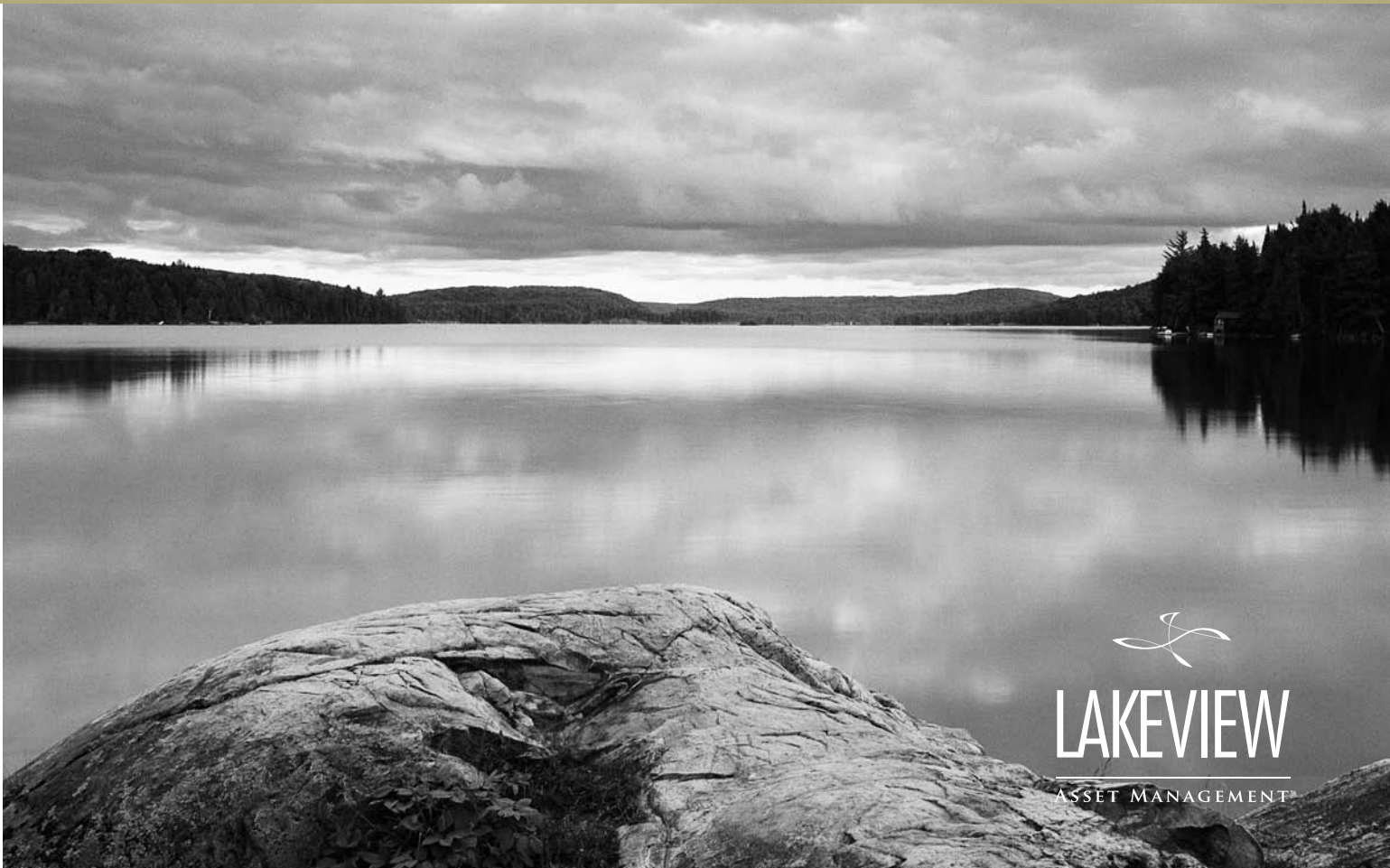




SEMI-ANNUAL FINANCIAL STATEMENTS

For the period ending June 30, 2007

LAKEVIEW DISCIPLINED LEADERSHIP HIGH INCOME FUND
LAKEVIEW DISCIPLINED LEADERSHIP CANADIAN EQUITY FUND
LAKEVIEW DISCIPLINED LEADERSHIP U.S. EQUITY FUND
LAKEVIEW KBSH PREMIUM BOND EXPLORER FUND
LAKEVIEW KBSH EQUITY INCOME EXPLORER FUND
LAKEVIEW KBSH LARGE CAP EXPLORER FUND
LAKEVIEW KBSH SMALL CAP EXPLORER FUND




LAKEVIEW
ASSET MANAGEMENT®

Lakeview Asset Management, the manager of the Lakeview Funds, appoints independent auditors to audit the Funds' annual financial statements. Under Canadian securities laws (National Instruments 81-106), if an auditor has not reviewed the semi-annual financial statements, this must be disclosed in an accompanying notice.

The Funds' 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.

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UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

The accompanying interim financial statements have not been reviewed by the external auditors of the fund. The external auditors will be auditing the annual financial statements of the fund in accordance with Canadian generally accepted auditing standards.

Lakeview Disciplined Leadership High Income Fund

Statement of Investment Portfolio as at June 30, 2007 (Unaudited) (Amounts Expressed in Canadian Dollars)

Number of Shares or Units	Description	Maturity Date	Coupon Rate	Average Cost	Market Value	% of Portfolio
Canadian Bonds						
Corporate						
3,000,000	SRX Uranium One Inc.	31-Dec-11	4.250%	\$3,061,250	\$3,080,100	
	Total Canadian Bonds			<u>3,061,250</u>	<u>3,080,100</u>	1.7
Canadian Equities						
Energy						
201,806	ARC Energy Trust			4,785,204	4,369,100	
189,229	Canadian Oil Sands Trust			4,138,149	6,233,203	
107,000	CCS Income Trust			2,182,734	4,894,310	
91,400	Enerplus Resources Fund			4,724,890	4,576,398	
49,000	Fording Canadian Coal Trust			1,533,700	1,704,220	
268,000	Freehold Royalty Trust			3,967,195	3,869,920	
717,899	Inter Pipeline Fund			4,859,115	6,676,461	
321,700	Pembina Pipeline Income Fund			5,146,436	5,111,813	
51,132	Penn West Energy Trust			1,760,124	1,816,209	
218,000	Provident Energy Trust			2,768,030	2,729,360	
436,600	Spectra Energy Income Fund			4,453,972	4,479,516	
117,683	Stoneham Drilling Trust			2,647,868	2,194,788	
426,000	Trinidad Energy Services Income Trust			4,530,342	6,372,960	
133,700	Vermilion Energy Trust			4,388,370	4,771,753	
				<u>51,886,129</u>	<u>59,800,011</u>	32.1
Materials						
290,600	Supremex Income Fund			2,840,400	2,763,606	
				<u>2,840,400</u>	<u>2,763,606</u>	1.5
Industrial						
145,800	BFI Canada Income Fund			3,478,476	4,092,606	
30,000	Jazz Air Income Fund			261,750	245,400	
115,300	Newalta Income Fund			2,236,520	2,952,833	
489,838	Westshore Terminals Inc.			5,766,542	6,823,443	
				<u>11,743,288</u>	<u>14,114,282</u>	7.6
Consumer, Cyclical						
263,700	Boston Pizza Royalties Income Fund			4,273,000	3,839,472	
260,000	Keg Royalties Income Fund			3,385,106	3,502,200	
500,000	Rogers Sugar Income Fund			2,168,571	2,165,000	
				<u>9,826,677</u>	<u>9,506,672</u>	5.1
Communications						
348,000	Aeroplan Income Fund			4,474,901	7,349,760	
176,000	BCE Inc.			5,522,744	7,091,040	
177,965	Bell Aliant Regional Communications Income Fund			6,460,322	5,579,203	
92,500	Telus Corp.			4,918,548	5,898,725	
403,400	Yellow Pages Income Fund			5,522,613	5,599,192	
				<u>26,899,128</u>	<u>31,517,920</u>	16.9
Consumer, Non-cyclical						
377,000	CML Healthcare Income Fund			5,496,399	5,715,320	
				<u>5,496,399</u>	<u>5,715,320</u>	3.1

Lakeview Disciplined Leadership High Income Fund

Statement of Investment Portfolio as at June 30, 2007 (Unaudited) (Amounts Expressed in Canadian Dollars)

Number of Shares or Units	Description	Maturity Date	Coupon Rate	Average Cost	Market Value	% of Portfolio
	Financial					
110,947	Calloway Real Estate Investment Trust			2,150,140	2,763,690	
155,000	Chartwell Seniors Housing Real Estate Investment Trust			2,349,614	2,315,700	
117,100	Dundee Real Estate Investment Trust			2,982,057	5,278,868	
125,900	First National Financial Income Fund			1,259,777	2,656,490	
303,200	H&R Real Estate Investment Trust			5,788,794	6,955,408	
90,000	Horizons BetaPro S&P/TSX 60 Bear Plus Fund			1,899,171	1,873,800	
329,300	Morneau Sobeco Income Fund			3,374,123	4,168,938	
156,300	Northern Property Real Estate Investment Trust			2,409,210	3,596,463	
193,700	Primaris Retail Real Estate Investment Trust			1,957,031	3,711,292	
181,600	RioCan Real Estate Investment Trust			3,428,783	4,274,863	
65,000	Royal Bank of Canada			3,778,482	3,680,300	
20,000	Western Financial Group Inc.			2,000,000	2,000,000	
				<u>33,377,182</u>	<u>43,275,812</u>	<u>23.2</u>
	Total Canadian Equities			<u>145,130,453</u>	<u>169,773,723</u>	<u>89.4</u>
	United States Equities					
	Basic Materials					
41,500	Freeport McMorgan Copper & Gold Inc.			5,103,329	5,672,716	
				<u>5,103,329</u>	<u>5,672,716</u>	<u>3.0</u>
	Industrial					
502,600	Student Transportation of America Inc.			5,827,897	5,965,862	
				<u>5,827,897</u>	<u>5,965,862</u>	<u>3.2</u>
	Communications					
71,470	AT&T Inc.			3,002,380	3,150,768	
				<u>3,002,380</u>	<u>3,150,768</u>	<u>1.7</u>
	Total United States Equities			<u>13,933,606</u>	<u>14,789,346</u>	<u>7.9</u>
	Total Investments			<u>\$159,064,059</u>	<u>\$184,563,069</u>	<u>99.0</u>
	Commissions and other portfolio transaction costs (note 2)			170,832	—	—
	Net Investments			<u>\$158,893,227</u>	<u>184,563,069</u>	<u>99.0</u>
	Other Assets				1,961,990	1.0
	Net Assets Representing Unitholders' Equity				<u>\$186,525,059</u>	<u>100.0</u>

Lakeview Disciplined Leadership High Income Fund

Statements of Net Assets as at June 30, 2007 (Unaudited) and December 31, 2006 (Audited) – (Amounts expressed in Canadian Dollars)

	2007	2006
ASSETS		
Investments, at market value (average cost – \$158,893,227; 2006 – \$202,433,847)	\$184,563,069	\$223,953,228
Cash	3,015,062	1,079,088
Receivable for investments sold	1,828,000	—
Subscription receivable on sale of units	17,759	20,114
Management fee rebate	—	103,163
Interest and dividends receivable	1,065,908	1,558,376
	<u>190,489,798</u>	<u>226,713,969</u>
LIABILITIES		
Payable on redemption of units	587,374	816,766
Trustee fee payable	50,410	63,023
Payable for investments purchased	2,931,566	—
Distribution payable	84,662	607
Management fee payable	288,973	339,575
Fund operating expenses payable	21,754	24,382
	<u>3,964,739</u>	<u>1,244,353</u>
TOTAL NET ASSETS AND UNITHOLDERS' EQUITY	<u>\$186,525,059</u>	<u>\$225,469,616</u>
TOTAL NET ASSETS AND UNITHOLDERS' EQUITY FOR EACH SERIES		
Series A	\$173,989,426	\$203,456,316
Series F	\$2,093,728	\$6,857,962
Series O	\$10,441,905	\$15,155,338
NET ASSETS PER UNIT		
Series A	\$13.28	\$12.73
Series F	\$13.47	\$12.85
Series O	\$14.58	\$13.80

