FIRST QUARTER REPORT
March 31st, 2021

Performance

To March 31st, 2021 the change in unit prices of the **HughesLittle Value Fund** and **HughesLittle Balanced Fund** were as follows:

	Value Fund *(non-RSP)*	**Balanced Fund** *(RSP)*
Unit Price – March 31st, 2021	**$ 49.47**	**$ 21.86**
Unit Price – December 31st, 2020	$ 47.37	$ 21.02
Distributions Paid Per Unit Since Inception	$ 5.05	$ 12.28
Three Months	**4.4 %**	**4.0 %**
Annualized Return Since Inception[1]	**12.3 %**	**11.0 %**

See attached Performance Summary for additional performance results.

First Quarter Commentary

In this report we deviate from our usual commentary and revisit one of our favorite topics: compound returns. Based on inception returns (above), clients of the Funds who invested at or near $10 a unit in 2005, (our inception year) and reinvested all of their annual distributions since, have seen their accounts grow to more than six times their initial investment in the **Value Fund**, and by five times in the **Balanced Fund**.[2]

In dollar terms, had you invested $500,000 in the Value Fund at $10 a unit in 2005, your capital will have grown by 12.3 percent per year to $3.1 million today. (Balanced Fund, 11 percent, $2.6

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[1] Inception dates: Value Fund June 30th, 2005. Balanced Fund August 31st, 2005.
[2] Clients who invested between late 2008 through to early 2011, when the unit price was below or near $10, will have similar gains in dollar terms - but over a shorter period.

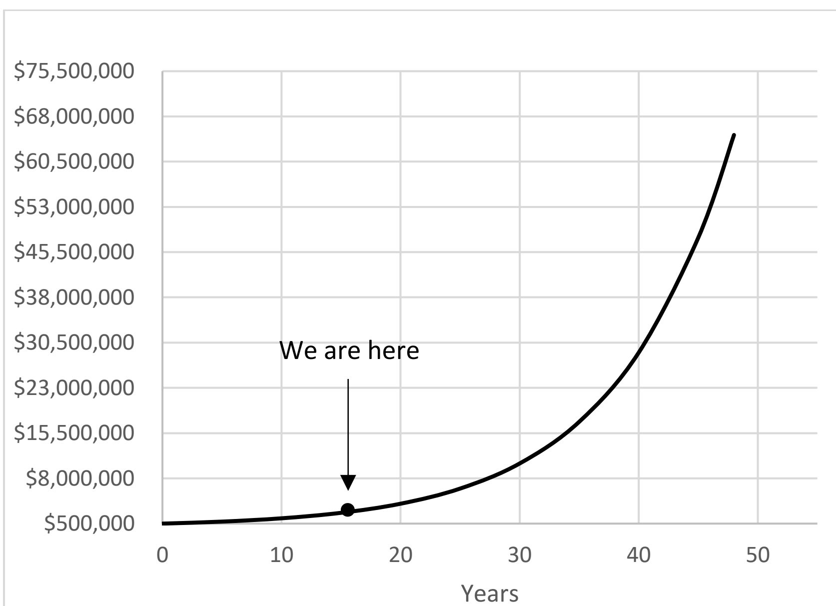
million). Without question, the joys of compound interest are gratifying. And that is just the first 16 years.

Bear in mind an important disclaimer: **Past returns do not guarantee future results.**

This is where things get interesting, and I will justify the pun. If we earn a more moderate, but still satisfactory 10 percent per year over the next 16 years, “gratified” may not quite capture what you are feeling. Earning 10 percent annually for the next 16 years will add another $11 million to your account (for a total of $14.2 million), or 28 times your initial investment over 32 years.

Can you see what is happening here? The dollar gains are mounting in each subsequent 16-year period. In our example, the gain in the first 16 years is $2.6 million and the gain in the second 16 years jumps to $11 million. But it is the gain in the third 16-year period that really jumps, and dwarfs everything before it – it is a whopping $51 million. So for those who stick around long enough, and if we continue to achieve double-digit returns, you (or your kids) will have a nest egg of about $65 million after 48 years.[3]

This is the true power of compound interest – it is an upwards sloping, curvaceous thing of beauty that gets steeper over time. This picture says everything you need to know:



[3] If we maintain a 12 percent annual return for the entire 48 years – an outcome that is possible, not probable – the total increases to $115 million.

First Quarter Investment Review

As of March 31st, the Value Fund was 93 percent invested in 14 operating companies. The Fund owns three Canadian companies, nine U.S. companies and two holdings based in other countries. The Value Fund's top ten positions make up 81 percent of the Fund's assets.

The Balanced Fund is 78 percent invested in the common shares of three Canadian companies, nine U.S. companies and three companies based in other countries. The Balanced Fund's top ten positions make up 69 percent of the Fund's assets. As of March 31st, the Balanced Fund had 22 percent of its assets in cash and investment-grade bonds.

If you have any questions or comments, we welcome your calls.

Regards,

Joe Little	*Mark Hughes*	*Shafaz Jivani*
Joe Little	Mark Hughes	Shafaz Jivani
April 9th, 2021		