation Date	Date of Commencement
Beutel Goodman Balanced Fund *	Balanced	August 23, 1990	December 11, 1990
Beutel Goodman Canadian Equity Fund *	Canadian	August 23, 1990	December 11, 1990
Beutel Goodman Total World Equity Fund	Total World Equity	August 17, 2001	August 17, 2001
Beutel Goodman Canadian Dividend Fund	Canadian Dividend	August 21, 2003	September 30, 2003
Beutel Goodman North American Focused Equity Fund	North American Focused	March 12, 1999	August 26, 1999
Beutel Goodman Small Cap Fund	Small Cap	January 16, 1995	January 27, 1995
Beutel Goodman American Equity Fund *	American	August 23, 1990	December 11, 1990
Beutel Goodman International Equity Fund	International	August 26, 1992	September 17, 1992
Beutel Goodman Global Dividend Fund	Global Dividend	August 13, 2010	August 13, 2010
Beutel Goodman Income Fund *	Income	August 23, 1990	December 11, 1990
Beutel Goodman Core Plus Bond Fund (formerly known as Beutel Goodman Corporate/Provincial Active Bond Fund)	Core Plus	August 26, 1999	October 1, 1999
Beutel Goodman Long Term Bond Fund	Long Term	March 12, 1999	April 1, 1999
Beutel Goodman Short Term Bond Fund	Short Term	August 13, 2010	August 13, 2010
Beutel Goodman Money Market Fund *	Money Market	August 23, 1990	December 11, 1990
Beutel Goodman World Focus Equity Fund	Global	August 17, 2006	August 17, 2006
Beutel Goodman Global Equity Fund**	Global Equity	April 5, 1995	April 12, 1995
Beutel Goodman Fundamental Canadian Equity Fund	Fundamental Canadian Equity	June 23, 2014	June 23, 2014

* Third Amended Trust Indenture dated August 28, 1991.

** Amended on July 6, 2011 from Pooled Fund to Mutual Fund.

(collectively, the "BG Funds" or individually the "Fund")

The address of the BG Funds registered office is 20 Eglinton Avenue West, Suite 2000, Toronto, ON M4R 1K8. The financial statements are presented in Canadian dollars, which is also the BG Funds' functional currency. These financial statements were authorized for issue by the Manager on August 22, 2018.

The Statements of Financial Position of each of the BG Funds are as at June 30, 2018 and December 31, 2017. The Statements of Comprehensive Income, Changes in Net Assets Attributable to Holders of Redeemable Units and Cash Flows are for the periods ended June 30, 2018 and June 30, 2017.

2. Basis of Presentation and Adoption of IFRS

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") International Accounting Standard ("IAS") 34, Interim Financial Reporting as published by the International Accounting Standards Board ("IASB") and as required by Canadian securities legislation and the Canadian Accounting Standards Board.

These financial statements are not audited by external auditors.

3. Summary of Significant Accounting Policies

The following summarizes the accounting policies of the BG Funds for the periods ended June 30, 2018 and June 30, 2017:

a) Financial Instruments

Financial instruments include financial assets and liabilities such as debt and equity securities, open-ended investment funds and derivatives, cash and other trade receivable and payables. All financial assets and liabilities are recognized in the Statement of Financial Position when the BG Funds become a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the BG Funds have transferred substantially all risks and rewards of ownership.

b) Transition to IFRS 9

Effective January 1, 2018, the BG Funds adopted IFRS 9 – Financial Instruments. The standard has been retrospectively applied. IFRS 9 brings together all three aspects of the accounting for financial instruments project: classification and measurement, impairment

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and hedge accounting. The BG Funds performed a detailed impact assessment of all three aspects of IFRS 9. The standard is not expected to have a material impact on the measurement basis of the financial assets held by the BG Funds since majority of the financial assets are measured at fair value through profit or loss. No impact on the Net Assets and the results of the BG Funds are expected from the adoption of IFRS 9.

