

CORPORATE INFORMATION

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Chairman

Robert Falconer

C. Scott Browning

Directors of Aston Hill Corporate Funds Inc.

Michael J. Killeen

C. Scott Browning

Larry Guy

Directors and Senior Officers of the Manager

Eric Tremblay
Director and Chief Executive Officer

Ben Cheng⁽¹⁾
Chief Investment Officer

Michael J. Killeen
Director and President

Larry W. Titley
Director and Chief Financial Officer

Portfolio Management

Jeffrey Burchell
Vice President and Portfolio Manager

Andrew Hamlin
Vice President and Portfolio Manager

Joanne Hruska
Vice President and Portfolio Manager

Sandy Liang
Vice President and Portfolio Manager

Vivian Lo
Vice President and Portfolio Manager

Steve Vannatta
Portfolio Manager

Manager

Aston Hill Asset Management Inc.

Transfer Agent

RBC Investor Services Trust

Custodian

RBC Investor Services Trust

Auditors

PricewaterhouseCoopers LLP

Website

www.astonhill.ca

⁽¹⁾ Mr. Cheng acts as a portfolio manager exclusively to investment funds managed by IA Clarington Investments Inc., and to two other investment funds, not including the funds in this document. See www.astonhill.ca for details.



Aston Hill Corporate Funds Inc.

ASTON HILL GROWTH & INCOME CLASS

ASTON HILL SHAREHOLDER YIELD CLASS

ASTON HILL CAPITAL GROWTH CLASS

ASTON HILL STRATEGIC YIELD CLASS

ASTON HILL MONEY MARKET CLASS

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MANAGEMENT RESPONSIBILITY STATEMENT

The accompanying financial statements of the classes of Aston Hill Corporate Funds Inc. (the “Funds” and each one a “Fund”) have been prepared by Aston Hill Asset Management Inc. (the “Manager”) and approved by the Board of Directors of the Manager. The Manager is responsible for the information and representations contained in these financial statements and the other sections of the annual report.

The Manager maintains appropriate procedures to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with accounting principles generally accepted in Canada and include certain amounts that are based on estimates and judgements. The significant accounting policies applicable to the Funds are described in note 2 to the financial statements.

The Board of Directors of the Manager is responsible for ensuring that management fulfills its responsibilities for financial reporting and has reviewed and approved these financial statements.

The Manager, with the approval of its Board of Directors, has appointed the external firm of PricewaterhouseCoopers LLP as the auditors of each of the Funds. They have audited the financial statements of the Fund in accordance with Canadian generally accepted auditing standards to enable them to express to shareholders their opinion on the financial statements.



Michael J. Killeen
President
Aston Hill Asset Management Inc.



Larry W. Titley
Chief Financial Officer
Aston Hill Asset Management Inc.

March 18, 2013

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of

- Aston Hill Growth & Income Class
- Aston Hill Shareholder Yield Class
- Aston Hill Capital Growth Class
- Aston Hill Strategic Yield Class
- Aston Hill Money Market Class
(collectively the "Funds")

We have audited the accompanying financial statements of each of the Funds, which comprise the statement of investment portfolio as at December 31, 2012, the statements of net assets as at December 31, 2012 and December 31, 2011 and the statements of operations, and changes in net assets for the periods as described in Note 1 of the financial statements, and the related notes, which comprise 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 the financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements of each of the Funds based on each of 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 an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 each of our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of each of the Funds present fairly, in all material respects, the financial position of each of the Funds as at December 31, 2012 and the results of each of their operations, and the changes in each of their net assets for the periods as described in Note 1 of the financial statements in accordance with Canadian generally accepted accounting principles.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants
Calgary, Alberta

March 18, 2013

ASTON HILL GROWTH & INCOME CLASS

STATEMENTS OF NET ASSETS

As at December 31	2012	2011
Assets		
Investments, at fair value	\$ 5,574,304	\$ 934,800
Due from Manager	17,763	—
Cash	—	150,000
Distributions receivable	14,522	2,781
Subscriptions receivable from shareholders	100,805	—
Total assets	5,707,394	1,087,581
Liabilities		
Bank overdraft	23,083	—
Amounts payable for investments purchased	54,496	—
Management fees payable (note 5)	7,748	177
Accounts payable and accrued liabilities	10,525	10,623
Total liabilities	95,852	10,800
Net Assets representing shareholders' equity	\$ 5,611,542	\$ 1,076,781
Net Assets per series		
Series A	\$ 3,405,514	\$ 864,908
Series F	\$ 2,206,028	\$ 211,873
Shares outstanding per series (note 3)		
Series A	299,006	86,896
Series F	190,552	21,161
Net Assets per share		
Series A	\$ 11.39	\$ 9.95
Series F	\$ 11.58	\$ 10.01

Approved on behalf of the Board of Directors of Aston Hill Corporate Funds Inc.



Michael J. Killeen
Director



Larry Guy
Director

The accompanying notes are an integral part of these financial statements.

ASTON HILL GROWTH & INCOME CLASS

STATEMENTS OF OPERATIONS

For the year ended December 31, 2012 and for the period from August 11, 2011 ⁽¹⁾ to December 31, 2011	2012	2011
Income		
Income distribution from investments	\$ 106,042	\$ 2,781
Expenses		
Management fees (note 5)	55,698	177
Fund accounting fees	27,730	3,379
Audit fees	6,381	7,089
Independent review committee fees	751	284
Interest and bank charges	292	—
Custody fees	3,665	1,126
Legal fees	3,438	20,139
Shareholder reporting costs	13,853	600
Administration fees	3,649	15,397
	115,457	48,191
Expenses reimbursed by Manager	(50,823)	(37,112)
	64,634	11,079
Net investment income (loss)	41,408	(8,298)
Net realized and unrealized gain on investments		
Net realized gain on investments	53,690	—
Change in unrealized appreciation on investments	310,805	8,598
Net realized and unrealized gain on investments	364,495	8,598
Increase in Net Assets from operations	\$ 405,903	\$ 300
Increase (decrease) in Net Assets from operations per series		
Series A	\$ 242,719	\$ (73)
Series F	\$ 163,184	\$ 373
Increase in Net Assets from operations per share⁽²⁾		
Series A	\$ 1.37	\$ —
Series F	\$ 1.54	\$ 0.02

⁽¹⁾ Inception date of the Fund.

⁽²⁾ Based on the weighted average number of shares outstanding for the year.

The accompanying notes are an integral part of these financial statements.

ASTON HILL GROWTH & INCOME CLASS

STATEMENTS OF CHANGES IN NET ASSETS

Series A

For the year ended December 31, 2012 and for the period from August 11, 2011 ⁽¹⁾ to December 31, 2011	2012	2011
Net Assets, beginning of year	\$ 864,908	\$ —
Operations:		
Increase (decrease) in Net Assets from operations	242,719	(73)
Capital share transactions (note 3):		
Proceeds from issuance of Fund shares	3,259,449	864,981
Reinvested Fund shares	218	—
Redemptions	(961,438)	—
	2,298,229	864,981
Distributions to shareholders:		
From income	(342)	—
	(342)	—
Net increase in Net Assets	2,540,606	864,908
Net Assets, end of year	\$ 3,405,514	\$ 864,908

Series F

For the year ended December 31, 2012 and for the period from August 11, 2011 ⁽¹⁾ to December 31, 2011	2012	2011
Net Assets, beginning of year	\$ 211,873	\$ —
Operations:		
Increase in Net Assets from operations	163,184	373
Capital share transactions (note 3):		
Proceeds from issuance of Fund shares	2,115,272	211,500
Reinvested Fund shares	406	—
Redemptions	(284,078)	—
	1,831,600	211,500
Distributions to shareholders:		
From income	(629)	—
	(629)	—
Net increase in Net Assets	1,994,155	211,873
Net Assets, end of year	\$ 2,206,028	\$ 211,873

⁽¹⁾ Inception date of the Fund.

The accompanying notes are an integral part of these financial statements.

