



LKCM Aquinas Value Fund
LKCM Aquinas Growth Fund
LKCM Aquinas Small Cap Fund

Annual Report
December 31, 2015

Dear Fellow Shareholders:

We report the following performance information for the LKCM Aquinas Funds:

Funds	Inception Date	NAV @ 12/31/15	Net Expense Ratio*,**	Gross Expense Ratio**	One Year Total Return Ended 12/31/15	Five Year Average Annualized Return Ended 12/31/15	Ten Year Average Annualized Return Ended 12/31/15	Avg. Annual Total Return Since Incept.***
LKCM Aquinas Value Fund	7/11/05	\$15.17	1.50%	1.50%	-3.28%	8.36%	6.27%	6.23%
Russell 1000 Value® Index ⁽¹⁾					-3.83%	11.27%	6.16%	6.21%
LKCM Aquinas Growth Fund	7/11/05	\$16.52	1.50%	1.60%	2.19%	8.03%	5.32%	5.32%
Russell 1000 Growth® Index ⁽²⁾					5.67%	13.53%	8.53%	8.62%
LKCM Aquinas Small Cap Fund	7/11/05	\$ 6.11	1.50%	2.27%	-4.74%	6.24%	5.30%	5.42%
Russell 2000® Index ⁽³⁾					-4.41%	9.19%	6.80%	6.71%

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-800-423-6369. The Funds impose a 1.00% redemption fee on shares held less than 30 days. If reflected, the fee would reduce performance shown.

* Luther King Capital Management Corporation, the Funds' adviser, has contractually agreed to waive all or a portion of its management fee and/or reimburse expenses of the Fund to maintain designated expense ratios through April 30, 2016. This expense limitation excludes interest, taxes, brokerage commissions, indirect fees and expenses relating to investments in other investment companies, including money market funds, and extraordinary expenses. Investment performance reflects fee waivers, if any, in effect. In the absence of such waivers, total return would be reduced. Investment performance is based upon the net expense ratio. LKCM waived management fees and/or reimbursed expenses for each Fund, during the fiscal year ended December 31, 2015.

** Expense ratios above are as of December 31, 2014, the Funds' prior fiscal year end, as reported in the Funds' current prospectus. Expense ratios reported for other periods in the financial highlights of this report for the Funds' fiscal year ended December 31, 2015 may differ due to the inclusion of acquired fund fees and expenses.

*** On July 11, 2005, the Aquinas Funds merged into the LKCM Aquinas Funds. Due to the change in adviser and investment technique, performance is being quoted for the period after the merger.

(1) The Russell 1000 Value® Index is an unmanaged index which measures the performance of those Russell 1000® companies with lower price-to-book ratios and lower forecasted growth values.

(2) The Russell 1000 Growth® Index is an unmanaged index which measures the performance of those Russell 1000® companies with higher price-to-book ratios and higher forecasted growth values.

(3) The Russell 2000® Index is an unmanaged index which measures the performance of the 2000 smallest companies in the Russell 3000® Index.

Note: These indices defined above are not available for direct investment and the index performance therefore does not include expenses.

2015 Review

2015 proved to be an unkind year for nearly all asset classes. Commodities were especially weak due to the downturn in global manufacturing activity, most notably in China. The story of global oversupply of crude oil is well known at this point. Technological innovation in shale oil production domestically and the unwillingness of the Organization of Petroleum Exporting Countries, or OPEC, to curtail production, in conjunction with a rising U.S. dollar, contributed to an approximate 31% decline in the price of West Texas Intermediate crude oil in 2015. This price decline occurred on the back of an approximate 46% decline in West Texas Intermediate crude oil in 2014. Domestic intermediate-term investment grade bond returns were slightly positive during the year, while domestic high yield bonds and emerging market bonds posted negative returns for 2015.

We believe that there were two key divergences within the domestic equity market during the year. First, growth stocks outpaced value stocks, which typically is characteristic of the mature stage of an equity market cycle. We believe it is common to see the equity market leadership narrow during this phase, as it did in 2015. Second, large capitalization stocks outperformed small capitalization stocks, as reflected by the Standard & Poor's 500 Index, or S&P 500® Index, outperformance of the Russell 2000® Index. Thus, we believe the U.S. equity market in 2015 can best be characterized as one in which a narrow group of larger capitalization companies performed best. For example, if the market-capitalization weighted S&P 500® Index was instead equal weighted, the S&P 500® Index would have declined approximately 4.1%, not including dividends, for 2015, versus the 1.38% return posted by the S&P 500® Index during 2015.

