

# Annual Financial Statements (Audited)

## McLean Budden Money Market Fund

December 31, 2007

### STATEMENTS OF NET ASSETS

As at December 31st

	2007	2006
<b>ASSETS</b>		
Investments, at fair value (Note 2)	\$ 30,640,330	\$ 21,879,431
Cash	153,212	158,769
Accrued interest receivable	6,066	60,290
	<u>30,799,608</u>	<u>22,098,490</u>
<b>LIABILITIES</b>		
Distributions payable	39	76
Accrued expenses	9,345	6,845
	<u>9,384</u>	<u>6,921</u>
<b>TOTAL NET ASSETS</b>	<b>\$ 30,790,224</b>	<b>\$ 22,091,569</b>
<b>UNITHOLDERS' EQUITY</b>		
Class A	\$ 16,927,368	\$ 13,990,904
Class B	1,718,632	1,745,843
Class C	12,144,224	6,354,822
	<u>\$ 30,790,224</u>	<u>\$ 22,091,569</u>
<b>UNITS OUTSTANDING (Note C)</b>		
Class A	1,692,740	1,399,090
Class B	171,863	174,584
Class C	1,214,418	635,482
	<u>3,079,021</u>	<u>2,209,156</u>
<b>NET ASSET VALUE PER UNIT</b>		
Class A	\$ 10.00	\$ 10.00
Class B	\$ 10.00	\$ 10.00
Class C	\$ 10.00	\$ 10.00
Investments, at average cost	\$ 30,516,159	\$ 21,879,431

### STATEMENTS OF OPERATIONS

For the year ended December 31st

	2007	2006
<b>INCOME</b>		
Interest	\$ 1,286,887	\$ 907,721
	<u>1,286,887</u>	<u>907,721</u>
<b>EXPENSES (Note B)</b>		
Management fees	103,437	89,347
<b>NET INVESTMENT INCOME (LOSS)</b>	<b>1,183,450</b>	<b>818,374</b>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS</b>	<b>\$ 1,183,450</b>	<b>\$ 818,374</b>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER CLASS</b>		
Class A	\$ 630,668	\$ 464,116
Class B	\$ 58,355	\$ 45,448
Class C	\$ 494,427	\$ 308,810
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT (Note D)</b>		
Class A	\$ 0.39	\$ 0.33
Class B	\$ 0.42	\$ 0.36
Class C	\$ 0.45	\$ 0.39

On behalf of the Manager, McLean Budden Limited.



Roger Beauchemin,  
Director



Brian Dawson,  
Director

**STATEMENTS OF CHANGES IN NET ASSETS**

For the year ended December 31st

	Class A		Class B	
	2007	2006	2007	2006
NET ASSETS, BEGINNING OF YEAR (Note 2)	\$ 13,990,904	\$ 14,813,656	\$ 1,745,843	\$ 2,444,305
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	630,668	464,116	58,355	45,448
CAPITAL TRANSACTIONS				
Proceeds from issue of units	14,394,090	14,095,447	1,811,119	2,060,808
Distributions reinvested	576,598	432,857	57,930	45,317
Redemption of units	(12,034,182)	(15,351,055)	(1,896,257)	(2,804,587)
	2,936,506	(822,751)	(27,208)	(698,462)
DISTRIBUTIONS TO UNITHOLDERS (Note 3)				
Investment income	(630,710)	(464,117)	(58,358)	(45,448)
NET ASSETS, END OF YEAR	\$ 16,927,368	\$ 13,990,904	\$ 1,718,632	\$ 1,745,843

	Class C		Total	
	2007	2006	2007	2006
NET ASSETS, BEGINNING OF YEAR (Note 2)	\$ 6,354,822	\$ 7,426,791	\$ 22,091,569	\$ 24,684,752
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	494,427	308,810	1,183,450	818,374
CAPITAL TRANSACTIONS				
Proceeds from issue of units	17,498,034	4,207,742	33,703,243	20,363,997
Distributions reinvested	444,461	240,894	1,078,989	719,068
Redemption of units	(12,153,138)	(5,520,606)	(26,083,577)	(23,676,248)
	5,789,357	(1,071,970)	8,698,655	(2,593,183)
DISTRIBUTIONS TO UNITHOLDERS (Note 3)				
Investment income	(494,382)	(308,809)	(1,183,450)	(818,374)
NET ASSETS, END OF YEAR	\$ 12,144,224	\$ 6,354,822	\$ 30,790,224	\$ 22,091,569

