

Annual
Management Report of Fund Performance
for the period ended December 31, 2011

Canadian Small Company Equity Fund

Class O Units, Class I Units, Class P Units, Class F Units, Class R Units, Class D Units, Class E Units

Managed by: SEI INVESTMENTS CANADA COMPANY

This annual Management Report of Fund Performance contains financial highlights, but does not contain the complete audited annual financial statements of the Fund. You may view the semi-annual (unaudited) and annual Financial Statements, as well as the annual and semi-annual Management Report of Fund Performance on our website www.seic.com, or through SEDAR at www.sedar.com.

You may also request to receive a copy of these reports, SEI Funds' proxy voting policies and procedures, or quarterly portfolio disclosure at no cost by contacting us through any of the following methods:

Call us toll free at: 1-866-SEI-1114
Visit our website: www.seic.com
Write to us at: SEI, 70 York Street, Suite 1600, Toronto, Ontario M5J 1S9

The proxy voting record of the SEI Funds for the period ending June 30, 2012 will be available on our website any time after August 31, 2012.

A caution regarding forward-looking statements:

This document may contain forward-looking statements about the Fund, including its strategy, performance and condition. Forward looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", or negative versions thereof, or future or conditional verbs such as "will", "may", "could", "should" and "would", and similar expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future fund action, is also a forward-looking statement.

By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. Forward-looking statements are not guarantees of future performance. There is significant risk that forward-looking statements will not prove to be accurate. We caution readers of this document to not place undue reliance on our forward-looking statements, as a number of factors could cause actual future results, conditions and actions or events to differ materially from those expressed or implied in any forward-looking statements. Factors may include, but are not limited to, general economic, political, market and business conditions; fluctuations in interest rates and foreign exchange rates; regulatory developments; and actions by governmental authorities. We caution that the foregoing list of factors is not exhaustive. Before making an investment decision, we encourage investors to consider these and other factors carefully. Future events and their effects on the Fund may not be those anticipated by us. Actual results may differ materially from the results anticipated in these forward-looking statements. We do not undertake, and specifically disclaim, any obligations to update or revise any forward-looking information, whether as a result of new information, future developments, or otherwise.

Canadian Small Company Equity Fund

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INVESTMENT OBJECTIVE AND STRATEGIES

The objective of the Canadian Small Company Equity Fund (the "Fund") is to provide capital appreciation over the long term through broad participation in the small and mid cap portion of the Canadian equity market.

The Fund holds equity securities primarily of companies included in the BMO Nesbitt Burns Small Cap Weighted Total Return Index. However, the Fund is not limited to the companies in this index. Holdings are diversified amongst a broad universe that SEI believes comprehensively covers the segments considered to be representative of the small and mid cap portion of the Canadian equities markets.

The Fund invests using a Manager of Managers investment strategy that involves appointing multiple specialist Portfolio Managers. Each Portfolio Manager is responsible for managing a portion of the Fund in accordance with a specific mandate based on their specific area of expertise. Portfolio Managers are selected using in-depth research, and once appointed are subject to a rigorous monitoring process.

The current Portfolio Managers of the Fund are:
Beutel, Goodman & Company Ltd.
Goodman & Company, Investment Counsel, Ltd.
Manulife Asset Management Ltd.
Montrusco Bolton Investments Inc.
SEI Investments Canada Company (the Manager)

SEI may change the Portfolio Managers and/or the allocation of assets to a particular Portfolio Manager from time to time at its sole discretion.

RESULTS OF OPERATIONS

(This performance commentary is based on Class O units of the Fund. Returns for other classes of units may vary, largely due to differences in fees and expenses. Please refer to the Past Performance section for class level performance details.)