In December 2015 the Federal Reserve raised the federal funds target interest rate 0.25% for the first time since June 2006, bringing to a close a seven-year chapter of zero percent interest rates. When the Federal Reserve raises interest rates, it is typically an important marker in the business cycle. In our view, the first such interest rate hike is often seen as conviction by the Federal Reserve that an economic expansion is intensifying. We believe capital markets generally are sanguine about the first couple of interest rate increases by the Federal Reserve. Historically, the tenor typically changes once inflation readings become sufficiently strong that capital markets perceive the Federal Reserve may quicken its pace of restricting monetary policy. We believe this often results in slowing economic growth, inflationary declines, and a resetting of the business cycle. We believe we are in the early stages of monetary policy normalization, and market expectations are for interest rates to rise gradually. If the Federal Reserve were to raise interest rates at each

consecutive meeting in 2016, it would be a negative surprise to capital markets in our view. We believe such action would be concerning unless such steps were in response to significantly stronger economic data than current trend. Our forecast is for a very gradual rise in interest rates commensurate with very moderate inflation readings and modest real economic growth in 2016.

The Federal Reserve appears to be charting a new course this cycle. We believe the Federal Reserve most often raises interest rates in response to an uncomfortable pace of rising inflation. Inflation is generally a lagging economic indicator, meaning the Federal Reserve typically acts well after the economic growth is in full bloom. Given the lack of inflationary pressures we have seen to date, we believe the Federal Reserve is attempting to normalize monetary policy coincident with what it perceives could be increasing price pressures as domestic economic and labor economy slack appear to continue to decline.

2016 Outlook

At any given time, there are both structural and cyclical forces at work on the economy. Structural forces typically include trends in demographics, fiscal debt burdens, tax regimes, and pace of innovation. Cyclical forces generally are shorter-term in nature, such as changes in monetary or fiscal policy, inflation, and trade balances. We believe the sweet spot of economic growth occurs in periods when both structural and cyclical forces provide tailwinds; this occurred in Japan in the 1980s, the United States in the 1990s, and China in the 2000s. In our view, when structural and cyclical forces collide, cyclical forces often prevail for a period of time before structural forces again win the day. Structural forces weighed on the global economy in 2015. In our view, the repeated possibilities of a Greek exit from the European Union and the United Kingdom's upcoming referendum on European Union membership are proxy battles for the structural challenges of a monetary union without a fiscal union. In China household consumption as a percentage of Gross Domestic Product (GDP) remains stagnant and well below the rate of developed economies and presents another structural headwind. Domestically, the United States is facing a continuous rise in the number of aging baby boomers and the corresponding strain that imposes on fiscal resources from entitlement programs. These are all examples of structural challenges that continue to weigh on key contributors to aggregate global GDP.

To ease these structural issues, governments have looked first to cyclical forces such as monetary policy. Unfortunately, we believe monetary policy has now achieved much of what it can in terms of bolstering economic growth and, globally, there appears to be scant room for interest rates to fall further. The remaining two forms of monetary transmission, supporting asset prices through quantitative easing and currency depreciation, are less effective in our view. There are inherent risks to both of these channels, including creating asset valuation bubbles and currency wars. Although structural challenges appear to impair potential economic growth rates around the globe, the growth path for the United States appears higher than for Japan or Europe where structural challenges seem greatest and economies appear less dynamic.

With cyclical tailwinds in the United States losing some of their intensity, we believe that domestic economic growth is again likely to remain muted in 2016, although stronger than in 2015. Consequently, we forecast corporate profit growth will resume in 2016 following a hiatus in 2015. Earnings within the Energy sector declined approximately 60% in 2015, which contributed to virtually no corporate earnings growth for the S&P 500® Index during 2015. Although we anticipate earnings in the Energy sector will decline again this year in aggregate, the sector now represents only approximately 3.8% of S&P 500® Index earnings, down from approximately 11.7% in the summer of 2014. We believe corporate profits, as measured by S&P 500® Index earnings, should grow 4-6% for 2016 with the negative impact of a strong U.S. dollar on firms' income statements being less in 2016. Overall, we think corporate balance sheets remain healthy with near record levels of cash and reasonable debt burdens. Interest rates for lower quality balance sheets have risen recently, influenced in part by deterioration in the prospects for select energy companies. While we believe this phenomenon has been largely contained to the Energy sector, we remain vigilant with regard to rising credit spreads outside of the Energy sector, as credit spreads are often harbingers of future economic stress.