ASTON HILL GROWTH & INCOME CLASS

STATEMENTS OF CHANGES IN NET ASSETS (continued)

Fund Total

For the year ended December 31, 2012 and for the period from August 11, 2011 ⁽¹⁾ to December 31, 2011	2012	2011
Net Assets, beginning of year	\$ 1,076,781	\$ —
Operations:		
Increase in Net Assets from operations	405,903	300
Capital share transactions (note 3):		
Proceeds from issuance of Fund shares	5,374,721	1,076,481
Reinvested Fund shares	624	—
Redemptions	(1,245,516)	—
	4,129,829	1,076,481
Distributions to shareholders:		
From income	(971)	—
	(971)	—
Net increase in Net Assets	4,534,761	1,076,781
Net Assets, end of year	\$ 5,611,542	\$ 1,076,781

⁽¹⁾ Inception date of the Fund.

STATEMENT OF INVESTMENT PORTFOLIO

As at December 31, 2012		Cost	Fair Value	% of Portfolio
No. of Units	Mutual Fund			
484,061	Aston Hill Growth & Income Fund – Series I	\$ 5,254,901	\$ 5,574,304	
	Total Investments	\$ 5,254,901	\$ 5,574,304	100.0%

The accompanying notes are an integral part of these financial statements.

ASTON HILL GROWTH & INCOME CLASS

FUND SPECIFIC FINANCIAL INSTRUMENTS RISKS

Other Price Risk

The Fund bears the other price risk exposure of Aston Hill Growth & Income Fund (the “Underlying Fund”). The Underlying Fund is exposed to other price risk as its holdings are sensitive to changes in general economic conditions in the United States and Canada. The Underlying Fund is predominantly invested in US stocks and Canadian stocks; as a result, an overall downturn in the American economy and Canadian economy may have a negative impact on the value of the Underlying Fund’s holdings.

As at December 31, 2012 and 2011, had the fair values of the portfolio investments increased or decreased by 5%, with all other variables held constant, the Fund’s Net Assets would have increased or decreased, respectively, by approximately \$278,715 (2011 – \$46,740). Actual results may differ from this sensitivity analysis, and the difference may be material.

Credit Risk

The Fund bears the credit risk exposure of the Underlying Fund. As at December 31, 2012 and 2011, the Underlying Fund was invested in debt securities with following credit ratings:

Debt Securities by S&P Rating as a % of the Underlying Fund’s Net Assets	2012	2011
AAA	0.9%	—
AA	—	2.7%
BBB	—	6.2%
BB	—	1.8%
B	22.7%	24.0%
CCC	12.5%	8.3%
Not Rated	5.9%	3.1%
	42.0%	46.1%

Credit risk can also arise from holdings in derivative contracts. If the counterparty in a derivative contract or the dealer goes bankrupt, the Fund could lose any deposit and any gains made on the contract. The Fund is exposed to credit risk related to derivative contracts held in the Underlying Fund. As at December 31, 2012 and 2011, the counterparties to the derivatives contracts held by the Underlying Fund had a credit rating of AA-.

Currency Risk

The Fund bears the currency risk exposure of the Underlying Fund. The Underlying Fund is exposed to currency risk as it invests in stocks that are denominated in foreign currencies, whereas the Canadian dollar is the functional currency of the Fund and the Underlying Fund. As a result, the Fund and the Underlying Fund will be affected by fluctuations in the value of such currencies relative to the Canadian dollar. The following tables summarize the Underlying Fund’s exposure to currency risks as at December 31, 2012 and 2011:

December 31, 2012

Currency Risk Exposure	% of the Underlying Fund’s Net Assets	
		US Dollar Exposure
Financial assets		52.2%
Other assets		1.3%
Foreign currency forward contracts		(46.7%)
		6.8%

December 31, 2011

Currency Risk Exposure	% of the Underlying Fund’s Net Assets		
	Euro Exposure	Pound Sterling Exposure	US Dollar Exposure
Financial assets	1.0%	0.1%	41.6%
Other assets	—	—	0.2%
Foreign currency forward contracts	—	—	(34.8%)
	1.0%	0.1%	7.0%

The accompanying notes are an integral part of these financial statements.

ASTON HILL GROWTH & INCOME CLASS

FUND SPECIFIC FINANCIAL INSTRUMENTS RISKS (continued)

Had the Canadian dollar strengthened or weakened by 1% in relation to the foreign currencies the Fund and the Underlying Fund are exposed to, with all other variables held constant, the estimated Net Assets would have decreased or increased at December 31, 2012, respectively, by approximately \$3,791 (2011 – \$811). In practice, the actual trading results may differ from this sensitivity analysis, and the difference could be material.

Liquidity Risk

The Fund's exposure to liquidity risk is concentrated in the daily cash redemptions of shares. As at December 31, 2012 and 2011, the Underlying Fund primarily invests in securities that are traded in active markets and can be readily disposed of. The Fund is exposed to indirect liquidity risk through its holdings in the Underlying Fund. The Fund maintains sufficient cash positions to maintain liquidity and can liquidate its holdings of the Underlying Fund on a daily basis. As at December 31, 2012 and 2011, the Fund's exposure to liquidity risk was minimal.

Interest Rate Risk

The Fund bears the interest rate risk exposure of the Underlying Fund. As at December 31, 2012 and 2011, the Underlying Fund's exposure to interest rate risk by the debt securities' remaining term to maturity was as follows:

Remaining Term to Maturity	Debt Securities as a % of the Underlying Fund's Net Assets	
	2012	2011
Less than 1 year	3.5%	2.7%
1–3 years	3.3%	5.6%
3–5 years	12.5%	13.0%
Greater than 5 years	22.7%	24.8%
	42.0%	46.1%

As at December 31, 2012 and 2011, had prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve, with all other variables held constant, Net Assets of the Fund would have increased or decreased, respectively, by approximately \$15,952 (2011 – \$1,837). The sensitivity to interest rate changes was estimated using the weighted average duration of the bonds. The actual results may differ from this sensitivity analysis, and the difference could be material.

Portfolio Concentration Risk

Portfolio concentration risk is the risk associated with the exposure to any one or more particular country, sector, asset class or security. The Manager believes that there is no significant concentration risk of the Fund due to diversification by security in the Underlying Fund. The following is a summary of the portfolio concentration of the Underlying Fund as at December 31, 2012 and 2011:

Sector	% of the Underlying Fund's Total Investments	
	2012	2011
Fixed income investments	45.9%	49.6%
Real estate	13.1%	—
Energy	12.8%	16.3%
Consumer discretionary	9.8%	3.6%
Industrials	7.4%	3.3%
Financials	4.8%	9.8%
Telecommunication services	3.8%	—
Utilities	2.4%	7.4%
Materials	2.2%	3.2%
Information technology	0.6%	5.4%
Warrants and rights	0.1%	—
Consumer staples	—	1.4%
Bonds (short) position	(2.9%)	—
Total	100.0%	100.0%

The accompanying notes are an integral part of these financial statements.

ASTON HILL GROWTH & INCOME CLASS

FUND SPECIFIC FINANCIAL INSTRUMENTS RISKS (continued)

Fair Value Hierarchy

The following is a summary of the inputs used as at December 31, 2012 and 2011 in valuing the Fund's investments carried at fair value:

December 31, 2012	Level 1	Level 2	Level 3	Total
Financial assets				
Underlying Fund	\$ 5,574,304	\$ —	\$ —	\$ 5,574,304

December 31, 2011	Level 1	Level 2	Level 3	Total
Financial assets				
Underlying Fund	\$ 934,800	\$ —	\$ —	\$ 934,800

There were no transfers of financial assets between the levels during the years ended December 31, 2012 and 2011.

The accompanying notes are an integral part of these financial statements.

ASTON HILL SHAREHOLDER YIELD CLASS

STATEMENT OF NET ASSETS

As at December 31	2012
Assets	
Due from Manager	\$ 11,284
Cash	149,252
Total assets	160,536
Liabilities	
Accounts payable and accrued liabilities	10,536
Total liabilities	10,536
Net Assets representing shareholders' equity	\$ 150,000
Net Assets per series	
Series I	\$ 150,000
Shares outstanding per series (note 3)	
Series I	15,000
Net Assets per share	
Series I	\$ 10.00

Approved on behalf of the Board of Directors of Aston Hill Corporate Funds Inc.



Michael J. Killeen
Director



Larry Guy
Director

The accompanying notes are an integral part of these financial statements.