In contrast to recent history, small cap stocks underperformed large cap stocks. Amid negative market sentiment and concerns that the economic recovery was slowing, investors refrained from acquiring exposure in riskier small cap companies. Towards the

latter summer months, investors were once again buffeted with a barrage of negative news and deceleration in earnings forecasts. August became the turning point for investor expectations. Prior to August, the global economy was believed to be on a modest recovery pace. Markets were also discounting an orderly resolution of the Greek sovereign debt issues. However, the macro economic data that followed indicated a slowdown in manufacturing, inventories and job creation. While corporate profitability remained sound in the small cap universe, investors preferred the safety and dividend yield of larger cap companies. On average, the smaller the company, the worse was the resulting annual performance. For the year, the S&P/TSX Index returned a loss of 8.7%, while the BMO Nesbitt Burns Small Cap Weighted Total Return Index returned -14.4%.

It was reported towards the end of the period that the Canadian economy disappointed the market with a real GDP that was flat in October and below market expectations with a 0.2% increase. The goods sector was a weak spot for the Canadian economy, led by a decline in construction output as well as mining and oil and gas extraction. Economists believed that Canadian real GDP will grow close to 2% in Q4, following the sharp 3.5% bounce in Q3. Consumer spending is likely to be a key driver in the quarter, while the trade picture has softened.

The strongest performing sectors in the Index for the year, were contained to Financials (+3.6%) and Utilities (+0.2%). All remaining sectors declined in value. The weakest performers included the Materials (-27.9%), Health Care (-20.2%), Consumer Staples (-19.1%) and Energy (-14.9%) sectors.

The Canadian Small Company Equity Fund lost 15.1%, underperforming the Index by 69 basis points. The Fund gained from sector allocation (38 basis points) but lost on stock selection (107 basis points). The Fund benefitted from a modest underweight to the Materials sector which was the largest percentage loser during the year as well as underweight to the Health Care sector. The Fund capitalized on strong selection from Materials positions generating 376 basis points above the Index. Holdings in many junior gold miners including Alacer Gold, Allied Nevada Gold and Argonaut Gold were beneficial holdings as these companies delivered production increases. Other holdings in the sector were outside of the gold rally, but

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were equally as impressive including a holding in Labrador Iron Ore Royalty Corp. The detractor came from poor stock selection in the Energy, Financials, Utilities and Industrials holdings.

Energy holdings were impacted by the defensive tone in the marketplace. The Fund lost due to Oil and Gas Exploration and Production stocks as well as uranium companies which detracted 231 basis points. Stocks such as TransGlobe Energy, Crew Energy and Legacy Oil & Gas were impacted by production shortfalls. Uranium One was impacted by the negative sentiment in the market following the meltdown of the Fukushima reactor in March. Weakness in the Financial holdings were attributable to lack of REITS which returned 13.8% for the year.

During the period, the portfolio managers reduced their exposures to high debt firms and reallocated into slightly larger companies with stronger access to credit and capital markets. In terms of sectors, exposures to Consumer Discretionary, Staples, Industrials and Information Technology were increased during the period while Energy, Materials and Health Care were reduced.

RECENT DEVELOPMENTS

INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRS”)
The Canadian Accounting Standards Board (“CASB”) previously confirmed January 1, 2011 as the date IFRS would replace Canadian Generally Accepted Accounting Principles (GAAP) for publicly accountable enterprises, which include investment funds and other reporting issuers.

In December 2011, the CASB amended the requirement to prepare financial statements in accordance with IFRS as issued by the International Accounting Standards Board, permitting investment funds to defer adoption of IFRS to fiscal years beginning on or after January 1, 2014. The Fund has elected to defer adoption of IFRS to January 1, 2014.

In preparing to meet the requirements, the Manager has taken the following steps in managing the transition to IFRS:

- Established a working group to identify key differences between Canadian GAAP and IFRS and to coordinate the implementation of the transition plan,

- Identified areas where changes in disclosure will be required under IFRS standards,
- Evaluated current information technology & reporting systems for readiness in IFRS implementation,
- Assessed the likely impacts on business activity and operational areas such as internal controls, staffing and training requirements.