Although the equity market displayed characteristics of a mature equity market in 2015, our forecast is for the current bull market to remain in place. We note, however, that real GDP growth has been sub-par during this expansion, averaging just approximately 1.8% annually compared with approximately 4.2% for previous expansions since 1960. We think the longevity of this economic cycle and accompanying bull market in equities is consistent with a benign inflation outlook. The two shortest economic cycles since 1960 both began in the highly inflationary 1970s. If our forecast for modest inflation is accurate, then we believe it is reasonable to expect that this current economic cycle has multiple years remaining to grow. Unfortunately, history teaches that when economic growth is less robust, capital market volatility is typically higher. Finally, there always remains the possibility of significant exogenous events such as terrorist acts, an expanding Middle Eastern conflict, or escalating tensions on the Korean Peninsula or Crimea. These events are impossible to predict in scope or magnitude, but any of which could negatively impact our forecast.

In our view, the base case for 2016 is that investors must continue to adjust to a lower expected return environment, as slow growth and deflationary pressures are the result of structural forces rather than simply residue from the financial crisis. We are likely to witness the continued struggle between governments' need to address long-run structural issues and mollifying current issues of the day such as preventing deflation and propping-up job growth. As we enter a Presidential election year, it is a reminder of our view that simulative fiscal policy has largely been absent in recent years and always possesses the promise to be a catalyst for growth in the future.

LKCM Aquinas Value Fund

The LKCM Aquinas Value Fund declined 3.28% for the year ended December 31, 2015, outpacing the Fund's benchmark, the Russell 1000® Value Index, which declined 3.83% for the year. During the year the Fund's performance benefited from strong stock selection, which was somewhat offset by sector allocation decisions for the Fund. The Fund's overweight position in the Industrials sector benefitted the Fund's relative performance, along with its underweight positions in the Energy and Utilities sectors. The Fund's relative performance was negatively impacted by overweight positions in the Consumer Discretionary and Materials sectors and an underweight position in the Healthcare sector. The Fund's underweight position in the Healthcare sector was primarily the result of the Fund's Catholic values investing mandate, which limits the Fund's ability to invest in a number of companies in this sector. Stock selection in the Information Technology, Industrials, and Consumer Staples sectors helped the Fund's relative results during the year, which was offset somewhat by stock selection in the Consumer Discretionary sector.

Entering 2016, we believe the Fund is well positioned with a strong emphasis on companies that we believe have solid balance sheets and are reasonably valued relative to their earnings growth rates, which we believe can provide an opportunity to add value for the Fund and its shareholders in the upcoming year. We continue to emphasize holdings in which we believe that continued dividend increases or share buybacks during 2016 are probable.

LKCM Aquinas Small Cap Fund

The LKCM Aquinas Small Cap Fund declined 4.74% for the year ended December 31, 2015 against the 4.41% decline for the Fund's benchmark, the Russell 2000® Index. Stock selection was solid in the Energy and Information Technology sectors relative to the benchmark, while the Fund experienced relative weakness in stock selection in the Healthcare sector. The Fund benefited from overweight positions in the Healthcare and Information Technology sectors relative to the benchmark, while the Fund's overweight position in the Industrials sector detracted from relative performance. During the year, two of the Fund's portfolio companies were acquired at significant premiums to the Fund's cost basis in those companies. As a core manager that focuses on high quality companies that meet our stringent investment criteria, we continue to have the Fund tilted towards growth companies as we believe this area provides the most attractive investment opportunities for the Fund in the current market environment.

LKCM Aquinas Growth Fund

The LKCM Aquinas Growth Fund returned 2.19% for the year ended December 31, 2015 compared to the 5.67% return for the Fund's benchmark, the Russell 1000® Growth Index. The Fund's underweight position in the Materials sector benefitted the Fund's relative performance, but was offset by the Fund's overweight position in the Energy sector. Stock selection in the Consumer Discretionary and Industrials sectors benefitted the Fund's relative performance, which was offset by weakness in stock selection in the Consumer Staples, Financials Healthcare and Information Technology sectors. We remain committed to our investment strategy and stock selection process for the Fund and believe we have the Fund well-positioned for the upcoming year.



