

Semi-annual Report 2011

Financial Statements

Unaudited

McLean Budden

International Equity Fund



McLEAN BUDDEN
LOOK FORWARD®

McLean Budden International Equity 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) and December 31st, 2010 (audited)

	2011	2010
Assets		
Investments, at fair value	\$ 39,503,805	\$ 39,116,755
Cash	476,295	833,059
Subscriptions receivable	1,661	904
Accrued interest and dividends receivable	305,481	174,162
	<u>40,287,242</u>	<u>40,124,880</u>
Liabilities		
Distributions payable	–	1,258
Accrued expenses	7,605	8,201
Redemptions payable	1,196	8,160
	<u>8,801</u>	<u>17,619</u>
Total net assets	\$ 40,278,441	\$ 40,107,261
Unitholders' equity		
Class A [†]	\$ 89,144	\$ 56,980
Class C	6,634,719	7,101,189
Class D	6,237,728	6,513,535
Class F	148,077	121,979
Class O	27,168,773	26,313,578
	<u>\$ 40,278,441</u>	<u>\$ 40,107,261</u>
Units outstanding (Note C)		
Class A [†]	9,571	6,185
Class C	696,421	761,251
Class D	663,524	702,978
Class F	16,632	13,920
Class O	2,853,176	2,822,938
	<u>4,239,324</u>	<u>4,307,272</u>
Net assets per unit		
Class A [†]	\$ 9.31	\$ 9.21
Class C	\$ 9.53	\$ 9.33
Class D	\$ 9.40	\$ 9.27
Class F	\$ 8.90	\$ 8.76
Class O	\$ 9.52	\$ 9.32
Net asset value per unit		
Class A [†]	\$ 9.32	\$ 9.22
Class C	\$ 9.53	\$ 9.33
Class D	\$ 9.41	\$ 9.27
Class F	\$ 8.91	\$ 8.76
Class O	\$ 9.53	\$ 9.32
Investments, at average cost	\$ 38,100,641	\$ 38,640,398

[†] Prior to March 26, 2010, Class A was known as Class AA.

^{††} The Class B series of this Fund was closed on February 1, 2010.

Statements of Operations

For the six months ended June 30th (unaudited)

	2011	2010
Income		
Interest	\$ 1,982	\$ 4,059
Dividends	860,708	751,591
	<u>862,690</u>	<u>755,650</u>
Less: Foreign withholding taxes	(91,087)	(90,644)
	<u>771,603</u>	<u>665,006</u>
Expenses		
Management fees	47,507	46,108
Independent review committee fees	897	4,149
	<u>48,404</u>	<u>50,257</u>
	<u>723,199</u>	<u>614,749</u>
Net investment income (loss)		
Net realized gain (loss) on sale of investments*	(791,309)	(1,574,070)
Transaction costs	(24,555)	(28,735)
Net change in unrealized appreciation (depreciation) of investments and foreign currency	924,254	(4,338,072)
Net gain (loss) on investments	108,390	(5,940,877)
Increase (decrease) in net assets from operations	\$ 831,589	\$ (5,326,128)
Increase (decrease) in net assets from operations per class		
Class A [†]	\$ 1,587	\$ (3,109)
Class B ^{††}	\$ –	\$ (192,006)
Class C	\$ 154,467	\$ (849,772)
Class D	\$ 95,148	\$ (868,585)
Class F	\$ 2,192	\$ (10,141)
Class O	\$ 578,195	\$ (3,402,515)
Increase (decrease) in net assets from operations per unit (Note D)		
Class A [†]	\$ 0.28	\$ (1.17)
Class B ^{††}	\$ –	\$ (0.25)
Class C	\$ 0.21	\$ (1.19)
Class D	\$ 0.14	\$ (1.20)
Class F	\$ 0.15	\$ (1.01)
Class O	\$ 0.20	\$ (1.15)
*Net realized gain (loss) on sale of investments		
Cost of investments held at beginning of period [^]	\$ 38,192,135	\$ 43,682,822
Cost of investments purchased during the period [^]	7,245,695	11,275,929
	<u>45,437,830</u>	<u>54,958,751</u>
Investments at cost at end of the period [^]	38,100,641	42,710,469
Cost of investments sold during the period [^]	7,337,189	12,248,282
Proceeds from sale of investments [^]	6,545,880	10,674,212
Net realized gain (loss) on sale of investments	\$ (791,309)	\$ (1,574,070)

[^] 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 six months ended June 30th (unaudited)

