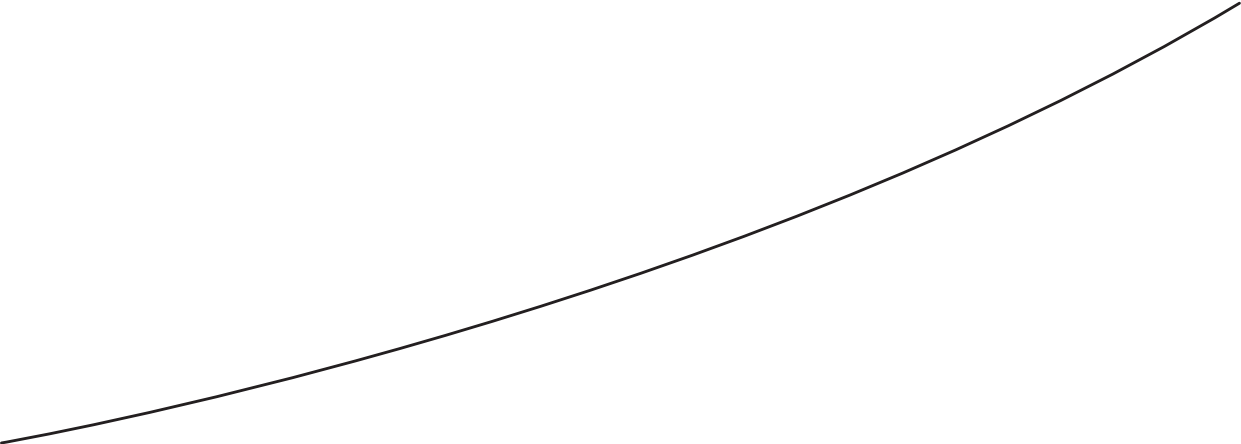


Annual Report 2010

Financial Statements
Audited

McLean Budden
Canadian Equity Growth Fund



McLean Budden Mutual Funds

Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by McLean Budden Limited as Manager on behalf of McLean Budden Mutual Funds. McLean Budden Limited is responsible for the information contained within these financial statements.

The Manager maintains suitable processes to ensure that timely, relevant, and reliable financial information is produced. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and they include certain amounts that are based on estimates and judgments. The significant accounting policies which management believes are appropriate for the Funds are described in Note 2 of the Generic Notes to the Financial Statements. The Board of Directors of McLean Budden Limited is responsible for reviewing and approving the financial statements and overseeing management's financial reporting responsibilities.

Deloitte & Touche LLP are the external auditors of the Funds. They have audited the financial statements in accordance with Canadian generally accepted auditing standards to enable them to express to unitholders their opinion on the financial statements.



Roger J. Beauchemin, CFA
President & Chief Executive Officer
McLean Budden Limited
February 18, 2011

Independent Auditor's Report

To the Unitholders of:

McLean Budden Balanced Growth Fund
McLean Budden Balanced Value Fund
McLean Budden Canadian Equity Growth Fund
McLean Budden Canadian Equity Fund
McLean Budden Canadian Equity Value Fund
(collectively referred to as the "Funds")

McLean Budden American Equity Fund
McLean Budden Global Equity Fund
McLean Budden High Income Equity Fund
McLean Budden International Equity Fund
McLean Budden Fixed Income Fund

McLean Budden Money Market Fund
McLean Budden LifePlan® 2020 Fund
McLean Budden LifePlan® 2030 Fund
McLean Budden LifePlan® Retirement Fund

We have audited the accompanying financial statements of the Funds, which comprise the statement of investment portfolio as at December 31, 2010, the statements of net assets as at December 31, 2010 and 2009, and the statements of operations and changes in net assets for the years then ended, and 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 Canadian generally accepted accounting principles, 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.

Auditor's 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 the auditor's 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, the auditor considers internal controls 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.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Funds as at December 31, 2010 and 2009, and the results of their operations and the changes in their net assets for the years then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants
Licensed Public Accountants
February 18, 2011
Toronto, Ontario