Lakeview Disciplined Leadership High Income Fund

Statements of Operations for the six-month period ended June 30, 2007 and 2006 (Unaudited) – (Amounts expressed in Canadian Dollars)

	2007	2006
INCOME		
Dividends (net of withholding taxes)	\$497,204	\$301,547
Distributions from royalty and trust units	7,101,673	8,013,966
Interest and other income	74,808	153,870
	<u>7,673,685</u>	<u>8,469,383</u>
EXPENSES		
Management fee	1,725,905	2,279,551
Performance fee	—	479,016
Trustee fee	105,916	135,521
Custodial fee	24,820	31,253
Transaction fee	2,543	2,677
Unitholder reporting costs	118,806	119,570
Valuation fee	19,133	20,384
Unitholder communication costs	24,389	—
Audit fee	49,556	13,796
Legal & Filing Fees	43,019	19,455
Interest expense	2,168	874
Other administrative expenses	21,768	13,751
	<u>2,138,023</u>	<u>3,115,848</u>
Expenses absorbed by the Manager	(166,664)	(40,266)
	<u>1,971,359</u>	<u>3,075,582</u>
NET INVESTMENT INCOME (LOSS)	<u>5,702,326</u>	<u>5,393,801</u>
Net realized gain (loss) on investments	9,056,519	10,077,069
Commissions and other portfolio transaction costs	(246,724)	—
Change in unrealized appreciation (depreciation) of investments	3,473,929	(4,713,863)
	<u>12,283,724</u>	<u>5,363,206</u>
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS	<u>12,283,724</u>	<u>5,363,206</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	<u>\$17,986,050</u>	<u>\$10,757,007</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SERIES		
Series A	\$16,466,164	\$9,475,146
Series F	\$343,415	\$555,504
Series O	\$1,176,471	\$726,357
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A	\$1.16	\$0.57
Series F	\$1.25	\$0.61
Series O	\$1.41	\$0.69

Lakeview Disciplined Leadership High Income Fund

Statements of Changes in Net Assets for the six-month period ended June 30, 2007 and 2006 (Unaudited) – (Amounts expressed in Canadian Dollars)

	2007	2006	2007	2006
		Series A		Series F
NET ASSETS AT BEGINNING OF PERIOD	\$202,815,238	\$219,590,750	\$6,827,740	\$11,774,670
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	16,466,164	9,475,146	343,415	555,504
DISTRIBUTIONS				
Distributions from net investment income (loss)	(5,829,082)	(7,037,637)	(105,854)	(382,437)
Distributions from net realized gains (losses)	—	—	—	—
Distributions of return of capital	(2,222,744)	—	(26,656)	—
Distributions of management fee rebate	(197,178)	(206,849)	—	—
TOTAL DISTRIBUTIONS PAID TO UNITHOLDERS	(8,249,004)	(7,244,486)	(132,510)	(382,437)
CAPITAL UNIT TRANSACTIONS				
Proceeds from sale of units	2,943,720	28,408,085	114,041	1,627,058
Amounts paid on redemptions	(45,111,000)	(18,048,800)	(5,151,759)	(1,059,734)
Reinvestment of distributions	5,124,308	5,295,653	92,801	295,444
NET CAPITAL UNIT TRANSACTIONS	(37,042,972)	15,654,938	(4,944,917)	862,768
INCREASE (DECREASE) IN NET ASSETS	(45,291,976)	17,885,598	(5,077,427)	1,035,835
NET ASSETS AT END OF PERIOD	\$173,989,426	\$237,476,348	\$2,093,728	\$12,810,505

	2007	2006	2007	2006
		Series O		Total
NET ASSETS AT BEGINNING OF PERIOD	\$15,101,968	\$11,902,345	\$224,744,946	\$243,267,765
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	1,176,471	726,357	17,986,050	10,757,007
DISTRIBUTIONS				
Distributions from net investment income (loss)	(337,615)	(451,830)	(6,272,551)	(7,871,904)
Distributions from net realized gains (losses)	—	—	—	—
Distributions of return of capital	(133,990)	—	(2,383,390)	—
Distributions of management fee rebate	—	—	(197,178)	(206,849)
TOTAL DISTRIBUTIONS PAID TO UNITHOLDERS	(471,605)	(451,830)	(8,853,119)	(8,078,753)
CAPITAL UNIT TRANSACTIONS				
Proceeds from sale of units	459,170	6,705,046	3,516,931	36,740,189
Amounts paid on redemptions	(6,076,542)	(2,369,661)	(56,339,301)	(21,478,195)
Reinvestment of distributions	252,443	248,773	5,469,552	5,839,870
NET CAPITAL UNIT TRANSACTIONS	(5,364,929)	4,584,158	(47,352,818)	21,101,864
INCREASE (DECREASE) IN NET ASSETS	(5,836,534)	4,858,685	(38,219,887)	23,780,118
NET ASSETS AT END OF PERIOD	\$10,441,905	\$16,761,030	\$186,525,059	\$267,047,883

UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

The accompanying interim financial statements have not been reviewed by the external auditors of the fund. The external auditors will be auditing the annual financial statements of the fund in accordance with Canadian generally accepted auditing standards.

Lakeview Disciplined Leadership Canadian Equity Fund

Statement of Investment Portfolio as at June 30, 2007 (Unaudited) (Amounts Expressed in Canadian Dollars)

Number of Shares or Units	Description	Average Cost	Market Value	% of Portfolio
Canadian Equities				
Energy				
76,000	Imperial Oil Ltd.	\$3,554,495	\$3,768,840	
38,000	Niko Resources Ltd.	3,784,796	3,743,469	
341,100	Oilexco Inc.	3,620,154	4,389,957	
131,800	Petrobank Energy & Resources Ltd.	3,748,115	3,516,424	
		14,707,560	15,418,690	12.6
Materials				
53,600	Alcan Inc.	3,328,838	4,639,080	
129,600	AUR Resources Inc.	3,838,715	4,090,176	
1,188,000	Breakwater Resources Ltd.	3,262,070	3,253,870	
193,500	Foran Mining Corp.	98,685	26,123	
274,800	Hanfeng Evergreen Inc.	3,136,278	3,283,860	
48,000	Inmet Mining Corp.	3,621,244	3,952,800	
61,500	Potash Corp. of Saskatchewan	3,864,886	5,105,115	
158,000	Sino-Forest Corp.	2,566,125	2,409,500	
		23,716,841	26,760,524	21.9
Industrial				
100,000	Aecon Group Inc.	1,270,450	1,270,450	
831,300	Bombardier Inc., Class B	4,390,197	5,295,381	
425,100	CAE Inc.	5,062,078	6,036,420	
107,100	Stantec Inc.	3,350,867	3,733,506	
		14,073,592	16,335,757	13.4
Consumer, Non-cyclical				
370,000	Saskatchewan Wheat Pool	3,613,317	4,062,600	
		3,613,317	4,062,600	3.3
Communications				
65,700	BCE Inc.	2,162,839	2,647,053	
104,700	Rogers Communications Inc., Class B	3,221,133	4,732,440	
78,000	Shaw Communications Inc., Class B	2,827,954	3,511,560	
		8,211,926	10,891,053	8.9
Financial				
107,000	Canadian Western Bank	3,048,343	3,013,827	
212,200	Horizons BetaPro S&P/TSX 60 Bear Plus Fund	4,504,663	4,418,004	
		7,553,006	7,431,831	6.1
Information Technology				
442,800	CGI Group Inc.	4,520,121	5,287,032	
20,800	Research In Motion Ltd.	3,803,621	4,436,224	
328,000	Sandvine Corp.	1,865,433	1,907,050	
		10,189,175	11,630,306	9.5
Total Canadian Equities		82,065,417	92,530,761	75.7

See Accompanying Notes

Lakeview Disciplined Leadership Canadian Equity Fund

Statement of Investment Portfolio as at June 30, 2007 (Unaudited) (Amounts Expressed in Canadian Dollars)

Number of Shares or Units	Description	Average Cost	Market Value	% of Portfolio
	United States Equities			
	Basic Materials			
171,300	Terra Industries Inc	3,679,956	4,630,222	
12,100	Zoltek Cos. Inc.	538,546	534,162	
		<u>4,218,502</u>	<u>5,164,384</u>	4.2
	Financial			
47,000	ProShares Short S&P 500	2,670,665	2,632,803	
64,700	UltraShort QQQ ProShares	3,249,989	3,139,093	
		<u>5,920,654</u>	<u>5,771,896</u>	4.7
	Industrial			
282,800	Navios Maritime Holdings Inc.	3,265,994	3,596,928	
97,700	Spirit Aerosystems Holdings Inc.	3,681,756	3,745,581	
		<u>6,947,750</u>	<u>7,342,509</u>	6.0
	Information Technology			
213,300	Nuance Communications Inc.	4,024,158	3,793,735	
		<u>4,024,158</u>	<u>3,793,735</u>	3.1
	Utilities			
71,800	Southern Union Co.	2,629,886	2,486,845	
		<u>2,629,886</u>	<u>2,486,845</u>	2.0
	Total United States Equities	<u>23,740,950</u>	<u>24,559,369</u>	20.1
	Total Investments	\$105,806,367	\$117,090,130	95.8
	Commissions and other portfolio transaction costs (note 2)	234,717	—	—
	Net Investments	<u>\$105,571,650</u>	<u>117,090,130</u>	<u>95.8</u>
	Other Assets		5,116,939	4.2
	Net Assets Representing Unitholders' Equity		\$122,207,069	100.0

Lakeview Disciplined Leadership Canadian Equity Fund

Statements of Net Assets as at June 30, 2007 (Unaudited) and December 31, 2006 (Audited) – (Amounts expressed in Canadian Dollars)

	2007	2006
ASSETS		
Investments, at market value (average cost – \$105,571,650; 2006 – \$124,908,001)	\$117,090,130	\$142,275,527
Cash	2,146,909	1,967,779
Receivable for investments sold	8,662,724	—
Subscription receivable on sale of units	111,045	78,440
Management fee rebate	—	34,204
Interest and dividends receivable	124,932	101,526
	<u>128,135,740</u>	<u>144,457,476</u>
LIABILITIES		
Payable for investments purchased	4,977,464	—
Payable on redemption of units	704,629	669,805
Distribution payable	9,671	9,670
Management fee payable	186,589	206,276
Accrued trustee fees	33,041	36,613
Fund operating expenses payable	17,277	23,565
	<u>5,928,671</u>	<u>945,929</u>
TOTAL NET ASSETS AND UNITHOLDERS' EQUITY	<u>\$122,207,069</u>	<u>\$143,511,547</u>
TOTAL NET ASSETS AND UNITHOLDERS' EQUITY FOR EACH SERIES		
Series A	\$109,210,449	\$124,859,878
Series F	\$6,285,656	\$6,729,396
Series O	\$6,710,964	\$11,922,273
NET ASSETS PER UNIT		
Series A	\$13.75	\$12.56
Series F	\$13.67	\$12.44
Series O	\$14.37	\$13.03

Lakeview Disciplined Leadership Canadian Equity Fund

Statements of Operations for the six-month period ended June 30, 2007 and 2006 (Unaudited) – (Amounts expressed in Canadian Dollars)

	2007	2006
INCOME		
Dividends (net of withholding taxes)	\$629,316	\$400,170
Distributions from royalty and trust units	—	—
Interest and other income	48,101	490,997
	<u>677,417</u>	<u>891,167</u>
EXPENSES		
Management fee	1,161,966	1,192,792
Trustee fee	69,344	68,602
Custodial fee	15,984	15,810
Transaction fee	6,370	8,652
Unitholder reporting costs	126,987	110,102
Valuation fee	19,133	20,384
Unitholder communication costs	15,975	—
Audit fee	32,460	13,796
Legal and filing fees	28,178	19,455
Other administrative expenses	114,484	13,178
Interest expense	2,245	955
	<u>1,593,126</u>	<u>1,463,726</u>
Expenses absorbed by the manager	<u>(245,089)</u>	<u>(86,897)</u>
	1,348,037	1,376,829
NET INVESTMENT INCOME (LOSS)	<u>(670,620)</u>	<u>(485,662)</u>
Realized gain (loss) on investments, including foreign exchange (loss)	19,474,731	708,426
Commissions and other portfolio transaction costs	(966,271)	—
Change in unrealized appreciation (depreciation) of investments and foreign currency	<u>(5,766,880)</u>	<u>(7,382,635)</u>
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS	<u>12,741,580</u>	<u>(6,674,209)</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	<u>\$12,070,960</u>	<u>(\$7,159,871)</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SERIES		
Series A	\$10,535,562	(\$6,205,556)
Series F	\$651,121	(\$383,981)
Series O	\$884,277	(\$570,334)
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A	\$1.19	(\$0.67)
Series F	\$1.26	(\$0.77)
Series O	\$1.40	(\$0.62)

