

Financial Statements of

LANDRY FUNDS

Years ended December 31, 2016 and 2015

LANDRY FUNDS

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LANDRY FUNDS

Directory

Years ended December 31, 2016 and 2015

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MANAGER'S RESPONSIBILITY FOR FINANCIAL REPORTING

The following financial statements have been prepared by the Manager, Landry Investment Management Inc. The Manager is responsible for the integrity, objectivity and reliability of the data and declaration presented.

The Manager has taken all necessary measures to ensure that the financial information conveyed is relevant and reliable. The financial statements were prepared in accordance with International Financial Reporting Standards (as described in Notes 2 and 3) using information available and includes certain amounts that are based on the Manager's best estimates and judgment.

Approved on behalf of Landry Investment Management Inc.

A handwritten signature in blue ink, appearing to read "J. Landry", with a stylized flourish at the end.

Jean-Luc Landry

President & Chief Executive Officer



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INDEPENDENT AUDITORS' REPORT

To the Unitholders of

Landry Canadian Equity Fund

Landry U.S. Equity Fund

Landry Global Equity Fund

(collectively the "Funds")

We have audited the accompanying financial statements of the Funds, which comprise the statements of financial position as at December 31, 2016 and December 31, 2015, the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.



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Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Funds as at December 31, 2016 and December 31, 2015, and their financial performance and their cash flows for the years then ended in accordance with International Financial Reporting Standards.

*KPMG LLP**

March 29, 2017

Montréal, Canada

LANDRY CANADIAN EQUITY FUND

Statements of Financial Position
(In Canadian dollars)

December 31, 2016 and 2015


	2016	2015
Assets		
Current assets:		
Investments	\$ 18,496,197	\$ 13,737,185
Cash and cash equivalents	385,498	1,262,132
Amounts receivable relating to portfolio assets sold	3,005,238	2,319,185
Amounts receivable relating to accrued dividends	35,901	21,633
Prepaid expenses	5,141	3,467
	21,927,975	17,343,602
Liabilities		
Current liabilities:		
Accrued expenses	48,652	37,020
Accrued management fees	15,619	8,059
Amounts payable for portfolio assets purchased	2,765,622	3,079,762
	2,829,893	3,124,841
Net assets attributable to holders of redeemable units	\$ 19,098,082	\$ 14,218,761

	2016		2015	
	Number of units issued and outstanding	Net assets attributable to holders of redeemable units	Number of units issued and outstanding	Net assets attributable to holders of redeemable units
Class A	3,033	\$ 37,967	4,858	\$ 51,813
Class F	711,122	15,920,813	435,154	8,218,675
Class I	28,093	434,580	56,835	733,151
Class J	241,876	2,704,722	559,064	5,215,122

	2016	2015
Net assets attributable to holders of redeemable units per unit:		
Class A	\$ 12.52	\$ 10.67
Class F	22.39	18.89
Class I	15.47	12.90
Class J	11.18	9.33

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

Approved on behalf of Landry Investment Management Inc.:



Jean-Luc Landry
President & Chief Executive Officer



Benoit Perraton Brillon, CFA
Chief Investment Officer & Director

LANDRY CANADIAN EQUITY FUND

Statements of Comprehensive Income
(In Canadian dollars)

Years ended December 31, 2016 and 2015

	2016	2015
Revenue:		
Dividend revenue	\$ 373,622	\$ 280,086
Short-term trading fees	508	–
Income tax refund	–	2,509
Foreign exchange (loss) gain	(122)	63
Net realized gain (loss) on investments	1,016,641	(388,080)
Net change in unrealized gain (loss) on investments	1,994,365	(464,376)
Total revenue (loss)	3,385,014	(569,798)
Expenses:		
Management fees (note 11)	147,981	96,892
Independent Review Committee fees	7,649	7,629
Trustee fees	12,770	12,409
Administrative fees (note 8)	144,213	120,034
Other fees	719	111
Transaction costs	80,937	56,123
Total operating expenses	394,269	293,198
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 2,990,745	\$ (862,996)
Increase (decrease) in net assets attributable to holders of redeemable units:		
Class A	\$ 8,378	\$ (4,523)
Class F	2,350,108	(552,201)
Class I	102,201	(42,610)
Class J	530,058	(263,662)
Increase (decrease) in net assets attributable to holders of redeemable units, per unit:		
Class A	\$ 1.86	\$ (0.93)
Class F	3.75	(1.33)
Class I	2.42	(0.69)
Class J	1.62	(0.55)

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

LANDRY CANADIAN EQUITY FUND

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units
(In Canadian dollars)

Years ended December 31, 2016 and 2015

2016	Class A	Class F	Class I	Class J	Total
Balance, beginning of year	\$ 51,813	\$ 8,218,675	\$ 733,151	\$ 5,215,122	\$ 14,218,761
Increase in net assets attributable to holders of redeemable units	8,378	2,350,108	102,201	530,058	2,990,745
Redeemable unit transactions:					
Issue of redeemable units	-	7,163,557	-	311,474	7,475,031
Reinvestments of distributions	-	-	412	4,017	4,429
Net transfer of units from (to) other funds	-	(784,084)	-	784,084	-
Redemption of redeemable units	(22,224)	(1,027,443)	(400,772)	(4,136,016)	(5,586,455)
Net increase (decrease) from redeemable unit transactions	(22,224)	5,352,030	(400,360)	(3,036,441)	1,893,005
Distributions:					
Net investment income	-	-	(412)	(4,017)	(4,429)
Balance, end of year	\$ 37,967	\$ 15,920,813	\$ 434,580	\$ 2,704,722	\$ 19,098,082

2015	Class A	Class F	Class I	Class J	Total
Balance, beginning of year	\$ 56,336	\$ 9,332,362	\$ 1,056,808	\$ 6,329,399	\$ 16,774,905
Decrease in net assets attributable to holders of redeemable units	(4,523)	(552,201)	(42,610)	(263,662)	(862,996)
Redeemable unit transactions:					
Issue of redeemable units	-	3,237,184	32,908	-	3,270,092
Net transfer of units from (to) other funds	-	(1,149,385)	-	1,149,385	-
Redemption of redeemable units	-	(2,649,285)	(313,955)	(2,000,000)	(4,963,240)
Net decrease from redeemable unit transactions	-	(561,486)	(281,047)	(850,615)	(1,693,148)
Balance, end of year	\$ 51,813	\$ 8,218,675	\$ 733,151	\$ 5,215,122	\$ 14,218,761

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

LANDRY CANADIAN EQUITY FUND

Statements of Cash Flows
(In Canadian dollars)

Years ended December 31, 2016 and 2015

	2016	2015
Cash provided by (used in):		
Operating activities:		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 2,990,745	\$ (862,996)
Adjustments for:		
Foreign exchange loss (gain)	122	(63)
Net realized (gain) loss on investments	(1,016,641)	388,080
Net change in unrealized (gain) loss on investments	(1,994,365)	464,376
Dividend revenue	(373,622)	(280,086)
Prepaid expenses	(1,674)	966
Accrued expenses	11,632	3,697
Accrued management fees	7,560	(1,223)
Dividends received	359,354	296,031
Proceeds from sale of investments	23,050,986	21,172,816
Purchases of investments	(25,799,185)	(18,245,219)
	(2,765,088)	2,936,379
Financing activities:		
Proceeds from issuance of redeemable units	7,475,031	3,270,092
Payments on redemption of redeemable units	(5,586,455)	(4,977,327)
	1,888,576	(1,707,235)
Net (decrease) increase in cash and cash equivalents	(876,512)	1,229,144
Cash and cash equivalents, beginning of year	1,262,132	32,925
Foreign exchange (loss) gain on cash and cash equivalents	(122)	63
Cash and cash equivalents, end of year	\$ 385,498	\$ 1,262,132
Cash and cash equivalents are comprised of:		
Cash	\$ 385,498	\$ 1,250,107
Cash equivalents	-	12,025
	\$ 385,498	\$ 1,262,132

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

LANDRY CANADIAN EQUITY FUND

Schedule of Investment Portfolio
(In Canadian dollars)

December 31, 2016

Shares/units	Security	Average cost	Fair value
Canadian equities (96.9%)			
Financial services (32.4%)			
4,200	Bank of Montréal	\$ 335,429	\$ 405,594
10,200	Bank of Nova Scotia	633,230	762,552
5,300	Canadian Imperial Bank of Commerce	523,463	580,668
7,700	Industrial Alliance Insurance and Financial Services Inc.	366,717	411,103
22,100	Manulife Financial Corp.	428,400	528,411
7,300	National Bank of Canada	347,765	398,069
17,200	Pure Industrial Real Estate Trust	91,565	96,148
15,100	Royal Bank of Canada	1,144,985	1,372,137
10,400	Sun Life Financial Inc.	436,875	536,120
5,800	TMX Group Ltd.	387,521	414,816
10,200	Toronto-Dominion Bank (The)	646,583	675,444
		5,342,533	6,181,062
Energy (24.4%)			
42,300	Baytex Energy Corp.	220,061	277,488
27,700	Birchcliff Energy Ltd.	244,298	259,549
46,700	Bonavista Energy Corp.	186,214	224,627
12,100	Canadian Natural Resources Ltd.	412,626	517,759
14,000	Cenovus Energy Inc.	279,193	284,200
15,300	Crescent Point Energy Corp.	266,566	279,225
23,300	Encana Corp.	306,121	367,208
3,400	Enerflex Ltd.	54,461	57,970
25,300	Enerplus Corp.	320,954	322,322
8,700	Ensign Energy Services Inc.	71,582	81,606
25,600	Gran Tierra Energy Inc.	95,560	103,936
16,300	Husky Energy Inc.	258,427	265,527
5,500	Parkland Fuel Corp.	153,122	154,715
7,200	Raging River Exploration Inc.	70,347	76,032
13,600	Seven Generations Energy Ltd., Class 'A'	375,356	425,816
17,300	Suncor Energy Inc.	606,648	759,470
3,400	Vermilion Energy Inc.	191,668	192,066
		4,113,204	4,649,516
Materials (12.3%)			
2,800	Agnico Eagle Mines Ltd.	148,946	158,060
43,600	B2Gold Corp.	125,983	139,084
1,000	CCL Industries Inc., Class 'B'	172,363	263,800
5,400	Detour Gold Corp.	97,777	98,766
10,600	Endeavour Mining Corp.	220,624	212,636
21,700	First Quantum Minerals Ltd.	247,988	289,695
19,900	Hudbay Minerals Inc.	151,423	152,832
36,200	Kinross Gold Corp.	153,707	151,678
6,900	Lundin Mining Corp.	36,707	44,160
8,400	Pan American Silver Corp.	134,866	170,100
5,400	Silver Wheaton Corp.	177,832	140,076
19,600	Teck Resources Ltd., Class 'B'	226,440	526,652
		1,894,656	2,347,539
Balance carried forward		11,350,393	13,178,117

