

Semi-annual Report 2011

Financial Statements

Unaudited

McLean Budden

Global Bond Fund



McLEAN BUDDEN
LOOK FORWARD®

McLean Budden Global Bond Fund

June 30th, 2011

The Fund's independent auditors have not performed a review of these Semi-annual Financial Statements in accordance with standards established by the Canadian Institute of Chartered Accountants.

Statements of Net Assets

As at June 30th, 2011 (unaudited) (in U.S.\$)

	2011*
Assets	
Investments, at fair value	\$ 4,998,184
Cash	51,894
Due from broker	226,720
Accrued interest receivable	46,489
	<u>5,323,287</u>
Liabilities	
Accrued expenses	105
Redemptions payable	880,738
	<u>880,843</u>
Total net assets	\$ 4,442,444
Unitholders' equity	
Class A	\$ 21
Class C	849,156
Class D	94,625
Class F	21
Class O	3,498,621
	<u>\$ 4,442,444</u>
Units outstanding (Note C)	
Class A	2
Class C	79,416
Class D	8,856
Class F	2
Class O	327,167
	<u>415,443</u>
Net assets per unit	
Class A U.S. \$	\$ 10.70
Class C U.S. \$	\$ 10.69
Class D U.S. \$	\$ 10.68
Class F U.S. \$	\$ 10.70
Class O U.S. \$	\$ 10.69
Class A CDN \$	\$ 10.33
Class C CDN \$	\$ 10.32
Class D CDN \$	\$ 10.31
Class F CDN \$	\$ 10.33
Class O CDN \$	\$ 10.32
Net asset value per unit	
Class A U.S. \$	\$ 10.72
Class C U.S. \$	\$ 10.70
Class D U.S. \$	\$ 10.69
Class F U.S. \$	\$ 10.72
Class O U.S. \$	\$ 10.70
Class A CDN \$	\$ 10.34
Class C CDN \$	\$ 10.33
Class D CDN \$	\$ 10.32
Class F CDN \$	\$ 10.34
Class O CDN \$	\$ 10.33
Investments, at average cost	\$ 4,927,612

* The Global Bond Fund was created on April 4, 2011.

Statements of Operations

For the period from April 4th, 2011 (inception date) to June 30th, 2011 (unaudited) (in U.S.\$)

	2011*
Income	
Interest	\$ 39,724
Less: Foreign withholding taxes	(2,514)
	<u>37,210</u>
Expenses	
Management fees	273
Net investment income (loss)	36,937
Net realized gain (loss) on sale of investments*	12,338
Net realized gain (loss) on forward contracts	49,962
Net change in unrealized appreciation (depreciation) of investments and foreign currency	65,997
Net gain (loss) on investments	128,297
Increase (decrease) in net assets from operations	\$ 165,234
Increase (decrease) in net assets from operations per class	
Class A	\$ —
Class C	\$ 21,899
Class D	\$ 2,813
Class F	\$ —
Class O	\$ 140,522
Increase (decrease) in net assets from operations per unit (Note D)	
Class A	\$ —
Class C	\$ 0.32
Class D	\$ 0.35
Class F	\$ —
Class O	\$ 0.38
*Net realized gain (loss) on sale of investments	
Cost of investments held at beginning of period [^]	\$ —
Cost of investments purchased during the period [^]	6,333,703
	<u>6,333,703</u>
Investments at cost at end of the period [^]	4,305,915
Cost of investments sold during the period [^]	2,027,788
Proceeds from sale of investments [^]	2,040,126
Net realized gain (loss) on sale of investments	\$ 12,338

[^] 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 period from April 4th, 2011 (inception date) to June 30th, 2011 (unaudited) (in U.S.\$)

	Class A 2011*	Class C 2011*	Class D 2011*
NET ASSETS, BEGINNING OF PERIOD	\$ —	\$ —	\$ —
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	—	21,899	2,813
CAPITAL TRANSACTIONS			
Proceeds from issue of units	21	879,667	91,812
Distributions reinvested	—	4,761	608
Redemption of units	—	(50,795)	—
	21	833,633	92,420
DISTRIBUTIONS TO UNITHOLDERS (Note 5)			
From investment income	—	(6,376)	(608)
NET ASSETS, END OF PERIOD	\$ 21	\$ 849,156	\$ 94,625