Lakeview Disciplined Leadership Canadian Equity Fund

Statements of Changes in Net Assets for the six-month period ended June 30, 2007 and 2006 (Unaudited) – (Amounts expressed in Canadian Dollars)

	2007	2006	2007	2006
	Series A		Series F	
NET ASSETS AT BEGINNING OF PERIOD	\$124,661,386	\$101,498,628	\$6,718,801	\$4,298,790
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	10,535,562	(6,205,556)	651,121	(383,981)
DISTRIBUTIONS				
Distributions from net realized gains (losses)	—	—	—	—
Distributions of management fee rebate	(65,503)	(28,233)	—	—
TOTAL DISTRIBUTIONS PAID TO UNITHOLDERS	(65,503)	(28,233)	—	—
CAPITAL UNIT TRANSACTIONS				
Proceeds from sale of units	6,952,569	32,577,738	1,023,569	4,006,772
Amounts paid on redemptions	(32,933,978)	(12,505,826)	(2,107,850)	(893,168)
Reinvestment of distributions	60,413	53,624	15	—
NET CAPITAL UNIT TRANSACTIONS	(25,920,996)	20,125,536	(1,084,266)	3,113,604
INCREASE (DECREASE) IN NET ASSETS	(25,986,499)	13,891,747	(1,084,266)	2,729,623
NET ASSETS AT END OF PERIOD	\$109,210,449	\$115,390,375	\$6,285,656	\$7,028,413

	2007	2006	2007	2006
	Series O		Total	
NET ASSETS AT BEGINNING OF PERIOD	\$11,903,681	\$9,363,151	\$143,283,868	\$115,160,569
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	884,277	(570,334)	12,070,960	(7,159,871)
DISTRIBUTIONS				
Distributions from net realized gains (losses)	—	—	—	—
Distributions of management fee rebate	—	—	(65,503)	(28,233)
TOTAL DISTRIBUTIONS PAID TO UNITHOLDERS	—	—	(65,503)	(28,233)
CAPITAL UNIT TRANSACTIONS				
Proceeds from sale of units	135,256	4,728,725	8,111,394	41,313,235
Amounts paid on redemptions	(6,212,250)	(1,750,283)	(41,254,078)	(15,149,277)
Reinvestment of distributions	—	—	60,428	53,624
NET CAPITAL UNIT TRANSACTIONS	(6,076,994)	2,978,442	(33,082,256)	26,217,582
INCREASE (DECREASE) IN NET ASSETS	(6,076,994)	2,408,108	(21,076,799)	19,029,478
NET ASSETS AT END OF PERIOD	\$6,710,964	\$11,771,259	\$122,207,069	\$134,190,047

See Accompanying Notes

UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

The accompanying interim financial statements have not been reviewed by the external auditors of the fund. The external auditors will be auditing the annual financial statements of the fund in accordance with Canadian generally accepted auditing standards.

Lakeview Disciplined Leadership U.S. Equity Fund

Statement of Investment Portfolio as at June 30, 2007 (Unaudited) (Amounts Expressed in Canadian Dollars)

Number of Shares or Units	Description	Average Cost	Market Value	% of Portfolio
Equities				
Energy				
10,400	Devon Energy Corp.	\$875,591	\$873,936	
9,800	EnCana Corp.	642,249	642,096	
20,428	ENSCO International Inc.	1,296,344	1,327,671	
9,744	Grant Prideco Inc.	578,349	558,717	
3,641	Niko Resources Ltd.	347,136	353,177	
61,000	PetroHawk Energy Corp.	1,105,608	1,027,838	
16,400	XTO Energy Inc.	1,033,801	1,049,767	
		5,879,078	5,833,202	15.8
Materials				
20,000	Fording Canadian Coal Trust	641,400	734,766	
14,679	Freeport-McMoRan Copper & Gold Inc., Class B	1,104,488	1,310,171	
12,579	Monsanto Co.	835,173	914,256	
24,000	Teck Cominco Ltd. Class B	1,104,475	1,064,857	
27,900	Terra Industries Inc	586,351	811,093	
26,524	Zoltek Cos. Inc.	1,087,814	1,170,919	
		5,359,701	6,006,062	16.2
Industrial				
8,592	Foster Wheeler Ltd.	617,211	977,861	
27,900	General Electric Co.	1,139,723	1,136,098	
12,200	SunPower Corp., Class A	833,676	821,501	
7,800	Terex Corp.	693,025	677,817	
		3,283,635	3,613,277	9.8
Communications				
17,885	America Movil SA de CV	1,045,466	1,176,707	
10,500	Millicom International Cellular SA	994,638	1,005,468	
20,300	Priceline.com Inc.	1,298,005	1,483,517	
10,592	Vimpel-Communications OAO, ADR	1,184,562	1,184,751	
		4,522,671	4,850,443	13.1
Consumer, Non-cyclical				
12,700	Corrections Corp. of America	809,563	855,062	
5,400	Intuitive Surgical Inc.	791,160	797,187	
		1,600,723	1,652,249	4.5
Financial				
41,800	ProShares Short S&P 500	2,366,325	2,363,133	
22,000	UltraShort QQQ ProShares	1,107,940	1,067,389	
		3,474,265	3,430,522	9.3
Information Technology				
10,212	Apple Computer Inc.	1,124,511	1,325,832	
2,360	Google Inc., Class A	1,311,204	1,311,711	
15,800	Hewlett-Packard Co.	783,232	748,668	
8,500	Research in Motion Ltd.	1,532,526	1,808,285	
		4,751,473	5,194,496	14.0
Total Equities		28,871,546	30,580,251	82.7
Total Investments		\$28,871,546	\$30,580,251	82.7
Commissions and other portfolio transaction costs (note 2)		27,838	—	—
Net Investments		\$28,843,708	30,580,251	82.7
Other Assets			6,418,836	17.3
Net Assets Representing Unitholders' Equity			\$36,999,087	100.0

Lakeview Disciplined Leadership U.S. Equity Fund

Statements of Net Assets as at June 30, 2007 (Unaudited) and December 31, 2006 (Audited) – (Amounts expressed in Canadian Dollars)

	2007	2006
ASSETS		
Investments, at market value (average cost – \$28,843,708; 2006 – \$48,879,569)	\$30,580,251	\$52,861,953
Cash	4,243,380	961,011
Receivable for investments sold	3,856,983	1,787,574
Subscription receivable on sale of units	22,803	407
Interest and dividends receivable	79,570	41,380
Management fee rebate	—	18,199
	<u>38,782,987</u>	<u>55,670,524</u>
LIABILITIES		
Payable for investments purchased	1,506,771	1,609,013
Redemption payable on units redeemed	194,776	477,772
Management fee payable	59,834	81,337
Trustee fee payable	10,692	14,157
Fund operating expenses payable	11,827	16,893
	<u>1,783,900</u>	<u>2,199,172</u>
TOTAL NET ASSETS AND UNITHOLDERS' EQUITY	<u>\$36,999,087</u>	<u>\$53,471,352</u>
TOTAL NET ASSETS AND UNITHOLDERS' EQUITY FOR EACH SERIES		
Series A	\$33,790,371	\$46,792,045
Series F	\$295,724	\$1,155,201
Series O	\$2,912,992	\$5,524,106
NET ASSETS PER UNIT		
Series A CAD	\$14.08	\$14.18
Series A USD	\$13.24	\$12.19
Series F CAD	\$14.46	\$14.46
Series F USD	\$13.59	\$12.43
Series O CAD	\$15.49	\$15.44
Series O USD	\$14.57	\$13.27

Lakeview Disciplined Leadership U.S. Equity Fund

Statements of Operations for the six-month period ended June 30, 2007 and 2006 (Unaudited) – (Amounts expressed in Canadian Dollars)

	2007	2006
INCOME		
Dividends (net of withholding taxes)	\$293,723	\$98,812
Distributions from royalty and trust units	—	—
Interest and other income, including foreign exchange gain (loss)	13,049	110,569
	<u>306,772</u>	<u>209,381</u>
EXPENSES		
Management fee	411,068	400,928
Performance fee	—	165,992
Trustee fee	24,011	23,632
Custodial fee	5,732	5,373
Transaction fee	10,136	12,196
Unitholder reporting costs	51,656	34,987
Valuation fee	19,133	20,384
Unitholder communication costs	5,528	—
Audit fee	11,232	6,898
Legal & Filing Fees	9,750	19,455
Interest expense	6,195	968
Other administrative expenses	99,916	8,301
	<u>654,357</u>	<u>699,114</u>
Expenses absorbed by the Manager	(124,285)	(17,896)
	<u>530,072</u>	<u>681,218</u>
NET INVESTMENT INCOME (LOSS)	<u>(223,300)</u>	<u>(471,837)</u>
Net realized gain (loss) on investments, including foreign exchange gain (loss)	2,646,095	(2,645,528)
Commissions and other portfolio transaction costs	(307,898)	—
Change in unrealized appreciation (depreciation) of investments and foreign currency	(1,657,130)	(989,630)
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS	<u>681,067</u>	<u>(3,635,158)</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	<u>\$457,767</u>	<u>(\$4,106,995)</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SERIES		
Series A	\$342,596	(\$3,389,289)
Series F	\$7,739	(\$138,633)
Series O	\$107,432	(\$579,073)
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A	\$0.12	(\$1.31)
Series F	\$0.14	(\$2.20)
Series O	\$0.41	(\$1.48)

Lakeview Disciplined Leadership U.S. Equity Fund

Statements of Changes in Net Assets for the six-month period ended June 30, 2007 and 2006 (Unaudited) – (Amounts expressed in Canadian Dollars)

	2007	2006	2007	2006
	Series A		Series F	
NET ASSETS AT BEGINNING OF PERIOD	\$46,251,052	\$23,434,754	\$1,141,874	\$318,934
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	342,596	(3,389,289)	7,739	(138,633)
DISTRIBUTIONS				
Distributions of management fee rebate	(32,271)	(23,494)	—	—
TOTAL DISTRIBUTIONS PAID TO UNITHOLDERS	(32,271)	(23,494)	—	—
CAPITAL UNIT TRANSACTIONS				
Proceeds from sale of units	2,316,176	28,411,237	86,259	1,851,992
Amounts paid on redemptions	(15,112,258)	(2,543,405)	(940,148)	(226,498)
Reinvestment of distributions	25,076	23,944	—	—
NET CAPITAL UNIT TRANSACTIONS	(12,771,006)	25,891,776	(853,889)	1,625,494
INCREASE (DECREASE) IN NET ASSETS	(12,803,277)	22,478,993	(853,889)	1,486,861
NET ASSETS AT END OF PERIOD	\$33,790,371	\$45,913,747	\$295,724	\$1,805,795

	2007	2006	2007	2006
	Series O		Total	
NET ASSETS AT BEGINNING OF PERIOD	\$5,461,693	\$2,653,994	\$52,854,619	\$26,407,682
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	107,432	(579,073)	457,767	(4,106,995)
DISTRIBUTIONS				
Distributions of management fee rebate	—	—	(32,271)	(23,494)
TOTAL DISTRIBUTIONS PAID TO UNITHOLDERS	—	—	(32,271)	(23,494)
CAPITAL UNIT TRANSACTIONS				
Proceeds from sale of units	4,080	5,757,640	2,406,515	36,020,869
Amounts paid on redemptions	(2,660,213)	(609,580)	(18,712,619)	(3,379,483)
Reinvestment of distributions	—	—	25,076	23,944
NET CAPITAL UNIT TRANSACTIONS	(2,656,133)	5,148,060	(16,281,028)	32,665,330
INCREASE (DECREASE) IN NET ASSETS	(2,548,701)	4,568,987	(15,855,532)	28,534,841
NET ASSETS AT END OF PERIOD	\$2,912,992	\$7,222,981	\$36,999,087	\$54,942,523

UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

The accompanying interim financial statements have not been reviewed by the external auditors of the fund. The external auditors will be auditing the annual financial statements of the fund in accordance with Canadian generally accepted auditing standards.