LANDRY CANADIAN EQUITY FUND

Schedule of Investment Portfolio (continued)
(In Canadian dollars)

December 31, 2016

Shares/units	Security	Average cost	Fair value
	Balance brought forward	\$ 11,350,393	\$ 13,178,117
	Canadian equities (96.9%)		
	Industrials (12.2%)		
27,300	Air Canada	379,390	373,191
28,000	Bombardier Inc., Class 'B'	54,915	60,480
23,200	CAE Inc.	453,146	435,696
4,400	Canadian National Railway Co.	344,027	397,584
1,400	Canadian Pacific Railway Ltd.	261,257	268,184
2,300	SNC-Lavalin Group Inc.	107,213	132,917
13,700	TFI International Inc.	469,658	477,993
4,000	WestJet Airlines Ltd.	86,264	92,160
3,800	Westshore Terminals Investment Corp.	72,399	98,382
		2,228,269	2,336,587
	Information technology (5.6%)		
10,900	Celestica Inc.	153,196	173,419
4,300	CGI Group Inc., Class 'A'	249,499	277,092
300	Constellation Software Inc.	187,106	183,036
3,400	Descartes Systems Group Inc. (The)	85,213	97,342
10,400	DH Corp.	151,415	231,712
1,400	Open Text Corp.	108,752	116,088
		935,181	1,078,689
	Consumer discretionary (4.5%)		
3,400	BRP Inc.	96,503	96,390
1,100	Canadian Tire Corp. Ltd., Class 'A'	154,646	153,197
7,700	Corus Entertainment Inc., Class 'B'	104,919	97,020
2,400	Dorel Industries Inc., Class 'B'	95,209	93,120
4,700	Great Canadian Gaming Corp.	115,572	117,406
1,200	Magna International Inc.	66,494	69,960
4,100	Québecor Inc., Class 'B'	144,443	153,012
2,700	Sleep Country Canada Holdings Inc.	76,966	77,706
		854,752	857,811
	Consumer staples (2.4%)		
2,000	George Weston Ltd.	218,302	227,180
4,900	Saputo Inc.	206,127	232,799
		424,429	459,979
	Utilities (2.3%)		
8,200	Capital Power Corp.	191,500	190,486
17,400	TransAlta Renewables Inc.	226,567	249,516
		418,067	440,002
	Telecommunications (0.8%)		
2,800	Rogers Communications Inc., Class 'B'	142,252	145,012
	Total Canadian equities	16,353,343	18,496,197

LANDRY CANADIAN EQUITY FUND

Schedule of Investment Portfolio (continued)
(In Canadian dollars)

December 31, 2016

Shares/units	Security	Average cost	Fair value
	Total Canadian equities brought forward	\$ 16,353,343	\$ 18,496,197
	Transaction costs	(28,110)	-
	Total investment portfolio (96.9%)	<u>\$ 16,325,233</u>	18,496,197
	Cash and cash equivalents (2.0%)		385,498
	Other assets less liabilities (1.1%)		216,387
	Net assets attributable to holders of redeemable units at fair value (100.0%)		\$ 19,098,082

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

LANDRY CANADIAN EQUITY FUND

Fair Value of Financial Instruments
(In Canadian dollars)

The following is a summary of the inputs used as of December 31, 2016 and 2015 in valuing the fund's investments carried at fair value:

	2016	2015
	Level 1 quoted prices in active markets for identical assets	Level 1 quoted prices in active markets for identical assets
Investments:		
Equities	\$ 18,496,197	\$ 13,737,185
Total investments	\$ 18,496,197	\$ 13,737,185

There were no significant transfers made between Level 1 and Level 2 as a result of changes in the availability of quoted market prices or observable market inputs during the years presented. In addition, there were no investments or transactions classified in Level 2 and Level 3 as of December 31, 2016 and 2015.

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

LANDRY U.S. EQUITY FUND

Statements of Financial Position
(In U.S. dollars)

December 31, 2016 and 2015

	2016	2015
Assets		
Current assets:		
Investments	\$ 14,742,827	\$ 14,457,371
Cash and cash equivalents	661,205	594,560
Amounts receivable relating to accrued dividends	10,115	10,799
Prepaid expenses	4,365	4,068
	15,418,512	15,066,798
Liabilities		
Current liabilities:		
Accrued expenses	18,546	17,945
Accrued management fees	15,819	14,733
	34,365	32,678
Net assets attributable to holders of redeemable units	\$ 15,384,147	\$ 15,034,120

	2016		2015	
	Number of units issued and outstanding	Net assets attributable to holders of redeemable units	Number of units issued and outstanding	Net assets attributable to holders of redeemable units
Class A	15,897	\$ 199,595	17,330	\$ 195,715
Class F	757,549	15,004,742	821,604	14,530,398
Class I	6,474	91,005	24,099	301,889
Class J	8,032	88,805	623	6,118

	2016	2015
Net assets attributable to holders of redeemable units, per unit:		
Class A	\$ 12.56	\$ 11.29
Class F	19.81	17.69
Class I	14.06	12.53
Class J	11.06	9.82

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

Approved on behalf of Landry Investment Management Inc.:



Jean-Luc Landry
President & Chief Executive Officer



Benoit Perraton Brillon, CFA
Chief Investment Officer & Director

LANDRY U.S. EQUITY FUND

Statements of Comprehensive Income
(In U.S. dollars)

Years ended December 31, 2016 and 2015

	2016	2015
Revenue:		
Dividend revenue	\$ 297,329	\$ 320,422
Short-term trading fees	75	—
Foreign exchange gain (loss)	55	(2,142)
Net realized gain on investments	848,528	889,444
Net change in unrealized gain (loss) on investments	1,139,366	(669,444)
Total revenue	2,285,353	538,280
Expenses:		
Foreign withholding taxes	40,103	27,187
Management fees (note 11)	175,148	166,037
Independent Review Committee fees	1,676	1,672
Trustee fees	9,836	10,100
Administrative fees (note 8)	134,598	136,013
Other fees	119	84
Transaction costs	33,290	25,127
Total operating expenses	394,770	366,220
Increase in net assets attributable to holders of redeemable units	\$ 1,890,583	\$ 172,060
Increase (decrease) in net assets attributable to holders of redeemable units:		
Class A	\$ 20,573	\$ 1,154
Class F	1,826,281	162,751
Class I	33,926	8,263
Class J	9,803	(108)
Increase (decrease) in net assets attributable to holders of redeemable units, per unit:		
Class A	\$ 1.23	\$ 0.05
Class F	2.23	0.22
Class I	1.67	0.35
Class J	1.99	(0.17)

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

LANDRY U.S. EQUITY FUND

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units
(In U.S. dollars)

Years ended December 31, 2016 and 2015

2016	Class A	Class F	Class I	Class J	Total
Balance, beginning of year	\$ 195,715	\$ 14,530,398	\$ 301,889	\$ 6,118	\$ 15,034,120
Increase in net assets attributable to holders of redeemable units	20,573	1,826,281	33,926	9,803	1,890,583
Redeemable unit transactions:					
Issue of redeemable units	-	1,795,000	-	1,500	1,796,500
Reinvestments of distributions	67	67,491	1,284	939	69,781
Net transfer of units from (to) other funds	-	(97,384)	-	71,384	(26,000)
Redemption of redeemable units	(16,693)	(3,049,553)	(244,810)	-	(3,311,056)
Net increase (decrease) from redeemable unit transactions	(16,626)	(1,284,446)	(243,526)	73,823	(1,470,775)
Distributions:					
Realized gains on portfolio assets sold	(67)	(67,491)	(1,284)	(939)	(69,781)
Balance, end of year	\$ 199,595	\$ 15,004,742	\$ 91,005	\$ 88,805	\$ 15,384,147

2015	Class A	Class F	Class I	Class J	Total
Balance, beginning of year	\$ 303,625	\$ 13,193,556	\$ 300,326	\$ -	\$ 13,797,507
Increase (decrease) in net assets attributable to holders of redeemable units	1,154	162,751	8,263	(108)	172,060
Redeemable unit transactions:					
Issue of redeemable units	-	2,122,098	-	-	2,122,098
Reinvestments of distributions	4,255	606,874	13,444	-	624,573
Net transfer of units from (to) other funds	-	(6,226)	-	6,226	-
Redemption of redeemable units	(108,918)	(941,781)	(6,700)	-	(1,057,399)
Net increase (decrease) from redeemable unit transactions	(104,663)	1,780,965	6,744	6,226	1,689,272
Distributions:					
Realized gains on portfolio assets sold	(4,401)	(606,874)	(13,444)	-	(624,719)
Balance, end of year	\$ 195,715	\$ 14,530,398	\$ 301,889	\$ 6,118	\$ 15,034,120

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

LANDRY U.S. EQUITY FUND

Statements of Cash Flows
(In U.S. dollars)

Years ended December 31, 2016 and 2015

	2016	2015
Cash provided by (used in):		
Operating activities:		
Increase in net assets attributable to holders of redeemable units	\$ 1,890,583	\$ 172,060
Adjustments for:		
Foreign exchange (gain) loss	(55)	2,142
Net realized gain on investments	(848,528)	(889,444)
Net change in unrealized (gain) loss on investments	(1,139,366)	669,444
Dividend revenue, net of withholding taxes	(257,226)	(293,235)
Prepaid expenses	(297)	(340)
Accrued expenses	601	3,130
Accrued management fees	1,086	1,122
Proceeds from sale of investments	28,779,398	24,260,268
Purchases of investments	(27,076,810)	(24,903,228)
Dividends received, net of withholding taxes	257,910	299,371
	1,607,296	(678,710)
Financing activities:		
Proceeds from issuance of redeemable units	1,796,500	2,122,098
Net transfer of units to other funds	(26,000)	-
Payments on redemption of redeemable units	(3,311,056)	(1,057,399)
Distributions paid to holders of redeemable units net of reinvestments	-	(146)
	(1,540,556)	1,064,553
Net increase in cash and cash equivalents during the year	66,740	385,843
Cash and cash equivalents, beginning of year	594,560	210,859
Foreign exchange loss on cash and cash equivalents	(95)	(2,142)
Cash and cash equivalents, end of year	\$ 661,205	\$ 594,560
Cash and cash equivalents are comprised of:		
Cash	\$ 661,205	\$ 594,216
Cash equivalents	-	344
	\$ 661,205	\$ 594,560