ASTON HILL SHAREHOLDER YIELD CLASS

STATEMENT OF OPERATIONS

For the period from August 17, 2012 (commencement of operations) to December 31, 2012	2012
Expenses	
Fund accounting fees	\$ 8,810
Audit fees	5,943
Independent review committee fees	11
Custody fees	1,172
Legal fees	395
Shareholder reporting costs	1,021
Administration fees	176
	<u>17,528</u>
Expenses reimbursed by Manager	<u>(17,528)</u>
Net investment income	<u>—</u>
Increase in Net Assets from operations	<u>\$ —</u>
Increase in Net Assets from operations per series	
Series I	<u>\$ —</u>
Increase in Net Assets from operations per share⁽¹⁾	
Series I	<u>\$ —</u>

⁽¹⁾ Based on the weighted average number of shares outstanding for the period.

The accompanying notes are an integral part of these financial statements.

ASTON HILL SHAREHOLDER YIELD CLASS

STATEMENT OF CHANGES IN NET ASSETS

Series I

For the period from August 17, 2012 (commencement of operations) to December 31, 2012	2012
Net Assets, beginning of period	\$ —
Operations:	
Increase in Net Assets from operations	—
Capital share transactions (note 3):	
Proceeds from issuance of Fund shares	150,000
	<u>150,000</u>
Net increase in Net Assets	150,000
Net Assets, end of period	<u>\$ 150,000</u>

FUND SPECIFIC FINANCIAL INSTRUMENTS RISKS

As at December 31, 2012, the Fund only had \$150,000 of Net Assets and no investments. As a result, the Fund had no exposure to other price risk, credit risk, currency risk and interest rate risk.

Related Party Transactions

On inception of the Fund the parent company of the Manager invested \$150,000. As at December 31, 2012, \$150,000 still remains held in the Fund.

The accompanying notes are an integral part of these financial statements.

ASTON HILL CAPITAL GROWTH CLASS

STATEMENTS OF NET ASSETS

As at December 31	2012	2011
Assets		
Investments, at fair value	\$ 8,429,701	\$ 2,236,533
Due from Manager	15,786	—
Cash	7,276	3,642
Distributions receivable	—	10,256
Subscriptions receivable from shareholders	—	56,196
Total assets	8,452,763	2,306,627
Liabilities		
Amounts payable for investments purchased	—	56,196
Management fees payable (note 5)	12,232	57
Accounts payable and accrued liabilities	4,571	10,622
Total liabilities	16,803	66,875
Net Assets representing shareholders' equity	\$ 8,435,960	\$ 2,239,752
Net Assets per series		
Series A	\$ 4,583,606	\$ 1,340,191
Series F	\$ 3,852,354	\$ 899,561
Shares outstanding per series (note 3)		
Series A	420,840	134,914
Series F	348,647	90,137
Net Assets per share		
Series A	\$ 10.89	\$ 9.93
Series F	\$ 11.05	\$ 9.98

Approved on behalf of the Board of Directors of Aston Hill Corporate Funds Inc.



Michael J. Killeen
Director



Larry Guy
Director

The accompanying notes are an integral part of these financial statements.

ASTON HILL CAPITAL GROWTH CLASS

STATEMENTS OF OPERATIONS

For the year ended December 31, 2012 and for the period from August 11, 2011 ⁽¹⁾ to December 31, 2011	2012	2011
Income		
Income distribution from investments	\$ 20,485	\$ 10,256
Expenses		
Management fees (note 5)	107,791	57
Fund accounting fees	26,190	3,379
Audit fees	13,109	7,088
Independent review committee fees	1,682	564
Interest and bank charges	752	—
Custody fees	3,819	1,126
Legal fees	4,945	20,139
Shareholder reporting costs	18,127	600
Administration fees	5,734	15,598
	182,149	48,551
Expenses reimbursed by Manager	(30,961)	(37,593)
	151,188	10,958
Net investment loss	(130,703)	(702)
Net realized and unrealized gain on investments		
Net realized gain on investments	41,193	—
Change in unrealized appreciation on investments	618,647	2,562
Net realized and unrealized gain on investments	659,840	2,562
Increase in Net Assets from operations	\$ 529,137	\$ 1,860
Increase (decrease) in Net Assets from operations per series		
Series A	\$ 256,557	\$ (1,942)
Series F	\$ 272,580	\$ 3,802
Increase (decrease) in Net Assets from operations per share⁽²⁾		
Series A	\$ 0.78	\$ (0.04)
Series F	\$ 0.90	\$ 0.15

⁽¹⁾ Inception date of the Fund.

⁽²⁾ Based on the weighted average number of shares outstanding for the year.

The accompanying notes are an integral part of these financial statements.

ASTON HILL CAPITAL GROWTH CLASS

STATEMENTS OF CHANGES IN NET ASSETS

Series A

For the year ended December 31, 2012 and for the period from August 11, 2011 ⁽¹⁾ to December 31, 2011	2012	2011
Net Assets, beginning of year	\$ 1,340,191	\$ —
Operations:		
Increase (decrease) in Net Assets from operations	256,557	(1,942)
Capital share transactions (note 3):		
Proceeds from issuance of Fund shares	3,458,564	1,493,191
Reinvested Fund shares	493	—
Redemptions	(470,204)	(151,058)
	2,988,853	1,342,133
Distributions to shareholders:		
Return of capital	(1,995)	—
	(1,995)	—
Net increase in Net Assets	3,243,415	1,340,191
Net Assets, end of year	\$ 4,583,606	\$ 1,340,191

Series F

For the year ended December 31, 2012 and for the period from August 11, 2011 ⁽¹⁾ to December 31, 2011	2012	2011
Net Assets, beginning of year	\$ 899,561	\$ —
Operations:		
Increase in Net Assets from operations	272,580	3,802
Capital share transactions (note 3):		
Proceeds from issuance of Fund shares	3,243,266	895,759
Reinvested Fund shares	572	—
Redemptions	(561,823)	—
	2,682,015	895,759
Distributions to shareholders:		
Return of capital	(1,802)	—
	(1,802)	—
Net increase in Net Assets	2,952,793	899,561
Net Assets, end of year	\$ 3,852,354	\$ 899,561

⁽¹⁾ Inception date of the Fund.

The accompanying notes are an integral part of these financial statements.

ASTON HILL CAPITAL GROWTH CLASS

STATEMENTS OF CHANGES IN NET ASSETS (continued)

Fund Total

For the year ended December 31, 2012 and for the period from August 11, 2011 ⁽¹⁾ to December 31, 2011	2012	2011
Net Assets, beginning of year	\$ 2,239,752	\$ —
Operations:		
Increase in Net Assets from operations	529,137	1,860
Capital share transactions (note 3):		
Proceeds from issuance of Fund shares	6,701,830	2,388,950
Reinvested Fund shares	1,065	—
Redemptions	(1,032,027)	(151,058)
	5,670,868	2,237,892
Distributions to shareholders:		
Return of capital	(3,797)	—
	(3,797)	—
Net increase in Net Assets	6,196,208	2,239,752
Net Assets, end of year	\$ 8,435,960	\$ 2,239,752

⁽¹⁾ Inception date of the Fund.

STATEMENT OF INVESTMENT PORTFOLIO

As at December 31, 2012		Cost	Fair Value	% of Portfolio
No. of Units	Mutual Fund			
756,719	Aston Hill Capital Growth Fund – Series I	\$ 7,808,492	\$ 8,429,701	
	Total Investments	\$ 7,808,492	\$ 8,429,701	100.0%

The accompanying notes are an integral part of these financial statements.

ASTON HILL CAPITAL GROWTH CLASS

FUND SPECIFIC FINANCIAL INSTRUMENTS RISKS

Other Price Risk

The Fund bears the other price risk exposure of the Aston Hill Capital Growth Fund (the “Underlying Fund”). The Underlying Fund is exposed to other price risk as its holdings are sensitive to changes in general economic conditions in the United States and Canada. The Underlying Fund is predominantly invested in US stocks and Canadian stocks; as a result, an overall downturn in the American economy and Canadian economy may have a negative impact on the value of the Underlying Fund’s holdings.

As at December 31, 2012 and 2011, had the fair values of the portfolio investments increased or decreased by 5%, with all other variables held constant, the Fund’s Net Assets would have increased or decreased, respectively, by approximately \$421,485 (2011 – \$111,827). Actual results may differ from this sensitivity analysis, and the difference may be material.