McLean Budden Canadian Equity Growth Fund

for the year ended December 31st, 2010

Statements of Net Assets

As at December 31st

	2010	2009
Assets		
Investments, at fair value	\$ 75,977,340	\$ 92,470,230
Cash	115,280	377,990
Subscriptions receivable	14,826	198,322
Accrued interest and dividends receivable	76,781	122,033
	<u>76,184,227</u>	<u>93,168,575</u>
Liabilities		
Distributions payable	809	2,158
Accrued expenses	37,312	39,699
Redemptions payable	231,524	111,538
	<u>269,645</u>	<u>153,395</u>
Total net assets	<u>75,914,582</u>	<u>93,015,180</u>
Unitholders' equity		
Class A ^{††}	\$ 303,644	\$ 5,308
Class B ^{†††}	—	20,209,848
Class C	45,949,914	42,247,591
Class D [†]	29,031,167	29,938,529
Class F	629,790	613,845
Class O	67	59
	<u>\$ 75,914,582</u>	<u>\$ 93,015,180</u>
Units outstanding (Note C)		
Class A ^{††}	8,004	154
Class B ^{†††}	—	581,254
Class C	1,193,935	1,220,350
Class D [†]	754,919	864,869
Class F	16,754	18,123
Class O	2	2
	<u>1,973,614</u>	<u>2,684,752</u>
Net assets per unit		
Class A ^{††}	\$ 37.94	\$ 34.53
Class B ^{†††}	\$ —	\$ 34.77
Class C	\$ 38.49	\$ 34.62
Class D [†]	\$ 38.46	\$ 34.62
Class F	\$ 37.59	\$ 33.87
Class O	\$ 38.58	\$ 34.64
Net asset value per unit		
Class A ^{††}	\$ 37.98	\$ 34.59
Class B ^{†††}	\$ —	\$ 34.83
Class C	\$ 38.53	\$ 34.68
Class D [†]	\$ 38.50	\$ 34.68
Class F	\$ 37.63	\$ 33.93
Class O	\$ 38.63	\$ 34.70
Investments, at average cost	<u>\$ 65,222,351</u>	<u>\$ 85,020,123</u>

[†] Prior to April 1, 2009, Class D was known as Class A.

^{††} Class AA was created on April 1, 2009, and renamed Class A on March 26, 2010.

^{†††} The Class B series of this Fund was closed on December 18, 2010.

Statements of Operations

For the year ended December 31st

	2010	2009
Income		
Interest	\$ 28,619	\$ 12,053
Dividends	1,576,053	2,012,866
	<u>1,604,672</u>	<u>2,024,919</u>
Expenses		
Management fees	463,189	448,242
Independent review committee fees	7,471	6,050
	<u>470,660</u>	<u>454,292</u>
Net investment income (loss)	<u>1,134,012</u>	<u>1,570,627</u>
Net realized gain (loss) on sale of investments*	5,566,966	(1,172,200)
Transaction costs	(31,938)	(47,033)
Net change in unrealized appreciation (depreciation) of investments and foreign currency	3,304,891	25,541,408
Net gain (loss) on investments	<u>8,839,919</u>	<u>24,322,175</u>
Increase (decrease) in net assets from operations	<u>\$ 9,973,931</u>	<u>\$ 25,892,802</u>
Increase (decrease) in net assets from operations per class		
Class A ^{††}	\$ 35,524	\$ 280
Class B ^{†††}	\$ 1,284,910	\$ 9,272,845
Class C	\$ 5,493,763	\$ 9,222,627
Class D [†]	\$ 3,094,864	\$ 7,124,334
Class F	\$ 64,862	\$ 272,701
Class O	\$ 8	\$ 15
Increase (decrease) in net assets from operations per unit (Note D)		
Class A ^{††}	\$ 7.88	\$ 5.78
Class B ^{†††}	\$ 2.63	\$ 9.31
Class C	\$ 4.45	\$ 8.93
Class D [†]	\$ 3.76	\$ 8.26
Class F	\$ 4.03	\$ 10.01
Class O	\$ 4.68	\$ 8.98
*Net realized gain (loss) on sale of investments		
Cost of investments held at beginning of year [^]	\$ 82,300,417	\$ 105,797,277
Cost of investments purchased during the year [^]	13,468,892	20,324,290
	<u>95,769,309</u>	<u>126,121,567</u>
Investments at cost at end of the year [^]	64,823,821	82,300,417
Cost of investments sold during the year [^]	30,945,488	43,821,150
Proceeds from sale of investments [^]	36,512,454	42,648,950
Net realized gain (loss) on sale of investments	<u>\$ 5,566,966</u>	<u>\$ (1,172,200)</u>

[^] Excludes short-term investments.

On behalf of the Manager, McLean Budden Limited.