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

LANDRY U.S. EQUITY FUND

Schedule of Investment Portfolio
(In U.S. dollars)

December 31, 2016

Shares/units	Security	Average cost	Fair value
U.S. equities (95.8%)			
Information technology (25.4%)			
2,300	Amphenol Corp., Class 'A'	\$ 156,312	\$ 154,560
2,700	Apple Inc.	244,569	312,714
11,600	Applied Materials Inc.	279,723	374,332
2,900	Autodesk Inc.	231,286	214,629
2,400	CA Inc.	77,512	76,248
3,800	Corning Inc.	89,924	92,226
800	Electronic Arts Inc.	64,691	63,008
500	F5 Network Inc.	72,154	72,360
1,500	Facebook Inc., Class 'A'	164,840	172,575
4,500	Hewlett Packard Enterprise Co.	100,362	104,130
13,800	HP Inc.	192,187	204,792
3,100	Microchip Technology Inc.	193,396	198,865
8,400	Micron Technology Inc.	169,246	184,128
6,900	NetApp Inc.	241,032	243,363
800	NetEase Inc., ADR	167,918	172,272
4,100	NVIDIA Corp.	131,112	437,634
4,000	QUALCOMM Inc.	277,558	260,800
15,000	Symantec Corp.	352,223	358,350
2,100	Texas Instruments Inc.	146,826	153,237
1,300	Total System Service Inc.	64,411	63,739
		3,417,282	3,913,962
Financial services (21.2%)			
900	Aflac Inc.	62,862	62,640
1,400	American International Group Inc.	82,399	91,434
700	Assurant Inc.	58,415	65,002
15,800	Bank of America Corp.	255,380	349,180
1,300	BB&T Corp.	61,239	61,126
700	Chubb Ltd.	82,692	92,484
4,000	Citizens Financial Group Inc.	139,308	142,520
1,400	Comerica Inc.	95,357	95,354
2,200	E*TRADE Financial Corp.	77,075	76,230
6,400	Fifth Third Bancorp	119,941	172,608
500	Goldman Sachs Group Inc. (The)	119,214	119,725
3,700	JPMorgan Chase & Co.	246,559	319,273
6,900	KeyCorp	124,775	126,063
2,800	Lincoln National Corp.	146,015	185,556
400	M&T Bank Corp.	61,198	62,572
2,900	Morgan Stanley	123,557	122,525
9,400	Navient Corp.	126,118	154,442
1,600	Principal Financial Group Inc.	95,388	92,576
18,500	Regions Financial Corp.	160,873	265,660
4,300	SunTrust Banks Inc.	182,480	235,855
1,000	Travelers Cos. Inc. (The)	108,379	122,420
4,300	Unum Group	153,039	188,899
1,500	Zions Bancorp	63,435	64,560
		2,745,698	3,268,704
	Balance carried forward	6,162,980	7,182,666

LANDRY U.S. EQUITY FUND

Schedule of Investment Portfolio (continued)
(In U.S. dollars)

December 31, 2016

Shares/units	Security	Average cost	Fair value
	Balance brought forward	\$ 6,162,980	\$ 7,182,666
	U.S. equities (95.8%)		
	Industrials (11.2%)		
2,200	Arconic Inc.	58,951	40,788
800	Cintas Corp.	89,430	92,448
3,400	CSX Corp.	125,947	122,162
1,200	Illinois Tool Works Inc.	142,920	146,952
1,500	L-3 Communications Holdings Inc.	222,522	228,165
200	Lockheed Martin Corp.	52,806	49,988
300	Northrop Grumman Corp.	59,900	69,774
4,000	Pitney Bowes Inc.	62,352	60,760
4,000	Quanta Services Inc.	140,453	139,400
1,900	Southwest Airlines Inc.	84,174	94,696
1,100	United Continental Holdings Inc.	56,497	80,168
1,600	United Rentals Inc.	122,451	168,928
2,200	Waste Management Inc.	130,491	156,002
5,500	Xylem Inc.	264,162	272,360
		1,613,056	1,722,591
	Energy (10.1%)		
2,200	Anadarko Petroleum Corp.	103,507	153,406
2,800	Apache Corp.	151,012	177,716
3,300	Chevron Corp.	318,406	388,410
2,600	Devon Energy Corp.	75,958	118,742
3,100	Murphy Oil Corp.	95,919	96,503
1,200	National-Oilwell Varco Inc.	43,633	44,928
1,000	Newfield Exploration Co.	46,531	40,500
3,700	ONEOK Inc.	188,966	212,417
200	Pioneer Natural Resources Co.	32,473	36,014
4,100	Spectra Energy Corp.	171,380	168,469
1,800	Valero Energy Corp.	105,184	122,976
		1,332,969	1,560,081
	Health care (9.8%)		
1,500	AbbVie Inc.	96,622	93,930
300	Allergan PLC	58,087	63,003
700	Amgen Inc.	105,756	102,347
700	Edwards Lifesciences Corp.	58,683	65,590
2,900	Endo International PLC	46,353	47,763
1,400	Gilead Sciences Inc.	104,864	100,254
600	Incyte Corp.	61,657	60,162
200	Intuitive Surgical Inc.	119,020	126,834
1,300	Johnson & Johnson	159,801	149,773
1,200	Mallinckrodt PLC	63,564	59,784
1,500	Merck & Co. Inc.	97,455	88,305
5,700	Pfizer Inc.	193,735	185,136
700	UnitedHealth Group Inc.	112,522	112,028
1,500	Varian Medical Systems Inc.	138,273	134,670
1,200	Zimmer Biomet Holdings Inc.	147,855	123,840
		1,564,247	1,513,419
	Balance carried forward	10,673,252	11,978,757

LANDRY U.S. EQUITY FUND

Schedule of Investment Portfolio (continued)
(In U.S. dollars)

December 31, 2016

Shares/units	Security	Average cost	Fair value
	Balance brought forward	\$ 10,673,252	\$ 11,978,757
	U.S. equities (95.8%)		
	Consumer discretionary (7.2%)		
400	Amazon.com Inc.	228,961	299,948
1,300	Best Buy Co. Inc.	45,359	55,471
300	Charter Communications Inc.	65,788	86,376
2,200	Discovery Communications Inc., Series 'A'	63,222	60,302
2,400	Gap Inc. (The)	52,530	53,856
1,900	Goodyear Tire & Rubber Co. (The)	60,419	58,653
1,300	Harley-Davidson Inc.	68,521	75,842
800	Home Depot Inc.	104,001	107,264
1,200	Leggett & Platt Inc.	60,304	58,656
1,600	Michael Kors Holdings Ltd.	65,840	68,768
700	Ulta Salon, Cosmetics & Fragrance Inc.	160,896	178,458
		975,841	1,103,594
	Materials (3.5%)		
1,700	Albemarle Corp.	154,973	146,336
2,400	Dow Chemical Co. (The)	125,138	137,328
9,300	Freeport-McMoRan Inc., Class 'B'	77,932	122,667
3,700	Newmont Mining Corp.	116,906	126,059
		474,949	532,390
	Telecommunications services (3.5%)		
300	Alphabet Inc., Class 'C'	228,509	231,546
4,500	AT&T Inc.	180,011	191,385
1,900	T-Mobile US Inc.	107,900	109,269
		516,420	532,200
	Consumer staples (3.4%)		
500	Constellation Brands Inc., Class 'A'	56,336	76,655
1,600	CVS Health Corp.	128,218	126,256
3,100	Sysco Corp.	151,746	171,647
1,800	Walgreens Boots Alliance Inc.	144,530	148,968
		480,830	523,526
	Utilities (0.5%)		
1000	American Water Works Co. Inc.	75,272	72,360
	Total U.S. equities	13,196,564	14,742,827
	Transaction costs	(8,663)	-
	Total investment portfolio (95.8%)	<u>\$ 13,187,901</u>	14,742,827
	Cash and cash equivalents (4.3%)		661,205
	Other assets less liabilities (-0.1%)		(19,885)
	Net assets attributable to holders of redeemable units at fair value (100.0%)		<u>\$ 15,384,147</u>

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

LANDRY U.S. EQUITY FUND

Fair Value of Financial Instruments
(In U.S. dollars)

The following is a summary of the inputs used as of December 31, 2016 and 2015 in valuing the fund's investments carried at fair value:

	2016	2015
	Level 1 quoted prices in active markets for identical assets	Level 1 quoted prices in active markets for identical assets
Investments:		
Equities	\$ 14,742,827	\$ 14,457,371
Total investments	\$ 14,742,827	\$ 14,457,371

There were no significant transfers made between Level 1 and Level 2 as a result of changes in the availability of quoted market prices or observable market inputs during the years presented. In addition, there were no investments or transactions classified in Level 2 and Level 3 as of December 31, 2016 and 2015.

