a(x)iom™ PORTFOLIOS

Axiom Canadian Growth Portfolio

Annual Financial Statements

for the financial year ended August 31, 2011

Statement of Investment Portfolio As at August 31, 2011

Security	Number of Units	Average Cost ($000s)	Current Value ($000s)	% of Net Assets
MUTUAL FUNDS				
Frontiers Canadian Equity Pool, Class 'O'	2,791,158	34,191	35,552	
Frontiers Canadian Fixed Income Pool, Class 'O'	1,189,127	12,186	12,681	
Frontiers Canadian Monthly Income Pool, Class 'O'	1,697,784	15,873	15,690	
TOTAL MUTUAL FUNDS		**62,250**	**63,923**	**100.2%**
Less: Transaction costs included in average cost		—		
TOTAL INVESTMENTS		**62,250**	**63,923**	**100.2%**
Other Assets, less Liabilities			(118)	(0.2)%
TOTAL NET ASSETS			**63,805**	**100.0%**

Supplemental Schedule to Statement of Investment Portfolio

Risk Management

Investment Objective: Axiom Canadian Growth Portfolio (the *Portfolio*) seeks to achieve long-term capital growth by investing in a portfolio of Canadian equity mutual funds for higher growth potential, with some exposure to Canadian fixed income securities for diversification (its *Underlying Funds*).

Investment Strategies: The portfolio advisor has established a long-term strategic asset mix weighting for the Portfolio with, under normal market conditions, an asset mix of fixed income (5-35%) and equities (65-95%). The portfolio advisor or sub-advisor may review and adjust the asset mix, in its sole discretion, depending on economic conditions and relative value of income and equity securities. The Portfolio will utilize strategic and tactical asset allocation strategies that will:

- invest up to 100% of the Portfolio's assets in units of its Underlying Funds managed by the Manager or one of its affiliates;
- allocate the Portfolio's assets among the Underlying Funds according to the asset mix determined by the portfolio advisor or sub-advisor and monitor, review, and periodically rebalance or modify the Portfolio's asset mix, change the percentage holdings of any Underlying Fund, and add or remove any Underlying Fund at the portfolio advisor's or sub-advisor's sole discretion.

The Statement of Investment Portfolio presents the securities held by the Portfolio as at August 31, 2011 and groups the securities by asset type, industry sector, geographic region, or currency exposure. As the Portfolio invests in the Underlying Pools, it may be indirectly exposed to credit, currency, and interest rate risks from these holdings. Only direct exposure to significant risks that are relevant to the Portfolio is discussed below. General information on risk management and specific discussion on credit, currency, interest rate, liquidity, and other price/market risk can be found in note 2 of the financial statements.

Summary of Investment Portfolio as at August 31, 2010

The following chart presents the investment sectors held by the Portfolio as at August 31, 2010 and groups the securities by asset type, industry sector, geographic region, or currency exposure:

Portfolio Breakdown	*% of Net Assets*
Mutual Funds	
Canadian Equity	56.2
Canadian Fixed Income	19.8
Canadian Income-Generating Investments	24.1
Other Assets, Less Liabilities	(0.1)
Total	**100.0**

Credit Risk

Credit ratings represent a consolidation of the ratings provided by various outside service providers and are subject to change, which could be material.

As at August 31, 2011 and 2010, the Portfolio had no significant investments in debt securities.

Currency Risk

As at August 31, 2011 and 2010, the Portfolio did not have a significant exposure to currency risk.

Interest Rate Risk

As at August 31, 2011 and 2010, the majority of the Portfolio's financial assets and liabilities are non-interest bearing and short-term in nature; accordingly, the Portfolio is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

Liquidity Risk

The Portfolio is exposed to daily cash redemptions of redeemable units. As at August 31, 2011 and 2010, the Portfolio retained sufficient cash and cash equivalent positions to maintain adequate liquidity.

Other Price/Market Risk

The table below indicates the change in net assets had the value of the Portfolio's benchmark(s) increased or decreased by 1%, as at August 31, 2011 and 2010. This change is estimated based on the historical correlation between the return of Class A units of the Portfolio as compared to the return of the Portfolio's benchmark(s), using 36 monthly data points, as available, based on the monthly net returns of the Portfolio. This analysis assumes that all other variables remain unchanged. The historical correlation may not be representative of the future correlation and, accordingly, the impact on net assets could be materially different.

	Impact on Net Assets ($000s)	
Benchmark	*August 31, 2011*	*August 31, 2010*
S&P/TSX Composite Index	**427**	421
75% S&P/TSX Composite Index and 25% DEX Universe Bond Index	**563**	n/a
*59% S&P/TSX Composite Index, 23% DEX Universe Bond Index, and 18% Scotia Capital Income Trust Index	**n/a**	553

*The Portfolio's blended benchmark changed during the period because a component of it, the Scotia Capital Income Trust Index, was discontinued.