The major changes identified for IFRS financial statements include the addition of a statement of cash flows and the classification of unitholders’ equity (puttable instruments) as a liability within the statement of net assets, unless certain conditions are met.

Based on the current evaluation of the differences between Canadian GAAP and IFRS, the adoption of IFRS is expected to have no significant impact on the calculation of net assets or net asset value. IFRS is expected to affect the overall presentation of financial statements and result in additional disclosure in the accompanying notes. However, the Manager’s assessment may change if new standards are issued or if the interpretations of current standards are revised.

RISK

The risks of the Fund remain as discussed in the prospectus. The Fund may be suitable for investors who have a medium to high tolerance for risk.

RELATED PARTY TRANSACTIONS

Where certain of the Fund’s expenses are incurred by the Manager on the Fund’s behalf, they are reimbursed to the Manager at the cost of the expenses incurred. Reimbursement is done in compliance with the Manager’s methodology for which the Independent Review Committee for the Fund has provided its recommendation to the Fund of a fair and reasonable result for the Fund, and which operates as a standing instruction for compliance by the Manager. The reimbursement of such amounts was made in 2011 on such basis

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Financial Highlights — FOR THE YEARS ENDED DECEMBER 31

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

Class O

THE FUND'S NET ASSETS PER UNIT ^(a)	2011	2010	2009	2008	2007
NET ASSETS, BEGINNING OF YEAR	\$12.52	\$9.83	\$5.98	\$11.00	\$11.54
INCREASE (DECREASE) FROM OPERATIONS:					
Total revenue	\$0.16	\$0.22	\$0.13	\$0.21	\$0.28
Total expenses	-\$0.02	-\$0.02	-\$0.01	-\$0.02	-\$0.02
Realized gains (losses) for the year	\$1.24	\$1.63	\$0.09	-\$0.83	\$1.41
Unrealized gains (losses) for the year	-\$3.18	\$1.45	\$3.80	-\$4.48	-\$0.60
Total increase (decrease from operations) ^(b)	-\$1.80	\$3.28	\$4.01	-\$5.12	\$1.07
DISTRIBUTIONS:					
From income (excluding dividends)	—	-\$0.09	-\$0.11	—	-\$0.11
From dividends	-\$0.13	-\$0.12	-\$0.08	—	-\$0.16
From capital gains	-\$1.51	-\$0.56	—	—	-\$1.29
Return of capital	—	—	—	—	—
Total annual distributions ^(c)	-\$1.64	-\$0.77	-\$0.19	—	-\$1.56
NET ASSETS, END OF YEAR	\$8.96	\$12.52	\$9.83	\$5.98	\$11.00
RATIOS AND SUPPLEMENTAL DATA					
Net asset value (\$000's)*	\$109,553	\$151,892	\$144,618	\$88,445	\$99,881
Number of units outstanding*	12,147,581	12,089,666	14,627,270	14,628,467	9,024,761
Management expense ratio ^(d)	0.16%	0.14%	0.08%	0.17%	0.14%
Management expense ratio before waivers	0.16%	0.14%	0.08%	0.17%	0.14%
Portfolio turnover rate ^(e)	48%	63%	67%	42%	59%
Trading expense ratio ^(f)	0.29%	0.42%	0.35%	0.35%	0.28%
Net asset Value per unit	\$9.02	\$12.56	\$9.89	\$6.05	\$11.07