J. Luther King, Jr., CFA, CIC
February 1, 2016

The information provided herein represents the opinion of J. Luther King, Jr., CFA, CIC and is not intended to be a forecast of future events, a guarantee of future results, nor investment advice.

Please refer to the Schedule of Investments found on pages 11-15 of the report for more information on Fund holdings. Fund holdings and sector allocations are subject to change and are not recommendations to buy or sell any securities.

Mutual fund investing involves risk. Principal loss is possible. Past performance is not a guarantee of future results. Small and medium capitalization funds typically carry additional risks, since smaller companies generally have a higher risk of failure, and, historically, their stocks have experienced a greater degree of market volatility than stocks on average. These risks are discussed in the Funds' summary and statutory prospectuses. Since the Funds practice socially responsible investing within the framework provided by the United States Conference of Catholic Bishop's Socially Responsible Investing Guidelines, the Funds may forego a profitable investment opportunity or sell a security when it may be disadvantageous to do so.

Earnings growth is not a measure of future performance.

The Standard & Poor's 500[®] Index is an unmanaged capitalization-weighted index of 500 selected stocks that is generally representative of the performance of large capitalization companies in the U.S. stock market. One cannot invest directly in an index.

Spread is the percentage point difference between yields of various classes of bonds compared to treasury bonds.

Must be preceded or accompanied by a prospectus.

Quasar Distributors, LLC, distributor.

PERFORMANCE:

The following information illustrates the historical performance of LKCM Aquinas Value Fund as of December 31, 2015 compared to the Fund’s benchmark and peer group indices.

Performance data quoted represents past performance; past performance does not guarantee future results. The graph and table reflect the reinvestment of dividends and other distributions, if any, but do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The investment return and principal value of an investment will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-800-423-6369.

An index is an unmanaged portfolio and does not trade or incur any expenses. One can not invest in an unmanaged index.

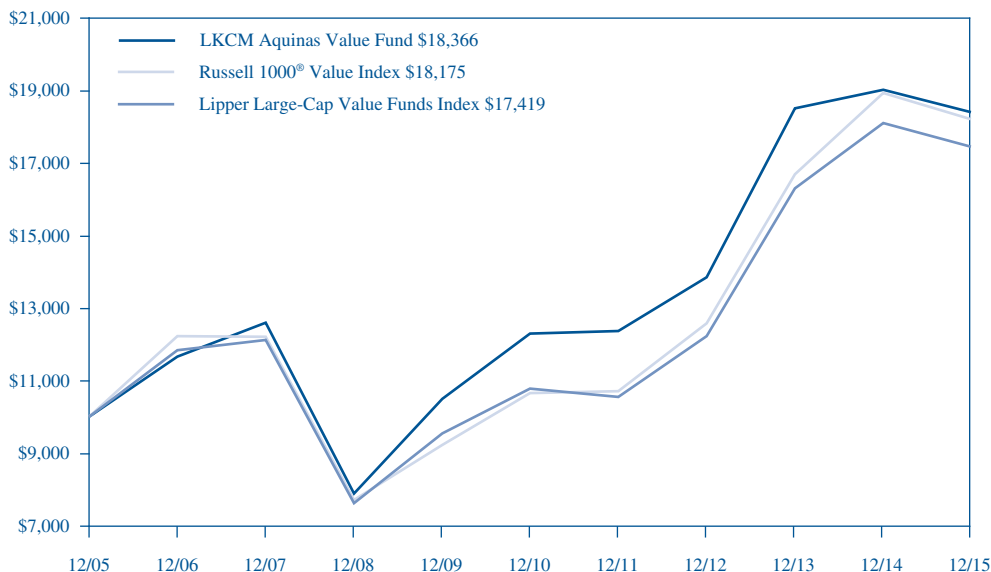
AVERAGE ANNUAL TOTAL RETURN (Periods Ended December 31, 2015)

	Past 1 Year	Past 5 Years ⁽¹⁾	Past 10 Years ⁽¹⁾	Since Inception ⁽¹⁾⁽²⁾
LKCM Aquinas Value Fund	-3.28%	8.36%	6.27%	6.23%
Russell 1000® Value Index	-3.83%	11.27%	6.16%	6.21%
Lipper Large-Cap Value Funds Index	-3.65%	10.07%	5.71%	6.00%

⁽¹⁾ Annualized.