Fair Value of Financial Instruments

The following is a summary of the inputs used as at August 31, 2011 and 2010 in valuing the Portfolio's financial assets and financial liabilities, carried at fair value:

As at August 31, 2011

Classification	*Level 1 (i) ($000s)*	*Level 2 (ii) ($000s)*	*Level 3 (iii) ($000s)*	*Total ($000s)*
Financial Assets				
Mutual Funds	63,923	—	—	63,923
Total Financial Assets	**63,923**	**—**	**—**	**63,923**

(i) Quoted prices in active markets for identical assets
(ii) Significant other observable inputs
(iii) Significant unobservable inputs

As at August 31, 2010

Classification	*Level 1 (i) ($000s)*	*Level 2 (ii) ($000s)*	*Level 3 (iii) ($000s)*	*Total ($000s)*
Financial Assets				
Mutual Funds	64,562	—	—	64,562
Total Financial Assets	**64,562**	**—**	**—**	**64,562**

(i) Quoted prices in active markets for identical assets
(ii) Significant other observable inputs
(iii) Significant unobservable inputs

Reconciliation of financial asset and liability movement — Level 3

The Portfolio did not hold any significant positions of Level 3 investments at the beginning of, during, or at the end of any reporting period.

Statements of Net Assets (in 000s, except per unit amounts)

As at August 31, 2011 and 2010 (note 1)

		2011		2010
Assets				
Investments at current value (notes 2 and 3)	$	**63,923**	$	64,562
Receivable for units issued		**15**		87
Total Assets		**63,938**		64,649
Liabilities				
Payable for units redeemed		**133**		36
Management fees payable		**—**		120
Other accrued expenses		**—**		13
Total Liabilities		**133**		169
Total Net Assets	$	**63,805**	$	64,480
Net Assets per Class (note 8)				
Class A	$	**54,879**	$	55,235
Class T4	$	**159**	$	59
Class T6	$	**38**	$	55
Class T8	$	**490**	$	245
Select Class	$	**2,934**	$	3,276
Select-T8 Class	$	**404**	$	432
Elite Class	$	**4,502**	$	4,687
Class F	$	**399**	$	491
Net Assets per Unit (notes 4 and 8)				
Class A	$	**11.98**	$	11.43
Class T4	$	**9.84**	$	9.76
Class T6	$	**10.01**	$	10.12
Class T8	$	**9.55**	$	9.85
Select Class	$	**10.40**	$	9.88
Select-T8 Class	$	**9.42**	$	9.71
Elite Class	$	**9.47**	$	8.94
Class F	$	**11.13**	$	10.46

Organization of the Portfolio (note 1)

The Portfolio was established on March 11, 2005 (*Date Established*).

	Inception Date
Class A	March 15, 2005
Class T4	March 8, 2010
Class T6	November 2, 2009
Class T8	November 4, 2009
Select Class	September 22, 2006
Select-T8 Class	December 4, 2009
Elite Class	February 19, 2007
Class F	December 22, 2005

Statements of Operations (in 000s, except per unit amounts)

For the periods ended August 31, 2011 and 2010 (note 1)

		2011		2010
Income				
Investment income	$	**863**	$	1,389
Dividend revenue		**447**		760
		1,310		2,149
Expenses (notes 5 and 7)				
Management fees±		**1,505**		1,276
Audit fees		**5**		13
Custodial fees		**40**		23
Independent review committee fees		**—**		—
Legal fees		**2**		1
Regulatory fees		**33**		47
Unitholder reporting costs		**108**		92
Other expenses		**17**		40
		1,710		1,492
Expenses waived/absorbed by the Manager		**(20)**		(77)
		1,690		1,415
Net Investment Income (Loss)		**(380)**		734
Realized and Unrealized Gain (Loss) on Investments				
Net realized gain (loss) on sale of investments		**1,039**		65
Transaction costs		**—**		—
Increase (decrease) in unrealized appreciation (depreciation) of investments		**2,492**		4,417
Net Gain (Loss) on Investments		**3,531**		4,482
Increase (Decrease) in Net Assets from Operations	$	**3,151**	$	5,216
Increase (Decrease) in Net Assets from Operations per Class				
Class A	$	**2,566**	$	4,402
Class T4	$	**(3)**	$	—
Class T6	$	**4**	$	4
Class T8	$	**5**	$	13
Select Class	$	**215**	$	321
Select-T8 Class	$	**24**	$	26
Elite Class	$	**300**	$	408
Class F	$	**40**	$	42
Increase (Decrease) in Net Assets from Operations per Unit				
Class A	$	**0.55**	$	0.95
Class T4	$	**(0.52)**	$	0.03
Class T6	$	**0.98**	$	0.89
Class T8	$	**0.16**	$	0.65
Select Class	$	**0.70**	$	0.95
Select-T8 Class	$	**0.57**	$	0.91
Elite Class	$	**0.61**	$	0.84
Class F	$	**0.96**	$	1.17