Roger Beauchemin,
Director



Alan Daxner,
Director

Statements of Changes in Net Assets

For the year ended December 31st

	Class A ^{††}		Class B ^{†††}		Class C	
	2010	2009	2010	2009	2010	2009
NET ASSETS, BEGINNING OF YEAR	\$ 5,308	\$ –	\$ 20,209,848	\$ 41,182,551	\$ 42,247,591	\$ 23,951,009
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	35,524	280	1,284,910	9,272,845	5,493,763	9,222,627
CAPITAL TRANSACTIONS						
Proceeds from issue of units	263,000	5,028	2,106,150	3,943,208	5,140,600	13,242,882
Distributions reinvested	2,682	100	145,423	359,765	799,926	904,898
Redemption of units	–	–	(23,601,086)	(34,189,578)	(6,930,843)	(4,166,463)
	265,682	5,128	(21,349,513)	(29,886,605)	(990,317)	9,981,317
DISTRIBUTIONS TO UNITHOLDERS (Note 5)						
Investment income	(2,870)	(100)	(145,245)	(358,943)	(801,123)	(907,362)
NET ASSETS, END OF YEAR	\$ 303,644	\$ 5,308	\$ –	\$ 20,209,848	\$ 45,949,914	\$ 42,247,591

	Class D [†]		Class F		Class O	
	2010	2009	2010	2009	2010	2009
NET ASSETS, BEGINNING OF YEAR	\$ 29,938,529	\$ 22,706,807	\$ 613,845	\$ 1,161,980	\$ 59	\$ 44
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	3,094,864	7,124,334	64,862	272,701	8	15
CAPITAL TRANSACTIONS						
Proceeds from issue of units	2,274,290	3,989,407	95,550	250,897	–	–
Distributions reinvested	148,267	311,189	5,623	4,962	1	1
Redemption of units	(6,273,217)	(3,876,415)	(144,467)	(1,071,733)	–	–
	(3,850,660)	424,181	(43,294)	(815,874)	1	1
DISTRIBUTIONS TO UNITHOLDERS (Note 5)						
Investment income	(151,566)	(316,793)	(5,623)	(4,962)	(1)	(1)
NET ASSETS, END OF YEAR	\$ 29,031,167	\$ 29,938,529	\$ 629,790	\$ 613,845	\$ 67	\$ 59

	Total	
	2010	2009
NET ASSETS, BEGINNING OF YEAR	\$ 93,015,180	\$ 89,002,391
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	9,973,931	25,892,802
CAPITAL TRANSACTIONS		
Proceeds from issue of units	9,879,590	21,431,422
Distributions reinvested	1,101,922	1,580,915
Redemption of units	(36,949,613)	(43,304,189)
	(25,968,101)	(20,291,852)
DISTRIBUTIONS TO UNITHOLDERS (Note 5)		
Investment income	(1,106,428)	(1,588,161)
NET ASSETS, END OF YEAR	\$ 75,914,582	\$ 93,015,180

[†] Prior to April 1, 2009, Class D was known as Class A.

^{††} Class AA was created on April 1, 2009, and renamed Class A on March 26, 2010.

^{†††} The Class B series of this Fund was closed on December 18, 2010.