Credit Risk

The Fund bears the credit risk exposure of the Underlying Fund. As at December 31, 2012 and 2011, the Underlying Fund was invested in debt securities with following credit ratings:

Debt Securities by S&P Rating as a % of the Underlying Fund’s Net Assets	2012	2011
AAA	44.1%	—
AA	—	39.6%
BB	1.6%	—
B	4.4%	—
CCC	3.2%	1.7%
	53.3%	41.3%

Credit risk can also arise from holdings in derivative contracts. If the counterparty in a derivative contract or the dealer goes bankrupt, the Fund could lose any deposit and any gains made on the contract. The Fund is exposed to credit risk related to derivative contracts held in the Underlying Fund. As at December 31, 2012 and 2011, the counterparties to the derivatives contracts held by the Underlying Fund had a credit rating of AA-.

Currency Risk

The Fund bears the currency risk exposure of the Underlying Fund. The Underlying Fund is exposed to currency risk as it invests in stocks that are denominated in US dollars, whereas the Canadian dollar is the functional currency of the Fund and Underlying Fund. As a result, the Fund and Underlying Fund will be affected by fluctuations in the value of such currencies relative to the Canadian dollar. The following table summarizes the Underlying Fund’s exposure to US dollar currency risk as at December 31, 2012 and 2011:

Currency Risk Exposure	% of the Underlying Fund’s Net Assets	
	2012	2011
Financial assets	51.5%	41.2%
Other assets	3.2%	0.3%
Foreign currency forward contracts	(46.3%)	(37.0%)
Financial liabilities	(2.5%)	(2.2%)
Other liabilities	—	(9.7%)
	5.9%	(7.4%)

Had the Canadian dollar strengthened or weakened by 1% in relation to its net US dollar exposure, with all other variables held constant, the estimated Net Assets would have decreased or increased, respectively, by approximately \$4,974 at December 31, 2012 (2011 – \$1,215). In practice, the actual trading results may differ from this sensitivity analysis, and the difference could be material.

Liquidity Risk

The Fund’s exposure to liquidity risk is concentrated in the daily cash redemptions of shares. As at December 31, 2012 and 2011, the Underlying Fund primarily invests in securities that are traded in active markets and can be readily disposed of. The Fund is exposed to indirect liquidity risk through its holdings in the Underlying Fund. The Fund maintains sufficient cash positions to maintain liquidity and can liquidate its holdings of the Underlying Fund on a daily basis. As at December 31, 2012 and 2011, the Fund’s exposure to liquidity risk was minimal.

The accompanying notes are an integral part of these financial statements.

ASTON HILL CAPITAL GROWTH CLASS

FUND SPECIFIC FINANCIAL INSTRUMENTS RISKS (continued)

Interest Rate Risk

The Fund bears the interest rate risk exposure of the Underlying Fund. As at December 31, 2012 and 2011, the Underlying Fund's exposure to interest rate risk by the debt securities' remaining term to maturity was as follows:

Remaining Term to Maturity	Debt Securities as a % of the Underlying Fund's Net Assets	
	2012	2011
Less than 1 year	44.0%	39.6%
3–5 years	1.5%	—
Greater than 5 years	7.8%	1.7%
	53.3%	41.3%

As at December 31, 2012 and 2011, had prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve, with all other variables held constant, Net Assets would have increased or decreased, respectively, by approximately \$7,551 (2011 – \$460). The sensitivity to interest rate changes was estimated using the weighted average duration of the bonds. The actual trading results may differ from this sensitivity analysis, and the difference could be material.

Portfolio Concentration Risk

Portfolio concentration risk is the risk associated with the exposure to any one or more particular country, sector, asset class or security. The Manager believes that there is no significant concentration risk of the Fund due to diversification by security of the Underlying Fund. The following is a summary of portfolio concentration of the Underlying Fund as at December 31, 2012 and 2011:

Sector	% of the Underlying Fund's Total Investments	
	2012	2011
Consumer discretionary	34.6%	49.8%
Fixed income investments	18.5%	4.1%
Industrials	17.7%	15.4%
Financials	12.9%	2.1%
Materials	8.5%	5.4%
Healthcare	4.7%	—
Consumer staples	4.1%	13.7%
Information technology	2.6%	8.7%
Telecommunication services	1.4%	—
Energy	—	5.7%
Utilities	—	2.2%
Short position	(5.0%)	(7.1%)
Total	100.0%	100.0%

Fair Value Hierarchy

The following is a summary of the inputs used as at December 31, 2012 and 2011 in valuing the Fund's investments carried at fair value:

December 31, 2012	Level 1	Level 2	Level 3	Total
Financial assets				
Underlying Fund	\$ 8,429,701	\$ —	\$ —	\$ 8,429,701
December 31, 2011	Level 1	Level 2	Level 3	Total
Financial assets				
Underlying Fund	\$ 2,236,533	\$ —	\$ —	\$ 2,236,533

There were no transfers of financial assets between the levels during the years ended December 31, 2012 and 2011.

The accompanying notes are an integral part of these financial statements.

ASTON HILL STRATEGIC YIELD CLASS

STATEMENTS OF NET ASSETS

As at December 31	2012	2011
Assets		
Investments, at fair value	\$ 11,034,394	\$ 3,183,335
Amounts receivable for investments sold	23,112	—
Due from Manager	16,252	—
Cash	236,622	150,000
Distributions receivable	42,309	12,749
Subscriptions receivable from shareholders	181,750	—
Total assets	11,534,439	3,346,084
Liabilities		
Management fees payable (note 5)	14,632	169
Accounts payable and accrued liabilities	9,347	10,635
Redemptions payable to shareholders	34,612	—
Total liabilities	58,591	10,804
Net Assets representing shareholders' equity	\$ 11,475,848	\$ 3,335,280
Net Assets per series		
Series A	\$ 7,925,029	\$ 279,969
Series F	\$ 2,455,987	\$ 16,033
Series Y	\$ 1,094,832	\$ 3,039,278
Shares outstanding per series (note 3)		
Series A	698,293	28,020
Series F	213,757	1,598
Series Y	96,578	302,987
Net Assets per share		
Series A	\$ 11.35	\$ 9.99
Series F	\$ 11.49	\$ 10.03
Series Y	\$ 11.34	\$ 10.03

Approved on behalf of the Board of Directors of Aston Hill Corporate Funds Inc.



Michael J. Killeen
Director



Larry Guy
Director

The accompanying notes are an integral part of these financial statements.

ASTON HILL STRATEGIC YIELD CLASS

STATEMENTS OF OPERATIONS

For the year ended December 31, 2012 and for the period from August 11, 2011 ⁽¹⁾ to December 31, 2011	2012	2011
Income		
Income distribution from investments	\$ 296,172	\$ 12,749
Expenses		
Management fees (note 5)	112,976	182
Fund accounting fees	27,109	3,379
Audit fees	6,504	7,089
Independent review committee fees	1,272	799
Interest and bank charges	1,059	—
Custody fees	4,268	1,126
Legal fees	3,983	20,139
Shareholder reporting costs	17,525	690
Administration fees	7,035	15,306
	181,731	48,710
Expenses reimbursed by Manager	(37,689)	(37,626)
	144,042	11,084
Net investment income	152,130	1,665
Net realized and unrealized gain on investments		
Net realized gain on investments	134,266	6
Change in unrealized appreciation on investments	456,390	7,760
Net realized and unrealized gain on investments	590,656	7,766
Increase in Net Assets from operations	\$ 742,786	\$ 9,431
Increase (decrease) in Net Assets from operations per series		
Series A	\$ 396,846	\$ (31)
Series F	\$ 85,964	\$ 50
Series Y	\$ 259,976	\$ 9,412
Increase in Net Assets from operations per share⁽²⁾		
Series A	\$ 1.24	\$ —
Series F	\$ 1.35	\$ 0.03
Series Y	\$ 1.53	\$ 0.03

⁽¹⁾ Inception date of the Fund.

⁽²⁾ Based on the weighted average number of shares outstanding for the year.

The accompanying notes are an integral part of these financial statements.