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

LANDRY GLOBAL EQUITY FUND

Statements of Financial Position
(In U.S. dollars)

December 31, 2016 and 2015

	2016	2015
Assets		
Current assets:		
Investments	\$ 14,608,889	\$ 13,162,478
Cash and cash equivalents	283,411	764,910
Derivatives	6,888	1,108
Margin deposits	81,238	64,183
Amounts receivable relating to portfolio assets sold	2,800	–
Amounts receivable relating to accrued dividends	21,353	16,327
Prepaid expenses	10,276	9,690
	15,014,855	14,018,696
Liabilities		
Current liabilities:		
Accrued expenses	20,799	17,747
Accrued management fees	12,316	12,803
	33,115	30,550
Net assets attributable to holders of redeemable units	\$ 14,981,740	\$ 13,988,146

	2016		2015	
	Number of units issued and outstanding	Net assets attributable to holders of redeemable units	Number of units issued and outstanding	Net assets attributable to holders of redeemable units
Class A	–	\$ –	957	\$ 10,453
Class F	1,320,453	13,527,224	1,359,234	12,946,827
Class J	135,953	1,454,516	104,280	1,030,866

	2016	2015
Net assets attributable to holders of redeemable units, per unit:		
Class A	\$ –	\$ 10.92
Class F	10.24	9.53
Class J	10.70	9.89

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

Approved on behalf of Landry Investment Management Inc.:



Jean-Luc Landry
President & Chief Executive Officer



Benoit Perraton Brillon, CFA
Chief Investment Officer & Director

LANDRY GLOBAL EQUITY FUND

Statements of Comprehensive Income
(In U.S. dollars)

Years ended December 31, 2016 and 2015

	2016	2015
Revenue:		
Dividend revenue	\$ 166,372	\$ 149,149
Distributions from investment funds	33,776	286,869
Interest for distribution purposes	(18)	(65)
Short-term trading fees	1,363	800
Foreign exchange (loss) gain	(16,550)	6,938
Income tax refund	2,593	3,811
Realized gain from future contracts	-	73,555
Net realized gain on investments and derivatives	848,309	284,804
Net change in unrealized gain (loss) on investments and derivatives	525,798	(136,547)
Total revenue	1,561,643	669,314
Expenses:		
Foreign withholding taxes	26,793	16,479
Management fees (note 11)	71,660	76,353
Independent Review Committee fees	2,686	2,679
Trustee fee	12,709	13,614
Custodial fee	-	40
Administrative fees (note 8)	135,039	115,274
Other fees	1,255	629
Transaction costs	47,387	35,138
Total operating expenses	297,529	260,206
Increase in net assets attributable to holders of redeemable units	\$ 1,264,114	\$ 409,108
Increase (decrease) in net assets attributable to holders of redeemable units:		
Class A	\$ (107)	\$ 839
Class F	893,025	420,200
Class J	371,196	(11,931)
Increase (decrease) in net assets attributable to holders of redeemable units, per unit:		
Class A	\$ (0.11)	\$ 0.59
Class F	0.68	0.31
Class J	1.35	(0.11)

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

LANDRY GLOBAL EQUITY FUND

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units
(In U.S. dollars)

Years ended December 31, 2016 and 2015

2016	Class A	Class F	Class J	Total
Balance, beginning of year	\$ 10,453	\$ 12,946,827	\$ 1,030,866	\$ 13,988,146
Increase (decrease) in net assets attributable to holders of redeemable units	(107)	893,025	371,196	1,264,114
Redeemable unit transactions:				
Issue of redeemable units	-	984,399	3,171,499	4,155,898
Net transfer of units from (to) other funds	-	(212,215)	238,215	26,000
Redemption of redeemable units	(10,346)	(1,084,812)	(3,357,260)	(4,452,418)
Net increase (decrease) from redeemable unit transactions	(10,346)	(312,628)	52,454	(270,520)
Balance, end of year	\$ -	\$ 13,527,224	\$ 1,454,516	\$ 14,981,740
2015	Class A	Class F	Class J	Total
Balance, beginning of year	\$ 63,141	\$ 11,534,440	\$ -	\$ 11,597,581
Increase (decrease) in net assets attributable to holders of redeemable units	839	420,200	(11,931)	409,108
Redeemable unit transactions:				
Issue of redeemable units	-	2,920,907	-	2,920,907
Net transfer of units from (to) other funds	-	(1,042,797)	1,042,797	-
Redemption of redeemable units	(53,527)	(885,923)	-	(939,450)
Net increase (decrease) from redeemable unit transactions	(53,527)	992,187	1,042,797	1,981,457
Balance, end of year	\$ 10,453	\$ 12,946,827	\$ 1,030,866	\$ 13,988,146

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

LANDRY GLOBAL EQUITY FUND

Statements of Cash Flows
(In U.S. dollars)

Years ended December 31, 2016 and 2015

	2016	2015
Cash provided by (used in):		
Operating activities:		
Increase in net assets attributable to holders of redeemable units	\$ 1,264,114	\$ 409,108
Adjustments for:		
Foreign exchange loss (gain)	16,550	(6,938)
Distributions from investment funds	(33,776)	(286,869)
Net realized gain on investments	(830,621)	(284,804)
Net change in unrealized (gain) loss on investments	(520,018)	123,459
Dividend revenue net of withholding taxes	(139,579)	(132,670)
Margin deposits	(17,055)	22,513
Accrued expenses	3,052	5,237
Prepaid expenses	(586)	(1,473)
Accrued management fees	(487)	2,032
Derivatives	(5,780)	13,088
Proceeds from sale of investments	16,975,937	11,388,039
Purchases of investments	(17,037,933)	(12,558,098)
Dividends received net of withholding taxes	134,553	128,870
	(191,629)	(1,178,506)
Financing activities:		
Proceeds from issuance of redeemable units	4,153,098	2,920,907
Payments on redemption of redeemable units	(4,452,418)	(939,450)
Net transfer of units from other funds	26,000	-
	(273,320)	1,981,457
Net (decrease) increase in cash and cash equivalents	(464,949)	802,951
Cash and cash equivalents (bank overdraft), beginning of year	764,910	(44,979)
Foreign exchange (loss) gain on cash and cash equivalents	(16,550)	6,938
Cash and cash equivalents, end of year	\$ 283,411	\$ 764,910
Cash and cash equivalents (bank overdraft) are comprised of:		
Cash (bank overdraft)	\$ 283,411	\$ 684,851
Cash equivalents	-	80,059
	\$ 283,411	\$ 764,910

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

LANDRY GLOBAL EQUITY FUND

Schedule of Investment Portfolio
(In U.S. dollars)

December 31, 2016

Shares/units	Security	Average cost	Fair value
Global equities (97.6%)			
United States of America (54.6%)			
8,000	Chesapeake Energy Corp.	\$ 54,179	\$ 56,160
1,000	CVS Health Corp.	80,082	78,910
600	F5 Network Inc.	74,083	86,832
1,100	Fortune Brands Home & Security Inc.	67,444	58,806
4,200	Juniper Networks Inc.	99,952	118,692
379,111	Landry U.S. Equity Fund, Series 'F'	5,851,410	7,509,458
1,700	NetApp Inc.	60,684	59,959
2,500	News Corp., Class 'B'	30,710	29,500
1,000	Quest Diagnostics Inc.	85,780	91,900
550	UnitedHealth Group Inc.	78,173	88,022
		6,482,497	8,178,239
Canada (5.6%)			
25,900	B2Gold Corp.	77,261	61,533
1,100	Bank of Nova Scotia	57,563	61,247
9,700	Baytex Energy Corp.	47,907	47,391
12,700	Bonavista Energy Corp.	38,688	45,496
900	Canadian Imperial Bank of Commerce	71,927	73,437
3,400	Corus Entertainment Inc., Class 'B'	32,162	31,906
4,000	Crescent Point Energy Corp.	65,682	54,368
7,900	Crew Energy Inc.	37,375	44,186
3,100	DH Corp.	52,038	51,440
2,400	Encana Corp.	31,136	28,170
3,400	First Majestic Silver Corp.	38,152	25,980
700	Industrial Alliance Insurance and Financial Services Inc.	29,444	27,834
700	Royal Bank of Canada	48,755	47,374
3,300	Seven Generations Energy Ltd., Class 'A'	70,221	76,952
4,100	Teck Resources Ltd., Class 'B'	76,434	82,049
900	TMX Group Ltd.	48,675	47,939
2,200	WestJet Airlines Ltd.	39,671	37,751
		863,091	845,053
France (5.5%)			
900	Arkema	86,464	88,117
400	Atos SE	40,964	42,244
1,300	AXA SA	31,674	32,847
1,000	BNP Paribas SA	52,800	63,787
3,800	CNP Assurances	63,436	70,455
2,700	Crédit Agricole SA	26,844	33,506
2,800	Electricité de France SA	33,293	28,553
3,000	Engie	38,919	38,304
100	Hermes International	41,595	41,085
5,900	Natixis SA	27,589	33,314
1,400	Neopost SA	33,023	43,832
1,800	Peugeot SA, Warrants, 2017/04/29	2,876	6,049
300	SEB SA	38,256	40,690
1,000	Société Générale SA	48,380	49,244
400	Technip SA	28,662	28,574
600	Téléperformance	64,139	60,237
2,500	Total SA	120,577	128,311
		779,491	829,149
	Balance carried forward	8,125,079	9,852,441

LANDRY GLOBAL EQUITY FUND

Schedule of Investment Portfolio (continued)
(In U.S. dollars)

December 31, 2016

Shares/units	Security	Average cost	Fair value
	Balance brought forward	\$ 8,125,079	\$ 9,852,441
	Global equities (97.6%)		
	United Kingdom (5.3%)		
3,500	3i Group PLC	29,239	30,409
6,000	Anglo American PLC	73,108	85,896
3,000	Ashtead Group PLC	53,172	58,498
4,500	BHP Billiton PLC	78,312	72,558
20,800	BP PLC	121,763	130,813
3,500	Greene King PLC	30,871	30,150
6,600	HSBC Holdings PLC	50,682	53,506
400	InterContinental Hotels Group PLC	15,577	17,959
2,500	Petrofac Ltd.	27,190	26,812
22,200	Rentokil Initial PLC	57,496	60,878
1,700	Rio Tinto PLC, Registered	55,201	66,266
3,300	RPC Group PLC	44,595	43,374
2,500	Smiths Group PLC	46,100	43,688
3,800	Subsea 7 SA	50,161	48,193
2,800	UBM PLC	26,321	25,278
		759,788	794,278
	Germany (5.0%)		
1,700	Aareal Bank AG	62,102	64,042
500	Adidas AG	61,696	79,088
200	Allianz AG, Registered	32,945	33,078
800	Bilfinger SE	30,165	30,592
4,300	Commerzbank AG	35,182	32,850
1,400	Covestro AG	95,307	96,056
1,900	Deutsche Bank AG, Registered	35,463	34,527
2,300	Deutsche Lufthansa AG	32,390	29,730
2,100	Deutsche Telekom AG, Registered	35,360	36,181
6,900	Evotec AG	48,931	54,095
200	Muenchener Rueckversicherungs-Gesellschaft AG, Registered	37,420	37,851
3,000	RIB Software AG	41,613	38,857
1,500	Siltronic AG	62,609	69,567
1,200	Stada Arzneimittel AG	61,910	62,177
1,400	Talanx AG	45,939	46,693
		719,032	745,384
	Balance carried forward	9,603,899	11,392,103