	Class A [†]		Class B ^{††}		Class C	
	2011	2010	2011	2010	2011	2010
NET ASSETS, BEGINNING OF PERIOD	\$ 56,980	\$ 26	\$ –	\$ 8,297,651	\$ 7,101,189	\$ 5,090,044
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	1,587	(3,109)	–	(192,006)	154,467	(849,772)
CAPITAL TRANSACTIONS						
Proceeds from issue of units	50,000	53,525	–	160,000	494,865	2,155,225
Distributions reinvested	–	–	–	–	–	52
Redemption of units	(19,423)	–	–	(8,265,645)	(1,115,802)	(239,336)
	30,577	53,525	–	(8,105,645)	(620,937)	1,915,941
NET ASSETS, END OF PERIOD	\$ 89,144	\$ 50,442	\$ –	\$ –	\$ 6,634,719	\$ 6,156,213

	Class D		Class F		Class O	
	2011	2010	2011	2010	2011	2010
NET ASSETS, BEGINNING OF PERIOD	\$ 6,513,535	\$ 6,842,075	\$ 121,979	\$ 36,310	\$ 26,313,578	\$ 25,621,033
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	95,148	(868,585)	2,192	(10,141)	578,195	(3,402,515)
CAPITAL TRANSACTIONS						
Proceeds from issue of units	256,210	497,086	23,906	134,612	800,000	5,500,000
Distributions reinvested	–	297	–	–	–	–
Redemption of units	(627,165)	(523,065)	–	(69,236)	(523,000)	(18)
	(370,955)	(25,682)	23,906	65,376	277,000	5,499,982
NET ASSETS, END OF PERIOD	\$ 6,237,728	\$ 5,947,808	\$ 148,077	\$ 91,545	\$ 27,168,773	\$ 27,718,500

	Total	
	2011	2010
NET ASSETS, BEGINNING OF PERIOD	\$ 40,107,261	\$ 45,887,139
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	831,589	(5,326,128)
CAPITAL TRANSACTIONS		
Proceeds from issue of units	1,624,981	8,500,448
Distributions reinvested	–	349
Redemption of units	(2,285,390)	(9,097,300)
	(660,409)	(596,503)
NET ASSETS, END OF PERIOD	\$ 40,278,441	\$ 39,964,508

[†] Prior to March 26, 2010, Class A was known as Class AA.

^{††} The Class B series of this Fund was closed on February 1, 2010.

Statement of Investment Portfolio

As at June 30th, 2011 (unaudited)

Number of Shares	Security	Issue Cost	Total Value	Fair Value
INTERNATIONAL EQUITIES (2011 - 100%; 2010 - 98.85%)				
Australia				
Materials				
15,000	Newcrest Mining Limited	Ordinary	547,263	583,987
Brazil				
Industrials				
13,000	Embraer SA	ADR (4 ORDS)	507,534	386,301
China				
Information Technology				
1,062,000	Lenovo Group Ltd.	HKD 0.025	694,098	582,198
France				
Consumer Discretionary				
5,000	LVMH Moët Hennessy Louis Vuitton SA	EUR 0.30 (FR)	790,223	867,883
Consumer Staples				
26,000	L'Oréal Company SA	ADR (0.2 ORD)	514,412	655,922
Materials				
30,000	Air Liquide	ADR (0.2 ORD)	531,800	832,979
Utilities				
10,000	Électricité de France SA	EUR 0.5	715,903	379,266
			<u>2,552,338</u>	<u>2,736,050</u>
Germany				
Consumer Discretionary				
5,000	Bayer Motoren Werke AG	EUR 1	267,757	480,501
Financials				
11,000	Deutsche Boerse AG	NPV	948,273	807,757
Health Care				
8,000	Bayer AG	NPV (REGD)	527,985	620,594
Industrials				
7,000	Siemens AG	SP ADR	626,139	928,573
Information Technology				
13,000	SAP AG	SP ADR (1 ORD)	610,286	760,684
Telecommunication Services				
50,000	Deutsche Telekom AG	NPV (REGD)	720,621	754,544
			<u>3,701,061</u>	<u>4,352,653</u>
Indonesia				
Telecommunication Services				
20,000	PT Telekomunikasi Indonesia, Tbk.	ADR (40 SER B SHRS)	733,926	665,148
Israel				
Health Care				
23,000	Teva Pharmaceutical Industries Limited	ADR (1 ORD)	1,200,426	1,069,912
Japan				
Consumer Discretionary				
10,000	Honda Motor Co., Ltd.	NPV	360,788	368,665
Industrials				
11,000	East Japan Railway Company	NPV	849,818	603,368
4,000	FANUC Ltd.	NPV	447,679	639,577
Information Technology				
19,000	Canon Inc	ADR (1 ORD)	786,145	872,838
8,000	Murata Manufacturing Co., Ltd.	NPV	559,684	509,559
3,000	Nintendo Co., Ltd.	NPV	874,554	537,044
Materials				
30,000	Hitachi Metals Ltd.	NPV	325,806	404,755
125,000	Toray Industries Inc.	NPV	744,249	884,318