ASTON HILL STRATEGIC YIELD CLASS

STATEMENTS OF CHANGES IN NET ASSETS

Series A

For the year ended December 31, 2012 and for the period from August 11, 2011 ⁽¹⁾ to December 31, 2011	2012	2011
Net Assets, beginning of year	\$ 279,969	\$ —
Operations:		
Increase (decrease) in Net Assets from operations	396,846	(31)
Capital share transactions (note 3):		
Proceeds from issuance of Fund shares	9,501,159	280,000
Reinvested Fund shares	1,027	—
Redemptions	(2,252,832)	—
	7,249,354	280,000
Distributions to shareholders:		
From income	(1,140)	—
	(1,140)	—
Net increase in Net Assets	7,645,060	279,969
Net Assets, end of year	\$ 7,925,029	\$ 279,969

Series F

For the year ended December 31, 2012 and for the period from August 11, 2011 ⁽¹⁾ to December 31, 2011	2012	2011
Net Assets, beginning of year	\$ 16,033	\$ —
Operations:		
Increase in Net Assets from operations	85,964	50
Capital share transactions (note 3):		
Proceeds from issuance of Fund shares	2,452,065	15,983
Reinvested Fund shares	—	—
Redemptions	(98,075)	—
	2,353,990	16,033
Distributions to shareholders:		
From income	—	—
	—	—
Net increase in Net Assets	2,439,954	16,033
Net Assets, end of year	\$ 2,455,987	\$ 16,033

⁽¹⁾ Inception date of the Fund.

The accompanying notes are an integral part of these financial statements.

ASTON HILL STRATEGIC YIELD CLASS

STATEMENTS OF CHANGES IN NET ASSETS (continued)

Series Y

For the year ended December 31, 2012 and for the period from December 20, 2011 ⁽¹⁾ to December 31, 2011	2012	2011
Net Assets, beginning of year	\$ 3,039,278	\$ —
Operations:		
Increase in Net Assets from operations	259,976	9,412
Capital share transactions (note 3):		
Proceeds from issuance of Fund shares	305	3,034,524
Reinvested Fund shares	160	—
Redemptions	(2,204,458)	(4,658)
	(2,203,993)	3,029,866
Distributions to shareholders:		
From income	(429)	—
	(429)	—
Net (decrease) increase in Net Assets	(1,944,446)	3,039,278
Net Assets, end of year	\$ 1,094,832	\$ 3,039,278

⁽¹⁾ Inception date of the Series.

Fund Total

For the year ended December 31, 2012 and for the period from August 11, 2011 ⁽¹⁾ to December 31, 2011	2012	2011
Net Assets, beginning of year	\$ 3,335,280	\$ —
Operations:		
Increase in Net Assets from operations	742,786	9,431
Capital share transactions (note 3):		
Proceeds from issuance of Fund shares	11,953,529	3,330,507
Reinvested Fund shares	1,187	—
Redemptions	(4,555,365)	(4,658)
	7,399,351	3,325,849
Distributions to shareholders:		
From income	(1,569)	—
	(1,569)	—
Net increase in Net Assets	8,140,568	3,335,280
Net Assets, end of year	\$ 11,475,848	\$ 3,335,280

⁽¹⁾ Inception date of the Fund.

STATEMENT OF INVESTMENT PORTFOLIO

As at December 31, 2012		Cost	Fair Value	% of Portfolio
No. of Units	Mutual Fund			
995,489	Aston Hill Strategic Yield Fund – Series I	\$ 10,570,245	\$ 11,034,394	
	Total Investments	\$ 10,570,245	\$ 11,034,394	100.0%

The accompanying notes are an integral part of these financial statements.

ASTON HILL STRATEGIC YIELD CLASS

FUND SPECIFIC FINANCIAL INSTRUMENTS RISKS

The Fund bears the other price risk exposure of Aston Hill Strategic Yield Fund (the “Underlying Fund”). Through a forward agreement (the “Forward Agreement”), the Underlying Fund is indirectly exposed to the financial instrument risks of Aston Hill Strategic Yield Trust (the “Trust”). Therefore, the Fund is also exposed to the financial instrument risks of the Trust.

Other Price Risk

The Trust is exposed to other price risk as its holdings are sensitive to changes in general economic conditions in the United States and Canada. The Trust is predominantly invested in US bonds and Canadian bonds; as a result, an overall downturn in the American economy and Canadian economy may have a negative impact on the value of the Trust’s holdings.

As at December 31, 2012 and 2011, had the fair values of the portfolio investments increased or decreased by 5%, with all other variables held constant, the Fund’s Net Assets would have increased or decreased, respectively, by approximately \$551,719 (2011 – \$159,167). Actual results may differ from this sensitivity analysis, and the difference may be material.

Credit Risk

As at December 31, 2012 and 2011, the Trust was invested in debt securities with the following credit ratings:

Debt Securities by S&P Rating as a % of the Trust’s Net Assets	2012	2011
AAA	2.5%	—
AA	—	3.1%
BBB	3.2%	28.6%
BB	10.5%	8.0%
B	57.5%	25.3%
CCC	13.9%	10.8%
CC	—	1.2%
Not Rated	5.4%	9.9%
	93.0%	86.9%

As at December 31, 2012 and 2011, the Underlying Fund does not hold short-term deposit notes or other interest-bearing securities directly. The Underlying Fund was exposed to credit risk through the Counterparty of the Forward Agreement and its exposure to cash, other receivables and derivatives. BMO Capital Market Inc., the Counterparty, had an A+ credit rating as at December 31, 2012, according to the S&P rating agency. As a result of this, the Manager believes the Fund had minimal direct credit risk.

The Fund’s ability to pay distributions is dependent upon the performance of the Trust’s assets. That performance, in turn, is subject to a number of risks, in particular, the credit risk of the US dollar denominated, global convertible bonds of the Trust. The value of the US dollar denominated, global convertible bonds is affected by the creditworthiness of borrowers and by general economic and specific industry conditions.

Currency Risk

Net Asset Value is measured in Canadian dollars and payments to shareholders are made in Canadian dollars. The Fund itself is not directly exposed to the fluctuations in the value of the Canadian dollar relative to other currencies as a result of the Forward Agreement.

Through its exposure to the Trust, the Fund is exposed to currency risk as the Trust may hold assets or have liabilities denominated in currencies other than in Canadian dollars. As at December 31, 2012, the Trust is exposed to currency risk as the value of any assets or liabilities denominated in currencies other than the Canadian dollar will vary due to changes in foreign currency exchange rates. The following summarizes the Trust’s exposure to currency risk as at December 31, 2012 and 2011:

December 31, 2012

Currency Risk Exposure	% of the Trust’s Net Assets
	US Dollar Exposure
Financial assets	80.4%
Other assets	2.0%
Foreign currency forward contracts	(74.3%)
	8.1%

The accompanying notes are an integral part of these financial statements.

ASTON HILL STRATEGIC YIELD CLASS

FUND SPECIFIC FINANCIAL INSTRUMENTS RISKS (continued)

December 31, 2011

Currency Risk Exposure	% of the Trust's Net Assets	
	Euro Exposure	US Dollar Exposure
Financial assets	1.4%	80.4%
Other assets	—	2.1%
Foreign currency forward contracts	—	(51.9%)
Other liabilities	—	(2.4%)
	1.4%	28.2%

Had the Canadian dollar strengthened or weakened by 5% in relation to the foreign currencies the Fund and the Underlying Fund are exposed to, with all other variables held constant, the estimated Net Assets would have decreased or increased, respectively, by approximately \$44,689 as at December 31, 2012 (2011 – \$8,106). The actual trading results may differ from this sensitivity analysis, and the difference could be material.

Liquidity Risk

The Fund's exposure to liquidity risk is concentrated in the daily cash redemptions of shares. As at December 31, 2012 and 2011, the Underlying Fund can partially settle its Forward Agreement to fund daily redemptions. The Underlying Fund is also exposed to indirect liquidity risk through its holdings in the Trust. The Fund maintains sufficient cash positions to maintain liquidity. As at December 31, 2012 and 2011, the Fund's exposure to liquidity risk was minimal.