± **Maximum Chargeable Management Fee Rates** (note 5)

Class A	2.05%
Class T4	2.05%
Class T6	2.05%
Class T8	2.05%
Select Class	2.26%
Select-T8 Class	2.26%
Elite Class	1.61%
Class F	0.80%

Administrative and Other Fund Operating Expenses (note 7)

	2011	2010
($000s)	**78**	61

Service Provider (note 7)

The amounts paid by the Portfolio (including all applicable taxes) to CIBC Mellon Trust Company for custodial fees, and to CIBC Mellon Global Securities Services Company (*CIBC GSS*) for securities lending, fund accounting and reporting, and portfolio valuation (all net of absorptions) for the periods ended August 31, 2011 and 2010 are as follows:

	2011	2010
($000s)	**32**	11

Statements of Changes in Net Assets (in 000s)

For the periods ended August 31, 2011 and 2010 (note 1)

	Class A Units		Class T4 Units		Class T6 Units		Class T8 Units	
	2011	2010	**2011**	2010	**2011**	2010	**2011**	2010
Increase (Decrease) in Net Assets from Operations	**$ 2,566**	$ 4,402	**$ (3)**	$ —	**$ 4**	$ 4	**$ 5**	$ 13
Distributions Paid or Payable to Unitholders								
From net investment income	**—**	(298)	**(4)**	(1)	**(2)**	(3)	**(19)**	(17)
From net realized capital gains	**—**	(32)	**—**	—	**—**	(1)	**—**	(5)
Return of capital	**—**	—	**—**	—	**(1)**	—	**(7)**	—
	—	(330)	**(4)**	(1)	**(3)**	(4)	**(26)**	(22)
Changes Due to Unitholder Transactions								
Amount received from the issuance of units	**9,548**	16,442	**103**	126	**—**	52	**290**	254
Amount received from reinvestment of distributions	**—**	352	**4**	1	**3**	3	**1**	1
Amount paid on redemptions of units	**(12,470)**	(11,119)	**—**	(67)	**(21)**	—	**(25)**	(1)
	(2,922)	5,675	**107**	60	**(18)**	55	**266**	254
Increase (Decrease) in Net Assets for the Period	**(356)**	9,747	**100**	59	**(17)**	55	**245**	245
Net Assets at Beginning of Period	**55,235**	45,488	**59**	—	**55**	—	**245**	—
Net Assets at End of Period	**$ 54,879**	$ 55,235	**$ 159**	$ 59	**$ 38**	$ 55	**$ 490**	$ 245
Units Issued and Outstanding (note 4)								
As at August 31, 2011 and 2010								
Balance — beginning of period	**4,834**	4,326	**6**	—	**5**	—	**25**	—
Units issued for cash	**752**	1,466	**10**	13	**—**	5	**28**	25
Units issued on reinvestment of distributions	**—**	31	**—**	—	**—**	—	**—**	—
	5,586	5,823	**16**	13	**5**	5	**53**	25
Units redeemed	**(1,005)**	(989)	**—**	(7)	**(1)**	—	**(2)**	—
Balance — end of period	**4,581**	4,834	**16**	6	**4**	5	**51**	25