⁽²⁾ The assets of the Aquinas Value Fund were acquired by the LKCM Aquinas Value Fund on July 11, 2005. At the time of the reorganization, the Adviser also changed from Aquinas Investment Advisers, Inc. to Luther King Capital Management Corporation.

A HYPOTHETICAL \$10,000 INVESTMENT IN LKCM AQUINAS VALUE FUND (for the ten years ended December 31, 2015)



The Russell 1000® Value Index is an unmanaged index consisting of those Russell 1000® companies with lower price-to-book ratios and lower forecasted growth values.

The Lipper Large-Cap Value Funds Index is an index of large cap value mutual funds tracked by Lipper, Inc.

PERFORMANCE:

The following information illustrates the historical performance of LKCM Aquinas Growth Fund as of December 31, 2015 compared to the Fund’s benchmark and peer group indices.

Performance data quoted represents past performance; past performance does not guarantee future results. The graph and table reflect the reinvestment of dividends and other distributions, if any, but do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The investment return and principal value of an investment will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-800-423-6369.

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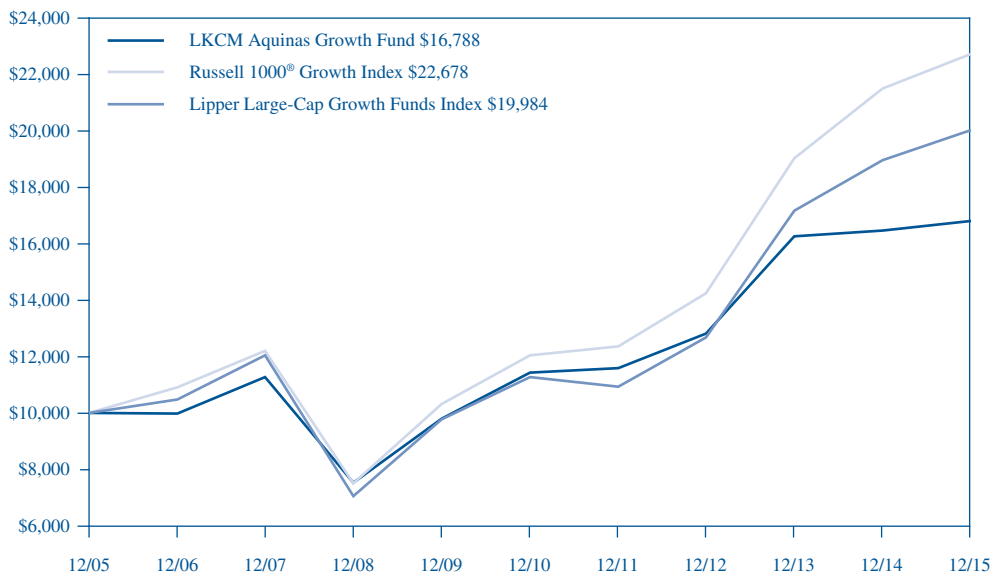
AVERAGE ANNUAL TOTAL RETURN (Periods Ended December 31, 2015)

	Past 1 Year	Past 5 Years ⁽¹⁾	Past 10 Years ⁽¹⁾	Since Inception ⁽¹⁾⁽²⁾
LKCM Aquinas Growth Fund	2.19%	8.03%	5.32%	5.32%
Russell 1000® Growth Index	5.67%	13.53%	8.53%	8.62%
Lipper Large-Cap Growth Funds Index	5.61%	12.17%	7.17%	7.71%

⁽¹⁾ Annualized.

⁽²⁾ The assets of the Aquinas Growth Fund were acquired by the LKCM Aquinas Growth Fund on July 11, 2005. At the time of the reorganization, the Adviser also changed from Aquinas Investment Advisers, Inc. to Luther King Capital Management Corporation.

A HYPOTHETICAL \$10,000 INVESTMENT IN LKCM AQUINAS GROWTH FUND (for the ten years ended December 31, 2015)



The Russell 1000® Growth Index consists of those Russell 1000® companies with higher price-to-book ratios and higher forecasted growth values.