Classification and measurement categories under IFRS 9 are amortized cost, fair value through other comprehensive income (FVOCI), and fair value through profit or loss (FVTPL). To determine the appropriate classification and measurement category, IFRS 9 requires an entity to consider the business model for managing financial instruments and the contractual cash flow characteristics associated with the financial instruments.

The BG Funds' business model is one in which financial assets are managed with the objective of realizing cash flows through the sale of assets. Decisions are made based on the assets' fair values and assets are managed to realize these fair values. This business model is aligned with a FVTPL classification and measurement category. The BG Funds expect to continue measuring at FVTPL all financial assets currently held at fair value. Debt securities are expected to be measured at FVTPL under IFRS 9 as the BG Funds do not expect to hold the assets to collect contractual cash flows based on their business model. Collection of the contractual cash flows is not integral to achieving the BG Funds' business model objective but is instead incidental to it.

Loans as well as trade receivables are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. Thus, the BG Funds expect that these will continue to be measured at amortized cost under IFRS 9.

Impairment

IFRS 9 requires that an entity recognize a loss allowance for expected credit losses on financial assets which are measured at amortized costs or FVOCI. Financial assets held by the BG Funds which are measured at FVTPL will not be subject to the new impairment requirements.

With respect to loans and receivables, the BG Funds consider both historical analysis and forward looking information in determining any expected credit loss. As at the financial statement date, all loans and receivables are due to be settled within the short term. The BG Funds consider the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligation in the near term. Given the limited exposure of the BG Funds to credit risk, no loss allowance has been recognized as any such impairment will not have a significant impact on the financial statements.

Hedging

The BG Funds have not applied hedge accounting under IAS 39 and will not apply hedge accounting under IFRS 9. No impact is expected from the adoption of IFRS 9.

c) Valuation of investments

The BG Funds recognize financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments measured at amortized cost. Purchases and sales of financial assets are recognized at their trade 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 BG Funds' obligation for net assets attributable to holders of redeemable units is presented at the redemption amount, which approximates fair value due to its short term nature. All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted when appropriate, at the contract's effective interest rate. As at June 30, 2018 and December 31, 2017, there are no differences between the net asset value (NAV) used for transactions with unitholders and the net assets attributable to holders of redeemable units used for reporting purposes under IFRS.

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 BG Funds use the last traded market price for financial assets 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 BG Funds' policy is to recognize transfers between levels as of the reporting date.

The fair value of investments as at the financial reporting period end is determined as follows:

- i. Securities listed upon a recognized public stock exchange are valued at their last prices on the valuation date. Securities with no available last prices are valued at the fair value as determined by the Manager.
- ii. Securities not listed upon a recognized public stock exchange are valued using valuation techniques, on such basis and in such manner established by the Manager.
- iii. Bonds and other debt instruments are valued at the mean of bid/ask prices provided by recognized investment dealers.

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A Fund may, from time to time, enter into foreign currency forward contracts. Foreign currency forward contracts are valued on each valuation day based on the difference between the contract rate and the current forward rate at the measurement date applied to the contract's notional amount and adjusted for counterparty risk.

All unrealized gains (losses) arising from foreign currency forward contracts are recorded as part of "Change in unrealized appreciation (depreciation) in value of derivatives" in the Statements of Comprehensive Income and "Unrealized gain (loss) on forward agreement" in the Statement of Financial Position until the contracts are closed out or expire, at which time the gains (losses) are realized and reported as "Net realized gain (loss) on sale of derivatives" in the Statements of Comprehensive Income.

d) Redeemable units valuation and valuation day

Redeemable units of the BG Funds are valued at the net asset value (NAV) per unit of each class on each valuation day. A valuation day is each day on which the Toronto Stock Exchange and other exchanges, if relevant, are open for trading. The net asset value per unit of each class is calculated by dividing the total NAV of each class of a Fund by the number of redeemable units of that class outstanding.