Lakeview KBSH Premium Bond Explorer Fund

Statement of Investment Portfolio as at June 30, 2007 (Unaudited) (Amounts expressed in Canadian Dollars)

Number of Shares or Units	Description	Maturity Date	Coupon Rate	Average Cost	Market Value	% of Net Assets
BONDS						
Government Bonds						
35,000	Government of Canada	1-Jun-16	4.00%	\$ 34,659	\$ 33,607	
20,000	United States Treasury Note/Bond	30-Sep-11	4.50%	23,153	20,929	
	Total Government Bonds			<u>57,812</u>	<u>54,536</u>	10.8
Corporate Bonds						
20,000	Abitibi-Consolidated Co. of Canada	1-Apr-15	8.38%	21,135	18,616	
30,000	Bell Canada	15-Feb-17	5.00%	28,569	26,625	
10,000	Canadian Oil Sands Ltd.	29-Jun-09	5.55%	10,280	10,093	
10,000	Celestica Inc.	1-Jul-11	7.88%	11,357	10,424	
10,000	Compton Petroleum Finance Corp.	1-Dec-13	7.63%	11,027	10,505	
10,000	Constellation Brands Inc.	1-Sep-16	7.25%	11,848	10,372	
5,000	Dobson Cellular Systems Inc., Callable	1-Nov-12	9.88%	5,946	5,731	
5,000	Domtar Inc.	15-Aug-15	7.13%	5,229	5,153	
10,000	Great West Life Co.	21-Jun-67	5.69%	10,000	10,027	
10,000	Harvest Operations Corp.	15-Oct-11	7.88%	11,312	10,437	
10,000	HCA Inc.	15-Feb-16	6.50%	9,710	9,002	
15,000	Iron Mountain	15-Mar-17	7.50%	15,000	14,700	
15,000	Loblaw Cos. Ltd.	9-Feb-28	6.45%	16,299	14,947	
20,000	Manulife Financial Capital Trust	30-Jun-12	6.70%	22,136	21,433	
15,000	Mediacom LLC/Mediacom Capital Corp., Callable	15-Jan-13	9.50%	17,708	16,315	
15,000	Metro Inc.	15-Oct-15	4.98%	14,973	14,510	
15,000	MGM Mirage	15-Jul-15	6.63%	16,518	14,500	
15,000	Molson Coors Capital Finance ULC	22-Sep-15	5.00%	14,752	14,351	
5,000	Mosaic Co.	1-Dec-14	7.38%	5,936	5,372	
15,000	Neiman Marcus Group Inc.	15-Oct-15	10.38%	19,796	17,552	
15,000	OPTI Canada	15-Dec-14	8.25%	17,463	16,196	
10,000	Quebecor World	15-Jan-15	9.75%	11,685	10,770	
5,000	RH Donnelley Corp.	15-Jan-16	8.88%	5,832	5,532	
10,000	Rogers Wireless Inc.	15-Dec-11	7.63%	11,100	10,840	
10,000	Royal Bank of Canada	18-Jun-14	5.95%	10,698	10,380	
10,000	Shaw Communications Inc.	2-Mar-17	5.70%	9,977	9,345	
10,000	Shaw Communications Inc.	20-Nov-13	7.50%	11,000	10,503	
10,000	Sungard Data Systems Inc.	15-Aug-15	10.25%	11,680	11,248	
25,000	Toronto-Dominion Bank	14-Dec-05	4.78%	24,980	23,742	
5,000	TransCanada Pipelines Ltd.	15-May-67	6.35%	5,433	5,134	
5,000	TransCanada Pipelines Ltd.	7-Aug-28	6.89%	5,945	5,684	
10,000	Windstream Corp.	1-Aug-16	8.63%	12,953	11,249	
	Total Corporate Bonds			<u>418,277</u>	<u>391,288</u>	77.1
	Total Bonds			<u>476,089</u>	<u>445,824</u>	<u>87.9</u>

Lakeview KBSH Premium Bond Explorer Fund

Statement of Investment Portfolio as at December 31, 2006 (Unaudited) (Amounts expressed in Canadian Dollars)

Number of Shares or Units	Description	Maturity Date	Coupon Rate	Average Cost	Market Value	% of Net Assets
	CANADIAN COMMON STOCK					
	Energy					
900	Enbridge Income Fund			10,309	10,197	
	Total Energy			<u>10,309</u>	<u>10,197</u>	2.0
	Industrials					
	Commercial Services & Supplies					
300	Davis & Henderson Income Fund			4,458	5,775	1.1
	Transportation					
400	Livingston International Income Fund			8,336	8,100	1.6
	Total Industrials			<u>12,794</u>	<u>13,875</u>	2.7
	Consumer Discretionary					
	Media					
700	Yellow Pages Income Fund			9,248	9,716	
	Total Consumer Discretionary			<u>9,248</u>	<u>9,716</u>	1.9
	Financials					
	Real Estate					
300	Calloway REIT			8,232	7,473	
	Total Financials			<u>8,232</u>	<u>7,473</u>	1.5
	Information Technology					
	Software & Services					
900	Teranet Income Fund			7,749	8,946	
	Total Information Technology			<u>7,749</u>	<u>8,946</u>	1.8
	Total Canadian Common Stock			<u>48,332</u>	<u>50,207</u>	9.9
	Total Investments			<u>\$524,421</u>	<u>496,031</u>	97.8
	Commissions and other portfolio transaction costs (note 2)			373	—	—
	Net investments			<u>\$524,048</u>	<u>496,031</u>	97.8
	Other Assets				11,350	2.2
	Net Assets Representing Unitholders' Equity				<u>\$507,381</u>	<u>100.0</u>

Lakeview KBSH Premium Bond Explorer Fund

Statements of Net Assets as at June 30, 2007 (Unaudited) and December 31, 2006 (Audited) – (Amounts expressed in Canadian Dollars)

	2007	2006
ASSETS		
Investments, at market value (average cost – \$524,048; 2006 – \$432,634)	\$496,031	\$438,091
Cash	3,976	18,239
Subscription receivable on sale of units	—	5,494
Interest and dividends receivable	8,355	5,962
	<u>508,362</u>	<u>467,786</u>
LIABILITIES		
Management fee payable	653	498
Accrued trustee fees	147	70
Distribution payable	142	—
Fund operating expenses payable	39	34
	<u>981</u>	<u>602</u>
TOTAL NET ASSETS AND UNITHOLDERS' EQUITY	<u>\$507,381</u>	<u>\$467,184</u>
TOTAL NET ASSETS AND UNITHOLDERS' EQUITY FOR EACH SERIES		
Series A	\$507,361	\$467,164
Series F	\$10	\$10
Series O	\$10	\$10
NET ASSETS PER UNIT		
Series A	\$9.64	\$10.22
Series F	\$9.77	\$10.33
Series O	\$9.77	\$10.33

Lakeview KBSH Premium Bond Explorer Fund

Statement of Operations for the six-month period ended June 30, 2007 (Unaudited) – (Amounts expressed in Canadian Dollars)

	2007
INCOME	
Dividends (net of withholding taxes)	\$2,174
Interest and other income	<u>14,867</u>
	<u>17,041</u>
EXPENSES	
Management fee	4,454
Trustee fee	307
Custodial fee	2,583
Unitholder reporting costs	1,976
Valuation fee	18,550
Unitholder communication	5,876
Audit fee	145
Legal and filing fees	84
Transaction fees	794
Other administrative expenses	<u>8,860</u>
	<u>43,629</u>
Expenses absorbed by the manager	<u>(38,473)</u>
	5,156
NET INVESTMENT INCOME (LOSS)	
	<u>11,885</u>
Realized gain (loss) on investments, including foreign exchange gain	(343)
Commissions and other portfolio transaction costs	(166)
Change in unrealized appreciation (depreciation) of investments	<u>(32,446)</u>
NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS	
	<u>(32,955)</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	
	<u>(\$21,070)</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SERIES	
Series A	(\$21,070)
Series F	\$0
Series O	\$0
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT	
Series A	(\$0.37)
Series F	\$0.00
Series O	\$0.00

Lakeview KBSH Premium Bond Explorer Fund

Statements of Changes in Net Assets for the six-month period ended June 30, 2007 (Unaudited) – (Amounts expressed in Canadian Dollars)

	2007 Series A	2007 Series F
NET ASSETS AT BEGINNING OF PERIOD	\$466,038	\$10
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	(21,070)	—
DISTRIBUTIONS		
Distributions from net investment income	(11,646)	—
TOTAL DISTRIBUTIONS PAID TO UNITHOLDERS	(11,646)	—
CAPITAL UNIT TRANSACTIONS		
Proceeds from sale of units	266,798	—
Redemption	(203,675)	—
Reinvestment of distributions	10,916	—
NET CAPITAL UNIT TRANSACTIONS	74,039	—
INCREASE (DECREASE) IN NET ASSETS	41,323	—
NET ASSETS AT END OF PERIOD	\$507,361	\$10

	2007 Series O	2007 Total
NET ASSETS AT BEGINNING OF PERIOD	\$10	\$466,058
INCREASE IN NET ASSETS FROM OPERATIONS	—	(21,070)
DISTRIBUTIONS		
Distributions from net investment income	—	(11,646)
TOTAL DISTRIBUTIONS PAID TO UNITHOLDERS	—	(11,646)
CAPITAL UNIT TRANSACTIONS		
Proceeds from sale of units	—	266,798
Redemption	—	(203,675)
Reinvestment of distributions	—	10,916
NET CAPITAL UNIT TRANSACTIONS	—	74,039
INCREASE IN NET ASSETS	—	41,330
NET ASSETS AT END OF PERIOD	\$10	\$507,381

UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

The accompanying interim financial statements have not been reviewed by the external auditors of the fund. The external auditors will be auditing the annual financial statements of the fund in accordance with Canadian generally accepted auditing standards.

Lakeview KBSH Equity Income Explorer Fund

Statement of Investment Portfolio as at June 30, 2007 (Unaudited) (Amounts expressed in Canadian Dollars)

Number of Shares or Units	Description	Maturity Date	Coupon Rate	Average Cost	Market Value	% of Net Assets
SHORT TERM INVESTMENTS						
50,000	Canada Treasury Bills	12-Jul-07	4.148%	\$ 49,511	\$ 49,925	
50,000	Canada Treasury Bills	9-Aug-07	4.142%	49,506	49,763	
50,000	Canada Treasury Bills	23-Aug-07	4.278%	49,501	49,674	
	Total Short Term Investments			<u>148,518</u>	<u>149,362</u>	13.9
CANADIAN COMMON STOCK						
Energy						
1,000	ARC Energy Trust			23,005	21,650	
1,000	Baytex Energy Trust			19,543	21,180	
2,200	Enbridge Income Fund			24,610	24,926	
300	EnCana Corp.			16,686	19,656	
3,000	Spectra Energy Income Fund			28,333	30,780	
300	Suncor Energy Inc.			27,504	28,701	
900	TransCanada Corp.			34,086	32,976	
	Total Energy			<u>173,767</u>	<u>179,869</u>	16.7
Materials						
2,100	Noranda Income Fund, Class A			20,933	23,667	
600	Teck Cominco Ltd., Class B			25,266	27,024	
	Total Materials			<u>46,199</u>	<u>50,691</u>	4.7
Industrials						
Commercial Services & Supplies						
800	BFI Canada Income Fund			21,992	22,456	
				<u>21,992</u>	<u>22,456</u>	2.1
Transportation						
1,000	Livingston International Income Fund			21,226	20,250	
				<u>21,226</u>	<u>20,250</u>	1.9
	Total Industrials			<u>43,218</u>	<u>42,706</u>	4.0
Consumer Discretionary						
Media						
1,700	Cineplex Galaxy Income Fund			28,968	29,750	
2,200	Yellow Pages Income Fund			29,440	30,536	
	Total Consumer Discretionary			<u>58,408</u>	<u>60,286</u>	5.6
Consumer Staples						
Food, Beverage & Tobacco						
1,900	Connors Brothers Income Fund			21,522	21,337	
	Total Consumer Staples			<u>21,522</u>	<u>21,337</u>	2.0
Financials						
Banks						
600	Bank of Nova Scotia			30,684	31,128	
500	Toronto-Dominion Bank			34,454	36,430	
				<u>65,138</u>	<u>67,558</u>	6.3
Diversified Financials						
1,000	Saxon Financial Inc.			23,997	22,840	
600	TSX Group Inc.			25,291	25,020	
				<u>49,288</u>	<u>47,860</u>	4.5
Insurance						
600	Manulife Financial Corp.			24,012	23,862	2.2