The Lipper Large-Cap Growth Funds Index is an index of large cap growth mutual funds tracked by Lipper, Inc.

PERFORMANCE:

The following information illustrates the historical performance of LKCM Aquinas Small Cap Fund as of December 31, 2015 compared to the Fund's benchmark and peer group indices.

Performance data quoted represents past performance; past performance does not guarantee future results. The graph and table reflect the reinvestment of dividends and other distributions, if any, but do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-800-423-6369.

An index is an unmanaged portfolio and does not trade or incur any expenses. One can not invest in an unmanaged index.

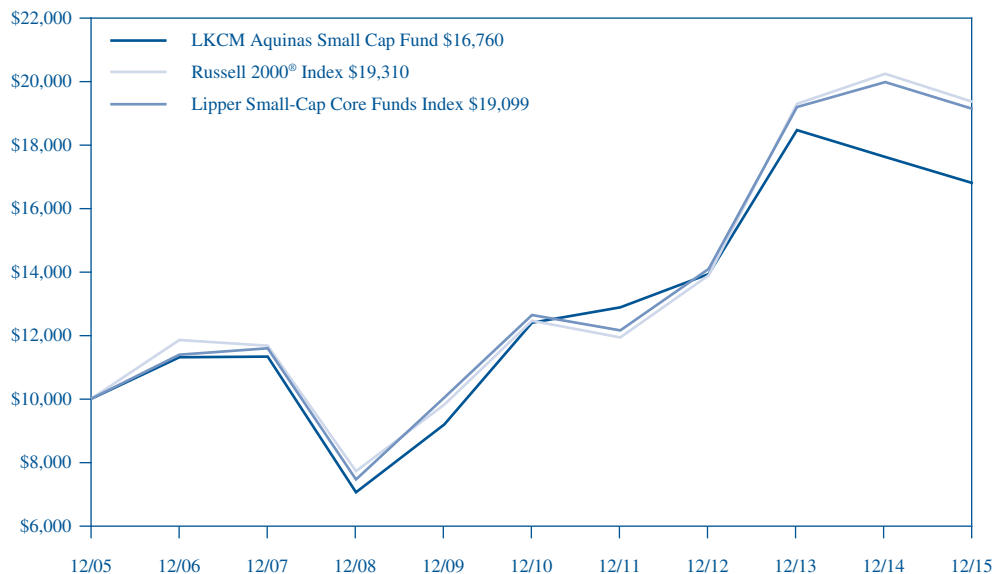
AVERAGE ANNUAL TOTAL RETURN (Periods Ended December 31, 2015)

	Past 1 Year	Past 5 Years ⁽¹⁾	Past 10 Years ⁽¹⁾	Since Inception ⁽¹⁾⁽²⁾
LKCM Aquinas Small Cap Fund	-4.74%	6.24%	5.30%	5.42%
Russell 2000® Index	-4.41%	9.19%	6.80%	6.71%
Lipper Small-Cap Core Funds Index	-4.23%	8.64%	6.69%	7.13%

⁽¹⁾ Annualized.

⁽²⁾ The assets of the Aquinas Small Cap Fund were acquired by the LKCM Aquinas Small Cap Fund on July 11, 2005. At the time of the reorganization, the Adviser also changed from Aquinas Investment Advisers, Inc. to Luther King Capital Management Corporation.

A HYPOTHETICAL \$10,000 INVESTMENT IN LKCM AQUINAS SMALL CAP FUND (for the ten years ended December 31, 2015)



The Russell 2000® Index is an unmanaged index consisting of the 2,000 smallest companies in the Russell 3000® Index.

The Lipper Small-Cap Core Funds Index is an index of small cap core mutual funds tracked by Lipper, Inc.

LKCM Aquinas Funds Expense Example — December 31, 2015

As a shareholder of the Funds, you incur two types of costs: (1) transaction costs, including redemption fees; and (2) ongoing costs, including management fees, distribution and/or service (12b-1) fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds. The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (7/1/15 - 12/31/15).