e) Recognition of income

Interest for distribution purposes shown on the Statements of Comprehensive Income represents the coupon interest received by the BG Funds accounted for on an accrual basis. The BG Funds do not amortize premiums or discounts received on the purchase of fixed income securities except for zero coupon bonds. Dividend income is accrued and recognized on the ex-dividend date. Any related withholding tax is recognized as an expense. Investment transactions are accounted for on the trade date. Realized and unrealized gains and losses on the sale of investments are determined by using average cost. Net realized gains (losses) on sale of investments and the change in unrealized appreciation (depreciation) in the value of investments are allocated daily among the classes on a pro-rata basis to each class based on the relative net assets of each class to the total net assets of the Fund. All net gains (losses) on investments are from investments designated at FVTPL.

f) Transaction costs

Transaction costs are expensed and included in "Transaction costs" in the Statements of Comprehensive Income. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commission paid to the agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. In addition to covering brokerage services on security transactions, commissions paid to certain brokers may also cover research services provided to the investment manager. The value of the research services and execution services included in the commissions paid by each fund, where applicable is disclosed in Note 9 as soft dollar commissions.

g) Cost of investments

The cost of investments represents the amount paid for each security and is 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.

h) Foreign exchange

Foreign currency accounts are expressed in each Fund's functional currency, the Canadian Dollar, on the following basis:

- i. Fair value of investments and other assets at the rate of exchange prevailing at the period-end-date.
- ii. Purchases and sales of investments, income and expenses at the rate of exchange prevailing on the respective dates of such transactions.
- iii. Realized and unrealized gains (losses) on foreign currency investments are included under Net gains (losses) on investments in the Statements of Comprehensive Income.
- iv. Realized and unrealized gains (losses) on other foreign currency assets and liabilities are included under "Realized Gain (loss) on foreign currency transactions" in the Statements of Comprehensive Income.

i) Increase (decrease) in net assets attributable to holders of redeemable units per unit

Increase (decrease) in net assets attributable to holders of redeemable units per unit of a class in the Statements of Comprehensive Income represents the increase(decrease) in net assets attributable to holders of redeemable units of the class, divided by the weighted average number of redeemable units of that class outstanding during the period.

j) Other assets and liabilities

Cash and cash equivalents, interest and dividends receivables, subscriptions receivables and due from brokers, are designated as loans and receivables and recorded at amortized cost. Amounts due to brokers, accrued expenses and redemptions payables are designated as financial liabilities and reported at amortized cost. Other assets and liabilities are short term in nature and their carrying value approximates fair value.

k) Critical accounting estimates and judgements

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. Estimates and assumptions by management may affect the reported amounts of assets, liabilities, income and expenses, realized and unrealized gains (losses) during the reported periods. Actual results could differ from estimates. The following discusses the most significant accounting judgments and estimates that the BG Funds have made in preparing the financial statements:

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Notes to Financial Statements

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Classification and measurement of investments and application of the FVTPL option

In classifying and measuring financial instruments held by the BG Funds, the Manager is required to make significant judgments about whether or not the business model of BG Funds is one in which financial assets are managed with the objective of realizing cash flows through the sale of assets for the purpose of applying the FVTPL for the financial assets under IFRS 9 – Financial Instruments. The most significant judgments made include the determination that the FVTPL option can be applied to the BG Funds' investments.

l) Cash and cash equivalents

Cash is composed of demand deposits with financial institutions. The BG Funds classify all short-term investments as cash equivalents due to their short term to maturity.

m) Classification of redeemable units issued by the BG Funds

Under IFRS, IAS 32 requires that units of an entity which include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset be classified as financial liability. The BG funds' units do not meet the criteria in IAS 32 for classification as equity since the BG Funds have multiple classes which enable different groups of investors to participate in each fund on different terms, including being subject to different management fee rates and therefore, are classified as liability.