Number of Shares	Security	Issue Cost	Total Cost	Fair Value
INTERNATIONAL EQUITIES (continued)				
Japan (continued)				
Telecommunication Services				
22,000	Nippon Telegraph & Telephone Corporation	NPV	1,101,140	1,016,129
			<u>6,049,863</u>	<u>5,836,253</u>
Mexico				
Consumer Staples				
27,000	Wal-Mart De México, S.A.B. de C.V.	SP ADR (10 SHRS)	395,694	775,739
Netherlands				
Consumer Discretionary				
31,000	Reed Elsevier plc	SP ADR 144A	1,027,942	803,901
Materials				
8,000	Akzo Nobel N.V.	EUR 2	460,536	486,938
			<u>1,488,478</u>	<u>1,290,839</u>
Singapore				
Financials				
247,000	CapitaLand Limited	SGD 1	583,828	563,133
113,000	Oversea-Chinese Banking Corporation Ltd.	SGD 0.5	827,991	830,628
			<u>1,411,819</u>	<u>1,393,761</u>
Spain				
Financials				
121,846	Banco Santander SA	EUR 0.50 (REGD)	1,559,237	1,357,122
Sweden				
Industrials				
24,000	Atlas Copco AB	SER'A'NPV	558,148	610,808
35,000	Volvo AB	SER'B'NPV (POST)	408,055	591,522
Information Technology				
60,000	Telefonaktiebolaget LM Ericsson	ADR (10 SER B SHRS)	736,188	832,690
			<u>1,702,391</u>	<u>2,035,020</u>
Switzerland				
Consumer Staples				
14,000	Nestlé SA	ADS (1 ORD)	472,747	842,843
Health Care				
25,000	Novartis AG	ADR (1 ORD CHF)	1,322,489	1,473,711
22,000	Roche Holdings Ltd.	NEW ADR (4 ORDS)	913,090	890,905
Financials				
33,000	Credit Suisse Group AG	CHF 0.04 (REGD)	1,611,803	1,236,483
			<u>4,320,129</u>	<u>4,443,942</u>
Taiwan				
Information Technology				
30,000	Taiwan Semiconductor Manufacturing Co., Ltd.	SP ADR (5 ORDS)	314,887	364,519
United Kingdom				
Consumer Discretionary				
20,000	Intercontinental Hotels Group plc	Ordinary 13.617P	381,900	394,794
9,000	WPP plc	SP ADR (5 ORDS)	296,797	544,260
Consumer Staples				
13,000	Diageo plc	SP ADR (4 ORDS)	833,993	1,027,293
120,000	Tesco plc	Ordinary 5P	760,813	747,350
Energy				
14,000	BG Group plc	ADR (5 ORDS)	1,016,761	1,543,681
40,000	Tullow Oil plc	Ordinary 10P	656,045	768,516

Statement of Investment Portfolio

As at June 30th, 2011 (unaudited) (continued)

Number of Shares	Security	Issue	Total Cost	Fair Value
INTERNATIONAL EQUITIES (continued)				
United Kingdom (continued)				
Financials				
31,000	HSBC Holdings plc	SP ADR (5 ORDS)	2,047,340	1,484,539
31,000	Standard Chartered plc	Ordinary USD 0.50	738,277	786,768
Industrials				
29,000	Experian Group Ltd.	Ordinary USD 0.10	341,558	356,322
Materials				
13,000	BHP Billiton plc	ADR (2 ORDS)	918,860	983,632
27,000	Rio Tinto plc	ADR (1 ORD)	1,813,477	1,884,757
Telecommunication Services				
43,000	Vodafone Group plc	ADR (10 ORDS)	<u>1,180,456</u>	<u>1,108,449</u>
			<u>10,986,277</u>	<u>11,630,361</u>
TOTAL INTERNATIONAL EQUITIES			38,165,421	39,503,805
ADJUSTMENT FOR TRANSACTION COSTS			(64,780)	
TOTAL INVESTMENTS			38,100,641	39,503,805



McLean Budden International Equity Fund

Fund Specific Notes to the Financial Statements

June 30th, 2011 (unaudited)

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

A. Investment Objective

The Fund aims for long-term growth by investing in international equity securities. 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 and December 31, 2010, the Fund invested in debt instruments, such as short-term investments and bonds, with the following Standard and Poor's credit ratings:

Portfolio by rating category	As a % of Net Assets	
	June 2011	December 2010
AAA	–	1.1%

As at June 30, 2011 and December 31, 2010, 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, approximately nil (2010: \$449,000) was invested in debt instruments with term to maturity of less than 1 year. The Fund has minimal sensitivity to changes in interest rates since these debt instruments are usually held to maturity and are short-term in nature. In practice, the actual trading results may differ and the difference could be material.