	Select Class Units		Select-T8 Class Units		Elite Class Units		Class F Units	
	2011	2010	**2011**	2010	**2011**	2010	**2011**	2010
Increase (Decrease) in Net Assets from Operations	**$ 215**	$ 321	**$ 24**	$ 26	**$ 300**	$ 408	**$ 40**	$ 42
Distributions Paid or Payable to Unitholders								
From net investment income	**—**	(14)	**(24)**	(24)	**—**	(52)	**—**	(6)
From net realized capital gains	**—**	—	**—**	(8)	**—**	(31)	**—**	(4)
Return of capital	**—**	—	**(12)**	—	**—**	—	**—**	—
	—	(14)	**(36)**	(32)	**—**	(83)	**—**	(10)
Changes Due to Unitholder Transactions								
Amount received from the issuance of units	**225**	605	**1**	478	**300**	1,347	**—**	130
Amount received from reinvestment of distributions	**—**	17	**1**	11	**—**	57	**—**	5
Amount paid on redemptions of units	**(782)**	(1,309)	**(18)**	(51)	**(785)**	(635)	**(132)**	(12)
	(557)	(687)	**(16)**	438	**(485)**	769	**(132)**	123
Increase (Decrease) in Net Assets for the Period	**(342)**	(380)	**(28)**	432	**(185)**	1,094	**(92)**	155
Net Assets at Beginning of Period	**3,276**	3,656	**432**	—	**4,687**	3,593	**491**	336
Net Assets at End of Period	**$ 2,934**	$ 3,276	**$ 404**	$ 432	**$ 4,502**	$ 4,687	**$ 399**	$ 491
Units Issued and Outstanding (note 4)								
As at August 31, 2011 and 2010								
Balance — beginning of period	**332**	404	**44**	—	**524**	438	**47**	35
Units issued for cash	**20**	62	**—**	48	**30**	152	**—**	12
Units issued on reinvestment of distributions	**—**	2	**—**	1	**—**	7	**—**	1
	352	468	**44**	49	**554**	597	**47**	48
Units redeemed	**(70)**	(136)	**(1)**	(5)	**(79)**	(73)	**(11)**	(1)
Balance — end of period	**282**	332	**43**	44	**475**	524	**36**	47

Notes to Financial Statements

August 31, 2011 and 2010

1. Axiom Portfolios — Organization of the Portfolios and Financial Reporting Periods

The Axiom Portfolios consist of Axiom Balanced Income Portfolio, Axiom Diversified Monthly Income Portfolio, Axiom Balanced Growth Portfolio, Axiom Long-Term Growth Portfolio, Axiom Canadian Growth Portfolio, Axiom Global Growth Portfolio, Axiom Foreign Growth Portfolio, and Axiom All Equity Portfolio.

Each of the Axiom Portfolios (individually, a *Portfolio,* and collectively, the *Portfolios*) is a mutual fund trust organized under the laws of Ontario and governed by a declaration of trust (*Declaration of Trust*).

The Portfolios are managed by CIBC Asset Management Inc. (the *Manager*). The Manager is also the trustee, registrar, and transfer agent of the Portfolios.

Each Portfolio may issue an unlimited number of classes of units and an unlimited number of units of each class. As at the date of these financial statements, Class A, T4, T6, T8, Select, Select-T4, Select-T6, Select-T8, Elite, Elite-T4, Elite-T6, Elite-T8, F, and O units of each of the Portfolios are available for sale, except for Axiom Diversified Monthly Income Portfolio, which does not offer Class T4, Select-T4, or Elite-T4 units. In the future, the offering of any classes of a Portfolio may be terminated or additional classes may be offered.

Each class of units may charge a different management fee. Operating expenses can either be common or class-specific. Class-specific expenses are allocated on a class-by-class basis. As a result, a separate net asset value per unit is calculated for each class of units.

Class A, T4, T6, and T8 units are available to all investors on a load basis. Investors may pay a sales commission when purchasing Class A, T4, T6, and T8 units of the Portfolios and may be charged a redemption fee if they redeem their Class A, T4, T6, and T8 units. They may have to pay a short-term trading fee, if applicable. Class A, T4, T6, and T8 units have a minimum investment requirement of $25,000.

Select, Select-T4, Select-T6, and Select-T8 Class units are available to all investors on a load basis. Investors may pay a sales commission when purchasing Select, Select-T4, Select-T6, and Select-T8 Class units of the Portfolios and may be charged a redemption fee if they redeem their Select, Select-T4, Select-T6, and Select-T8 Class units. They may have to pay a short-term trading fee, if applicable. Select, Select-T4, Select-T6, and Select-T8 Class units have a lower management expense ratio than Class A, T4, T6, and T8 units. Select, Select-T4, Select-T6, and Select-T8 Class units have a minimum investment requirement of $250,000.

Elite, Elite-T4, Elite-T6, and Elite-T8 Class units are available to all investors on a load basis. Investors may pay a sales commission when purchasing Elite, Elite-T4, Elite-T6, and Elite-T8 Class units of the Portfolios and may be charged a redemption fee if they redeem their Elite, Elite-T4, Elite-T6, and Elite-T8 Class units. They may have to pay a short-term trading fee, if applicable. Elite, Elite-T4, Elite-T6, and Elite-T8 Class units have a lower management expense ratio than Class A, T4, T6, T8, Select, Select-T4, Select-T6, and Select-T8 units. Elite, Elite-T4, Elite-T6, and Elite-T8 Class units have a minimum investment requirement of $500,000.