LANDRY GLOBAL EQUITY FUND

Schedule of Investment Portfolio (continued)
(In U.S. dollars)

December 31, 2016

Shares/units	Security	Average cost	Fair value
	Balance brought forward	\$ 9,603,899	\$ 11,392,103
	Global equities (97.6%)		
	Japan (3.6%)		
1,600	Chubu Electric Power Co. Inc.	24,238	22,374
1,900	Dai-ichi Life Holdings Inc.	27,992	31,662
1,000	DeNA Co. Ltd.	36,038	21,870
5,100	Fujitsu Ltd.	27,202	28,365
7,000	Fukuoka Financial Group Inc.	31,473	31,110
17,000	Mizuho Financial Group Inc.	30,711	30,542
10,200	Nippon Light Metal Holdings Co. Ltd.	20,784	21,574
3,100	Nisshinbo Holdings Inc.	30,705	29,944
2,800	NSK Ltd.	29,471	32,465
6,300	Resona Holdings Inc.	29,088	32,342
4,200	Taiyo Yuden Co. Ltd.	45,700	50,460
19,200	Tokuyama Corp.	54,996	73,000
24,210	Toshiba Corp.	96,614	58,691
6,700	Tosoh Corp.	34,111	47,448
40,200	UNITIKA LTD.	23,170	28,916
		542,293	540,763
	Switzerland (3.4%)		
4,400	ABB Ltd., Registered	97,867	92,877
400	Actelion Ltd., Registered	50,641	86,675
200	Geberit AG, Registered	84,001	80,228
8,500	Glencore PLC	30,852	29,094
4,400	STMicroelectronics NV	47,279	50,060
200	Swiss Life Holding AG, Registered	53,265	56,643
300	Swiss Re AG	27,370	28,449
300	Zurich Insurance Services AG	82,699	82,665
		473,974	506,691
	South Korea (3.4%)		
1,500	Hanwha Techwin Co. Ltd.	75,269	53,895
2,100	KB Financial Group Inc.	77,459	74,325
1,200	LS Cable Ltd.	60,250	58,845
1,300	Samsung Card Co. Ltd.	60,988	42,678
100	Samsung Electronics Co. Ltd.	151,669	149,014
1,700	SK Hynix Inc.	60,795	62,839
5,900	Woori Bank	65,215	62,206
		551,645	503,802
	Italy (3.0%)		
4,700	Davide Campari-Milano SPA	42,668	45,997
11,100	Enel SPA	49,473	48,972
3,900	Eni SPA	62,410	63,558
4,600	Leonardo-Finmeccanica SPA	64,963	64,644
11,300	Parmalat SPA	30,339	35,260
3,800	Prismian SPA	99,411	97,676
99,900	Saipem SPA	50,002	56,303
39,600	Telecom Italia SPA	32,315	34,917
		431,581	447,327
	Balance carried forward	11,603,392	13,390,686

LANDRY GLOBAL EQUITY FUND

Schedule of Investment Portfolio (continued)
(In U.S. dollars)

December 31, 2016

Shares/units	Security	Average cost	Fair value
	Balance brought forward	\$ 11,603,392	\$ 13,390,686
	Global equities (97.6%)		
	Australia (2.4%)		
4,500	Bluescope Steel Ltd.	19,027	30,201
17,900	Downer EDI Ltd.	82,811	78,838
20,800	Fortescue Metals Group Ltd.	46,851	88,602
2,200	JB Hi-Fi Ltd.	48,777	44,613
60,000	South32 Ltd.	114,259	119,330
		311,725	361,584
	Austria (2.2%)		
900	Erste Group Bank AG	26,539	26,381
700	Lenzing AG	66,344	84,803
1,400	OMV AG	38,024	49,496
4,100	Raiffeisen International Bank-Holding AG	79,446	75,067
2,000	RHI AG	53,316	51,093
6,400	Telekom Austria AG	39,010	37,823
		302,679	324,663
	Denmark (1.5%)		
1,000	Danske Bank AS	30,840	30,348
700	FLSmidth & Co. AS	28,809	29,058
300	Genmab AS, Bearer	42,422	49,857
2,300	GN Store Nord AS	50,389	47,673
5,900	TDC AS	30,389	30,310
500	Vestas Wind Systems AS	35,245	32,515
		218,094	219,761
	Ireland (1.1%)		
400	Allergan PLC	77,445	84,004
2,900	Endo International PLC	46,330	47,763
600	Mallinckrodt PLC	31,711	29,892
		155,486	161,659
	Norway (0.7%)		
5,500	Aker BP ASA	70,592	98,598
200	DNB ASA	2,568	2,980
		73,160	101,578
	Spain (0.3%)		
1,500	ACS Actividades de Construcción y Servicios SA	47,346	47,437
	Sweden (0.0%)		
400	SSAB AB, Series 'A'	1,141	1,521
	Total global equities and balance carried forward	12,713,023	14,608,889

LANDRY GLOBAL EQUITY FUND

Schedule of Investment Portfolio (continued)
(In U.S. dollars)

December 31, 2016

Shares/units	Security	Average cost	Fair value
	Balance brought forward	\$ 12,713,023	\$ 14,608,889
	Derivatives (0.0%)		
	Currency futures (0.0%)		
	Short position (0.0%)		
	E-Micro EUR/USD Currency futures March 2017 at U.S. \$1.0574 Current value (\$634,440) (48)	-	6,888
	Total derivatives		6,888
	Transaction costs	(20,869)	
	Total investment portfolio (97.6%)	<u>\$ 12,692,154</u>	14,608,889
	Derivatives (0.0%)		6,888
	Cash and cash equivalents (1.9%)		283,411
	Margin deposits (0.5%)		81,238
	Other assets less liabilities (0.0%)		1,314
	Net assets attributable to holders of redeemable units at fair value (100.0%)		\$ 14,981,740

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

LANDRY GLOBAL EQUITY FUND

Fair Value of Financial Instruments
(In U.S. dollars)

The following is a summary of the inputs used as of December 31, 2016 and 2015 in valuing the fund's investments and derivatives carried at fair value:

	2016	2015
	Level 1 quoted prices in active markets for identical assets	Level 1 quoted prices in active markets for identical assets
Investments:		
Equities	\$ 7,099,431	\$ 6,294,317
Mutual funds	7,509,458	6,868,161
Total investments	14,608,889	13,162,478
Derivatives:		
Futures	6,888	1,108
Total investments and derivatives	\$ 14,615,777	\$ 13,163,586

There were no significant transfers made between Level 1 and Level 2 as a result of changes in the availability of quoted market prices or observable market inputs during the years presented. In addition, there were no investments or transactions classified in Level 2 and Level 3 as of December 31, 2016 and 2015.

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

LANDRY FUNDS

Notes to Financial Statements

Years ended December 31, 2016 and 2015

1. Reporting entity:

The Landry Funds (the "Funds") consist of a group of funds that were established, in Canada, on April 15, 2003 under the laws of the Province of Ontario. The Funds are governed by an Amended and Restated Trust Agreement dated April 29, 2015. The address of the Funds' registered office is 1800 McGill College, Suite 1430, Montréal, Québec, Canada. Landry Investment Management Inc., a company duly incorporated under the *Canada Business Corporations Act*, is the manager (the "Manager") of the Funds, and Computershare Trust Company of Canada is the Trustee (the "Trustee").

The Manager is responsible for managing the Funds in accordance with the established investment policies as follows:

- (a) Landry Canadian Equity Fund invests primarily in Canadian securities.
- (b) Landry U.S. Equity Fund invests primarily in U.S. securities.
- (c) Landry Global Equity Fund invests primarily in Canadian, U.S., European and other developed market issuers.

Units of the Landry Canadian Equity Fund, the Landry U.S. Equity Fund, and the Landry Global Equity Fund are offered pursuant to a prospectus renewed on May 9, 2016.

2. Basis of preparation and presentation:

- (a) The financial statements of the Funds have been prepared in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements were authorized for issuance by the Manager on March 27, 2017.

- (b) Basis of measurement:

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

- (c) Functional and presentation currency:

The financial statements of Landry Canadian Equity Fund are presented in Canadian dollars, which is the Fund's functional currency. The financial statements of Landry U.S. Equity Fund and Landry Global Equity Fund are presented in U.S. dollars, which is the Funds' functional currency.

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

3. Significant accounting policies:

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

(a) Financial instruments:

(i) Recognition:

Financial assets and financial liabilities at fair value through profit or loss ("FVTPL") are initially recognized on the trade date, which is the date on which the Fund becomes a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognized on the date on which they are originated.

Financial assets and financial liabilities at FVTPL are initially recognized at fair value, with transaction costs recognized as expenses in the statements of comprehensive income. Financial assets or financial liabilities not at FVTPL are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Investments are classified at FVTPL, including certain investments in debt instruments, which have been designated at FVTPL. Derivatives are classified as held-for-trading.

Redeemable units are designated as financial liabilities at FVTPL and measured at redemption amount.

All other financial assets and liabilities are measured at amortized cost, which approximates their fair market values. Financial assets and liabilities are shown at the amount required to be received or paid and discounted when appropriate, at the contract's effective interest rate. Fair value of investments and derivatives are measured using the same accounting policies as those used to measure the net asset value attributable to holders of redeemable units ("NAV") in transactions with unitholders.

(ii) Fair value measurement:

For financial reporting purposes, investments are valued at their fair value. Investments held that are traded in an active market through recognized public stock exchanges, over-the-counter markets or through recognized investment dealers are valued at their last traded market price where the last traded market price falls within the day's bid-ask spread. In circumstances where the last traded price is not within that day's bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on specific facts and circumstances. Investments held include equities, exchange traded funds, exchange traded notes, mutual funds and futures. The Funds' policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

3. Significant accounting policies (continued):

(a) Financial instruments (continued):

(ii) Fair value measurement (continued):

Investments held that are not traded in an active market are valued based on the results of valuation techniques using observable market inputs where possible, on such basis and in such manner established by the Manager. Investments in other pooled funds are valued at the net asset value per unit reported by each pooled fund. See Note 6 for more information about the Funds' fair value measurements.