McLean Budden Money Market Mutual Fund

**STATEMENTS OF INVESTMENT PORTFOLIO**

As at December 31, 2007

Par Value \$	Security	Issue	Total Cost	Fair Value
<b>SHORT-TERM INVESTMENTS</b>				
TREASURY BILLS (2007 – 36.30%; 2006 – 31.90%)				
1,650,000	Canada Treasury Bills	3.920% March 6, 2008	\$1,633,682	\$1,638,595
3,200,000	Canada Treasury Bills	3.826% May 29, 2008	3,143,215	3,150,910
1,000,000	Canada Treasury Bills	4.190% September 4, 2008	967,350	972,570
500,000	Canada Treasury Bills	4.020% October 2, 2008	484,575	485,322
3,000,000	Canadian Wheat Board	4.021% February 22, 2008	2,972,490	2,982,970
1,900,000	Farm Credit Canada	4.080% February 12, 2008	1,880,867	1,891,169
			<u>11,082,179</u>	<u>11,121,536</u>
DISCOUNT COMMERCIAL PAPER (2007 – 59.95%; 2006 – 64.44%)				
1,300,000	Alta Link, LP.	4.802% January 14, 2008	1,295,229	1,297,785
1,000,000	Bank of Nova Scotia	4.701% February 14, 2008	988,290	994,400
1,250,000	Canadian Imperial Bank of Commerce	4.669% February 4, 2008	1,241,425	1,244,601
1,550,000	Citibank, N.A.	4.900% January 15, 2008	1,531,090	1,547,122
1,250,000	Enbridge Inc.	4.800% January 16, 2008	1,245,088	1,247,544
1,250,000	EnCana Corporation	4.798% February 4, 2008	1,242,325	1,244,448
2,450,000	GE Capital Canada Funding Company	4.741% February 22, 2008	2,419,204	2,433,660
2,700,000	Honda Canada Finance Inc.	4.689% February 7, 2008	2,669,139	2,687,313
1,450,000	Manulife Financial	4.691% March 4, 2008	1,433,600	1,438,391
1,500,000	Nova Scotia Power	4.647% January 8, 2008	1,493,535	1,498,669
1,500,000	Toronto-Dominion Bank, The	4.681% February 14, 2008	1,483,635	1,491,627
1,250,000	VW Credit Canada Inc.	4.848% February 11, 2008	1,241,425	1,243,239
			<u>18,283,985</u>	<u>18,368,799</u>
INTEREST BEARING NOTES (2007 – 3.75%; 2006 – 3.66%)				
550,000	407 International Inc.	4.827% May 26, 2008	550,000	550,000
600,000	Bank of Montréal	4.701% May 12, 2008	599,995	599,995
			<u>1,149,995</u>	<u>1,149,995</u>
<b>TOTAL INVESTMENTS</b>			<b>\$30,516,159</b>	<b>\$30,640,330</b>

# McLean Budden Money Market Mutual Fund

## Fund Specific Notes to the Financial Statements

As of December 31, 2007 and 2006

(These notes should be read along with the Generic Notes to the Financial Statements)

### A. ORGANIZATION

This McLean Budden Fund was established under the laws of the Province of Ontario by trust agreements between McLean Budden Limited ("MBL"), as Manager, and RBC Dexia Investor Services Trust, as Trustee, dated as follows:

	<b>Class A</b>	<b>Class B</b>	<b>Class C</b>
McLean Budden Money Market Fund ("Money Market Fund")	July 15, 1988	April 1, 2000	April 1, 2004

The Fund is authorized to issue an unlimited number of Class A, B and C units which rank equally in all respects on a pro-rata basis in the net assets of the Fund.

### B. MANAGEMENT FEES AND OPERATING EXPENSES

The Fund is responsible for its management fee, for the cost of investments and related brokerage expenses and for any borrowing costs, bank charges, taxes and administrative expenses. Effective July 1, 1998 MBL assumed responsibility for payment of all of the administrative expenses of the Fund. MBL will continue to assume responsibility for payment of the administrative expenses until unitholders receive at least 60 days written notice of a change. Any costs associated with the Independent Review Committee required by National Instrument 81-107 will be shared among all mutual funds managed by MBL including the VMD - McLean Budden Funds offered under a separate prospectus, and the Fund.

For its services as Manager, MBL is entitled to an annual management fee for Class A units not exceeding 0.75%, excluding taxes, of the average net asset value of the Fund in the year. For 2007 and 2006, the actual fee was 0.55%.

A management fee of 0.25%, excluding taxes, is payable by each Class B unitholder in the Fund. In addition, holders of Class B units or an intermediary pay a management fee of up to a maximum of 1.50% directly to the Manager.

A management fee of 0.05%, excluding taxes, is payable by each Class C unitholder in the Fund. In addition, holders of Class C units or an intermediary pay a management fee of up to a maximum of 1.50% payable directly to the Manager.

### C. UNITHOLDERS' EQUITY

The Fund is authorized to issue an unlimited number of Class A, Class B and Class C units. Investors of each Class of units of the Fund are entitled to participate in the distribution of net income and net realized capital gains on a proportionate basis. Units are redeemable by the unitholder and entitle the holder to one vote for each whole unit held at a meeting of all unitholders of the Fund, except meetings of unitholders of a Class at which only unitholders of that Class are entitled to vote.

**C. UNITHOLDERS' EQUITY (continued)**

Unit transactions for Class A, Class B and Class C units for the year ended December 31 were as follows:

Fund	Units Outstanding Beginning of Year	Issued	Distributions Reinvested	Redemptions	Units Outstanding End of Year
<b>Money Market Fund</b>					
Class A 2007	1,399,090	1,439,408	57,660	(1,203,418)	1,692,740
Class A 2006	1,481,366	1,409,544	43,286	(1,535,106)	1,399,090
Class B 2007	174,584	181,112	5,793	(189,626)	171,863
Class B 2006	244,431	206,081	4,531	(280,459)	174,584
Class C 2007	635,482	1,749,803	44,446	(1,215,313)	1,214,418
Class C 2006	742,679	420,774	24,090	(552,061)	635,482

**D. INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT**

Increase (decrease) in Net Assets from Operations per Unit in the Statement of Operations represents the net increase (decrease) in net assets from operations for the year divided by the average units outstanding during the year. The average number of units outstanding during the year was:

	2007	2006
Class A	1,607,540	1,403,106
Class B	138,135	127,410
Class C	1,108,951	801,752

**E. RELATED PARTY TRANSACTIONS**

As at December 31, the following outstanding Class A units of the Fund were held by other McLean Budden Funds:

	Number of Units Held	
	2007	2006
McLean Budden Balanced Value Fund	20,077	–
VMD - McLean Budden LifePlan™ 2010 Fund	63,636	17,361
VMD - McLean Budden LifePlan™ 2020 Fund	43,852	16,859
VMD - McLean Budden LifePlan™ 2030 Fund	1,536	–
VMD - McLean Budden LifePlan™ Retirement Fund	75,109	34,187