Interest Rate Risk

The Fund bears the interest rate risk exposure of the Underlying Fund. Through the Forward Agreement, the Underlying Fund is indirectly exposed to the interest rate risk of the Trust. As at December 31, 2012 and 2011, the Trust's exposure to interest rate risk by the debt securities' remaining term to maturity was as follows:

Remaining Term to Maturity	Debt Securities as a % of the Trust's Net Assets	
	2012	2011
Less than 1 year	2.5%	10.7%
1–3 years	4.4%	9.1%
3–5 years	24.1%	34.7%
Greater than 5 years	62.0%	32.4%
	93.0%	86.9%

As at December 31, 2012 and 2011, if the prevailing interest rates had risen or declined by 0.25%, assuming a parallel shift in the yield curve, with all other variables held constant, the Fund's Net Assets would have decreased or increased, respectively, by approximately \$85,180 (2011 – \$15,493). The sensitivity to interest rate changes was estimated using the weighted average duration of the bonds. Actual results may differ from this sensitivity analysis, and the difference could be material.

The accompanying notes are an integral part of these financial statements.

ASTON HILL STRATEGIC YIELD CLASS

FUND SPECIFIC FINANCIAL INSTRUMENTS RISKS (continued)

Portfolio Concentration Risk

Portfolio concentration risk is the risk associated with the exposure to any one or more particular country, sector, asset class or security. The Manager believes that there is no significant concentration risk for the Fund due to diversification by asset class and security.

The following is a summary of portfolio concentration as at December 31, 2012 and 2011:

Sector	% of the Underlying Fund's Total Investments	
	2012	2011
Fixed income investments:		
Consumer discretionary	26.6%	10.9%
Industrials	22.0%	6.0%
Financials	16.8%	17.8%
Energy	15.7%	0.9%
Materials	8.4%	1.8%
Consumer staples	5.6%	9.8%
Telecommunication services	1.9%	7.8%
Healthcare	1.6%	5.9%
Oil and gas	—	17.9%
Real estate	—	9.4%
Technology	—	6.8%
Equities:		
Financials	1.4%	—
Warrants	—	5.0%
	100.0%	100.0%

The Underlying Fund's portfolio concentration risk is mitigated by the monitoring of the investment portfolio to ensure compliance with investment guidelines. The Manager regularly monitors the Underlying Fund's positions and market events, and diversifies the investment portfolios within the constraints of the investment guidelines.

Fair Value Hierarchy

The following is a summary of the Fund's investments, classified using a three-level fair value hierarchy framework, based on the relative reliability of the inputs used to estimate their fair value.

December 31, 2012	Level 1	Level 2	Level 3	Total
Financial assets				
Underlying Fund	\$ 11,034,394	\$ —	\$ —	\$ 11,034,394
December 31, 2011	Level 1	Level 2	Level 3	Total
Financial assets				
Underlying Fund	\$ 3,183,335	\$ —	\$ —	\$ 3,183,335

There were no transfers of financial assets between the levels during the years ended December 31, 2012 and 2011.

The accompanying notes are an integral part of these financial statements.

ASTON HILL MONEY MARKET CLASS


STATEMENTS OF NET ASSETS

As at December 31	2012	2011
Assets		
Investments, at fair value	\$ 123,146	\$ —
Due from Manager	14,336	6,102
Cash	75,873	149,720
Distributions and interest receivable	97	—
Other receivable	—	280
Total assets	213,452	156,102
Liabilities		
Management fees payable (note 5)	30	—
Accounts payable and accrued liabilities	11,663	6,102
Total liabilities	11,693	6,102
Net Assets representing shareholders' equity – Series A	\$ 201,759	\$ 150,000
Shares outstanding – Series A (note 3)	20,137	15,000
Net Assets per share – Series A	\$ 10.02	\$ 10.00

Approved on behalf of the Board of Directors of Aston Hill Corporate Funds Inc.



Michael J. Killeen
Director



Larry Guy
Director

The accompanying notes are an integral part of these financial statements.

ASTON HILL MONEY MARKET CLASS

STATEMENTS OF OPERATIONS

For the year ended December 31, 2012 and for the period from August 11, 2011 ⁽¹⁾ to December 31, 2011	2012	2011
Income		
Income distribution from investments	\$ 442	\$ —
Expenses		
Management fees (note 5)	947	—
Fund accounting fees	30,715	—
Audit fees	5,706	7,109
Independent review committee fees	67	77
Interest and bank charges	7,816	—
Custody fees	4,129	—
Legal fees	975	20,139
Shareholder reporting costs	12,899	600
Administration fees	1,950	14,973
	65,204	42,898
Expenses reimbursed by Manager	(65,204)	(42,898)
	—	—
Net investment income	442	—
Increase in Net Assets from operations – Series A	\$ 442	\$ —
Increase in Net Assets from operations per share – Series A⁽²⁾	\$ 0.02	\$ —

⁽¹⁾ Inception date of the Fund.

⁽²⁾ Based on the weighted average number of shares outstanding for the year.

STATEMENTS OF CHANGES IN NET ASSETS

Series A

For the year ended December 31, 2012 and for the period from August 11, 2011 ⁽¹⁾ to December 31, 2011	2012	2011
Net Assets, beginning of year	\$ 150,000	\$ —
Operations:		
Increase in Net Assets from operations	442	—
Capital share transactions (note 3):		
Proceeds from issuance of Fund shares	122,841	150,000
Redemptions	(71,524)	—
	51,317	150,000
Net increase in Net Assets	51,759	150,000
Net Assets, end of year	\$ 201,759	\$ 150,000

⁽¹⁾ Inception date of the Fund.

STATEMENT OF INVESTMENT PORTFOLIO

As at December 31, 2012		Cost	Fair Value	% of Portfolio
No. of Units	Mutual Fund			
12,315	Aston Hill Money Market Fund – Series I	\$ 123,146	\$ 123,146	
	Total Investments	\$ 123,146	\$ 123,146	100.0%

The accompanying notes are an integral part of these financial statements.

ASTON HILL MONEY MARKET CLASS

FUND SPECIFIC FINANCIAL INSTRUMENTS RISKS

Other Price Risk

The Fund holds units of Aston Hill Money Market Fund (the “Underlying Fund”). The Underlying Fund is not subject to other price risk as it only invests in short-term investments.

Credit Risk

The Fund bears the credit risk exposure of the Underlying Fund. As at December 31, 2012 and 2011, the Underlying Fund was invested in debt securities with following credit ratings:

Debt Securities by S&P Rating as a % of the Underlying Fund’s Net Assets	2012	2011
AAA	82.5%	—
AA	—	92.1%
	82.5%	92.1%

Currency Risk

The Underlying Fund is not exposed to currency risk as its investments are denominated in Canadian dollars, the reporting currency of the Fund and the Underlying Fund.

Liquidity Risk

As at December 31, 2012 and 2011, the Fund retains sufficient cash and cash equivalent positions and is therefore considered relatively liquid.

Interest Rate Risk

The Fund bears the interest rate risk exposure of the Underlying Fund. As at December 31, 2012 and 2011, the Underlying Fund’s exposure to interest rate risk by the debt securities’ remaining term to maturity was as follows:

Remaining Term to Maturity	Debt Securities as a % of the Underlying Fund’s Net Assets	
	2012	2011
Less than 1 year	82.5%	92.1%
	82.5%	92.1%

As at December 31, 2012, Fund has minimal sensitivity to interest rates since the short-term investments are generally held until maturity and short term in nature.

Fair Value Hierarchy

The following is a summary of the inputs used as at December 31, 2012 and 2011 in valuing the Fund’s investments carried at fair value:

December 31, 2012	Level 1	Level 2	Level 3	Total
Financial assets				
Underlying Fund	\$ 123,146	\$ —	\$ —	\$ 123,146

There were no transfers of financial assets between the levels during the years ended December 31, 2012 and 2011.

Related Party Transactions

On inception of the Underlying Fund, the parent company of the Manager invested \$150,000. As at December 31, 2012, \$150,000 still remains held in the Fund.

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012 and 2011

1. THE FUNDS

Aston Hill Growth & Income Class, Aston Hill Shareholder Yield Class, Aston Hill Capital Growth Class, Aston Hill Strategic Yield Class and Aston Hill Money Market Class (the “Funds” and each a “Fund”) are separate classes of shares of Aston Hill Corporate Funds Inc. (the “Corporation”), an open-ended mutual fund corporation that was incorporated on June 2, 2011 under the federal laws of Canada. The Corporation is authorized to issue up to 1,000 classes of mutual fund shares.

The Funds were created on July 14, 2011 (except for Aston Hill Shareholder Yield Class) and are each one of the classes of mutual fund shares of the Corporation. Aston Hill Shareholder Yield Class was created on August 17, 2012.