See Accompanying Notes

Lakeview KBSH Equity Income Explorer Fund

Statement of Investment Portfolio as at June 30, 2007 (Unaudited) (Amounts expressed in Canadian Dollars)

Number of Shares or Units	Description	Maturity Date	Coupon Rate	Average Cost	Market Value	% of Net Assets
	Real Estate					
1,200	Calloway REIT			33,001	29,892	
1,900	Canadian Hotel Income Properties REIT			28,594	29,412	
700	Dundee REIT			32,935	31,556	
				94,530	90,860	8.4
	Total Financials			232,968	230,140	21.4
	Telecommunication Services					
500	Telus Corp.			27,601	31,885	
	Total Telecommunication Services			27,601	31,885	3.0
	Utilities					
500	TransAlta Corp.			12,245	13,355	
	Total Utilities			12,245	13,355	1.2
	Total Canadian Common Stock			615,928	630,269	58.6
	UNITED STATES COMMON STOCK					
	Consumer Staples					
	Food Beverage & Tobacco					
400	General Mills Inc.			26,456	24,824	2.3
	Food & Staples Retailing					
400	CVS Corp.			14,033	15,492	
400	Wal-Mart Stores Inc.			21,223	20,462	
				35,256	35,954	3.3
	Household & Personal Products					
400	Procter & Gamble Co.			29,738	26,002	2.5
	Total Consumer Staples			91,450	86,780	8.1
	Health Care					
	Pharmaceuticals & Biotechnology					
400	Eli Lilly and Co., with Rights			24,722	23,756	
500	Johnson & Johnson			37,941	32,748	
2,100	Northstar Healthcare Inc.			26,265	29,925	
	Total Health Care			88,928	86,429	8.0
	Financials					
	Banks					
400	Bank of America Corp.			24,382	20,782	
700	Societe Generale, ADR			28,301	27,402	
				52,683	48,184	4.5
	Diversified Financials					
400	Citigroup Inc.			23,714	21,803	2.0
	Total Financials			76,397	69,987	6.5
	Telecommunications					
1,300	Otelco Inc.			33,661	27,104	
	Total Telecommunications			33,661	27,104	2.5

Lakeview KBSH Equity Income Explorer Fund

Statement of Investment Portfolio as at June 30, 2007 (Unaudited) (Amounts expressed in Canadian Dollars)

Number of Shares or Units	Description	Maturity Date	Coupon Rate	Average Cost	Market Value	% of Net Assets
	Utilities					
1,400	Duke Energy Corp.			37,150	27,238	
	Total Utilities			<u>37,150</u>	<u>27,238</u>	<u>2.5</u>
	Total United States Common Stock			<u>327,586</u>	<u>297,538</u>	<u>27.6</u>
	Total Investments			<u>\$1,092,032</u>	<u>1,077,169</u>	<u>100.1</u>
	Commissions and other portfolio transaction costs (note 2)			1,891	—	—
	Net investments			<u>\$1,090,141</u>	<u>1,077,169</u>	<u>100.1</u>
	Other Assets				<u>(1,701)</u>	<u>(0.1)</u>
	Net Assets Representing Unitholders' Equity				<u>\$1,075,468</u>	<u>100.0</u>

Lakeview KBSH Equity Income Explorer Fund

Statements of Net Assets as at June 30, 2007 (Unaudited) and December 31, 2006 (Audited) – (Amounts expressed in Canadian Dollars)

	2007	2006
ASSETS		
Investments, at market value (average cost – \$1,090,141; 2006 – \$818,237)	\$1,077,169	\$823,694
Cash	18,803	26,482
Subscription receivable on sale of units	—	54,428
Receivable for investments sold	6,730	—
Interest and dividends receivable	4,235	1,814
	<u>1,106,937</u>	<u>906,418</u>
LIABILITIES		
Payable for investments purchased	28,968	84,411
Distribution payable	809	133
Management fee payable	1,331	583
Accrued trustee fees	278	68
Fund operating expenses payable	83	36
	<u>31,469</u>	<u>85,231</u>
TOTAL NET ASSETS AND UNITHOLDERS' EQUITY	<u>\$1,075,468</u>	<u>\$821,187</u>
TOTAL NET ASSETS AND UNITHOLDERS' EQUITY FOR EACH SERIES		
Series A	\$749,810	\$517,745
Series F	\$325,647	\$303,432
Series O	\$11	\$10
NET ASSETS PER UNIT		
Series A	\$10.21	\$10.16
Series F	\$10.33	\$10.22
Series O	\$10.35	\$10.23

Lakeview KBSH Equity Income Explorer Fund

Statement of Operations for the six-month period ended June 30, 2007 (Unaudited) – (Amounts expressed in Canadian Dollars)

	2007
INCOME	
Dividends (net of withholding taxes)	\$34,544
Interest and other income	613
	<u>35,157</u>
EXPENSES	
Management fee	7,684
Trustee fee	537
Custodial fee	2,584
Unitholder reporting costs	2,278
Valuation fee	18,550
Transactions Fee	1,975
Unitholder communication	10,260
Interest expense	138
Audit fee	252
Legal and filing fees	147
Other administrative expenses	8,974
	<u>53,379</u>
Expenses absorbed by the manager	(44,535)
	8,844
NET INVESTMENT INCOME (LOSS)	
	<u>26,313</u>
Realized gain (loss) on investments, including foreign exchange	25,395
Commissions and other portfolio transaction costs	(3,487)
Change in unrealized appreciation (depreciation) of investments and foreign currency	(17,889)
	<u>4,019</u>
NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS	
	<u>\$30,332</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SERIES	
Series A	\$17,574
Series F	\$12,758
Series O	—
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT	
Series A	\$0.26
Series F	\$0.41
Series O	—

Lakeview KBSH Equity Income Explorer Fund

Statements of Changes in Net Assets for the six-month period ended June 30, 2007 (unaudited) (Amounts expressed in Canadian Dollars)

	2007 Series A	2007 Series F
NET ASSETS AT BEGINNING OF PERIOD	<u>\$516,879</u>	<u>\$302,889</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	<u>17,574</u>	<u>12,758</u>
DISTRIBUTIONS		
Distributions from net investment income	(21,325)	(9,255)
TOTAL DISTRIBUTIONS PAID TO UNITHOLDERS	<u>(21,325)</u>	<u>(9,255)</u>
CAPITAL UNIT TRANSACTIONS		
Proceeds from sale of units	394,648	10,000
Redemption of sale of units	(174,479)	—
Reinvestment of distributions	16,513	9,255
NET CAPITAL UNIT TRANSACTIONS	<u>236,682</u>	<u>19,255</u>
INCREASE (DECREASE) IN NET ASSETS	<u>215,357</u>	<u>10,000</u>
NET ASSETS AT END OF PERIOD	<u>\$749,810</u>	<u>\$325,647</u>

	2007 Series O	2007 Total
NET ASSETS AT BEGINNING OF PERIOD	<u>\$10</u>	<u>\$819,778</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	<u>—</u>	<u>30,332</u>
DISTRIBUTIONS		
Distributions from net investment income	—	(30,580)
TOTAL DISTRIBUTIONS PAID TO UNITHOLDERS	<u>—</u>	<u>(30,580)</u>
CAPITAL UNIT TRANSACTIONS		
Proceeds from sale of units	1	404,649
Amounts paid on redemptions	—	(174,479)
Reinvestment of distributions	—	25,768
NET CAPITAL UNIT TRANSACTIONS	<u>1</u>	<u>255,938</u>
INCREASE (DECREASE) IN NET ASSETS	<u>1</u>	<u>255,690</u>
NET ASSETS AT END OF PERIOD	<u>\$11</u>	<u>\$1,075,468</u>

UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

The accompanying interim financial statements have not been reviewed by the external auditors of the fund. The external auditors will be auditing the annual financial statements of the fund in accordance with Canadian generally accepted auditing standards.

Lakeview KBSH Large Cap Explorer Fund

Statement of Investment Portfolio as at June 30, 2007 (Unaudited) (Amounts expressed in Canadian Dollars)

Number of Shares or Units	Description	Average Cost	Market Value	% of Net Assets
CANADIAN COMMON STOCK				
Energy				
100	EnCana Corp.	\$6,675	\$6,552	
400	Nexen Inc.	12,652	13,200	
200	OPTI Canada Inc.	4,388	4,542	
100	Petro-Canada	5,533	5,647	
100	Suncor Energy Inc.	8,189	9,567	
300	Talisman Energy Inc.	6,195	6,174	
	Total Energy	43,632	45,682	20.6
Materials				
200	Agnico-Eagle Mines Ltd.	8,176	7,744	
100	Alcan Inc.	8,632	8,655	
200	Cameco Corp.	9,563	10,762	
200	Goldcorp Inc.	5,072	5,040	
200	HudBay Minerals Inc.	4,264	4,450	
100	Inmet Mining Corp.	5,991	8,235	
200	Teck Cominco Ltd., Class B	9,266	9,266	
	Total Materials	50,964	54,152	24.4
Industrial				
Capital Goods				
100	SNC-Lavalin Group Inc.	3,783	3,875	1.8
Transportation				
100	Canadian National Railway Co.	5,386	5,420	2.4
	Total Industrial	9,169	9,295	4.2
Consumer Discretionary				
Media				
200	Rogers Communications Inc., Class B	9,056	9,040	
100	Shaw Communications Inc., Class B	4,494	4,502	
		13,550	13,542	6.1
Retailing				
100	Canadian Tire Corp. Ltd., Class A	8,182	8,352	3.8
	Total Consumer Discretionary	21,732	21,894	9.9
Consumer Staples				
Food & Staples Retailing				
200	Shoppers Drug Mart Corp.	9,686	9,856	4.5
	Total Consumer Staples	9,686	9,856	4.5
Financials				
Banks				
100	Bank of Nova Scotia	5,277	5,188	
100	Canadian Imperial Bank of Commerce	9,616	9,576	
200	Royal Bank of Canada	11,498	11,324	
100	Toronto-Dominion Bank	7,199	7,286	
		33,590	33,374	15.1

See Accompanying Notes

Lakeview KBSH Large Cap Explorer Fund

Statement of Investment Portfolio as at June 30, 2007 (Unaudited) (Amounts expressed in Canadian Dollars)

Number of Shares or Units	Description	Average Cost	Market Value	% of Net Assets
	Diversified Financials			
100	IGM Financial Inc.	5,183	5,177	2.3
	Insurance			
300	Manulife Financial Corp.	11,997	11,931	5.4
	Total Financials	50,770	50,482	22.8
	Information Technology Software & Services			
100	Cognos Inc.	4,145	4,217	1.9
	Technology Hardware & Equipment			
100	Research In Motion Ltd.	17,539	21,328	9.6
	Total Information Technology	21,684	25,545	11.5
	Telecommunication Services			
100	Telus Corp.	6,307	6,377	2.9
	Total Telecommunication Services	6,307	6,377	2.9
	Total Canadian Common Stock	213,944	223,283	100.8
	Total Investments	\$213,944	223,283	100.8
	Commissions and other portfolio transaction costs (note 2)	226	—	—
	Net investments	\$213,718	223,283	100.8
	Other Assets		(1,554)	(0.8)
	Net Assets Representing Unitholders' Equity		\$221,729	100.0

Lakeview KBSH Large Cap Explorer Fund

Statements of Net Assets as at June 30, 2007 (Unaudited) and December 31, 2006 (Audited) – (Amounts expressed in Canadian Dollars)