	Class F 2011*	Class O 2011*	Total 2011*
NET ASSETS, BEGINNING OF PERIOD	\$ —	\$ —	\$ —
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	—	140,522	165,234
CAPITAL TRANSACTIONS			
Proceeds from issue of units	21	4,170,819	5,142,340
Distributions reinvested	—	26,473	31,842
Redemption of units	—	(812,719)	(863,514)
	21	3,384,573	4,310,668
DISTRIBUTIONS TO UNITHOLDERS (Note 5)			
From investment income	—	(26,474)	(33,458)
NET ASSETS, END OF PERIOD	\$ 21	\$ 3,498,621	\$ 4,442,444

* The Global Bond Fund was created on April 4, 2011.

Statement of Investment Portfolio

As at June 30th, 2011 (unaudited) (in U.S.\$)

Par Value \$	Security	Issue	Total Cost	Fair Value
SHORT-TERM INVESTMENTS (2011* - 12.44%)				
Term Deposits				
600,000	Royal Bank	0.950% July 4, 2011	<u>621,697</u>	<u>621,697</u>
TOTAL SHORT-TERM INVESTMENTS			621,697	621,697
BONDS (2011* - 87.56%)				
Foreign Bonds				
France				
100,000	Government of France O.A.T. (EUR)	5.000% October 25, 2016	156,709	160,962
305,000	Government of France O.A.T. (EUR)	3.750% October 25, 2019	<u>446,642</u>	<u>458,594</u>
			<u>603,351</u>	<u>619,556</u>
Germany				
35,000	Deutsche Bundesrepublik (EUR)	5.000% January 4, 2012	50,494	51,688
100,000	Deutsche Bundesrepublik (EUR)	4.000% January 4, 2037	<u>144,062</u>	<u>149,812</u>
			<u>194,556</u>	<u>201,500</u>
Italy				
100,000	Italy Buoni Poliennali Del Tesoro (EUR)	4.250% August 1, 2013	147,206	147,985
100,000	Italy Buoni Poliennali Del Tesoro (EUR)	3.000% April 15, 2015	<u>139,732</u>	<u>140,678</u>
			<u>286,938</u>	<u>288,663</u>
Japan				
40,000,000	Government of Japan (JPY)	1.100% September 20, 2012	491,427	501,020
20,000,000	Government of Japan (JPY)	1.500% December 20, 2017	254,517	261,342
15,000,000	Government of Japan (JPY)	2.100% September 20, 2024	<u>192,888</u>	<u>199,742</u>
			<u>938,832</u>	<u>962,104</u>

Par Value \$	Security	Issue	Total Cost	Fair Value
United Kingdom				
130,000	United Kingdom Treasury (GBP)	4.750% September 7, 2015	<u>231,983</u>	<u>232,511</u>
United States				
100,000	Bank One Corporation (USD)	5.250% January 30, 2013	106,250	105,920
100,000	BellSouth Telecommunications, Inc. (USD)	6.375% June 1, 2028	107,000	111,083
200,000	Federal Home Loan Mortgage Corporation (USD)	4.875% June 13, 2018	221,880	227,316
100,000	General Electric Capital Corporation (USD)	5.250% December 6, 2017	109,100	110,782
100,000	Merrill Lynch & Company (USD)	6.400% August 28, 2017	109,650	109,158
100,000	Morgan Stanley (USD)	6.250% August 28, 2017	109,300	108,143
575,000	United States Treasury (USD)	1.750% November 15, 2011	579,306	578,525
160,000	United States Treasury (USD)	5.250% February 15, 2029	178,225	184,626
430,000	United States Treasury (USD)	4.250% May 15, 2039	415,294	421,804
100,000	Wal-Mart Stores, Inc. (USD)	6.500% August 15, 2037	<u>114,250</u>	<u>114,848</u>
			<u>2,050,255</u>	<u>2,072,205</u>
TOTAL FOREIGN BONDS			4,305,915	4,376,539
FOREIGN EXCHANGE CONTRACTS (SEE SCHEDULE A)				(52)
TOTAL INVESTMENTS			4,927,612	4,998,184

* The Global Bond Fund was created on April 4, 2011.