Statements of Investment Portfolio

As at December 31st, 2010

Par Value \$/ Security No. of Shares	Issue	Total Cost	Fair Value	Number of Shares	Security	Issue	Total Cost	Fair Value	
SHORT-TERM INVESTMENTS (2010 - 0.52%; 2009 - 2.94%)				Information Technology					
Treasury Bills				23,900	Open Text Corporation	Common	998,332	1,092,948	
250,000	Government of Canada	1.040% April 14, 2011	249,035	249,286	65,600	Research In Motion Ltd.	Common	3,775,917	3,804,144
150,000	Government of Canada	1.029% April 28, 2011	149,495	149,502				4,774,249	4,897,092
			<u>398,530</u>	<u>398,788</u>					
TOTAL SHORT-TERM INVESTMENTS				398,530	398,788				
EQUITIES (2010 - 99.48%; 2009 - 97.06%)				Telecommunication Services					
CANADIAN EQUITIES (2010 - 74.78%; 2009 - 72.24%)				Utilities					
Energy				22,200	Rogers Communications Inc.	Class B Non Vtg	513,427	766,122	
19,000	Athabasca Oil			25,800	TransaAlta Corporation	Common	521,308	545,670	
	Sands Corporation	Common	321,774	285,000	TOTAL CANADIAN EQUITIES				
62,100	Cameco Corporation	Common	1,589,123	2,499,525	42,894,142	56,818,406			
64,000	Canadian Natural Resources Ltd.	Common	1,198,472	2,834,560	FOREIGN EQUITIES (2010 - 24.70; 2009 - 24.82%)				
62,700	Cenovus Energy Inc.	Common	1,771,276	2,078,505	Mutual Funds				
47,700	EnCana Corporation	Common	1,471,855	1,385,208	203,676	McLean Budden American Equity Fund Class O	7,396,172	6,238,496	
107,444	Suncor Energy Inc.	Common	2,672,175	4,103,286	522,958	McLean Budden International Equity Fund Class O	5,632,632	4,875,854	
108,600	Talisman Energy Inc.	Common	<u>1,082,038</u>	<u>2,402,232</u>	1,036,205	McLean Budden Global Equity Fund Class O	<u>8,929,504</u>	<u>7,645,796</u>	
			<u>10,106,713</u>	<u>15,588,316</u>	TOTAL FOREIGN EQUITIES				
Materials							21,958,308	18,760,146	
13,100	Agrium Inc.	Common	458,180	1,198,650	TOTAL EQUITIES				
5,300	First Quantum Minerals Ltd.	Common	301,389	571,499	64,852,450	75,578,552			
18,000	Goldcorp Inc.	Common	573,528	824,580	ADJUSTMENTS FOR TRANSACTION COSTS				
7,000	Inmet Mining Corporation	Common	526,971	540,820			(28,629)		
12,900	Potash Corporation of Saskatchewan Inc.	Common	1,396,960	1,990,599	TOTAL INVESTMENTS				
54,400	Teck Resources Ltd.	Class B Sub Vtg	<u>1,534,214</u>	<u>3,353,760</u>	65,222,351	75,977,340			
			<u>4,791,242</u>	<u>8,479,908</u>					
Industrials									
414,500	Bombardier Inc.	Class B Sub Vtg	1,963,779	2,072,500					
20,700	Canadian National Railway Company	Common	801,465	1,371,996					
38,300	WestJet Airlines Ltd.	Common	431,317	537,349					
			<u>3,196,561</u>	<u>3,981,845</u>					
Consumer Discretionary									
37,400	Gildan Activewear Inc.	Common	595,892	1,059,916					
28,300	Linamar Corporation	Common	416,583	575,905					
43,700	Magna International Inc.	Common	1,357,797	2,264,534					
40,100	RONA Inc.	Common	907,228	566,212					
38,900	Thomson Reuters Corporation	Common	1,609,707	1,445,524					
20,400	Tim Hortons Inc.	Common	630,429	838,440					
			<u>5,517,636</u>	<u>6,750,531</u>					
Consumer Staples									
36,000	Shoppers Drug Mart Corporation	Common	1,251,932	1,422,000					
Financials									
44,300	Bank of Nova Scotia	Common	1,383,657	2,527,315					
52,850	Brookfield Asset Management Inc.	Class A Ltd Vtg	1,688,281	1,753,035					
109,600	Manulife Financial Corporation	Common	2,726,486	1,874,160					
74,100	Royal Bank of Canada	Common	3,213,973	3,869,502					
15,800	TMX Group Inc.	Common	626,008	583,810					
51,000	Toronto Dominion Bank	Common	<u>2,582,669</u>	<u>3,779,100</u>					
			<u>12,221,074</u>	<u>14,386,922</u>					



McLean Budden Canadian Equity Growth Fund

Fund Specific Notes to the Financial Statements

December 31, 2010 and 2009

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

A. Investment Objective

The Fund aims for long-term capital growth primarily by investing in Canadian growth equity securities. The Fund may invest in global equity securities or other Mutual Funds. Unitholder approval is required prior to a change of fundamental investment objectives.

B. Risk Management

The Fund's investment activities expose it to a variety of financial risks. The Manager seeks to minimize potential adverse effects of these risks on the Fund's performance by regularly monitoring the Fund's positions, market events and diversifying the investment portfolio within the constraints of the investment objective.

Significant risks that are relevant to the Fund are discussed below:

Credit Risk

As at December 31, the Fund invested in debt securities, such as short-term investments and bonds, either directly or indirectly through underlying Mutual Funds with the following Standard and Poor's credit ratings:

Portfolio by rating category	As a % of Net Assets	
	December 31, 2010	December 31, 2009
AAA	0.6%	2.9%
AA	0.3%	0.4%
Total	0.9%	3.3%

As at December 31, 2010 and 2009, none of these assets are impaired or past due and the percentages represent the maximum credit risk exposure.

Interest Rate Risk

As at December 31, 2010, approximately \$714,000 (2009: \$2,997,000) was invested directly or indirectly in debt securities with term to maturity of less than 1 year.