n) Interests in structured entities and related party transactions

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. Certain Funds may invest in mortgage-related or other asset-backed securities. These securities include commercial mortgage-backed securities, asset-backed securities, collateralized debt obligations and other securities that directly or indirectly represent a participation in, or are securitized by and payable from, mortgage loans on real property. Mortgage-related securities are created from pools of residential or commercial mortgage loans while asset-backed securities are created from many types of assets, including auto loans, credit card receivables, home equity loans and student loans. The BG Funds account for these investments at fair value. The fair value of such securities, as disclosed in the Schedule of Investment Portfolio, represents the maximum exposure to losses at that date.

4. Financial Instrument Risk

In the normal course of business, each Fund is exposed to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, other price risk and foreign currency risk). The value of investments within a Fund's portfolio can fluctuate on a daily basis as a result of changes in interest rates, economic conditions, market and company news related to

specific securities within the Fund. The level of risk depends on the Fund's investment objectives and the type of securities it invests in. Please refer to the Fund Specific Notes for a discussion of each Fund's financial instruments risk.

a) Credit Risk

The BG Funds that invest in fixed income securities (like bonds) and derivatives are vulnerable to credit risk. Credit risk is the risk that the government or company issuing a fixed income security will not be able to pay the interest as required or pay back the original principal. Credit risk exposure for derivative instruments is based on each Fund's unrealized gain on the contractual obligations with the counterparty as at the reporting date. The credit rating of a counterparty to a derivative instrument is disclosed in Schedule of Investment Portfolio or in Fund Specific Notes to the Financial Statements section of the financial statements of each Fund, if applicable. Securities that have a low credit rating have higher credit risk. The BG Funds that invest in companies or markets with low credit risk (such as well established companies or markets in developed countries) may be less volatile in the short term than those mutual funds that invest in securities with higher credit risk. All transactions executed by a Fund in listed securities are settled or paid for upon delivery using approved brokers. The risk of default is considered minimal, as 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.

b) Liquidity Risk

Liquidity risk is defined as the risk that a Fund may not be able to settle or meet its obligations on time or at a reasonable price. Each Fund is exposed to daily cash redemptions of redeemable units. Liquidity risk is managed by investing the majority of the Fund's assets in investments that are traded in an active market and can be readily disposed of. All liabilities of each Fund are due within three months.

c) Interest Rate Risk

The value of a Fund that invests in bonds, other fixed income investments, and to a lesser extent, preferred shares and dividend yielding common shares, is directly affected by changes in the general level of interest rates.

As interest rates increase, the price of these investments tends to fall. Conversely, if interest rates fall, the price of fixed income securities increases. As a result, the BG Funds that invest in fixed income securities can experience gains or losses as interest rates change.

d) Foreign Currency Risk

The BG Funds that invest in securities denominated in currencies other than the functional currency of the fund are vulnerable to foreign currency risk, which is the risk that the value of a financial instrument will fluctuate due to changes in the foreign exchange rates.

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e) Other Price Risk

Other price risk is the risk that the market value or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). All investments represent a risk of loss of capital. The portfolio manager of each Fund moderates the risk through a careful selection and diversification of securities and other financial instruments within the limits of the Fund's investments objectives and strategy. The maximum risk resulting from financial instruments is represented by the market value of the financial instruments. The Fund's overall market positions are monitored on a daily basis by the portfolio manager. Financial instruments held by each Fund are susceptible to market price risk arising from uncertainties about future prices of instruments.

f) Concentration Risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type.

g) Fair Value Estimation

IFRS requires that entities classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

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

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes "observable" requires significant judgment by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Investments, whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities. The Manager does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are value based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include investment-grade corporate bonds and forward foreign exchange contracts. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

h) Offsetting of financial instruments

In the normal course of business, the BG Funds enter into various master netting agreements or other similar agreements that do not meet the criteria of offsetting in the statements of financial position but still allow for the realized amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts.