Fund	Series Information	Underlying Fund ⁽¹⁾
Aston Hill Growth & Income Class	Series A, F and I shares	Aston Hill Growth & Income Fund, Series I
Aston Hill Shareholder Yield Class	Series A, F and I shares	Aston Hill Shareholder Yield Fund, Series I
Aston Hill Capital Growth Class	Series A, F and I shares	Aston Hill Capital Growth Fund, Series I
Aston Hill Strategic Yield Class	Series A, F, I and Y shares	Aston Hill Strategic Yield Fund, Series I
Aston Hill Money Market Class	Series A, F and I shares	Aston Hill Money Market Fund, Series I

⁽¹⁾ To achieve their investment objectives, the Funds invest in units of their respective underlying Aston Hill mutual fund.

On August 11, 2011, Series A shares of the Funds (except for Aston Hill Shareholder Yield Class) were issued to Aston Hill Asset Management Inc. for cash consideration of \$10.00 per share. On August 17, 2012, Series I shares of Aston Hill Shareholder Yield Class were issued to Aston Hill Asset Management Inc. for cash consideration of \$10.00 per share.

Effective as of close of business on December 20, 2011, the Aston Hill Global High Income Fund, formerly called Navina/Lazard U.S. High Yield Bond Fund (the “Terminating Fund”), transferred its Net Assets into the Aston Hill Strategic Yield Fund (the “Continuing Trust Fund”) and the Aston Hill Strategic Yield Class (“Continuing Corporate Fund” and, together with the Continuing Trust Fund, the “Continuing Funds”).

On December 22, 2011, 303,452 shares of Series Y shares of Aston Hill Strategic Yield Class were issued to the former unitholders of Aston Hill Global High Income Fund.

Aston Hill Asset Management Inc. is the manager (“Manager”) of the Funds. RBC Investor Services Trust acts as the custodian of the Funds.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (“GAAP”). The following is a summary of significant accounting policies:

a) Valuation of Investments

In accordance with AcG 18, investments are deemed to be categorized as held for trading and are required to be recorded at fair value. The Net Assets of an investment fund for financial reporting purposes (“Net Assets”) are calculated in accordance with GAAP. No differences exist between the Net Asset Value and Net Assets of the Funds since the Net Asset Value per unit of the underlying funds held is the most readily and regularly available price as no bid prices are available.

b) Cash

Cash consists of cash on hand. Cash is deemed to be held for trading and therefore are recorded at fair value.

c) Other Assets and Liabilities

The Funds’ other financial assets, which may include due from manager, other receivables, distributions and interests receivable, subscriptions receivable from shareholders and amounts receivable for investments sold, are designated as loans and receivables and carried at amortized cost. The Funds’ other financial liabilities, which may include management fees payable, accounts payable and accrued liabilities, amounts payable for investments purchased and distributions and redemptions payable to shareholders, are designated as such and are carried at amortized cost. Amortized cost for these financial assets and liabilities approximates fair value.

d) 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 in the value of investments are calculated on an average cost basis, excluding transaction costs and the effect of foreign exchange, which is disclosed separately.

Interest income and expenses are recognized on an accrual basis.

Distributions from underlying funds are recognized on the ex-distribution date.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (continued)

December 31, 2012 and 2011

e) Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of increases and decreases in Net Assets from operations during the reporting period. A significant area requiring the use of management judgements and estimates is the valuation of non-public investments. The resulting values may materially differ from values that would have been used had a readily available market existed for the investments and the prices at which the investments may be sold.

f) Income Taxes

Aston Hill Corporate Funds Inc. (the “Corporation”) qualifies as a mutual fund corporation under the Income Tax Act (Canada) (the “Act”). The general income tax rules associated with a public corporation also apply to a mutual fund corporation with the exception that income taxes payable on realized capital gains are refundable on a formula basis when shares are redeemed or capital gains dividends are paid. The Corporation is a single legal entity for tax purposes and is not taxed on a fund-by-fund or class-by-class basis.

The Corporation has a tax year-end of December 31. All of the Funds’ expenses, including expenses common to all series of the Funds and management fees and other expenses specific to a particular series of a Fund, will be taken into account in determining the income or loss of the Corporation as a whole. Similarly, all of the Funds’ revenues, deductible expenses, capital gains and capital losses and other items relevant to the tax position will be taken into account in determining the income or loss of the Corporation and applicable taxes payable, including refundable capital gains taxes, by the Corporation as a whole.

Temporary differences between the carrying values of assets and liabilities for accounting and tax purposes give rise to future income tax assets and liabilities. When the fair value of a fund’s portfolio exceeds its cost, a future tax liability arises. As capital gains taxes payable by a fund are refundable under the provisions of the Act, the future tax liability is offset by these future refundable taxes. Conversely, when the cost exceeds the fair value of the portfolio, a future tax asset is generated. In such cases, a full valuation allowance is taken to offset this asset given the uncertainty that such future tax assets will ultimately be realized. Unused capital and non-capital losses, if any, represent future tax assets to the Funds for which a full valuation allowance has been established such that no net benefit has been recorded by the Funds.

g) Income and Expense Allocation

The Funds allocate income, expenses, realized gains (losses) and unrealized gains (losses) on the following basis:

Income and realized and unrealized gains (losses) are apportioned on a daily basis based on the Net Asset Value of the respective series to the total Net Asset Value of the Fund as at the most recent valuation date.

Expenses are categorized and tracked as expenses directly attributable to a specific series (“direct expenses”) and those that are common expenses of the Fund. Direct expenses of a particular series are recorded as a direct expense to that series. Common expenses are allocated to each series in a manner consistent with the common income allocation described above.

h) Increase (Decrease) in Net Assets from Operations per Series

The increase (decrease) in Net Assets from operations per series in the Statements of Operations is calculated by dividing the increase (decrease) in Net Assets from operations per series by the weighted average number of shares outstanding for each relevant series of shares during the year.

i) Net Asset Value per Share

The Net Asset Value per share of a series is based on the fair value of the series’ proportionate share of the assets and liabilities of the Fund common to all series, less any liabilities of the Fund attributable only to that series, divided by the total outstanding shares of that series. Income, non-series-specific expenses, realized and unrealized gains (losses) of investments and transaction costs are allocated to each series of a Fund based on the series’ pro-rata share of Net Assets of that Fund. Expenses directly attributable to a series are charged directly to that series.

j) Transition to International Financial Reporting Standards

The Canadian Institute of Chartered Accountants (“CICA”) Accounting Standards Board extended the deferral of the mandatory International Financial Reporting Standards (“IFRS”) changeover date for investment companies to fiscal years beginning on or after January 1, 2014. The Funds, which are investment companies, will adopt IFRS commencing January 1, 2014.

In order to prepare for the transition to IFRS, the Manager has performed an assessment of the impact of the significant accounting differences between IFRS and Canadian GAAP including the impact to business processes and systems. Currently, the Manager does not expect any significant impact to Net Assets from the changeover to IFRS, with the main impact of IFRS on the Funds’ financial statements being additional disclosures in the financial statements, the potential elimination of the difference between the Net Assets per share and the Net Asset Value per share at the financial statement reporting dates and a potential change in the presentation of shareholders’ equity. Further updates on the implementation progress and any changes to reporting impacts from the adoption of IFRS will be provided during the implementation period leading up to January 1, 2014. However, this present determination is subject to change resulting from the issuance of new standards or new interpretations of existing standards.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (continued)

December 31, 2012 and 2011

3. SHARES OF THE FUNDS

Each of the Funds offers three series of shares: Series A, Series F and Series I, unless otherwise indicated. Series A shares are available to all investors. Series F shares are designed for investors who participate in fee-based programs. Series I shares are available only to institutional investors and investors who have been approved by the Manager and have entered into a Series I agreement with the Manager. Generally, an investor in Series I shares negotiates a separate fee that will be paid directly to the Manager by the investor. Series I shares are also available to directors and employees of Aston Hill Asset Management Inc. Aston Hill Strategic Yield Class's Series Y shares are available only for redemption for former unitholders of Aston Hill Global High Income Fund.

Each Fund is authorized to issue an unlimited number of redeemable, transferable shares of each series. Shares issued and outstanding represent the capital of the Corporation.