(iii) Investments in associates, structured entities, joint ventures and subsidiaries:

An investment entity is an entity that obtains funds from one or more investors for the purpose of providing them with investment management services. Its business purpose is to invest funds solely for returns from capital appreciation, income, or both, and measures and evaluates the performance of substantially all of its investments on a fair value basis. Subsidiaries are all entities, including investment in other investment entities, over which the Funds have control. The Funds control an entity when they are exposed to, or have rights to, variable returns from their involvement with entity and have ability to affect those returns through their power over the entity. Associates are all entities, including investments in other investment entities, over which the Funds have significant influence. The Funds have determined that they are investment entities and as such they account for their subsidiaries and associates at fair value.

(iv) Impairments of financial assets:

At each reporting date, the Funds assess whether there is objective evidence that financial assets at amortized cost are impaired. If such evidence exists, the Funds recognize an impairment loss as the difference between the amortized cost of the financial asset and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. Impairment losses on financial assets at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

3. Significant accounting policies (continued):

(b) Investment income:

Interest income is recognized on an accrual basis using the effective interest method. Dividend income is recognized on the date that the right to receive payment is established, which for quoted equity securities is usually the ex-dividend date. Portfolio transactions are recorded on the trade date. Realized gains and losses from investment transactions are calculated on an average cost basis. The variation in the market value of investments less their average cost, as recorded at the beginning of the period and at the end of the period, is included in the statements of comprehensive income as a net unrealized gain (loss) on investments.

(c) Foreign currency:

Investments and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars (except for Landry U.S. Equity Fund and Landry Global Equity Fund, which are translated into U.S. dollars) at the exchange rates prevailing on the valuation date. Investment transactions, income and expenses are translated at the exchange rates prevailing on the respective dates of such transactions.

(d) Cash:

Cash and cash equivalents consist of cash and investments in Government of Canada Treasury bills with maturities of less than 90 days. These short-term investments are recorded at amortized cost, which approximates current market value.

(e) Increase (decrease) in net assets attributable to holders of redeemable units per unit, per class:

Increase (decrease) in net assets attributable to holders of redeemable units per unit, per class in the statements of comprehensive income is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units by the weighted average number of units outstanding per class during the period.

(f) Unitholder transactions:

The value at which units are issued or redeemed is determined by dividing the NAV of the class by the total number of units outstanding of that class on the valuation date. The valuation date is any day that the Toronto Stock Exchange is open for business. Amounts received on the issuance of units and amounts paid on the redemption of units are included in the statements of changes in net assets attributable to holders of redeemable units.

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

3. Significant accounting policies (continued):

(g) Redeemable units:

The Funds classify redeemable units issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. All units of all classes of the Funds have been classified as financial liabilities at FVTPL and are measured at redemption amount.

(h) Net asset value attributable to holders of redeemable units per unit:

A separate NAV is calculated for each class of units of each Fund by taking the class' proportionate share of the Funds' common assets less that class' proportionate share of the Fund's common liabilities and deducting from this amount all liabilities that relate solely to a specific class. The NAV per unit for each class is determined by dividing the NAV of each class by the number of units of that class outstanding on the valuation date.

(i) Transaction costs:

For financial instruments classified as FVTPL, transaction costs, such as brokerage commissions incurred in the purchase and sale of portfolio securities, and other trade execution costs paid to external third parties, such as stamp, duty and exchange fees, are recognized as expenses in the statements of comprehensive income based on the trade date.

(j) New standards and interpretations not yet adopted:

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

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

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

3. Significant accounting policies (continued):

(j) New standards and interpretations not yet adopted (continued):

The effective date of this standard has not yet been determined, but early adoption is permitted. The Funds' Manager is currently in the process of evaluating the potential effect of this standard. The standard is not expected to have a significant impact on the financial statements since the Funds' financial assets are currently measured at fair value or amortized cost.

4. Critical accounting estimates and judgments:

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The most significant accounting judgments and estimates that the Funds have made in preparing the financial statements are related to valuation of investment. See Note 6 for more information on the fair value measurement of the Funds' financial statements.

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

In classifying and measuring financial instruments held by the Funds, the Manager is required to make significant judgments about whether or not the business of the Funds are to invest on a total return basis for the purpose of applying the fair value option for financial assets under IAS 39. The most significant judgments made include the determination that certain investments are held-for-trading and that the fair value option can be applied to those that are not.

5. Financial instruments and risk management:

(a) Risk management:

The Funds' investment activities expose them to a variety of financial risks. The Manager seeks to minimize potential adverse effects of these risks for the Funds' performance by employing professional and experienced portfolio advisors, by daily monitoring of the Funds' positions and market events, by diversifying their investment portfolio within the constraints of the investment objective, and periodically may use derivatives to hedge certain risk exposures. To assist in managing risks, the Manager maintains a governance structure that oversees the Funds' investment activities and monitors compliance with the Funds' stated investment strategy, internal guidelines and units regulations.

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

5. Financial instruments and risk management (continued):

(a) Risk management (continued):

The Funds' investment objective seeks long-term capital growth by investing directly or indirectly in exchange-listed equity securities of Canadian, United States, European or other developed market issuers. The portfolio manager, when investing, uses a proprietary methodology based primarily on price momentum and value characteristics as investment criteria.

No changes affecting the overall level of risk of the Funds were made during the year. The risks of the Funds remain, as discussed in the Funds' Offering Documents. Significant risks that are relevant to the Funds and different methods used by the Funds to measure and manage those risks are discussed below.

The investment manager monitors on a daily basis the concentration of risk for equity based on counterparties and industries for the Landry Canadian Equity Fund and Landry U.S. Equity Fund. For the Landry Global Equity Fund, it is based on counterparties, on industries and geographic location.

As at December 31, 2016 and 2015, the Landry Canadian Equity Fund's investments were concentrated in the following industry, as a percentage of net assets attributable to holders of redeemable units:

	2016	2015
	%	%
Financial services	32.4	23.0
Energy	24.4	11.9
Materials	12.3	13.7
Industrials	12.2	10.6
Information technology	5.6	12.6
Consumer discretionary	4.5	7.2
Consumer staples	2.4	8.5
Utilities	2.3	1.7
Telecommunications	0.8	2.6
Health care	–	4.8
	96.9	96.6

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

5. Financial instruments and risk management (continued):

(a) Risk management (continued):

As at December 31, 2016 and 2015, the Landry U.S. Equity Fund's investments were concentrated in the following industry, as a percentage of net assets attributable to holders of redeemable units:

	2016	2015
	%	%
Information technology	25.4	22.9
Financial services	21.2	15.3
Industrials	11.2	4.8
Energy	10.1	5.0
Health care	9.8	5.9
Consumer discretionary	7.2	24.5
Materials	3.5	5.3
Telecommunication services	3.5	2.0
Consumer staples	3.4	9.7
Utilities	0.5	0.7
	95.8	96.1

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

5. Financial instruments and risk management (continued):

(a) Risk management (continued):

As at December 31, 2016 and 2015, the Landry Global Equity Fund's investments were concentrated in the following geographic location, as a percentage of net assets attributable to holders of redeemable units:

	2016	2015
	%	%
United States of America	54.6	53.2
Canada	5.6	3.5
France	5.5	4.0
United Kingdom	5.3	5.1
Germany	5.0	4.9
Japan	3.6	8.7
Switzerland	3.4	2.0
South Korea	3.4	2.4
Italy	3.0	1.9
Australia	2.4	2.7
Austria	2.2	2.0
Denmark	1.5	1.1
Ireland	1.1	0.9
Norway	0.7	0.5
Spain	0.3	-
Sweden	-	-
Belgium	-	0.8
Luxembourg	-	0.2
Netherlands	-	0.2
	97.6	94.1

(b) Other market price risk:

Market price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital.

The Funds' strategy for the management of market risk is driven by the Funds' investment objective. Depending on each Fund's risk rating, the Funds will invest in a diversified portfolio of investments with more or less volatility. The market risk is monitored on a daily basis.

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

5. Financial instruments and risk management (continued):

(b) Other market price risk (continued):

If equity prices on global stock exchanges had increased or decreased by 10% as at year-end, with all other factors remaining constant, net assets attributable to the holders of redeemable units of each Fund could possibly have increased or decreased by the amount shown in the table below:

Fund	Reference index	Impact on net assets attributable to holders of redeemable units (in thousands of dollars)*	
		2016	2015
Canadian Equity Fund (in Canadian dollars)	S&P/TSX 60 Total Return Index	\$ 1,755	\$ 1,244
U.S. Equity Fund (in U.S. dollars)	S&P 100 Total Return Index	1,620	1,350
Global Equity Fund (in U.S. dollars)	MSCI World Index (with net dividends reinvested)	1,470	1,290

* This estimate is based on the Funds' beta as calculated during the interval between January 1 to December 31 of each year with their respective reference index (using weekly last prices during the period).

In practice, actual results may differ from this sensitivity analysis and the difference could be material. The impact on the increase (decrease) in net assets attributable to holders of redeemable units from operations of the respective Funds would be similar.

(c) Currency risk:

Currency risk is the risk that financial instruments, which are denominated in currencies other than the functional currency of a Fund, will fluctuate due to changes in exchange rates. As at December 31, 2016 and 2015, substantially all of the assets of the Landry Canadian Equity Fund and Landry U.S. Equity Fund were invested in instruments denominated in their respective reporting currency. The Landry Global Equity Fund invests in financial instruments denominated in currencies other than its functional currency.

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

5. Financial instruments and risk management (continued):

(c) Currency risk (continued):

Landry Global Equity Fund (in U.S. dollars)

Consequently, the Fund is exposed to the risk that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the fair value of the future cash flows of the Fund. The Fund's policy with respect to currency risk is to limit its net foreign currency exposure relative to the MSCI World to less than 10% of the Fund's net assets attributable to holders of redeemable units. The Fund's currency risk is managed on a daily basis by the investment manager in accordance with policies and procedures in place. As at December 31, 2016 and 2015, Landry Global Equity Fund had currency exposure. The following tables illustrate the effect on net assets attributable to holders of redeemable units if the respective currency had strengthened or weakened by 5% in relation to the U.S. dollar, with all other variables held constant. In practice, actual results may differ from this sensitivity analysis and the difference could be material. The impact on the increase (decrease) in net assets attributable to holders of redeemable units from operations of the respective Funds would be similar. These tables have been prepared by taking into account the indirect exposure of the Fund's investment in the Landry U.S. Equity Fund.