Class T4, T6, and T8 units have the same characteristics as Class A units, except that they each intend to pay a unique maximum fixed distribution amount per unit, which also results in a separate net asset value per unit. Select-T4, Select-T6, and Select-T8 Class units are the same as Select Class units except that they each intend to pay a unique maximum fixed distribution amount per unit. Elite-T4, Elite-T6, and Elite-T8 Class units are the same as Elite Class units, except that they each intend to pay a unique maximum fixed distribution amount per unit.

Class F units are available to investors participating in programs that do not require the payment of sales charges by investors and do not require the payment of service or trailing commissions to dealers. For these investors, the Manager "unbundles" the typical distribution costs and charges a lower management fee. Potential investors include clients of "fee-for-service" investment advisors, dealer-sponsored "wrap accounts", and others who pay an annual fee to their dealer instead of transactional sales charges and where the dealer does not receive service fees or trailing commissions from the Manager.

Class O units are only available to selected investors who have been approved by and have entered into a Class O unit account agreement with the Manager or whose dealer or discretionary manager offers separately managed accounts or similar programs and has entered into a Class O unit account agreement with the Manager. These investors are typically financial services companies, including the Manager, that will use Class O units of the Portfolios to facilitate offering other products to investors. No management fees or operating expenses are charged to the Portfolios in respect of Class O units held; instead, a negotiated management fee is charged by the Manager directly to, or as directed by, Class O unitholders or dealers or discretionary managers on behalf of unitholders.

The date upon which each Portfolio was established by Declaration of Trust (*Date Established*) and the date upon which each class of units of each Portfolio was first sold to the public (*Inception Date*) are reported in footnote *Organization of the Portfolio* on the Statements of Net Assets.

The Statement of Investment Portfolio of each Portfolio is as at August 31, 2011. The Statements of Net Assets are as at August 31, 2011 and 2010 and the Statements of Operations and Statements of Changes in Net Assets are for the years ended August 31, 2011 and 2010, except for Portfolios or classes established during either period, in which case the information presented is from the Date Established or the Inception Date to August 31, 2011 or August 31, 2010.

2. Summary of Significant Accounting Policies

These financial statements, prepared in accordance with Canadian generally accepted accounting principles (*GAAP*), include estimates and assumptions made by management that affect the reported amounts of assets, liabilities, income, and expenses during the reporting periods. Actual results may differ from such estimates.

a) Risk management

The Portfolios' overall risk management approach includes formal guidelines that govern the extent of exposure to various types of risk, including diversification within asset classes and limits on the exposure to individual investments and counterparties. The Manager also has various internal controls to oversee the Portfolios' investment activities, including monitoring compliance with the investment objective and strategies, internal guidelines, and securities regulations. Please refer to each Portfolio's Supplemental Schedule to Statement of Investment Portfolio for specific risk disclosures.

Fair value of financial instruments by using valuation techniques

The process of valuing investments for which no quoted market exists is inevitably based on inherent uncertainties and the resulting values may differ from values that would have been used had an active market existed for these investments. The valuation of such securities can be based on various valuation techniques that could include mathematical models, comparable valuation models, fundamental valuation models, or other techniques that would reflect the specific business situation or market the security operates within. The models would use observable market data as inputs where possible. However, in some instances, certain investments are fair valued based on assumptions that may not be supported by observable inputs. Securities without observable market value inputs in their valuation require judgment in establishing their fair value. Changes in any of these assumptions could affect the reported fair value of financial assets or financial liabilities.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument, such as a fixed income security or a derivative contract, will fail to discharge an obligation or commitment that it has entered into with the Portfolios. The value of fixed income securities and derivatives as presented on the Statement of Investment Portfolio includes consideration of the creditworthiness of the issuer and, accordingly, represents the maximum credit risk exposure of the Portfolios.

Currency risk

Currency risk is the risk that the value of an investment will fluctuate due to changes in foreign exchange rates.

Interest rate risk

Prices of fixed income securities generally increase when interest rates decline and decrease when interest rates rise. This risk is known as interest rate risk. Prices of longer-term fixed income securities will generally fluctuate more in response to interest rate changes than would shorter-term securities. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates.

Liquidity risk

The Portfolios are exposed to daily cash redemptions of redeemable units. Generally, the Portfolios retain sufficient cash and cash equivalent positions to maintain adequate liquidity. However, liquidity risk also involves the ability to sell an asset for cash easily and at a fair price. Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a Portfolio to sell such securities quickly or at a fair price. Difficulty in selling securities could result in a loss or lower return for a Portfolio.