Share transactions of the Funds for the year ended December 31, 2012 (except for Aston Hill Shareholder Yield Class) and the period from August 11, 2011 (commencement of operations) to December 31, 2011 were as follows:

Aston Hill Growth & Income Class	2012		2011	
	Series A	Series F	Series A	Series F
Shares, beginning of year/period	86,896	21,161	—	—
Subscriptions	300,251	194,374	86,896	21,161
Reinvested from distributions	20	37	—	—
Redemptions	(88,161)	(25,020)	—	—
Shares, end of year/period	299,006	190,552	86,896	21,161

Aston Hill Shareholder Yield Class ⁽¹⁾	2012
	Series I
Shares, beginning of period	—
Subscriptions	15,000
Shares, end of period	15,000

⁽¹⁾ Fund commenced operations on August 17, 2012.

Aston Hill Capital Growth Class	2012		2011	
	Series A	Series F	Series A	Series F
Shares, beginning of year/period	134,914	90,137	—	—
Subscriptions	330,349	310,972	150,386	90,137
Reinvested from distributions	47	54	—	—
Redemptions	(44,470)	(52,516)	(15,472)	—
Shares, end of year/period	420,840	348,647	134,914	90,137

Aston Hill Strategic Yield Class	2012			2011		
	Series A	Series F	Series Y	Series A	Series F	Series Y
Shares, beginning of year/period	28,020	1,598	302,987	—	—	—
Subscriptions	879,297	221,101	28	28,020	1,598	303,452
Reinvested from distributions	93	—	15	—	—	—
Redemptions	(209,117)	(8,942)	(206,452)	—	—	(465)
Shares, end of year/period	698,293	213,757	96,578	28,020	1,598	302,987

Aston Hill Money Market Class	2012		2011	
	Series A	Series A	Series A	Series A
Shares, beginning of year/period	—	—	15,000	—
Subscriptions	—	—	12,284	15,000
Redemptions	—	—	(7,147)	—
Shares, end of year/period	—	—	20,137	15,000

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (continued)

December 31, 2012 and 2011

4. CAPITAL MANAGEMENT

The capital of the Funds is represented by issued redeemable shares with no par value. Shareholders are entitled to distributions, if any, and to payment of a proportionate share based on each Fund's Net Asset Value per share upon redemption. The Funds have no restrictions or specific capital requirements on the subscription of shares. A capital requirement of a minimal redemption of \$500 is imposed on the redemption of shares. The relevant movements are shown on the Statements of Changes in Net Assets. In accordance with the Funds' investment objectives, strategies, and risk management practices, the Funds endeavor to invest subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being managed by investing the majority of assets in investments that can be readily disposed of.

5. FEES AND EXPENSES OF THE FUNDS**a) Management Fees**

Each series of shares of a Fund (other than Series I shares) pays the Manager a management fee for providing general management and administrative services. The fee is calculated and accrued daily and paid monthly. The maximum annual rate of the management fee for each series is as follows:

Fund	Annual Management Fee (%)		
	Series A	Series F	Series Y
Aston Hill Growth & Income Class	2.00%	1.00%	—
Aston Hill Shareholder Yield Class	2.00%	1.00%	—
Aston Hill Capital Growth Class	2.00%	1.00%	—
Aston Hill Strategic Yield Class	2.00%	1.00%	1.50%
Aston Hill Money Market Class	0.50%	0.25%	—

No management fees are charged to the Funds for Series I shares. Instead, each investor will negotiate a separate fee, which is payable directly to the Manager.

b) Operating Expenses

Each Fund pays its own operating expenses. These expenses include legal, audit and custodial safekeeping fees, taxes, interest, operating and administrative costs, investor servicing costs and the costs for reports and prospectuses.

If a Fund invests in an underlying fund, the Fund also bears indirectly its proportionate share of the operating expenses of its underlying fund. There were no soft dollar amounts used by the Fund to pay for commissions or any other operating expenses during the year.

6. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**a) Risk Management**

The Funds are exposed to a variety of financial instruments risks: credit risk, liquidity risk and market risk (including interest rate risk, currency risk and other price risk). The level of risk to which each Fund is exposed depends on the investment objective and the types of investments the Fund holds. The value of investments within a portfolio can fluctuate daily as a result of changes in prevailing interest rates, economic and market conditions and company-specific news related to investments held by the Fund. The Manager of the Funds may minimize the potential adverse effects of these risks on the Funds' performances by, but not limited to, regular monitoring of the Funds' positions and market events and diversification of the investment portfolio by asset type, country, sector, and term to maturity within the constraints of the stated objectives, and through the usage of derivatives to hedge certain risk exposures.

b) Credit Risk

Credit risk is the risk that a security issuer or counterparty to a financial instrument will fail to meet its financial obligations. The fair value of a debt instrument includes consideration for the creditworthiness of the debt issuer. The credit risk exposure of the Fund's other assets is represented by their carrying amount as disclosed in the Statements of Net Assets.

Credit ratings for debt securities, preferred securities and derivative instruments are obtained from Standard & Poor's, where available; otherwise, ratings are obtained from Moody's Investors Service, Dominion Bond Rating Services or Canadian Bond Rating Services.

The Funds invest only in units of underlying Aston Hill mutual funds ("Underlying Funds") and may be exposed to indirect credit risk in the event that the Underlying Funds invest in debt instruments, preferred securities and derivatives. Details of each Fund's exposure to credit risk are available in the Fund Specific Financial Instruments Risks section of each Fund.

c) Liquidity Risk

Liquidity risk is the risk that a Fund may not be able to settle or meet its obligations on time or at a reasonable price. The Funds and the Underlying Funds are exposed to daily cash redemptions of redeemable shares. Therefore, the Underlying Funds invest the majority of their assets in investments that can be readily disposed of. In addition, the Funds retain sufficient cash and cash equivalents positions to maintain liquidity.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (continued)

December 31, 2012 and 2011

d) Interest Rate Risk

Interest rate risk is the risk that the fair value of interest-bearing investments will fluctuate due to changes in prevailing levels of market interest rates. As a result, the value of the Funds that invest in debt securities and/or income trusts will be affected by changes in applicable interest rates. If interest rates fall, the fair value of existing debt securities may increase due to the increase in yield. Alternatively, if interest rates rise, the yield of existing debt securities may decrease, which may then lead to a decrease in their fair value. The magnitude of the decline will generally be greater for long-term debt securities than for short-term debt securities.

The Funds invest only in units of Underlying Funds and are exposed to indirect interest rate risk in the event that the Underlying Funds invest in interest-bearing financial instruments. Details of each Fund's exposure to interest rate risk are available in the Fund Specific Financial Instruments Risks section of each Fund.

e) Currency Risk

Currency risk arises from financial instruments that are denominated in a currency other than the functional currency of the Funds. As a result, the Funds may be exposed to the risk that the value of securities denominated in other currencies will fluctuate due to changes in exchange rates.

The Funds invest only in units of Underlying Funds and are exposed to indirect currency risk in the event that the Underlying Funds invest in financial instruments that are denominated in a currency other than the functional currency of the Funds. Details of each Fund's exposure to currency risk are available in the Fund Specific Financial Instruments Risks section of each Fund.

f) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk). The value of each investment is influenced by the outlook of the issuer and by general economic and political conditions, as well as industry and market trends. All securities present a risk of loss of capital.

Other assets and liabilities are monetary items that are short-term in nature and therefore are not subject to significant other price risk.

Details of each Fund's exposure to other price risk are available in the Fund Specific Financial Instruments Risks section of each Fund.

g) Fair Value Hierarchy

The Funds use a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The hierarchy has the following levels: quoted prices in an active market (level 1 – unadjusted inputs); inputs other than quoted prices (level 2 – directly or indirectly derived from quoted prices); and inputs not based on observable market data (level 3 – unobservable inputs).

Details of each Fund's fair value hierarchy classifications are available in the Fund Specific Financial Instruments Risks section of each Fund.

Cash and cash equivalents are classified as level 2.

7. INCOME TAXES

As at December 31, 2012, the Corporation, had capital losses of nil (2011 – nil) and non-capital losses of \$333,536 (2011 – \$11,179) to carry forward. If not utilized, the amount of \$11,179 non-capital losses will expire in 2031.

8. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current period's presentation.