The Fund has minimal sensitivity to changes in interest rates since these debt securities are usually held to maturity and are short-term in nature.

Currency Risk

As at December 31, the Fund had significant exposure to the following currencies either directly from its investments or indirectly through its investments in underlying Mutual Funds:

	December 31, 2010		December 31, 2009	
	Currency Exposure (\$)	Percentage of Net Assets (%)	Currency Exposure (\$)	Percentage of Net Assets (%)
U. S. Dollar	14,885,000	19.6	18,203,000	19.6
Japanese Yen	1,313,000	1.7	1,202,000	1.3
Euro	865,000	1.1	1,788,000	1.9
Pounds Sterling	705,000	0.9	800,000	0.9
Swiss Franc	294,000	0.4	310,000	0.3
Singapore Dollar	161,000	0.2	214,000	0.2
Australian Dollar	143,000	0.2	—	—
Swedish Krona	—	—	156,000	0.2
Total	18,366,000	24.1	22,673,000	24.4

The amounts in the table above are based on the fair value of the Fund's foreign denominated financial instruments.

As at December 31, 2010, if the Canadian dollar had strengthened or weakened by 5% in relation to foreign currencies represented in the portfolio, with all other variables remaining constant, Net Assets would have decreased or increased by approximately \$918,000 (2009: \$1,134,000). In practice, actual trading results may differ and the difference may be material.

B. Risk Management (continued)

Other Price Risk

Approximately 98.9% (2009: 95.9%) of the Fund's Net Assets held at December 31, 2010, held either directly or indirectly through underlying Mutual Funds, were publicly traded equities. If equity prices on the exchange increased or decreased by 5% as at December 31, 2010, the Net Assets of the Fund would have increased or decreased by approximately \$3,752,000 (2009: \$4,458,000) respectively or 4.9% (2009: 4.8%) of the Net Assets, all other factors remaining constant. In practice, actual trading results may differ and the difference could be material.

C. Unitholders' Equity

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

Class	Units Outstanding Beginning of Year	Issued	Distributions Reinvested	Redemptions	Units Outstanding End of Year
Class A 2010^{††}	154	7,779	71	–	8,004
Class AA 2009 ^{††}	–	151	3	–	154
Class B 2010^{†††}	581,254	60,452	3,958	(645,664)	–
Class B 2009	1,547,089	136,563	10,337	(1,112,735)	581,254
Class C 2010	1,220,350	149,676	20,765	(196,856)	1,193,935
Class C 2009	902,154	429,603	26,106	(137,513)	1,220,350
Class D 2010	864,869	65,025	3,851	(178,826)	754,919
Class D 2009 [†]	854,185	133,100	8,974	(131,390)	864,869
Class F 2010	18,123	2,700	149	(4,218)	16,754
Class F 2009	44,895	8,750	146	(35,668)	18,123
Class O 2010	2	–	–	–	2
Class O 2009	2	–	–	–	2

[†] Prior to April 1, 2009 Class D was known as Class A. ^{††} Class AA was created on April 1, 2009, and renamed Class A on March 26, 2010.

^{†††} The Class B series of this Fund was closed on December 18, 2010.

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:

	2010	2009
Class A	4,509	48
Class B	488,799	995,824
Class C	1,234,282	1,032,299
Class D	822,509	862,328
Class F	16,110	27,242
Class O	2	2

E. Fair Value Disclosure

The Fund's financial assets measured at fair value have been categorized based upon a fair value hierarchy in accordance with CICA Section 3862. The following fair value hierarchy table presents information about the Fund's financial assets measured at fair value as of December 31 and there have been no transfers between levels during 2010 and 2009.

	Financial Assets at Fair Value as at December 31, 2010			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	56,818,406	–	–	56,818,406
Mutual Funds	18,760,146	–	–	18,760,146
Short-Term Investments	–	398,788	–	398,788
	75,578,552	398,788	–	75,977,340
	Financial Assets at Fair Value as at December 31, 2009			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	66,802,231	–	–	66,802,231
Mutual Funds	22,945,755	–	–	22,945,755
Short-Term Investments	–	2,722,244	–	2,722,244
	89,747,986	2,722,244	–	92,470,230

F. Related Party Transactions

The Fund invests in Class O units of other McLean Budden Mutual Funds which are managed by MBL. The Fund does not pay duplicate management fees on assets invested in underlying McLean Budden Mutual Funds.

Investment Managers Since 1947

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