Class P

THE FUND'S NET ASSETS PER UNIT ^(a)	2011	2010	2009	2008	2007
NET ASSETS, BEGINNING OF YEAR	\$17.90	\$13.55	\$8.27	\$15.56	\$16.24
INCREASE (DECREASE) FROM OPERATIONS:					
Total revenue	\$0.22	\$0.30	\$0.18	\$0.29	\$0.39
Total expenses	-\$0.43	-\$0.37	-\$0.24	-\$0.31	-\$0.43
Realized gains (losses) for the year	\$1.43	\$2.25	\$0.12	-\$1.14	\$1.96
Unrealized gains (losses) for the year	-\$4.42	\$2.16	\$5.03	-\$6.37	-\$0.85
Total increase (decrease from operations) ^(b)	-\$3.20	\$4.34	\$5.09	-\$7.53	\$1.07
DISTRIBUTIONS:					
From income (excluding dividends)	—	—	—	—	—
From dividends	—	—	—	—	—
From capital gains	-\$2.11	—	—	—	-\$1.72
Return of capital	—	—	—	—	—
Total annual distributions ^(c)	-\$2.11	—	—	—	-\$1.72
NET ASSETS, END OF YEAR	\$12.67	\$17.90	\$13.55	\$8.27	\$15.56
RATIOS AND SUPPLEMENTAL DATA					
Net asset value (\$000's)*	\$7,568	\$7,406	\$6,505	\$5,515	\$5,215
Number of units outstanding*	593,363	412,351	477,423	659,482	332,867
Management expense ratio ^(d)	2.61%	2.52%	2.40%	2.47%	2.47%
Management expense ratio before waivers	2.61%	2.52%	2.40%	2.47%	2.47%
Portfolio turnover rate ^(e)	48%	63%	67%	42%	59%
Trading expense ratio ^(f)	0.29%	0.42%	0.35%	0.35%	0.28%
Net asset Value per unit	\$12.75	\$17.96	\$13.62	\$8.36	\$15.67

Note: This table is not intended to act as a continuity of opening and closing Net assets per unit.

^(a) This information is derived from the Fund's audited annual financial statements. The Net assets per unit presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the Fund's financial statements.

^(b) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the year.

^(c) Distributions were paid in cash/reinvested in additional units of the Fund, or both.

^(d) Management expense ratio is the ratio of all fees and expenses (including Goods and Services Tax (GST) up to June 30, 2010 and Harmonized Sales Tax (HST) thereafter) and interest expense but excluding brokerage commission on securities transactions charged to the Fund to daily average net asset value on an annualized basis.

^(e) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

^(f) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the year.

* This information is provided as at December 31.

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Financial Highlights — FOR THE YEARS ENDED DECEMBER 31

Class F

THE FUND'S NET ASSETS PER UNIT ^(a)	2011	2010	2009	2008	2007
NET ASSETS, BEGINNING OF YEAR	\$13.62	\$10.74	\$6.55	\$12.14	\$12.49
INCREASE (DECREASE) FROM OPERATIONS:					
Total revenue	\$0.17	\$0.24	\$0.15	\$0.24	\$0.31
Total expenses	-\$0.13	-\$0.12	-\$0.08	-\$0.10	-\$0.14
Realized gains (losses) for the year	\$1.21	\$1.79	\$0.10	-\$0.92	\$1.52
Unrealized gains (losses) for the year	-\$3.50	\$1.72	\$4.23	-\$5.47	-\$0.90
Total increase (decrease) from operations ^(b)	-\$2.25	\$3.63	\$4.40	-\$6.25	\$0.79
DISTRIBUTIONS:					
From income (excluding dividends)	—	-\$0.06	-\$0.09	—	-\$0.02
From dividends	-\$0.04	-\$0.07	-\$0.05	—	-\$0.14
From capital gains	-\$2.03	-\$0.65	—	—	-\$1.19
Total annual distributions ^(c)	-\$2.07	-\$0.78	-\$0.14	—	-\$1.35
NET ASSETS, END OF YEAR	\$9.36	\$13.62	\$10.74	\$6.55	\$12.14
RATIOS AND SUPPLEMENTAL DATA					
Net asset value (\$000's)*	\$2,213	\$3,323	\$2,766	\$1,439	\$1,944
Number of units outstanding*	234,895	243,195	256,007	217,310	159,043
Management expense ratio ^(d)	0.98%	0.99%	1.00%	1.00%	1.00%
Management expense ratio before waivers	0.98%	0.99%	1.00%	1.00%	1.00%
Portfolio turnover rate ^(e)	48%	63%	67%	42%	59%
Trading expense ratio ^(f)	0.29%	0.42%	0.35%	0.35%	0.28%
Net asset Value per unit	\$9.42	\$13.66	\$10.80	\$6.62	\$12.22

Note: This table is not intended to act as a continuity of opening and closing Net assets per unit.