	2007	2006
ASSETS		
Investments, at market value (average cost – \$213,718; 2006 – \$268,981)	\$223,283	\$286,244
Cash	2,099	23,809
Receivable for investments sold	160,176	—
Interest and dividends receivable	49	446
	<u>385,607</u>	<u>310,499</u>
LIABILITIES		
Payable for investments purchased	163,435	—
Management fee payable	361	498
Accrued trustee fees	66	54
Fund operating expenses payable	16	23
	<u>163,878</u>	<u>575</u>
TOTAL NET ASSETS AND UNITHOLDERS' EQUITY	<u>\$221,729</u>	<u>\$309,924</u>
TOTAL NET ASSETS AND UNITHOLDERS' EQUITY FOR EACH SERIES		
Series A	\$221,707	\$309,902
Series F	\$11	\$11
Series O	\$11	\$11
NET ASSETS PER UNIT		
Series A CAD	\$10.54	\$10.89
Series A USD	\$9.91	\$9.36
Series F CAD	\$10.70	\$10.96
Series F USD	\$10.06	\$9.42
Series O CAD	\$10.77	\$11.03
Series O USD	\$10.12	\$9.48

Lakeview KBSH Large Cap Explorer Fund

Statement of Operations for the six-month period ended June 30, 2007 (Unaudited) – (Amounts expressed in Canadian Dollars)

	2007
INCOME	
Dividends (net of withholding taxes)	\$1,771
Interest and other income	<u>397</u>
	<u>2,168</u>
EXPENSES	
Management fee	3,263
Trustee fee	167
Custodial fee	2,583
Transaction fee	785
Legal and filing fees	46
Unitholder reporting costs	1,103
Valuation fee	18,550
Unitholder communication	3,196
Audit fee	78
Other administrative expenses	<u>8,697</u>
	<u>38,468</u>
Expenses absorbed by the manager	<u>(34,792)</u>
	3,676
NET INVESTMENT INCOME (LOSS)	<u>(1,508)</u>
Realized gain (loss) on investments, including foreign exchange loss	(2,418)
Commissions and other portfolio transaction costs	(489)
Change in unrealized appreciation (depreciation) of investments and foreign currency	<u>(8,030)</u>
NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS	<u>(10,937)</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	<u>(\$12,445)</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SERIES	
Series A	(\$12,445)
Series F	—
Series O	—
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT	
Series A	(\$0.42)
Series F	—
Series O	—

Lakeview KBSH Large Cap Explorer Fund

Statements of Changes in Net Assets for the six-month period ended June 30, 2007 (Unaudited) – (Amounts expressed in Canadian Dollars)

	2007 Series A	2007 Series F
NET ASSETS AT BEGINNING OF PERIOD	\$309,706	\$11
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	(12,445)	—
CAPITAL UNIT TRANSACTIONS		
Proceeds from sale of units	96,080	—
Amounts paid on redemptions	(171,634)	—
NET CAPITAL UNIT TRANSACTIONS	(75,554)	—
INCREASE (DECREASE) IN NET ASSETS	(87,999)	—
NET ASSETS AT END OF PERIOD	\$221,707	\$11

	2007 Series O	2007 Total
NET ASSETS AT BEGINNING OF PERIOD	\$11	\$309,728
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	—	(12,445)
CAPITAL UNIT TRANSACTIONS		
Proceeds from sale of units	—	96,080
Amounts paid on redemptions	—	(171,634)
NET CAPITAL UNIT TRANSACTIONS	—	(75,554)
INCREASE (DECREASE) IN NET ASSETS	—	(87,999)
NET ASSETS AT END OF PERIOD	\$11	\$221,729

UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

The accompanying interim financial statements have not been reviewed by the external auditors of the fund. The external auditors will be auditing the annual financial statements of the fund in accordance with Canadian generally accepted auditing standards.

Lakeview KBSH Small Cap Explorer Fund

Statement of Investment Portfolio as at June 30, 2007 (Unaudited) (Amounts expressed in Canadian Dollars)

Number of Shares or Units	Description	Maturity Date	Coupon Rate	Average Cost	Market Value	% of Net Assets
	SHORT TERM INVESTMENTS					
25,000	Canada Treasury Bills	26-Jul-07	4.15%	\$24,755	\$24,920	
	Total Short Term Investments			24,755	24,920	8.2
	CANADIAN COMMON STOCK					
	Energy					
500	Galleon Energy Inc., Class A			8,114	8,690	
500	ProEx Energy Ltd.			6,832	7,495	
	Total Energy			14,946	16,185	5.3
	Industrials					
	Commercials Services & Supplies					
500	Stantec Inc.			11,550	17,430	
	Total Industrials			11,550	17,430	5.8
	Consumer Discretionary					
	Retailing					
700	Forzani Group Ltd., Class A			11,987	16,317	
500	RONA Inc.			10,763	11,100	
	Total Consumer Discretionary			22,750	27,417	9.0
	Consumer Staples					
	Food Beverage & Tobacco					
300	Canada Bread Co. Ltd.			17,159	18,150	
	Total Consumer Staples			17,159	18,150	6.0
	Total Canadian Common Stock			66,405	79,182	26.1
	UNITED STATES COMMON STOCK					
	Industrials					
	Commercial Service & Supplies					
200	Roper Industries Inc., with Rights			11,973	12,132	
500	Navigant Consulting Inc.			10,654	9,866	
				22,627	21,998	7.3
	Transportation					
600	UTI Worldwide Inc.			18,579	17,086	5.6
	Total Industrials			41,206	39,084	12.9
	Consumer Discretionary					
	Consumer Durables & Apparel					
300	Pool Corp.			13,207	12,168	
500	Tempur-Pedic International Inc.			11,125	13,770	
				24,332	25,938	8.6
	Media					
2,000	Mediacom Communications Corp.			17,034	20,615	
200	RH Donnelley Corp.			13,135	16,103	
				30,169	36,718	12.1
	Total Consumer Discretionary			54,501	62,656	20.7

Lakeview KBSH Small Cap Explorer Fund

Statement of Investment Portfolio as at June 30, 2007 (Unaudited) (Amounts expressed in Canadian Dollars)

Number of Sharese or Units	Description	Maturity Date	Coupon Rate	Average Cost	Market Value	% of Net Assets
	Consumer Staples					
	Household & Personal Products					
500	Alberto-Culver Co.			12,934	12,589	
	Total Consumer Staples			12,934	12,589	4.2
	Health Care					
	Health Care Equipment & Services					
200	HealthExtras Inc.			6,482	6,293	
200	Respironics Inc.			8,042	9,055	
300	Sierra Health Services Inc.			12,980	13,247	
	Total Health Care			27,504	28,595	9.4
	Financials					
	Diversified Financials					
300	Eaton Vance Corp.			10,514	14,085	
400	Euronet Worldwide Inc.			11,422	12,403	
200	International Securities Exchange Inc., Class A			10,945	13,901	
	Total Financials			32,881	40,389	13.3
	Telecommunication Services					
300	NeuStar Inc., Class A			10,489	9,232	
	Total Telecommunication Services			10,489	9,232	3.0
	Total United States Common Stock			179,515	192,545	63.5
	Total Investments			\$270,675	296,647	97.8
	Commissions and other portfolio transaction costs (note 2)			419	—	—
	Net investments			\$270,256	296,647	97.8
	Other Assets				6,734	2.2
	Net Assets Representing Unitholders' Equity				\$303,381	100.0

Lakeview KBSH Small Cap Explorer Fund

Statements of Net Assets as at June 30, 2007 (Unaudited) and December 31, 2006 (Audited) – (Amounts expressed in Canadian Dollars)

	2007	2006
ASSETS		
Investments, at market value (average cost – \$270,256; 2006 – \$186,714)	\$296,647	\$198,325
Cash	7,326	14,735
Interest and dividends receivable	18	295
	<u>303,991</u>	<u>213,355</u>
LIABILITIES		
Management fee payable	506	344
Accrued trustee fees	81	45
Fund operating expenses payable	23	16
	<u>610</u>	<u>405</u>
TOTAL NET ASSETS AND UNITHOLDERS' EQUITY	<u>\$303,381</u>	<u>\$212,950</u>
TOTAL NET ASSETS AND UNITHOLDERS' EQUITY FOR EACH SERIES		
Series A	\$303,359	\$212,928
Series F	\$11	\$11
Series O	\$11	\$11
NET ASSETS PER UNIT		
Series A CAD	\$10.96	\$10.48
Series A USD	\$10.30	\$9.00
Series F CAD	\$11.11	\$10.50
Series F USD	\$10.44	\$9.02
Series O CAD	\$11.11	\$10.50
Series O USD	\$10.44	\$9.02

Lakeview KBSH Small Cap Explorer Fund

Statement of Operations for the six-month period ended June 30, 2007 (Unaudited) – (Amounts expressed in Canadian Dollars)

	2007
INCOME	
Dividends (net of withholding taxes)	\$335
Distributions from royalty and trust units	—
Interest and other income	607
	<u>942</u>
EXPENSES	
Management fee	3,066
Trustee fee	157
Transaction Fee	428
Custodial fee	2,583
Unitholder reporting costs	1,025
Valuation fee	18,550
Unitholder communication	3,010
Audit fee	74
Legal and filing fees	43
Other administrative expenses	8,448
Interest expense	11
	<u>37,395</u>
Expenses absorbed by the manager	<u>(34,021)</u>
	3,374
NET INVESTMENT INCOME (LOSS)	<u>(2,432)</u>
Realized gain (loss) on investments, including foreign exchange loss	(806)
Commissions and other portfolio transaction costs	(170)
Change in unrealized appreciation (depreciation) of investments and foreign currency	14,982
	<u>14,006</u>
NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS	<u>14,006</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	<u>\$11,574</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SERIES	
Series A	\$11,572
Series F	\$1
Series O	\$1
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT	
Series A	\$0.42
Series F	\$1.00
Series O	\$1.00

Lakeview KBSH Small Cap Explorer Fund

Statements of Changes in Net Assets for the six-month period ended June 30, 2007 (Unaudited) – (Amounts expressed in Canadian Dollars)

	2007 Series A	2007 Series F
NET ASSETS AT BEGINNING OF PERIOD	\$212,587	\$10
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	11,572	1
DISTRIBUTIONS		
Return of capital	—	—
Distributions from net investment income	—	—
Distributions from net realized gains	—	—
Distributions of management fee rebate	—	—
TOTAL DISTRIBUTIONS PAID TO UNITHOLDERS	—	—
CAPITAL UNIT TRANSACTIONS		
Proceeds from sale of units	204,202	—
Amounts paid on redemptions	(125,002)	—
Reinvestment of distributions	—	—
NET CAPITAL UNIT TRANSACTIONS	79,200	—
INCREASE (DECREASE) IN NET ASSETS	90,772	1
NET ASSETS AT END OF PERIOD	\$303,359	\$11

	2007 Series O	2007 Total
NET ASSETS AT BEGINNING OF PERIOD	\$10	\$212,607
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	1	11,574
CAPITAL UNIT TRANSACTIONS		
Proceeds from sale of units	—	204,202
Amounts paid on redemptions	—	(125,002)
Reinvestment of distributions	—	—
NET CAPITAL UNIT TRANSACTIONS	—	79,200
INCREASE (DECREASE) IN NET ASSETS	1	90,774
NET ASSETS AT END OF PERIOD	\$11	\$303,381

Notes to Financial Statements

June 30, 2007 (Unaudited) – (Amounts expressed in Canadian Dollars)

1. Formation of the Funds

The Lakeview Funds consist of Lakeview Disciplined Leadership High Income Fund, Lakeview Disciplined Leadership Canadian Equity Fund, Lakeview Disciplined Leadership U.S. Equity Fund, Lakeview KBSH Premium Bond Explorer Fund, Lakeview KBSH Equity Income Explorer Fund, Lakeview KBSH Large Cap Explorer Fund and Lakeview KBSH Small Cap Explorer Fund (collectively, the “Funds”) and are mutual fund trusts governed by the laws of Ontario pursuant to a master declaration of trust. Lakeview Disciplined Leadership High Income Fund, Lakeview Disciplined Leadership Canadian Equity Fund and Lakeview Disciplined Leadership U.S. Equity Fund (collectively, the “DL Funds”) were established on June 15, 2004 and operations commenced on July 5, 2004. Lakeview KBSH Premium Bond Explorer Fund, Lakeview KBSH Equity Income Explorer Fund, Lakeview KBSH Large Cap Explorer Fund and Lakeview KBSH Small Cap Explorer Fund (collectively, the “KBSH Funds”) were established on August 25, 2006 and operations commenced on September 1, 2006.