The disclosures set out in the Offsetting of Financial Instruments tables in the Fund Specific Notes to Financial Statements of each Fund, where applicable, include foreign currency forward contracts assets and liabilities that are subject to netting arrangement. In the absence of such an election, contracts will be settled on a gross basis.

5. Taxation of the BG Funds

The BG Funds, with the exceptions of Total World Equity, Short Term Bond, Global Equity, and Fundamental Canadian Equity, which are unit trusts, qualify as mutual fund trusts as defined in the Income Tax Act (Canada).

Pursuant to the terms of the Trust Indentures establishing the BG Funds, the BG Funds pay or make payable to unitholders in the calendar year all the taxable investment income and such capital gains of a Fund as are necessary to ensure that no taxes are payable by the Fund. As a result, the BG Funds do not record income taxes. Since the BG Funds do not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the Statements of Financial Position as a deferred tax asset. For the BG Funds that qualify as mutual fund trusts, the amount of taxable capital gains can be reduced by taking into account applicable capital gains refunds. Under existing tax legislation the net investment income and capital gains paid to unitholders are taxable in the hands of the unitholders and not in the BG Funds. The BG Funds currently incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income.

As at June 30, 2018, none of the BG Funds had non-capital losses and the following BG Funds had capital loss carry-forwards for income tax purposes. The capital losses may be carried forward indefinitely to be applied against future capital gains.

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Fund Name	Capital Losses
	\$
Income	2,598,384
International	10,956,368
Short Term Bond	7,682,256
Long Term Bond	24,737

6. Redeemable Units

The BG Funds are authorized to issue an unlimited number of redeemable units without par value. Unitholders may as of any valuation day subscribe for or redeem all or any part of their units by delivering to the Manager a properly completed and signed request. Requests received by 4:00 p.m. Toronto time on a particular valuation day will be transacted at the unit valuation on that day. Requests received after 4:00 p.m. will be transacted on the next valuation day at the unit valuation pertaining to the next day. As a security measure, telephone or electronically transmitted redemption requests will normally not be accepted.

A unitholder may require a Fund to redeem some or all of the unitholder's units by delivering by prepaid mail or courier to the Manager, a properly completed and signed redemption request that a specified dollar amount or number of units be redeemed. The BG Funds have no restrictions or specific capital requirements on the subscription or redemption of units, other than minimum subscription requirements. The Statement of Changes in Net Assets Attributable to Holders of Redeemable Units identifies changes in each Fund's capital during the period. The Manager manages the capital of the BG Funds in accordance with the BG Funds' investment objectives, including managing their liquidity in order to be able to meet redemptions as discussed above. The Manager defines capital to include the Net Assets Attributable to Holders of Redeemable Units of the BG Funds.

The classes offered are:

Class B Units: for retail investors investing a minimum of \$5,000 in a Fund through authorized third-party dealers;

Class D Units: for retail investors investing a minimum of \$5,000 in a Fund;

Class F Units: for investors investing a minimum of \$5,000 in a Fund, who are enrolled in a dealer-sponsored fee-for-service or wrap program (where various mutual funds are bundled together) who are subject to a periodic asset-based fee, rather than commissions on each transaction, or any other investors for whom we do not incur distribution costs; and

Class I Units: for investors who have invested a minimum of \$500,000 in a Fund and who have entered into an investment management agreement with us, and for our employees (or employees of our affiliates). At our discretion, we may waive the investment minimum.

The different classes of units of a Fund represent an interest in the same portfolio investments of the Fund.

The Fund Specific Notes to the Financial Statements disclose unit movements in each Fund's net assets during the periods.

Short-Term Trading Penalty

To discourage excessive trading, the BG Funds may, at the Manager's sole discretion, charge a short-term trading penalty of up to 2% of the amount switched or redeemed if held in the Fund for less than 30 days. This penalty is paid directly to the BG Funds.