Currency Risk

As at June 30, 2011 and December 31, 2010, the Fund had significant exposure to the following currencies:

	June 2011		December 2010	
	Currency Exposure (\$)	Percentage of Net Assets (%)	Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	21,045,000	52.2	22,141,000	55.2
Euro	5,822,000	14.5	4,041,000	10.1
Japanese Yen	5,069,000	12.6	5,981,000	14.9
Pounds Sterling	3,076,000	7.6	3,198,000	8.0
Singapore Dollar	1,418,000	3.5	733,000	1.8
Swiss Franc	1,268,000	3.1	1,404,000	3.5
Swedish Krona	1,253,000	3.1	450,000	1.1
Australian Dollar	592,000	1.5	623,000	1.6
Hong Kong Dollar	582,000	1.4	518,000	1.3
Total	40,125,000	99.5	39,089,000	97.5

The amounts in the table above are based on the fair value of the Fund's foreign denominated financial instruments. For the purposes of this section, American Depositary Receipts and American Depositary Shares are reflected as U.S. currency.

As at June 30, 2011, 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 \$2,006,000 (2010: \$1,954,000). In practice, the actual results may differ and the difference could be material.

Other Price Risk

Approximately 98.1% (2010: 96.4%) of the Fund's Net Assets held at June 30, 2011 were publicly traded equities. If equity prices on the exchanges increased or decreased by 5% as at June 30, 2011, the Net Assets of the Fund would have increased or decreased by approximately \$1,975,000 (2010: \$1,933,000) or 4.9% (2010: 4.8%) of the Net Assets, all other factors remaining constant. In practice, the actual 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 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	6,185	5,448	–	(2,062)	9,571
Class A 2010 [†]	3	6,105	–	–	6,108
Class B 2010 ^{††}	889,074	17,027	–	(906,101)	–
Class C 2011	761,251	52,047	–	(116,877)	696,421
Class C 2010	533,638	227,597	5	(26,416)	734,824
Class D 2011	702,978	27,163	–	(66,617)	663,524
Class D 2010	722,269	55,136	31	(58,109)	719,327
Class F 2011	13,920	2,712	–	–	16,632
Class F 2010	4,041	16,348	–	(8,733)	11,656
Class O 2011	2,822,938	85,142	–	(54,904)	2,853,176
Class O 2010	2,688,214	622,093	–	(2)	3,310,305

[†] Prior to March 26, 2010, Class A was known as Class AA. ^{††} The Class B series of this Fund was closed on February 1, 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 period divided by the average units outstanding during the period. The average number of units outstanding during the period was:

	June 2011	June 2010
Class A	5,658	2,655
Class B	–	763,171
Class C	752,540	714,516
Class D	689,595	726,812
Class F	14,474	10,042
Class O	2,854,830	2,950,943

E. Related Party Transactions

As at June 30, 2011 and December 31, 2010, the following Class O units of the Fund were held by other McLean Budden Funds:

	Number of Units Held	
	June 2011	December 2010
McLean Budden Balanced Growth Fund	2,207,652	2,143,804
McLean Budden Canadian Equity Growth Fund	475,643	522,958
McLean Budden Canadian Equity Value Fund	169,879	156,173

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 tables present information about the Fund's financial assets measured at fair value as at June 30, 2011 and December 31, 2010 and there have been no transfers between levels.

	Financial Assets at Fair Value as at June 2011			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	33,961,736	5,542,069	–	39,503,805

	Financial Assets at Fair Value as at December 2010			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	35,309,312	3,358,728	–	38,668,040
Short-Term Investments	–	448,715	–	448,715
	35,309,312	3,807,443	–	39,116,755

Investment Managers Since 1947

www.mcleanbudden.com

Toronto

145 King Street West
25th Floor
Toronto, ON M5H 1J8
Tel +1 416 862 9800
Fax +1 416 862 9624

Montréal

1250 René-Lévesque Blvd. W.
Suite 3010
Montréal, QC H3B 4W8
Tel +1 514 933 0033
Fax +1 514 933 8163

Vancouver

595 Burrard Street
Three Bentall Centre
Suite 3043, P.O. Box 49105
Vancouver, BC V7X 1G4
Tel +1 604 623 3430
Fax +1 604 623 3436