December 31, 2016

Currency	Investments	Cash	Margin deposits	Open futures (notional)	Net exposure contracts	Sensitivity impact on net assets attributable to holders of redeemable units
AUD	\$ 361,584	\$ 1,860	\$ —	\$ —	\$ 363,444	\$ 18,172
CAD	845,053	1,385	—	—	846,438	42,322
CHF	427,537	823	—	—	428,360	21,418
DKK	219,761	97	—	—	219,858	10,993
EUR	2,444,019	345	—	(634,440)	1,809,924	90,496
GBP	775,179	835	—	—	776,014	38,801
JPY	540,763	2,233	5,709	—	548,705	27,435
KRW	503,801	1,612	—	—	505,413	25,271
NOK	149,771	244	—	—	150,015	7,501
SEK	1,520	185	—	—	1,705	85

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

5. Financial instruments and risk management (continued):

(c) Currency risk (continued):

Landry Global Equity Fund (in U.S. dollars) (continued)

							December 31, 2015
Currency	Investments	Cash	Margin deposits	Open futures (notional)	Net exposure contracts	Sensitivity impact on net assets attributable to holders of redeemable units	
AUD	\$ 374,147	\$ 1,075	\$ –	\$ –	\$ 375,222	\$ 18,761	
CAD	496,358	3,532	–	–	499,890	24,994	
CHF	284,350	1,860	–	–	286,210	14,311	
DKK	161,418	111,182	–	–	272,600	13,630	
EUR	1,949,631	1,229	–	(489,870)	1,460,990	73,050	
GBP	698,396	733	–	–	699,129	34,956	
JPY	730,992	(66,356)	5,563	–	670,199	33,510	
KRW	331,711	2,279	–	–	333,990	16,700	
NOK	150,657	352	–	–	151,009	7,550	
SEK	–	24,172	–	–	24,172	1,209	

(d) Interest rate risk:

Interest rate risk arises on interest-bearing financial instruments, such as bonds or debentures. The majority of the Funds' financial assets and liabilities are equity shares, which are non-interest bearing. When there are significant cash and cash equivalent balances, the Funds invest in Canadian Treasury bills that have a maturity of less than 90 days. As such, the Funds are not subject to significant amounts of risk due to fluctuations in prevailing levels of market interest rates.

(e) Credit risk:

Credit risk on financial instruments is the risk of a financial loss occurring as a result of the default of a counterparty on its obligation to the Funds. Credit risk typically arises out of exposure to debt instruments, such as bonds, or derivatives. As at December 31, 2016 and 2015, the Funds had no significant investments in debt instruments or derivatives. Credit and counterparty risk is managed by dealing with counterparties the Manager believes to be creditworthy. As at December 31, 2016 and 2015, amounts receivable to portfolio assets sold at year-end were concentrated only among a few brokers, which credit risk is considered small due to short settlement period involved and their high credit quality.

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

5. Financial instruments and risk management (continued):

(f) Liquidity risk:

Liquidity risk is the risk that the Funds will encounter difficulty in meeting obligations associated with financial liabilities. The Funds' exposure to liquidity risk is equal to the carrying amount of liabilities. Aside from financial liabilities that arise from its normal investing activities, the Funds have no other significant financial liabilities.

The Funds' most significant potential exposure to financial liabilities is the daily cash redemptions of redeemable units. The Funds liquidity risk is managed on a daily basis by the investment manager. The policies of the Funds regarding liquid assets is in accordance with securities regulations. The Funds are subject to restrictions concerning illiquid assets. Per the regulation, a Fund must not purchase an illiquid asset if, immediately after the purchase, more than 10% of its net asset value would make up of illiquid assets. A Fund must also not have invested, for a period of 90 days or more, more than 15% of its net asset value in illiquid assets. The Funds' investments in listed entities are considered to be readily realisable because they are traded on major stock exchange markets.

6. Fair value measurement:

The Funds classify fair value measurements within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are as follows:

Level 1: Fair value based on unadjusted quoted prices in active markets for identical assets or liabilities that the Manager has the ability to access at the measurement date.

Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3: Inputs based on at least one significant non-observable input that is not supported by market data. There is little, if any, market activity. Inputs into the determination of fair value require significant management judgment or estimation.

If inputs of different levels are used to measure an asset's or liability's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. The fair value hierarchy table, in the section "Fair value of financial instruments" of the respective Funds, presents information about the Funds' assets and liabilities measured at fair value within the fair value hierarchy as at December 31, 2016 and 2015 at the end of each Funds' schedule of investments.

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

7. Redeemable units:

The Funds classify financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

A puttable financial instrument that includes a contractual obligation for the Funds to repurchase or redeem that instrument for cash or another financial asset is classified as equity if it meets all of the following conditions:

- it entitles the holder to a pro rata share of the Funds' net assets in the event of the Funds' liquidation;
- it is in the class of instruments that is subordinate to all other classes of instruments;
- all financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;
- apart from the contractual obligation for the Funds to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any other features that would require classification as a liability; and
- the total expected cash flows attributable to the instrument over its life are based substantially on the profit or loss, the change in the recognized net assets or the change in the fair value of the recognized and unrecognized net assets of the Funds over the life of the instrument.

The Funds' authorized capital consists of an unlimited number of redeemable units of each class without par value. The number of outstanding units of each class is disclosed in the statements of financial position. Units of the Funds are redeemable at the option of the holder in accordance with the provisions of the Trust Agreement. Classes A and F units are available to all investors. Classes I and J units are offered only to certain investors at the discretion of the Manager, including institutional investors or other eligible investors.

No class takes priority or preference over another and all classes contribute in proportion to the allocation of the Funds. All classes are the most subordinate classes of financial instruments issued by the Funds and, on liquidation of the Funds, they entitle the holders to the residual net assets. They rank *pari passu* in all respects. However, they do not have identical features. The redeemable shares provide investors with the right to require redemption for cash at a value proportionate to the investor's share in the Funds' net assets at each daily redemption date and also in the event of the Funds' liquidation.

Since the Funds' redeemable shares do not meet all of the above conditions to be classified as equity, they are classified as financial liabilities.

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

7. Redeemable units (continued):

The change in the number of securities is as follows for the applicable years ended December 31, 2016 and 2015:

Landry Canadian Equity Fund:

Funds	Year	Beginning of year	Purchases	Reinvestments	Redemptions	Net transfer	End of year	Average number of units during the year
Class A	2015	4,858	–	–	–	–	4,858	4,858
	2016	4,858	–	–	(1,825)	–	3,033	4,504
Class F	2015	460,211	165,230	–	(130,504)	(59,783)	435,154	415,542
	2016	435,154	375,080	–	(54,361)	(44,751)	711,122	626,616
Class I	2015	77,099	2,452	–	(22,716)	–	56,835	61,889
	2016	56,835	–	27	(28,769)	–	28,093	42,302
Class J	2015	638,534	–	–	(200,519)	121,049	559,064	476,035
	2016	559,064	30,571	360	(438,527)	90,408	241,876	326,999

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

7. Redeemable units (continued):

Landry U.S. Equity Fund:

Funds	Year	Beginning of year	Purchases	Reinvestments	Redemptions	Net transfer	End of year	Average number of units during the year
Class A	2015	26,379	–	376	(9,425)	–	17,330	21,140
	2016	17,330	–	5	(1,438)	–	15,897	16,781
Class F	2015	725,867	112,747	34,245	(50,909)	(346)	821,604	753,232
	2016	821,604	96,619	3,354	(158,512)	(5,516)	757,549	820,528
Class I	2015	23,525	–	1,071	(497)	–	24,099	23,311
	2016	24,099	–	90	(17,715)	–	6,474	20,363
Class J	2015	623	–	–	–	–	623	623
	2016	623	141	84	–	7,184	8,032	4,929

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

7. Redeemable units (continued):

Landry Global Equity Fund:

Funds	Year	Beginning of year	Purchases	Reinvestments	Redemptions	Net transfer	End of year	Average number of units during the year
Class A	2015	5,916	–	–	(4,959)	–	957	1,422
	2016	957	–	–	(957)	–	–	950
Class F	2015	1,253,939	306,311	–	(92,794)	(108,222)	1,359,234	1,364,562
	2016	1,359,234	103,358	–	(118,775)	(23,364)	1,320,453	1,311,856
Class J	2015	–	–	–	–	104,280	104,280	104,280
	2016	104,280	314,398	–	(307,944)	25,219	135,953	274,803

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

8. Expenses and brokerage commissions:

(a) Expenses:

As of December 31, 2016 and 2015, administrative fees are accounted for daily, paid monthly, and calculated according to a fixed percentage of the NAV of the Funds. In 2016 and 2015, the fees were established at 0.80% but the Funds' administrator has waived a part of the administrative fees, in 2015 and 2016, which brought the fee down to 0.75% of the NAV of the Funds.

The fees and expenses assumed by Landry Investment Management in exchange for the administrative fees include valuation and recordkeeping expenses and those related to the services of the transfer agent, including processing purchases and sales of the securities of the Funds and calculation of the price of the securities; legal fees and auditors' fees; administrative fees and services of trustees; custodial fees; costs related to preparation and distribution of financial reports, simplified prospectuses and other communications with investors that Landry Investment Management is obliged to prepare to comply with applicable laws; and the other fees and expenses that are not otherwise included in the management fees.

(b) Brokerage commissions:

Commissions paid to brokers in connection with portfolio transactions are disclosed in the Funds' statements of comprehensive income. Brokerage business is allocated based on which broker can deliver to the Funds the best results. Subject to these criteria, the Manager may allocate business to brokers that provide or pay for, in addition to transaction execution, order execution goods and services and database and software used in proprietary research. For the years ended December 31, 2016 and 2015, the Manager had had commission-sharing or "soft dollar" arrangements with certain brokers in which they paid for third-party services.

The following table outlines the transaction costs, including soft dollars incurred during the years:

	Commissions paid by the Funds	Goods and services received by the Funds
2016		
Landry Canadian Equity (in Canadian dollars)	\$ 40,400	\$ 31,454
Landry U.S. Equity (in U.S. dollars)	37,363	29,089
Landry Global Equity (in U.S. dollars)	37,361	29,088

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

8. Expenses and brokerage commissions (continued):

(b) Brokerage commissions (continued):

2015	Commissions paid by the Funds	Goods and services received by the Funds
Landry Canadian Equity (in Canadian dollars)	\$ 56,123	\$ 22,427
Landry U.S. Equity (in U.S. dollars)	25,127	21,757
Landry Global Equity (in U.S. dollars)	35,138	19,771

9. Distributions:

Unitholders are entitled to distributions at year-end. Net investment income and net capital gains realized on the Funds are reinvested in additional units of its own Fund or at the option of the unitholders, paid in cash. The distribution amounts are determined by the registrar and are allocated to the unitholders of each Fund.