^(a) This information is derived from the Fund's audited annual financial statements. The Net assets per unit presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the Fund's financial statements.

^(b) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the year.

^(c) Distributions were paid in cash/reinvested in additional units of the Fund, or both.

^(d) Management expense ratio is the ratio of all fees and expenses (including Goods and Services Tax (GST) up to June 30, 2010 and Harmonized Sales Tax (HST) thereafter) and interest expense but excluding brokerage commission on securities transactions charged to the Fund to daily average net asset value on an annualized basis.

^(e) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

^(f) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the year.

* This information is provided as at December 31.

Management Fees

The following table shows the annual management fees for each unit class where such fees are paid by the Fund.

The management fees are calculated based on the daily Net Asset Value of each applicable unit class of the Fund and paid monthly.

The Fund does not pay management fees in respect of Class O and Class R as all compensation to the manager is paid pursuant to separate management agreements.

	Class O	Class I	Class P	Class F	Class R
Management Fees	n/a	0.90%	2.20%	1.00% ¹	n/a

¹ Inclusive of Goods and Service Tax/Harmonized Sales Tax

The following table shows the major services paid for as a percentage of the management fees above for each unit class of the Fund.

	Class O	Class I	Class P	Class F	Class R
Investment management and other general administration	n/a	100.0%	31.8%	100.0%	n/a
Trailer Commissions*	n/a	n/a	68.2%	n/a	n/a

* Where negotiated with a particular dealer on a case-by-case basis and by class, SEI may pay trailer commissions up to the maximum of 1.75% per annum, calculated based upon the average net asset value of the units of the Fund held in the accounts of clients of the participating dealers during a particular calendar quarter.

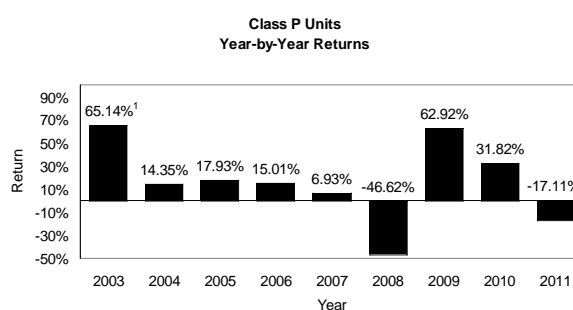
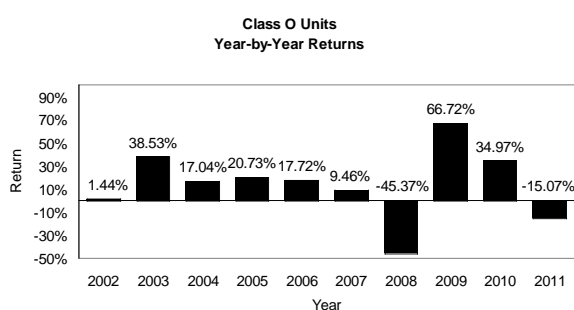
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Past Performance

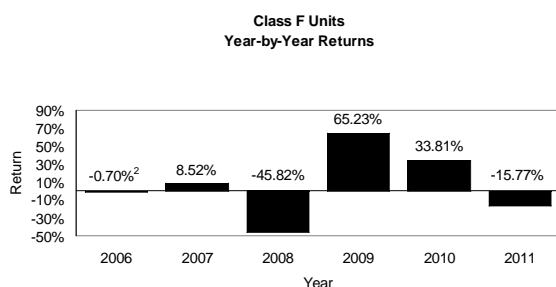
The performance information shown below assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. This performance information does not take into account sales, redemptions, distribution or other optional charges that would have reduced returns or performance. Past performance of the Fund does not necessarily indicate how it will perform in the future.