7. Related Party Transactions

Management and administrative fees

The Manager, in consideration of management fees received, provides management services, including key personnel, that are required in the day-to-day operation of the BG Funds, including management of the investment portfolios. The management fee is calculated as an annual percentage of the total net asset value of each Fund at the end of each business day and payable monthly. Management fees charged to Class I units are negotiated and paid directly by the investors, not by the BG Funds. In addition to management fees, the BG Funds also pay a monthly administrative fee to the Manager, based on daily net asset value.

The following table lists the management fees that are payable to the Manager:

Management Fees

Fund	Class	Management Fees (%) ⁽¹⁾
Balanced Fund	B	1.75
	D	1.00
	F	0.85
Canadian Equity Fund	B	1.85
	D	1.25
	F	0.90
Total World Equity Fund	B	1.85
	D	1.25
	F	0.90
North American Focused Equity Fund	B	1.85
	D	1.25
	F	0.90
Small Cap Fund	B	1.95
	D	1.25
	F	1.00
Canadian Dividend Fund	B	1.85
	D	1.25
	F	0.90
Global Dividend Fund	B	1.90
	F	1.00
World Focus Equity Fund	B	1.90
	D	1.25
	F	1.00

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Fund	Class	Management Fees (%) ⁽¹⁾
Global Equity Fund	B	1.90
	D	1.25
	F	1.00
International Equity Fund	B	1.90
	D	1.25
	F	1.00
American Equity Fund	B	1.85
	D	1.25
	F	0.90
Income Fund	B	1.00
	D	0.70
	F	0.50
Long Term Bond Fund	B	1.00
	D	0.70
	F	0.50
Core Plus Bond Fund	B	1.00
	D	0.70
	F	0.50
Short Term Bond Fund	B	1.00
	F	0.50
Money Market Fund	D	0.50
	F	0.40
Fundamental Canadian Equity Fund	B	1.85
	F	0.90

(1) Plus HST where applicable.

The Manager may reduce the management fee for certain large investors who have substantial holdings in units of a Fund. To accomplish this, the Manager will reduce the management fee it charges to the Fund and the Fund pays out the difference to these investors as a special distribution. This is called a management fee distribution. The Manager calculates and accrues the reduction daily and distributes it quarterly. The distribution is reinvested on behalf of such unitholders in additional units of the same class of the Fund. Management fee reductions for a unitholder may be increased at any time, but may only be decreased after at least 60 days' prior written notice has been given to such unitholder. The Manager may waive its management or administrative fee in certain circumstances.

The Manager pays the administrative fees of the BG Funds. These expenses include audit and legal fees; custodian and transfer agency fees; costs attributable to the issue, redemption and change of units, including the cost of the securityholder record-keeping system; expenses incurred in respect of preparing and distributing prospectuses, financial reports and other types of reports, statements and communications to securityholders; fund accounting and valuation costs; independent review committee fees and filing fees, including those incurred by the Manager. In return, each Fund pays the Manager a fixed administrative fee. The administrative fee, set out below, is subject to applicable taxes, including HST, and may vary by class of units and by Fund.