Schedule A – Total Foreign Exchange Contracts

For the period from April 4th, 2011 (inception date) to June 30th, 2011 (unaudited) (in U.S.\$)

Currency Code	Amounts Sold	Currency Code	Amounts Bought	Maturity Date	Unrealized Gain/(Loss) \$
USD	(523,698)	JPY	42,000,000	July 13, 2011	(3,597)
EUR	(180,000)	USD	261,720	July 13, 2011	846
GBP	(80,000)	USD	131,280	July 13, 2011	2,865
JPY	(18,000,000)	USD	222,732	July 13, 2011	(166)
					<u>(52)</u>



McLean Budden Global Bond Fund

Fund Specific Notes to the Financial Statements

June 30th, 2011 (unaudited) (in U.S.\$)

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

A. Investment Objective

The Fund aims to provide investors with high investment returns primarily through income, with reasonable safety of capital, primarily through investments in fixed income securities issued by non-Canadian governments and corporations. 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 June 30, 2011, the Fund invested in debt instruments with the following Standard and Poor's credit ratings:

Portfolio by rating category	As a % of Net Assets
	June 2011
AAA	69.5%
AA	33.2%
A	9.8%
Total	112.5%

As at June 30, 2011, none of these assets were impaired or past due and the percentages represent the maximum credit risk exposure.

Interest Rate Risk

As at June 30, 2011, the Fund's direct exposure to debt instruments by maturity was as follows:

Interest Rate Exposure	Less than 1 year (\$)	1 – 5 years (\$)	More than 5 years (\$)	Total (\$)
June 2011	1,252,000	1,128,000	2,618,000	4,998,000

As at June 30, 2011, should interest rates have decreased or increased by 0.25% with all other variables remaining constant, the increase or decrease in Net Assets for the period would amount to approximately \$71,000. In practice, the actual results may differ and the difference could be material.

Currency Risk

As at June 30, 2011, the Fund had significant exposure to the following currency:

	June 2011	
	Currency Exposure (\$)	Percentage of Net Assets (%)
Japanese Yen	1,272,000	28.6
Euro	1,112,000	25.0
Canadian Dollar	651,000	14.7
Pounds Sterling	114,000	2.6
Total	3,149,000	70.9

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

As at June 30, 2011, if the U.S. 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 \$157,000. In practice, the actual results may differ and the difference could be material.

C. Unitholders' Equity

Unit transactions for Class A, Class C, Class D, Class F and Class O units for the period ended June 30 were as follows:

Class	Units Outstanding Beginning of Period	Issued	Distributions Reinvested	Redemptions	Units Outstanding End of Period
Class A 2011 [†]	–	2	–	–	2
Class C 2011 [†]	–	83,679	445	(4,708)	79,416
Class D 2011 [†]	–	8,799	57	–	8,856
Class F 2011 [†]	–	2	–	–	2
Class O 2011 [†]	–	400,002	2,474	(75,309)	327,167

[†] Class A, Class C, Class D, Class F and Class O were created on April 4, 2011.

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 period divided by the average units outstanding during the period. The average number of units outstanding during the period was:

	<u>June 2011</u>
Class A	2
Class C	67,740
Class D	8,108
Class F	2
Class O	371,974

E. Related Party Transactions

As at June 30, 2011, the following Class O units of the Fund were held by other McLean Budden Funds:

	<u>Number of Units Held</u> <u>June 2011</u>
MB Balanced Plus Fund	327,165

F. 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 at June 30, 2011 and there have been no transfers between levels.

	Financial Assets at Fair Value as at June 2011			Total (\$)
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	
Bonds	–	4,376,539	–	4,376,539
Short-Term Investments	–	621,697	–	621,697
Forward Contracts	–	(52)	–	(52)
	–	4,998,184	–	4,998,184

Investment Managers Since 1947

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