Since inception, the DL Funds have received portfolio advice from the Disciplined Leadership Team, a division of Barometer Capital Inc. (“Barometer” formerly, Rockwater Asset Management Inc.). From June 17, 2005 to August 31, 2006 KBSH Capital Management Inc. (“KBSH”), an indirect wholly-owned subsidiary of Rockwater Capital Corporation (“RCC”) acted as trustee and manager of the DL Funds and effective September 1, 2006, Lakeview Asset Management Inc. (“LAM”), an indirect wholly-owned subsidiary of RCC, became the trustee and manager of the DL Funds.

In May 2007, CI Financial Income Fund, (“CI”) acquired all of the outstanding shares of RCC, the parent company of LAM. The resulting transaction gives CI indirect control over LAM.

In June 2007, LAM proposed to change the name of the following funds:

<u>Current Fund Name</u>	<u>New Fund Name</u>
Lakeview KBSH Small Cap Explorer Fund	Knight Bain Small Cap Fund
Lakeview KBSH Large Cap Explorer Fund	Knight Bain Pure Canadian Equity Fund
Lakeview KBSH Equity Income Explorer Fund	Knight Bain Diversified Monthly Income Fund
Lakeview KBSH Premium Bond Explorer Fund	Knight Bain Corporate Bond Fund

Along with the name changes, LAM also proposed to change the investment objectives of the Lakeview KBSH Large Cap Explorer Fund and Lakeview KBSH Equity Income Explorer Fund. The changes will take effect on or about August 1, 2007. For more specific details, refer to the amendment to the prospectus filed on SEDAR at www.sedar.com.

2. Summary of Significant Accounting Policies

Basis of Presentation

These financial statements are prepared in accordance with Canadian generally accepted accounting principles and include estimates and assumptions made by management that affect the reported amount of assets, liabilities, income and expenses. The following is a summary of significant accounting policies used by the Funds:

Adoption of New Accounting Standards

On April 1, 2005, the Canadian Institute of Chartered Accountants (“CICA”) issued Section 3855, “Financial Instruments – Recognition and Measurement” of the CICA Handbook – Accounting, which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 (“NI 81-106”), issued by the Canadian Securities Administrators in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP. The adoption of Section 3855 would result in the use of different valuation techniques of certain investments.

On June 1, 2007, the Canadian Securities Administrators (CSA) issued a notice and request for comment to the proposed amendments to NI 81-106, Form 81-106F1 and 81-106CP. The proposed amendments permit investment funds to have two different net asset values; one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets required bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments, whereas, Net Asset Value uses closing sale prices. The CSA will require a reconciliation between Net Assets and the Net Asset Value. Refer to Note 11 for such reconciliation for the period ended June 30, 2007.

The provision of Section 3855 has been applied retroactively without restatement of prior periods. Accordingly, the opening net assets in the Statements of Changes and Net Assets for the fiscal period ended June 30, 2007 has been adjusted. Refer to Note 11 for the amount adjusted for each class.

Valuation of Investments

Listed securities are valued based on the bid price for long securities and the ask price for securities held short on the valuation date. Securities with no available bid prices are valued at the last traded price for the day. Unlisted securities are valued based on price quotations from recognized investment dealers, or failing that, management's best estimate of fair value. Short-term fixed income securities are valued at the evaluated bid quotations from recognized investment dealers.

Commissions and Other Portfolio Transaction Costs

In accordance with Section 3855, transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities, are charged to net income and are included in "Commissions and other portfolio transaction costs" in the Statements of Operations. Prior to this new standard, these costs were added to the cost of the securities purchased or deducted from the proceeds of sale. There is no impact to the net assets or the net asset value of the Funds in using either of these methods.

Investment Transactions and Income Recognition

All investment transactions are accounted for on the trade date. Realized gains and losses from investment transactions and unrealized appreciation or depreciation of investments are calculated on an average cost basis.

Income from investment transactions is recognized on an accrual basis. Interest income is recognized as earned and dividends and distribution income are recognized on the ex-dividend date.

Distributions received from income trusts are recorded as income, capital gains or a return of capital, based on the information available to the Portfolio Advisor. Due to the nature of these investments, actual allocations could vary from this information. Distributions from income trusts that are treated as a return of capital for income tax purposes reduce the average cost of the underlying income trust.

Foreign Exchange

- a) Foreign currency purchases and sales of investments and foreign currency dividend and interest income are translated into Canadian dollars at the exchange rate prevailing on the date of the transaction.
- b) The market value of securities and other assets denominated in foreign currencies are translated into Canadian dollars at the rate of exchange established on each valuation date.
- c) Units of Lakeview Disciplined Leadership U.S. Equity Fund, Lakeview KBSH Large Cap Explorer Fund and Lakeview KBSH Small Cap Explorer Fund may be purchased in either Canadian or US currency. The net asset value ("NAV") per unit is translated at the rate of exchange prevailing on the date the units are issued or redeemed.

Valuation of the Fund Units

On each Valuation Date, the Manager, or its agent, will calculate a unit price for each series of units of the Funds. For each particular Fund, the unit price of each series of units is calculated by dividing the market value of the net assets of that Fund allocated to that series (the value of the proportionate share of assets of the particular fund allocated to that series less the liabilities of that series and the proportionate share of the common liabilities of the particular fund allocated to that series) by the total number of outstanding units of that series. The unit price is the basis for all purchases and redemptions and for the reinvestment of distributions.

Increase (Decrease) in Net Assets from Operations Per Unit

Increases (decrease) in net assets from operations per unit are based on the increase (decrease) in net assets from operations attributable to the series divided by the average number of units outstanding in that series during the period.

3. Management Fee and Other Expenses

Management Fees

The Manager is responsible for the day-to-day management of the Funds, including arranging for the management of the investment portfolio. In consideration, the Manager is entitled to receive from the Fund an annualized management fee based on the NAV of the respective series of the Funds. The fee is accrued and calculated daily and payable on a monthly basis as follows:

Fund	Series A	Series F
Lakeview Disciplined Leadership High Income Fund	1.95%	0.95%
Lakeview Disciplined Leadership Canadian Equity Fund	1.95%	0.95%
Lakeview Disciplined Leadership U.S. Equity Fund	2.05%	1.05%
Lakeview KBSH Premium Bond Explorer Fund	1.50%	0.75%
Lakeview KBSH Equity Income Explorer Fund	1.75%	0.75%
Lakeview KBSH Large Cap Explorer Fund	1.95%	0.95%
Lakeview KBSH Small Cap Explorer Fund	1.95%	0.95%

Management fees for Series O units of the Funds are negotiated between the unitholder and the Manager. The calculation and payment of management fees on Series O units of the Funds are determined separately by the unitholder and the Manager and such fees are paid by the unitholder directly.

The Manager may reduce the effective management fee payable for unitholders who invest large amounts in a particular Fund by reducing the management fee charged to that Fund and directing the Fund to make a management fee distribution in the amount of the reduction. Management fee distributions are automatically reinvested in additional units of the relevant series of the Fund.

In June 2007, LAM proposed the establishment of fixed administration fees. Under the proposal, LAM will bear all of the future operating expenses of the Fund, other than certain taxes, brokerage and borrowing costs and certain new governmental fees, in return for the fixed annual administration fees. LAM also proposed to increase the management fee of Lakeview KBSH Equity Income Explorer Fund by 0.25%. The changes are subject to approval in July 2007 and will take effect on or about August 1, 2007. For more specific details, refer to the amendment to the prospectus filed on SEDAR at www.sedar.com.

Performance Fees

In addition to management fees, series A and F units of the DL Funds, Lakeview KBSH Large Cap Explorer Fund and Lakeview KBSH Small Cap Explorer Fund pay the Manager a performance fee equal to 20% of the amount by which the series of units of a Fund outperforms that Fund's benchmark and where the value of the series of units of the Fund exceeds the value of the series of units of that Fund as at the date of the last performance fee payment in any given calendar quarter. The fee is accrued and calculated daily and payable on a quarterly basis.

Performance fees for Series O units, if applicable, are negotiated between the Manager and the unitholder and will be paid directly by the unitholder.

The applicable benchmarks are:

- Lakeview Disciplined Leadership High Income Fund: BIGAR™ Broad Market Composite Index (50%) and S&P/TSX Capped Income Trust Index (50%) for the period up to and including June 30, 2006. S&P/TSX Canadian Bond Index (50%) and S&P/TSX Capped Income Trust Index (50%) for periods after June 30, 2006.
- Lakeview Disciplined Leadership Canadian Equity Fund: S&P/TSX Composite Index
- Lakeview Disciplined Leadership U.S. Equity Fund: S&P 500 Composite Total Return Index
- Lakeview KBSH Large Cap Explorer Fund: S&P/TSX Composite Index (40%) and S&P 500 Composite Total Return Index (60%)
- Lakeview KBSH Small Cap Explorer Fund: S&P/TSX Small Capitalization Index (40%) and Russell 2000® Index (60%)

In June 2007, LAM proposed to discontinue charging performance fees to Lakeview KBSH Large Cap Explorer Fund, Lakeview KBSH Small Cap Explorer Fund and their respective Series O unitholders. The change is subject to approval in July 2007 and will take effect on or about August 1, 2007. For more specific details, refer to the amendment to the prospectus filed on SEDAR at www.sedar.com.

Trustee Fees and Other Expenses

During the period from June 17, 2005 to August 31, 2006, KBSH was the Trustee for the Funds. Effective September 1, 2006, LAM became the Trustee for the Funds. In return for providing trustee services LAM receives a quarterly trustee fee that is based on the average net asset of each series, calculated daily and payable quarterly. The rate charged is 10 basis points on each series of the Funds respectively.

In addition to the fees described above the Funds are responsible for the payment of all direct expenses related to their operations, such as audit fees, legal fees, custodian fees, and other administrative expenses. The GST is recorded as part of the expense to which it applies.

For the Funds, the total actual expenses incurred during the period may exceed those stated in the financial statements; however the Manager may absorb or waive certain portions of the expenses otherwise payable by the Funds as described above.

4. Sales Commissions

The sales commissions payable by unitholders depend on the purchase option and series of units of the Funds purchased by unitholders.

If unitholders purchase front-load, Series A units, unitholders pay their dealer a maximum sales commission of 5% of the amount invested at the time of purchase. The sales commission is negotiable between the unitholder and his or her dealer.

If unitholders purchase low-load, Series A units, the Manager pays the dealer a sales commission of 1% of the amount invested by the unitholder at the time of purchase. If a unitholder redeems low-load, Series A units within 2 years of initial purchase, the unitholder will pay a redemption fee to the manager.

If unitholders purchase deferred sales charge ("DSC"), Series A units, the Manager pays the dealer a sales commission of 4% of the amount invested by the unitholder at the time of purchase. If a unitholder redeems DSC, Series A units within 5 years of initial purchase, the unitholder will pay a redemption fee to the manager.

There are no sales commissions payable on purchases of Series F or Series O units. Purchasers of Series F will generally be required to pay their dealers a fee under a "fee-for-service" or wrap program.

These sales commissions are not paid when you switch or change units but a switch or change fee of up to 2% of the amount you switch may be charged by your dealer.

5. Taxation of the Funds and Distributions

The DL Funds qualify as mutual fund trusts under the provisions of the *Income Tax Act* (Canada). For tax purposes, the DL Funds have a year-end of December 15.

The KBSH Funds qualify as quasi-mutual fund trusts and are registered investments under the provisions of the *Income Tax Act* (Canada). For tax purposes, the KBSH Funds have a year-end of December 31.

In each tax year the Funds distribute sufficient net taxable income and net taxable capital gains to unit holders such that the Funds will not be subject to income taxes. Such distributions may be considered taxable income for the unitholders.

Net capital losses may be carried forward indefinitely to reduce future realized capital gains. Non-capital losses arising in taxation years up to 2003 may be carried forward seven years. Non-capital losses arising in taxation years 2004 and 2005 may be carried forward ten years. Non-capital losses arising in taxation years after 2005 may be carried forward twenty years.