Other price/market risk

Other price/market risk is the risk that the value of investments will fluctuate as a result of changes in market conditions. Several factors can influence market trends, such as economic developments, changes in interest rates, political changes, and catastrophic events. All investments are exposed to other price/market risk.

b) Investment Transactions, Income Recognition, and Recognition of Realized and Unrealized Gains and Losses

i) Each transaction of purchase or sale of a portfolio asset by a Portfolio is reflected in the net assets no later than the first computation of net assets made after the date on which the transaction becomes binding upon the Portfolio.

ii) Distribution of income received is recorded on the distribution date of the underlying fund.

iii) Securities that are exchange-traded are recorded at current value, established by the closing bid price.

iv) Realized gains and losses on investments and unrealized appreciation or depreciation of investments are calculated using the average cost, excluding transaction costs, of the related investments.

v) Other income is the sum of income other than that which is separately classified on the Statements of Operations.

c) Portfolio Securities

The cost of securities of the Portfolio is determined in the following manner. Securities are purchased and sold at a market-traded price to arrive at a value for the position traded. The total purchased value represents the total cost of the security to the Portfolio. When additional units of the same security are purchased, the cost of those additional units is added to the total security cost. When units of the same security are sold, the proportionate cost of the units of the security sold is deducted from the total security cost. If there is a return of capital paid by a security, the amount of this return of capital is deducted from the total security cost. This method of tracking security cost is known as "average cost" and the current total for any one security is referred to as the adjusted cost base or "ACB" of the security. Transaction costs incurred in portfolio transactions are excluded from the average cost of investments and are recognized immediately in net income and are presented as a separate expense item in the financial statements.

The difference between the current value of securities and their average cost, excluding transaction costs, represents the unrealized appreciation (depreciation) in value of the portfolio investments. The applicable period change in unrealized appreciation (depreciation) of investments is included on the Statements of Operations.

d) Multi-Class Structured Portfolios

Each Portfolio may issue an unlimited number of classes of units. The realized and unrealized capital gains or capital losses, income, and common expenses (other than class-specific operating expenses and management fees) of a Portfolio are allocated on each valuation date to the unitholders in proportion to the respective prior day's net asset value, which includes the unitholder trade(s) dated for that day, of each class of units at the date on which the allocation is made. All class-specific operating expenses and management fees do not require allocation. All class-specific operating expenses are paid by the Manager and are collected from the Portfolios on a recoverable basis.

e) Other Assets and Liabilities

Other assets and liabilities are recorded at cost, which approximates their current value.

f) International Financial Reporting Standards

In January 2011, the Accounting Standards Board (*AcSB*) amended the Introduction to Part I of the CICA Handbook — Accounting to allow investment companies, which include investment funds, to adopt International Financial Reporting Standards (*IFRS*) for the first time no later than interim and annual financial statements relating to annual periods beginning on or after January 1, 2013. Investment companies electing to defer the first time adoption may continue to apply existing Canadian GAAP until the changeover to IFRS.

The Portfolio will defer the first time adoption and adopt IFRS beginning September 1, 2013. As at August 31, 2011, the Manager has developed a changeover plan to meet this timetable.

The potential qualitative impact of the changeover to IFRS is currently expected to include the presentation of Statements of Cash Flows, starting with the 2014 financial statements with comparatives for 2013. There will also be additional changes to the Statements of Net Assets around the presentation of unitholders' equity, and also the potential to consolidate investments where one fund holds a controlling position of another fund. Additional note disclosures, as required, will be added to support the new changes and comply with the increased disclosure requirements.

Disclosures of the quantitative impact, if any, will be in the 2013 financial statements. Based on the Manager's current understanding of the differences between Canadian GAAP and IFRS, the Manager does not expect an impact to net assets or net assets per unit from the changeover to IFRS.

3. Valuation of Investments

The valuation date (*Valuation Date*) for a Portfolio is any day when the Manager's head office is open for business. The trustee may, at its discretion, establish other Valuation Dates. The value of the investments or assets of a Portfolio is determined as follows:

a) Cash and Cash Equivalents

Cash, accounts receivable, dividends receivable, distributions receivable, and accrued interest are valued at their recorded cost.

b) Mutual Fund Units

Units of each mutual fund in which a Portfolio invests is valued at the most recent net asset value quoted by the trustee or manager of the mutual fund on the Valuation Date.

c) Other Securities

All other securities held by the Portfolios will be valued in accordance with the laws of the Canadian securities regulatory authorities, where applicable, and using fair valuation techniques that most accurately reflect their current value as determined by the Manager.

The value of any security or other property of a Portfolio for which a market quotation is not readily available or where the market quotations do not properly reflect the current value of such securities will be determined by the Manager by valuing the securities at their current value.