Administrative Fees

Fund	Class	Administrative Fees (%)
Balanced Fund	B	up to 0.10
	D	up to 0.10
	F	up to 0.10
	I	up to 0.10
Canadian Equity Fund	B	up to 0.10
	D	up to 0.10
	F	up to 0.10
	I	up to 0.10
Total World Equity Fund	B	up to 0.10
	D	up to 0.10
	F	up to 0.10
	I	up to 0.10
North American Focused Equity Fund	B	up to 0.10
	D	up to 0.10
	F	up to 0.10
	I	up to 0.10
Small Cap Fund	B	up to 0.10
	D	up to 0.10
	F	up to 0.10
	I	up to 0.10
Canadian Dividend Fund	B	up to 0.10
	D	up to 0.10
	F	up to 0.10
	I	up to 0.10
Global Dividend Fund	B	up to 0.15
	F	up to 0.15
	I	up to 0.10
World Focus Equity Fund	B	up to 0.15
	D	up to 0.10
	F	up to 0.15
	I	up to 0.10
Global Equity Fund	B	up to 0.15
	D	up to 0.15
	F	up to 0.15
	I	up to 0.10
International Equity Fund	B	up to 0.15
	D	up to 0.10
	F	up to 0.15
	I	up to 0.10
American Equity Fund	B	up to 0.10
	D	up to 0.10
	F	up to 0.10
	I	up to 0.10
Income Fund	B	up to 0.10
	D	up to 0.10
	F	up to 0.10
	I	up to 0.10
Long Term Bond Fund	B	up to 0.10
	D	up to 0.10
	F	up to 0.10
	I	up to 0.10

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Fund	Class	Administrative
		Fees (%)
Core Plus Bond Fund	B	up to 0.10
	D	up to 0.10
	F	up to 0.10
	I	up to 0.10
Short Term Bond Fund	B	up to 0.10
	F	up to 0.10
	I	up to 0.10
Money Market Fund	D	up to 0.10
	F	up to 0.10
	I	up to 0.10
Fundamental Canadian Equity Fund	B	up to 0.10
	F	up to 0.10
	I	up to 0.10

The Manager has the following holdings in the BG Funds:

Fund Name	Unit Type	Value of Redeemable units as at June 30, 2018	Value of Redeemable units as at December 31, 2017
		\$	\$
Money Market	I	5,970,465	10,608,534

8. Independent Review Committee

Effective January 1, 2013, Beutel, Goodman & Company Ltd. is the Manager of the BG Funds. Beutel Goodman Managed Funds Inc., the former Manager of the BG Funds appointed an Independent Review Committee ("IRC") for each of the BG Funds in accordance with the Canadian Securities Administrators' National Instrument 81-107. This Instrument has been designed to promote investor protection in mutual funds. The IRC oversees conflict of interest matters that may arise out of the management of each of the BG Funds by providing its recommendations or approvals, as required, to the Manager on how these conflicts may be fairly resolved. The IRC for each of the Beutel Goodman Managed Funds consists of three industry professionals, none of whom have an interest in the BG Funds or Beutel, Goodman & Company Ltd. outside of their roles as members of the IRC. IRC fees are included in the administrative fees.

9. Commissions

Commissions paid to brokers for portfolio transactions for the periods ended June 30, 2018 and 2017 were as follows:

	2018	2017
	\$	\$
Balanced	1,311,205	1,091,590
Canadian Equity	891,547	1,051,225
Total World Equity	3,123	1,867
North American Focused Equity	10,632	7,171
Canadian Dividend	134,322	216,560
Small Cap	206,264	284,988
American Equity	300,433	523,977
International Equity	158,858	149,774
Global Dividend	26,341	13,089
World Focus Equity	8,257	16,485
Global Equity	190,344	287,916
Fundamental Canadian Equity	126,937	117,332

Soft dollar commissions for the periods ended June 30, 2018 and 2017 were as follows:

	2018	2017
	\$	\$
Balanced	100,530	98,893
Canadian Equity	278,457	208,245
Total World Equity	81	17
North American Focused Equity	93	68
Canadian Dividend	5,511	11,370
Small Cap	61,563	10,386
American Equity	11,647	62,137
World Focus Equity	136	303
Global Equity	Nil	26,386
Fundamental Canadian Equity	23,047	15,180



Beutel, Goodman & Company Ltd.
20 Eglinton Avenue West, Suite 2000
P.O. Box 2005, Toronto, Ontario
M4R 1K8

Telephone: (416) 932-6403
Toll-free: 1-855-247-9954
Fax: (416) 485-8194

E-mail: mutualfunds@beutelgoodman.com

www.beutelgoodman.com