6. Redemption of Units

Redemption proceeds less any redemption fee and/or short-term trading fee (if applicable) will be paid within three business days following receipt of a completed redemption request, all required supporting documentation and the original purchase payments for the units to be redeemed have cleared the Canadian banking system. If this documentation is not received within ten business days of receipt of the redemption request, the Fund is deemed to have received a purchase order for the equivalent number of units redeemed pursuant to the redemption request. If the purchase price is less than the redemption price for the units, the Fund is required to keep the difference. If the purchase price is greater than the redemption price for the units, the unitholder's dealer will be responsible for paying the difference and the associated costs.

7. Reinvestment of Distributions

All distributions made by each series of the Funds are automatically reinvested in additional units of that series at the current NAV per unit, without any acquisition charges. The unitholder may withdraw from the automatic reinvestment plan by providing written notice to the Manager, and will thereafter receive a cash distribution.

8. Unitholders' Equity

The Funds are available in three series of units: Series A, Series F and Series O.

The capital of each Series of the Funds is divided into an unlimited number of units of equal value. Each unit is entitled to one vote and to participate in distributions made to the unitholders. Fractional units are proportionately entitled to participate in distributions but do not carry voting rights. Transactions for each Series are as follows:

	Lakeview Disciplined Leadership High Income Fund		
	For the period ended June 30, 2007		
	Series A	Series F	Series O
Units outstanding, beginning of period	15,976,376	533,733	1,097,827
Issued	225,955	8,639	31,473
Reinvested	392,174	7,059	17,678
Redeemed	(3,493,928)	(394,052)	(430,869)
Units outstanding, end of period	13,100,577	155,379	716,109

Lakeview Disciplined Leadership High Income Fund

For the period ended June 30, 2006

	Series A	Series F	Series O
Units outstanding, beginning of period	16,062,153	861,830	824,051
Issued	2,026,778	116,154	451,686
Reinvested	375,368	20,923	16,561
Redeemed	(1,292,632)	(75,806)	(160,996)
Units outstanding, end of period	17,171,667	923,101	1,131,302

Lakeview Disciplined Leadership Canadian Equity Fund

For the period ended June 30, 2007

	Series A	Series F	Series O
Units outstanding, beginning of period	9,943,893	541,093	915,327
Issued	532,041	79,444	9,820
Reinvested	4,556	1	—
Redeemed	(2,535,716)	(160,609)	(458,122)
Units outstanding, end of period	7,944,774	459,929	467,025

Lakeview Disciplined Leadership Canadian Equity Fund

For the period ended June 30, 2006

	Series A	Series F	Series O
Units outstanding, beginning of period	8,453,050	365,112	766,564
Issued	2,655,372	336,147	374,114
Reinvested	4,295	—	—
Redeemed	(1,017,835)	(77,783)	(139,506)
Units outstanding, end of period	10,094,882	623,476	1,001,172

Lakeview Disciplined Leadership U.S. Equity Fund

For the period ended June 30, 2007

	Series A	Series F	Series O
Units outstanding, beginning of period	3,299,404	79,896	357,766
Issued	160,589	5,984	262
Reinvested	1,793	—	—
Redeemed	(1,061,993)	(65,429)	(170,028)
Units outstanding, end of period	2,399,793	20,451	188,000

Lakeview Disciplined Leadership U.S. Equity Fund

For the period ended June 30, 2006

	Series A	Series F	Series O
Units outstanding, beginning of period	1,654,154	22,307	176,928
Issued	1,874,453	122,518	352,892
Reinvested	1,531	—	—
Redeemed	(171,206)	(14,614)	(39,746)
Units outstanding, end of period	3,358,932	130,211	490,074

Lakeview KBSH Premium Bond Explorer Fund

For the period ended June 30, 2007

	Series A	Series F	Series O
Units outstanding, beginning of period	45,707	1	1
Issued	25,779	—	—
Reinvested	1,093	—	—
Redeemed	(19,970)	—	—
Units outstanding, end of period	52,609	1	1

Lakeview KBSH Equity Income Explorer Fund

For the period ended June 30, 2007

	Series A	Series F	Series O
Units outstanding, beginning of period	50,954	29,688	1
Issued	37,909	954	—
Reinvested	1,596	886	—
Redeemed	(17,034)	—	—
Units outstanding, end of period	73,425	31,528	1

Lakeview KBSH Large Cap Explorer Fund

For the period ended June 30, 2007

	Series A	Series F	Series O
Units outstanding, beginning of period	28,447	1	1
Issued	8,734	—	—
Reinvested	—	—	—
Redeemed	(16,146)	—	—
Units outstanding, end of period	21,035	1	1

Lakeview KBSH Small Cap Explorer Fund

For the period ended June 30, 2007

	Series A	Series F	Series O
Units outstanding, beginning of period	20,319	1	1
Issued	18,981	—	—
Reinvested	—	—	—
Redeemed	(11,617)	—	—
Units outstanding, end of period	27,683	1	1

9. Brokerage Commissions

The total fees paid to brokers in connection with investment portfolio transactions during the periods ended June 30 were as follows:

	2007	2006
Lakeview Disciplined Leadership High Income Fund	\$246,724	\$245,022
Lakeview Disciplined Leadership Canadian Equity Fund	\$966,271	\$922,714
Lakeview Disciplined Leadership U.S. Equity Fund	\$307,898	\$198,912
Lakeview KBSH Equity Income Explorer Fund	\$3,487	—
Lakeview KBSH Premium Bond Explorer Fund	\$166	—
Lakeview KBSH Small Cap Explorer Fund	\$170	—
Lakeview KBSH Large Cap Explorer Fund	\$489	—

10. Related Party Transactions

Reimbursement of Fund Operating Expenses

The DL Funds reimbursed Barometer for operating expenses incurred during the periods shown in the table below.

Management and Performance Fees

In consideration for portfolio advice and the supervision of the daily business and operations received from Barometer, Series A and Series F of the DL Funds paid the following management and performance fees during the applicable period. The management fees and performance fees for Series O of the DL Funds are negotiated and paid directly by Series O unitholders and not by the DL Funds.

For the period ended June 30, 2007

	<u>Management Fees</u>	<u>Performance Fees</u>
Lakeview Disciplined Leadership High Income Fund	\$1,725,905	—
Lakeview Disciplined Leadership Canadian Equity Fund	\$1,161,966	—
Lakeview Disciplined Leadership U.S. Equity Fund	\$411,068	—

For the period ended June 30, 2006

	<u>Management Fees</u>	<u>Performance Fees</u>
Lakeview Disciplined Leadership High Income Fund	\$2,279,551	\$479,016
Lakeview Disciplined Leadership Canadian Equity Fund	\$1,192,792	—
Lakeview Disciplined Leadership U.S. Equity Fund	\$400,928	\$165,992

In consideration for portfolio advice received from KBSH, Series A and Series F of the KBSH Funds paid the following management and performance fees during the applicable period. The management fees and performance fees for Series O of the KBSH Funds are negotiated and paid directly by Series O unitholders and not by the KBSH Funds.

For the period ended June 30, 2007

	<u>Management Fees</u>	<u>Performance Fees</u>
Lakeview KBSH Equity Income Explorer Fund	\$7,684	—
Lakeview KBSH Premium Bond Explorer Fund	\$4,454	—
Lakeview KBSH Small Cap Explorer Fund	\$3,066	—
Lakeview KBSH Large Cap Explorer Fund	\$3,263	—

Brokerage Commissions

The Funds paid the following brokerage commissions to Blackmont Capital Inc., a subsidiary of RCC, for securities transactions during the period:

	<u>Period Ended June 30, 2007</u>	<u>Period Ended June 30, 2006</u>
Lakeview Disciplined Leadership High Income Fund	—	\$800
Lakeview Disciplined Leadership Canadian Equity Fund	\$2,000	\$30,464
Lakeview Disciplined Leadership U.S. Equity Fund	—	—
Lakeview KBSH Equity Income Explorer Fund	\$60	—
Lakeview KBSH Premium Bond Explorer Fund	—	—
Lakeview KBSH Small Cap Explorer Fund	—	—
Lakeview KBSH Large Cap Explorer Fund	—	—

11. Reconciliation of Net Assets

In accordance with the proposal made by the Canadian securities regulatory authorities, a reconciliation between the Net Asset Value and the Net Assets of an investment fund is required for financial reporting periods (see note 2). For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices (for investments held long) and ask prices (for investments sold short) to be used in the fair valuation of investments, rather than the use of closing sale prices currently used for the purpose of determining Net Asset Value. For investments that are not traded in an active market, Section 3855 requires the use of specific valuation techniques, rather than the use of valuation techniques by virtue of general practice in the investment funds industry. These changes account for the difference between Net Asset Value and Net Assets.

The impact of the adoption of Section 3855 on the net assets of the Funds is as follows:

(000's of dollars except per unit amounts)	Net Assets	Section 3855 Adjustment	Net Asset Value	Net Assets per unit	Net Asset Value per unit	Opening Net Assets Section 3855 Adjustment
As at June 30, 2007						
Lakeview Disciplined Leadership High Income Fund						
Series A	\$173,989	\$(707)	\$174,696	\$13.28	\$13.33	\$(641)
Series F	2,094	(8)	2,102	\$13.47	\$13.56	(30)
Series O	10,442	(43)	10,485	\$14.58	\$14.64	(53)
Total	\$186,525	\$(758)	\$187,283			\$(724)
Lakeview Disciplined Leadership Canadian Equity Fund						
Series A	\$109,210	\$(272)	\$109,482	\$13.75	\$13.78	\$(198)
Series F	6,286	(15)	6,301	\$13.67	\$13.70	(11)
Series O	6,711	(16)	6,727	\$14.37	\$14.40	(19)
Total	\$122,207	\$(303)	\$122,510			\$(228)
Lakeview Disciplined Leadership U.S. Equity Fund						
Series A	\$33,790	\$(59)	\$33,849	\$14.08	\$14.10	\$(541)
Series F	296	—	296	\$14.46	\$14.48	(13)
Series O	2,913	(5)	2,918	\$15.49	\$15.52	(62)
Total	\$36,999	\$(64)	\$37,063			\$(616)
Lakeview KBSH Premium Bond Explorer Fund						
Series A	\$507	\$(2)	\$509	\$9.64	\$9.68	\$(1)
Series F	—	—	—	\$9.77	\$9.81	—
Series O	—	—	—	\$9.77	\$9.81	—
Total	\$507	\$(2)	\$509			\$(1)

See Accompanying Notes

(000's of dollars except per unit amounts)	Net Assets	Section 3855 Adjustment	Net Asset Value	Net Assets per unit	Net Asset Value per unit	Opening Net Assets Section 3855 Adjustment
As at June 30, 2007						
Lakeview KBSH Equity Income						
Explorer Fund						
Series A	\$750	\$(2)	\$752	\$10.21	\$10.25	\$(1)
Series F	325	(2)	327	\$10.33	\$10.36	(1)
Series O	—	—	—	\$10.35	\$10.38	—
Total	\$1,075	\$(4)	\$1,079			\$(2)
Lakeview Large Cap Explorer Fund						
Series A	\$222	—	\$222	\$10.54	\$10.56	—
Series F	—	—	—	\$10.70	\$10.72	—
Series O	—	—	—	\$10.77	\$10.79	—
Total	\$222	—	\$222			—
Lakeview Small Cap Explorer Fund						
Series A	\$303	—	\$303	\$10.96	\$10.98	—
Series F	—	—	—	\$11.11	\$11.14	—
Series O	—	—	—	\$11.11	\$11.14	—
Total	\$303	—	\$303			—



LAKEVIEW

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You can find more information about each Fund in its AIF, the Fund's management reports of fund performance and the Fund's financial statements. These documents are incorporated by reference into this Simplified Prospectus, which means that they legally form part of this document just as if they were printed as part of this document.

You can get a copy of these documents, at your request, and at no cost, by calling 1-800-205-8175, from your dealer or by e-mail at info@lakeviewfunds.com. These documents and other information about the Funds, such as information circulars and material contracts, are also available on our internet site at www.lakeviewfunds.com or at www.sedar.com.