

Financial Statements

Galileo Money Market Fund

June 30, 2007

Galileo Money Market Fund

STATEMENTS OF NET ASSETS

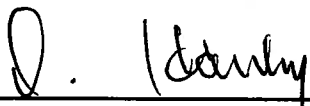
As at June 30th, 2007 (unaudited) and December 31, 2006 (audited)

	2007	2006
Assets		
Investments at fair value	\$ 1,456,779	\$ 224,705
Cash including foreign currency holdings, at fair value	1,176	1,260
	1,457,955	225,965
Liabilities		
Accrued expenses	1,208	33
	1,208	33
Net Assets representing unitholders' equity	\$ 1,456,747	\$ 225,932
Net Asset Value per Unit (note 3)	\$ 10.00	\$ 10.00

See accompanying notes

On behalf of Galileo Funds Inc., the Trustee:


 Michael Waring
 Galileo Funds Inc.


 Peter Hanley
 Galileo Funds Inc.

Galileo Money Market Fund

STATEMENTS OF OPERATIONS (unaudited)

For the six month period ended June 30th

	2007	2006
Income		
Interest	\$ 12,893	\$ -
	12,893	-
Expenses (notes 4)		
Management fees	1,167	-
Custodial fees	10,077	-
Audit fees	79	-
	11,323	-
Expenses waived or absorbed by the Fund's Manager	(9,811)	-
	1,512	-
Net Investment Income	11,381	-
Increase in Net Assets from Operations	\$ 11,381	\$ -
Increase in Net Assets from Operations per Unit	\$ 0.20	\$ -

See accompanying notes

Galileo Money Market Fund

STATEMENTS OF CHANGES IN NET ASSETS (unaudited)

For the six month period ended June 30th

	2007	2006
Net Assets, Beginning of Period	\$ 225,932	\$ -
Increase in Net Assets from Operations	11,381	-
Distributions Paid or Payable to Unitholders		
From net investment income	(11,381)	-
Changes Due to Unitholder Transactions (note 3)		
Amount received from the issuance of units	2,375,951	-
Amount received from reinvestment of distributions	11,202	-
Amount paid on redemptions of units	(1,156,338)	-
	1,230,815	-
Increase in Net Assets for the Period	1,230,815	-
Net Assets, End of Period	\$ 1,456,747	\$ -

See accompanying notes

Galileo Money Market Fund

STATEMENT OF INVESTMENT PORTFOLIO (unaudited)

As at June 30, 2007

Par Value		Average cost \$	Market value \$
SHORT-TERM INVESTMENTS			
	Banker's Acceptance - 100.00%		
300,000	J P Morgan Bearer Deposit Notes, 08/10/07	297,912	298,561
202,000	National Bank of Canada Banker's Acceptance, 09/04/07	199,976	200,415
305,000	National Bank of Canada Banker's Acceptance, 09/19/07	301,608	301,984
100,000	National Bank of Canada Banker's Acceptance, 11/08/07	97,939	98,460
258,000	Royal Bank of Canada Banker's Acceptance, 07/12/07	256,091	257,667
202,000	Royal Bank of Canada Banker's Acceptance, 08/07/07	199,843	201,123
100,000	Royal Bank of Canada Banker's Acceptance, 11/01/07	97,859	98,569
		1,451,228	1,456,779
Total investments - 100.00%			
Other assets, net of liabilities - 0.00%			(32)
Total net assets - 100.00%			1,456,747

See accompanying notes

Galileo Money Market Fund

Notes to the Financial Statements

For the six months periods ended June 30, 2007 and 2006 (unaudited)

1. ESTABLISHMENT OF THE FUND

Galileo Money Market Fund [the "Fund"] is an open-ended unit trust established under the laws of Ontario pursuant to a Declaration of Trust dated September 14th, 2006. On November 7, 2006, Galileo Funds Inc. filed a simplified prospectus for an initial public offering to sell an unlimited number of Class A units of the Fund.

Galileo Funds Inc. acts as the Trustee and the Manager of the Fund [the "Fund's Manager"]. As such, the Fund is dependent on the Fund's Manager for the administration and management of all matters relating to its operation. Galileo Equity Management Inc. is the portfolio advisor for the Fund.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements, prepared in accordance with Canadian generally accepted accounting principles, include estimates and assumptions by the Fund's Manager that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Significant estimates include the valuation of investments. Actual results could differ from those estimates.

Significant accounting policies used in the preparing the semi-annual financial statements are consistent with those used in preparing the annual financial statements except for the adoption of new accounting standards as described below. These semi-annual financial statements should be read in conjunction with the Fund's most recent financial statements.