YEAR-BY-YEAR RETURNS

The following charts show the Fund's annual performance and illustrate how performance has changed from year to year. In percentage terms, the charts show how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.



¹ From March 2003 first issuance by Prospectus



² From April 2006 first issuance by Prospectus

ANNUAL COMPOUND RETURNS

The following table shows the Fund's historical compound returns for the period ended December 31, 2011. These returns are also compared to the returns of the BMO Nesbitt Burns Small Cap Weighted Index on the same compound basis. The BMO Nesbitt Burns Small Cap Weighted Index is a capitalization weighted index designed to measure market activity of equity securities of Canadian issuers considered to be of small capitalization.

	One Year	Three Years	Five Years	Ten Years	Since Inception	Inception Date
Class O Units	-15.07%	24.09%	2.70%	10.32%	9.39%	7-May-01
BMO Nesbitt Burns Small Cap Weighted Index	-14.38%	27.59%	2.49%	9.80%	8.75%	
Class P Units	-17.11%	21.19%	0.32%	n/a	9.97%	31-Mar-03
BMO Nesbitt Burns Small Cap Weighted Index	-14.38%	27.59%	2.49%	n/a	12.28%	
Class F Units	-15.77%	23.03%	1.83%	n/a	1.48%	18-Apr-06
BMO Nesbitt Burns Small Cap Weighted Index	-14.38%	27.59%	2.49%	n/a	2.30%	

Canadian Small Company Equity Fund

Summary of Investment Portfolio

AS AT DECEMBER 31, 2011

The Summary of Investment Portfolio may change due to ongoing transactions of the Fund. Quarterly updates are available at www.seic.com within 60 days after each quarter end.

PORTFOLIO BREAKDOWN

Sector	% of Total Net Asset Value
Materials	29.3%
Energy	22.9%
Consumer Discretionary	11.3%
Financials	11.2%
Industrials	10.9%
Information Technology	8.2%
Consumer Staples	2.5%
Cash Equivalents	2.4%
Utilities	0.9%
Health Care	0.4%
Total	100.0%

TOP 25 HOLDINGS

Holding	% of Total Net Asset Value
DesCartes Systems Group Inc.	3.0%
Paramount Resources Ltd.	2.5%
Crew Energy Inc.	2.4%
Alamos Gold Inc.	2.3%
Home Capital Group Inc.	2.0%
Legacy Oil + Gas Inc. CI A	2.0%
Major Drilling Group International Inc.	1.9%
Genivar Inc.	1.8%
TransGlobe Energy Corp.	1.5%
Wi-Lan Inc.	1.4%
Intact Financial Corp.	1.4%
Quebecor Inc. (CI B)	1.3%
Argonaut Gold Inc.	1.3%
Alacer Gold Corp.	1.3%
Canadian Western Bank	1.3%
Copper Mountain Mining Corp.	1.2%
Allied Nevada Gold Corp.	1.2%
Perseus Mining Ltd.	1.2%
North West Co. Inc.	1.2%
Black Diamond Group Ltd.	1.1%
Fairborne Energy Ltd.	1.0%
Minefinders Corp. Ltd.	1.0%
PHX Energy Services Corp.	1.0%
Winpak Ltd.	1.0%
Chemtrade Logistics Income Fund	1.0%
Total	38.3%

Total Net Assets

\$118,581,499

The Fund may invest in securities of other mutual funds managed by SEI. You may view the prospectus and other information about the underlying SEI Funds at www.seic.com or www.sedar.com.