4. Units Issued and Outstanding

Each Portfolio has an unlimited number of classes of units and may issue an unlimited number of units of each class. The outstanding units represent the capital of the Portfolios. Each unit has no par value and the value of each unit is the net asset value next determined. Settlement of the cost for units issued is completed as per security regulations in place at the time of issue. Distributions made by the Portfolios and reinvested by unitholders in additional units also constitute issued capital of the Portfolios.

Units are redeemed at the net asset value per unit of the Portfolio. A right to redeem units of a Portfolio may be suspended with the approval of the Canadian securities regulatory authorities or when normal trading is suspended on a stock, options, or futures exchange in Canada or outside of Canada on which securities or derivatives that make up more than 50% of the value or underlying exposure of the total assets of the Portfolio, not including any liabilities of the Portfolio, are traded and when those securities or derivatives are not traded on any other exchange that represents a reasonably practical alternative for the Portfolio. The Portfolios are not subject to any externally imposed capital requirements.

The capital received by a Portfolio is utilized within the respective investment mandate of a Portfolio. This includes, for all Portfolios, the ability to make liquidity available to satisfy unitholder unit redemption requirements upon unitholder request.

Changes in issued and outstanding units for the periods ended August 31, 2011 and 2010 can be found on the Statements of Changes in Net Assets.

5. Management Fees and Operating Expenses

Management fees are based on the net asset value of the Portfolios and are calculated daily. Management fees are paid to the Manager in consideration for providing, or arranging for the provision of, management, distribution, and portfolio advisory services. The maximum annual management fee expressed as a percentage of the average net asset value for each class of units of the Portfolio is reported in footnote *Maximum Chargeable Management Fee Rates* on the Statements of Operations. For Class O units, management fees are negotiated with and paid by, or as directed by, unitholders, or dealers and discretionary managers on behalf of unitholders.

In addition to the management fees, the Portfolios are responsible for all expenses relating to the operation and conduct of the business of the Portfolios, including interest, operating, and administrative costs (other than advertising and promotional expenses, which are the responsibility of the Manager), brokerage fees, commissions, spreads, regulatory fees, taxes, audit and legal fees and expenses, safekeeping and custodial fees, investor servicing costs, and costs of unitholder reports, prospectuses, and other reports. All class-specific operating expenses are paid by the Manager and recovered from the Portfolios. The Portfolios do not pay a fee to the trustee.

The Manager may recover from a Portfolio less than the actual class-specific operating expenses paid by the Manager, resulting in the Manager absorbing class-specific expenses. The Manager may also charge to a Portfolio less than the maximum management fee noted in footnote *Maximum Chargeable Management Fee Rates* on the Statements of Operations, resulting in the Manager waiving management fees.

The decision to waive and/or absorb management fees and class-specific operating expenses is at the discretion of the Manager. The practice of waiving and/or absorbing management fees and class-specific operating expenses may continue indefinitely or may be terminated at any time without notice to unitholders. Class-specific operating expenses absorbed and/or management fees waived by the Manager are disclosed on the Statements of Operations.

In some cases, the Manager may charge management fees to a Portfolio that are less than the management fees the Manager is entitled to charge in respect of certain investors in a Portfolio. The difference in the amount of the management fees will be paid out by the Portfolio to the applicable investors as a distribution of additional units of the Portfolio (*Management Fee Distributions*). Management Fee Distributions are negotiable between the Manager and the investor and are dependent primarily on the size of the investor's investment in the Portfolio. Management Fee Distributions paid to qualified investors do not adversely impact the Portfolio or any of the Portfolio's other investors. The Manager may increase or decrease the amount of Management Fee Distributions to certain investors from time to time.

The Portfolios invest in units of other investment funds (the *Underlying Pools*). Where a Portfolio invests in units of an Underlying Pool, the Portfolio does not pay duplicate management fees on the portion of its assets that it invests in units of the Underlying Pool. In addition, the Portfolio will not pay sales fees or redemption fees with respect to the purchase or redemption by it of units of the Underlying Pool. The manager of the Underlying Pools may, in some cases, waive all or a portion of an Underlying Pool's management fee and/or absorb all or a portion of an Underlying Pool's operating expenses.

6. Income Taxes

The Portfolios qualify as mutual fund trusts under the *Income Tax Act* (Canada). No income tax is payable by the Portfolios on net income and/or net realized capital gains that are distributed to unitholders. In addition, income taxes payable on undistributed net realized capital gains are refundable on a formula basis when units of the Portfolios are redeemed. Sufficient net income and realized capital gains of the Portfolios have been, or will be, distributed to the unitholders such that no tax is payable by the Portfolios and, accordingly, no provision for income taxes has been made in the financial statements. Occasionally, a Portfolio may pay distributions in excess of net income and realized capital gains of the Portfolio. This excess distribution is called a return of capital and is non-taxable for the unitholder. However, a return of capital will reduce the adjusted cost base of the unitholder's units for tax purposes.