New Accounting Standards

On April 1 2005, the Canadian Institute of Chartered Accountants ("CICA") issued Section 3855, "Financial Instruments - Recognition and Measurement", effective for financial statements relating to fiscal years beginning on or after October 1, 2006. This section establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 requires that the fair value of financial instruments which are traded in active markets be measured based on the bid price for long securities and the ask price for short securities. Prior to the implementation of this new standard, the fair value was based on the last traded price for the day, when available. Section 3855 also requires that transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities be charged to net income in the period. Prior to this new standard, these costs were added to the cost of the securities purchased or deducted from the proceeds of sale. Section 3855 has been applied retrospectively without restatement of prior periods. The cost of individual investments in the Statement of Investments are recorded at total cost including transaction costs. Accordingly, the opening net asset value in the Statement of Changes in Net Assets for the six month period ended June 30, 2007 has been adjusted. Refer to Note 6 for the amount adjusted per class.

Galileo Money Market Fund

Notes to the Financial Statements

For the six months periods ended June 30, 2007 and 2006 (unaudited)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

New Accounting Standards (cont'd)

National Instruments 81-106 (NI 81-106), Section 14.2, issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP. The CSA has granted temporary relief to investment funds from complying with Section 3855, for the purpose of calculating and reporting of Net Asset Value (other than for financial reporting purposes) until September 30, 2007, to permit review of the suitability of these financial reporting requirements for purposes other than the financial statements, such as the purchase and redemption price of an investment fund. Under this temporary relief, funds are permitted to have two different net asset values: one for financial statements, which will be prepared in accordance with Canadian GAAP (referred to as "GAAP NAV"); and another for all the other purposes including unit pricing (referred to as "transactional NAV"). These financial statements have been prepared on a basis consistent with the proposed amendments including a reconciliation between GAAP NAV and transactional NAV (note 6).

As a result of the adoption of 3855, changes to the accounting policies for the Fund are as follows:

(a) Valuation of Investments

- i. Securities listed upon a recognized public exchange are valued at their bid prices on the valuation date. Securities with no available bid prices are valued at the closing sale prices.
- ii. Securities not listed upon a recognized public exchange are valued using valuation techniques, on such basis and in such manner established by the Fund's Manager.
- iii. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

(b) Transaction Costs

In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statements of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commission paid to agents, advisors, brokers, and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Prior to the adoption of Section 3855, Transaction costs were capitalized and included in the cost of purchases or proceeds from sales of investments. There is no impact on the net asset value of the investment fund in using either of these methods. The cost of investments for each security is determined on an average cost basis.

Galileo Money Market Fund

Notes to the Financial Statements

For the six months periods ended June 30, 2007 and 2006 (unaudited)

3. UNITS OF THE FUND

Units of the Fund are redeemable at the option of the unitholder, in accordance with the provisions of the Declaration of Trust, at their net asset value. Investors of the Fund are entitled to participate in the distribution of net income and net realized capital gains on a proportionate basis. Unit transactions during the periods were as follows:

	2007	2006
	Number of units	Number of Units
Subscriptions	237,596	-
Redemptions	115,634	-
Reinvestments	1,102	-

The number of issued and outstanding units at the period ended June 30, 2007 is 145,675 [June 30, 2006 - nil].

4. EXPENSES AND RELATED PARTY TRANSACTIONS

In accordance with the amended Declaration of Trust, dated November 1, 2006, the Fund's Manager began charging management fees directly to the Fund. During the six month period ended June 30, 2007, the Fund's Manager charged management fees of \$1,167 [June 30, 2006 - nil]. Other reasonable expenses incurred in the operation of the Fund, such as audit, legal, custodian and other professional fees are charged in the Statements of Operations.

The Fund's Manager has, at its discretion, agreed to absorb certain expenses. The absorbed amounts are shown in the Statements of Operations. Such absorbed amounts can be terminated at any time, but can be expected to continue until such time as the Fund is of sufficient size to reasonably absorb all management and operating expenses incurred.

The management fee is 0.5% per annum on average net assets plus GST.

All transactions with the Fund's Manager, a related company, are measured at exchange amounts and occur within the normal course of business.

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Notes to the Financial Statements

For the six months periods ended June 30, 2007 and 2006 (unaudited)

5. SOFT DOLLARS

No soft dollar expenses were incurred by the Fund during the period.

6. RECONCILIATION OF GAAP NAV TO TRANSACTIONAL NAV

In accordance with NI 81-106, a reconciliation of GAAP NAV, calculated in accordance with Section 3855 of an investment fund, and Transactional NAV, calculated in accordance with the Fund's Manager's fair value policies and procedures for unit pricing as at June 30, 2007, is as follows:

Transactional NAV \$	Adjustment for New Accounting Standards (note 2) \$	GAAP NAV \$
1,456,747	-	1,456,747

7. Basis of Presentation

Per the notice required under NI 81-106, "Investment Fund Continuous Disclosure" part 2.12(2), the financial statements for the period ended June 30, 2007 have not been reviewed by an external auditor.