Distributions paid in cash will be made in the Funds' reporting currency. Unless the unitholder provides written instructions to the registrar to receive distributions in cash, the amount of the distribution will automatically be reinvested in additional securities of its own Fund. At the valuation date, each unitholder of a Fund is entitled to receive an amount equal to the Funds' net income for the year, divided by the number of units outstanding, and multiplied by the number of units held by the unitholder at fiscal year-end.

10. Income tax status:

All of the Landry Funds, as at December 31, 2016 and 2015, are mutual fund trusts under the *Income Tax Act* (Canada), except the Landry U.S. Equity Fund. The Funds are subject to federal and provincial taxes applicable on their assessed income, including taxable capital gains for the fiscal year, so far as those were not distributed to the unitholders. The Landry U.S. Equity Fund is a unit trust. Unit trusts are subject to the alternative minimum tax.

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

10. Income tax status (continued):

Tax loss carryforwards

The following Funds have accumulated net realized capital losses/non-capital losses that are available for utilization against net realized gains or net income for tax purposes in future years as follows. Capital losses have no expiry date. Non-capital losses can be carried forward for up to 20 years:

	Total capital losses	Non-capital losses by expiry date			
		2028	2029	2030	2032
Landry Canadian Equity (in Canadian dollars)	\$ 392,338	\$ —	\$ —	\$ —	\$ —
Landry U.S. Equity (in U.S. dollars)	—	—	—	—	—
Landry Global Equity (in U.S. dollars)	1,928,960	41,934	9,371	55,785	31,720

11. Related party transactions:

(a) Management fees:

In consideration for management services and investment advice provided to the Funds, the Manager is entitled to a management fee.

The management fee with respect to Class A units is 2.00% and for Class F units is 1.00%, calculated on a daily basis to the NAV of the Funds and payable monthly. No management fee is charged to Class I and Class J units; instead, a negotiated fee is paid by these unitholders to the Manager directly.

Refer to the statements of comprehensive income of each Fund for the management fee expenses and to the statements of financial position of each Fund for the management fee payable balances.

(b) Performance fees:

As at May 9, 2016, the date of the renewal of the prospectus of the Funds, the Funds no longer charge performance fees.

The Manager would charge a performance fee of 20% of the return of the Funds in excess of their benchmark return. The performance fees were payable only if the Funds had outperformed their benchmark since the last time a performance fee was paid. Performance fees were calculated daily and crystallized and paid monthly.

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

11. Related party transactions (continued):

(b) Performance fees (continued):

For performance fee calculation purposes, the benchmarks of the Funds were as follows:

Funds	Index
Landry Canadian Equity Fund	S&P/TSX60 Total Return Index (+ 2% for Class I units)
Landry U.S. Equity Fund	S&P100 Total Return Index (+ 2% for Class I units)
Landry Global Equity Fund	MSCI World Index (with net dividends reinvested)

The Manager received no performance fee for the Landry Canadian Equity Fund, the Landry U.S. Equity Fund and the Landry Global Equity Fund in 2016 and 2015.

(c) Inter-fund holdings:

Landry Global Equity Fund owns a significant portion of the redeemable units of Landry U.S. Equity Fund, having a participation totalling 48.81% of its Class F units (42.27% as at December 31, 2015). This investment is considered to be an investment in a non-consolidated structured entity. The Landry U.S. Equity Fund is an investment fund and is domiciled in Canada and has no subsidiaries. Its purpose is to manage assets on behalf of investors and generate fees for the investment manager. It finances its activity through the issuance of units to investors. The number of Class F of redeemable units held in the Fund totalled 379,111 units as of December 31, 2016 (388,352 units as at December 31, 2015) for a carrying amount, included in investments in the statements of financial position, of \$7,509,460 as at December 31, 2016 (\$6,868,161 as at December 31, 2015). The net assets attributable to holders of the Landry U.S. Equity Fund redeemable units is of \$15,384,147 as of December 31, 2016 (\$15,034,120 as at December 31, 2015). The maximum exposure to loss is the carrying amount of the investment in the Fund. All distributions received from the Fund (2016 - \$33,776; 2015 - \$286,869) are presented under Distributions from Investment Funds in the Statement of Comprehensive Income, and were reinvested in the Funds in 2016 and 2015. Landry Global Equity Fund invested for \$1,473,776 in Landry U.S. Equity Fund Class F units (2015 - \$1,206,734) and redeemed for \$1,800,000 of the Class F units in 2016 (2015 - nil).

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

11. Related party transactions (continued):

(c) Inter-fund holdings (continued):

The Landry Global Equity Fund pays management and performance fees, when applicable, to the Landry U.S. Equity Fund, but the Manager does not charge any management or performance fee on the portion of the Landry Global Equity Fund invested in the Landry U.S. Equity Fund.

Landry Global Equity Fund has no commitments or intentions to provide financial or other support to Landry U.S. Equity Fund. No financial or other support was provided during the reporting years. At December 31, 2016 and 2015, there were no significant restrictions on the ability of Landry U.S. Equity Fund to transfer funds to Landry Global Equity Fund in the form of redemption of the securities held by the Landry Global Equity Fund.

(d) Other:

In the normal course of business, transactions between the Funds and officers and directors of the Funds' Manager take place. As at December 31, 2016 and 2015, the percentages of net assets attributable to holders of redeemable units of the following classes of the Funds owned as a result of securities held by these key management personnel of the Manager of the Funds are as follows:

	2016	2015
Landry Canadian Equity Fund (Class F)	- %	6.11%
Landry Canadian Equity Fund (Class J)	60.37	21.65
Landry U.S. Equity Fund (Class F)	55.79	5.73
Landry U.S. Equity Fund (Class J)	83.98	-
Landry Global Equity Fund (Class F)	-	4.15
Landry Global Equity Fund (Class J)	94.97	100.00

The Manager of the Funds also receives management fees and, when applicable, performance fees. The total management and performance fees for the years ended December 31, 2016 and 2015 and the amount of management and performance fees owed to the Manager as at December 31, 2016 and 2015 are presented in each Fund's statements of comprehensive income and statements of financial position, respectively.

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

11. Related party transactions (continued):

(d) Other (continued):

In 2016, key management personnel of the Funds Manager invested for \$100,438 of Class F of redeemable units of the Landry Canadian Equity Fund (2015 - \$737,000), \$131,806 of Class F of redeemable units of the Landry U.S. Equity Fund (2015 - \$223,000) and \$59,921 of Class F of redeemable units of the Landry Global Equity Fund (2015 - \$490,430). Key management personnel of the Funds' Manager also redeemed for \$572,484 of Class F units of the Landry Canadian Equity Fund (2015 - \$5,500), \$68,900 of Class F units of the Landry U.S. Equity Fund (2015 - \$93,626) and of \$552,139 of Class F unit of the Landry Global Equity Fund (2015 - nil).

In addition, key management personnel invested for \$249,109 (2015 - \$ 1,149,385) and redeemed for \$8,896 (2015 - nil) of Class J of redeemable units of the Landry Canadian Equity Fund, invested for \$240,028 (2015 - \$1,042,797) and redeemed for \$5,400 (2015 - nil) of Class J of redeemable units of the Landry Global Equity Fund and invested for \$67,572 (2015 - nil) of Class J of redeemable units of the Landry U.S. Equity Fund.

Finally, in 2016, distributions were received by key management personnel of the Funds' Manager in an amount of \$4,666 from the U.S. Equity Fund (2015 - \$34,745) and \$2,425 from the Canadian Equity Fund (2015 - nil). All distributions received from the Funds were reinvested in the respective Funds and are included in the invested amount mentioned before.

12. Financial instruments by category:

Investments have been designated at FVTPL. Derivatives are being held for trading and cash and other receivables are carried at amortized cost. All of the Funds' financial liabilities are carried at amortized cost.

The following tables present the net gains (losses) on financial instruments by category for the years ended December 31, 2016 and 2015.

Landry Canadian Equity Fund (in Canadian dollars):

	2016	2015
Financial assets at FVTPL:		
Held for trading	\$ -	\$ (117)
Designated at inception	3,011,006	(852,276)
Total	\$ 3,011,006	\$ (852,393)

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

12. Financial instruments by category (continued):

Landry U.S. Equity Fund (in U.S. dollars):

	2016	2015
Financial assets at FVTPL:		
Held for trading	\$ -	\$ 15
Designated at inception	1,987,894	217,843
Total	\$ 1,987,894	\$ 217,858

	2016	2015
Financial assets at FVTPL:		
Held for trading	\$ -	\$ (13,566)
Designated at inception	1,407,883	529,185
Total	\$ 1,407,883	\$ 515,619

13. Responsibility of the Trustee:

The Funds must indemnify and save harmless the Trustee, its affiliates or any director, officer, employee or agent of the Trustee from and against:

- all claims whatsoever (including legal fees, other costs, charges and expenses in connection therewith) brought, commenced or prosecuted against it for or in respect of any act, deed, matter or thing whatsoever made, done, acquiesced in or omitted in or about or in relation to the execution of the Trustee's and Manager's duties;
- all other costs, charges, and expenses which sustain or incur in or about or in relation to the affairs of the Funds and the execution of the Trustee's and Manager's duties; and
- any personal liabilities of the Trustee incurred in connection with the failure of any fund, or the Manager, on behalf of the Funds, to report, remit or withhold taxes, as required by the tax act or otherwise failing to comply with the tax act, so long as the Trustee has relied in good faith on the Manager in the performance of its duties hereunder and such personal liabilities have not been caused by the Trustee's bad faith, willful misconduct, gross negligence, reckless disregard of its duties or the breach by the Trustee of its standard of care.

This indemnification shall survive the resignation or removal of the Trustee or Manager and the termination of this Master Trust Agreement solely to the extent that such liabilities have been incurred in connection with taxation years occurring during the term of this Master Trust Agreement.

LANDRY FUNDS

Notes to Financial Statements (continued)

Years ended December 31, 2016 and 2015

14. Comparative information:

Certain comparative information has been reclassified to conform to the presentation adopted in the current year.