Non-capital losses that arose in 2005 are available to be carried forward for ten years. Non-capital losses that arose in 2006 and after are available to be carried forward for twenty years. Capital losses for income tax purposes may be carried forward indefinitely and applied against capital gains realized in future years. Where applicable, a Portfolio's capital and non-capital losses are reported in footnote *Capital and Non-Capital Losses* on the Statements of Changes in Net Assets.

The Portfolios have a taxation year-end of December 31.

7. Related Party Transactions

Canadian Imperial Bank of Commerce (*CIBC*) and its affiliates have the following roles and responsibilities with respect to the Portfolios and receive the fees described below in connection with their roles and responsibilities. Management fees payable and other accrued expenses on the Statements of Net Assets are amounts generally payable to a related party of the Portfolio.

Manager, Trustee, and Portfolio Advisor of the Portfolios

CIBC Asset Management Inc., a wholly owned subsidiary of CIBC, is the Manager, trustee, and portfolio advisor of each of the Portfolios. The Manager also arranges for fund administrative services (other than advertising and promotional services, which are the responsibility of the Manager), legal, investor servicing, costs of unitholder reports, prospectuses, and other reports. The Manager is the registrar and transfer agent for the Portfolios and provides, or arranges for the provision of, all other administrative services required by the Portfolios. The dollar amount (including all applicable taxes) of all fund administrative expenses (net of absorptions) that the Manager recovers from the Portfolio is reported in footnote *Administrative and Other Fund Operating Expenses* on the Statements of Operations.

Custodian

The custodian holds all cash and securities for the Portfolios and ensures that those assets are kept separate from any other cash or securities that the custodian might be holding. CIBC Mellon Trust Company (the *Custodian*) is the custodian of the Portfolios. The fees for the services of the Custodian are paid by the Manager and charged to each Portfolio on a recoverable basis.

Service Provider

CIBC Mellon Global Securities Services Company (*CIBC GSS*) provides certain services to the Portfolios, including fund accounting and reporting and portfolio valuation. CIBC indirectly owns a 50 percent interest in CIBC GSS. The dollar amount paid by the Portfolios (including all applicable taxes) to CIBC Mellon Trust Company for custodial fees (net of absorptions) and to CIBC GSS for fund accounting, reporting, and fund valuation (net of absorptions) for the periods ended August 31, 2011 and 2010 is reported in footnote *Service Provider* on the Statements of Operations.

8. Reconciliation of Net Assets Per Unit and Net Asset Value Per Unit

The application of CICA Handbook Section 3855 — *Financial Instruments — Recognition and Measurement* may result in a different value of securities held by a Portfolio for financial reporting purposes (defined as Net Assets when referring to a Portfolio or Net Assets per Unit when on a per unit basis) than the value used for pricing unitholder transactions (defined as Net Asset Value when referring to a Portfolio or Net Asset Value per Unit when on a per unit basis). The Net Assets per Unit for all of the Portfolios and classes are equal to their corresponding Net Asset Value per unit.

Independent Auditors' Report

To the Unitholders of

Axiom Balanced Income Portfolio
Axiom Diversified Monthly Income Portfolio
Axiom Balanced Growth Portfolio
Axiom Long-Term Growth Portfolio
Axiom Canadian Growth Portfolio
Axiom Global Growth Portfolio
Axiom Foreign Growth Portfolio
Axiom All Equity Portfolio

(collectively, the "Portfolios")

We have audited the accompanying financial statements of each of the Portfolios, which comprise the statement of investment portfolio as at August 31, 2011, the statements of net assets as at August 31, 2011 and 2010, and the statements of operations and changes in net assets for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Portfolios as at August 31, 2011 and 2010, and the results of each of their operations and the changes in each of their net assets for the years then ended in accordance with Canadian generally accepted accounting principles.

Ernst & Young LLP
Chartered Accountant
Licensed Public Accountants

Toronto, Canada
November 8, 2011

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CIBC Asset Management Inc., the manager and trustee of the Axiom Portfolios, is a wholly-owned subsidiary of Canadian Imperial Bank of Commerce (*CIBC*). Please read the Axiom Portfolios simplified prospectus before investing. To obtain a copy of the simplified prospectus, call 1-888-888-3863, email us at info@renaissanceinvestments.ca, or ask your advisor.

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