ACTUAL EXPENSES

The first line of the tables below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled “Expenses Paid During Period” to estimate the expenses you paid on your account during this period. Although the Funds charge no sales load, you will be assessed fees for outgoing wire transfers, returned checks and stop payment orders at prevailing rates charged by U.S. Bancorp Fund Services, LLC, the Funds’ transfer agent. If you request that a redemption be made by wire transfer, currently a \$15 fee is charged by the Funds’ transfer agent. You will be charged a redemption fee equal to 1.00% of the net amount of the redemption if you redeem your shares of the LKCM Aquinas Value, Aquinas Growth and Aquinas Small Cap Funds within 30 days of purchase, unless otherwise determined by the Funds in their discretion. To the extent the Funds invest in shares of other investment companies as part of their investment strategies, you will indirectly bear your proportionate share of any fees and expenses charged by the underlying funds in which the Funds invest in addition to the expenses of the Funds. Actual expenses of the underlying funds are expected to vary among the various underlying funds. These expenses are not included in the example below. The example below includes management fees, registration fees and other expenses. However, the example below does not include portfolio trading commissions and related expenses and other extraordinary expenses as determined under generally accepted accounting principles.

HYPOTHETICAL EXAMPLES FOR COMPARISON PURPOSES

The second line of the tables below provides information about hypothetical account values and hypothetical expenses based on the Funds’ actual expense ratios and an assumed rate of return of 5% per year before expenses, which are not the Funds’ actual returns. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Funds and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as redemption fees. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactions costs were included, your costs would have been higher.

	LKCM Aquinas Value Fund		
	Beginning Account Value 7/1/15	Ending Account Value 12/31/15	Expenses Paid During Period* 7/1/15 – 12/31/15
Actual	\$1,000.00	\$ 938.80	\$7.33
Hypothetical (5% return before expense)	\$1,000.00	\$1,017.64	\$7.63

* Expenses are equal to the Fund's annualized net expense ratio of 1.50%, multiplied by the average account value over the period, multiplied by 184/365 to reflect the one-half year period.

	LKCM Aquinas Growth Fund		
	Beginning Account Value 7/1/15	Ending Account Value 12/31/15	Expenses Paid During Period* 7/1/15 – 12/31/15
Actual	\$1,000.00	\$ 991.40	\$7.53
Hypothetical (5% return before expense)	\$1,000.00	\$1,017.64	\$7.63

* Expenses are equal to the Fund's annualized net expense ratio of 1.50%, multiplied by the average account value over the period, multiplied by 184/365 to reflect the one-half year period.

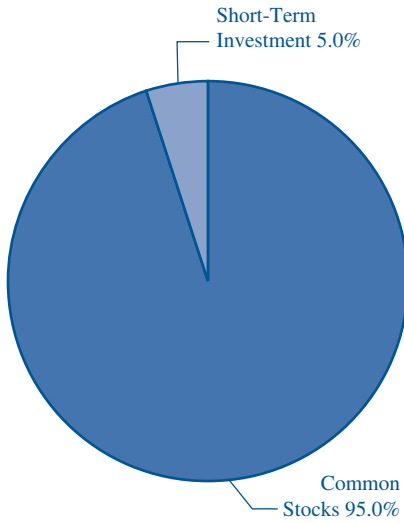
	LKCM Aquinas Small Cap Fund		
	Beginning Account Value 7/1/15	Ending Account Value 12/31/15	Expenses Paid During Period* 7/1/15 – 12/31/15
Actual	\$1,000.00	\$ 886.60	\$7.13
Hypothetical (5% return before expense)	\$1,000.00	\$1,017.64	\$7.63

* Expenses are equal to the Fund's annualized net expense ratio of 1.50%, multiplied by the average account value over the period, multiplied by 184/365 to reflect the one-half year period.

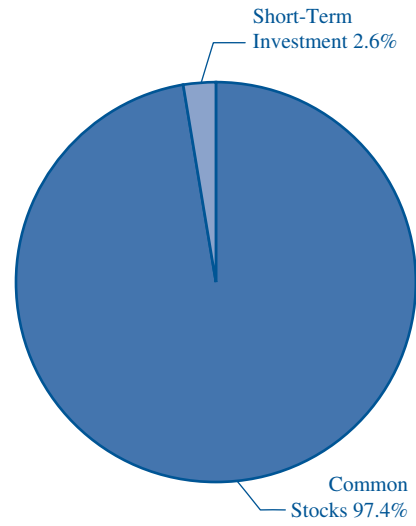
ALLOCATION OF PORTFOLIO HOLDINGS — LKCM Aquinas Funds — December 31, 2015

Percentages represent market value as a percentage of total investments.

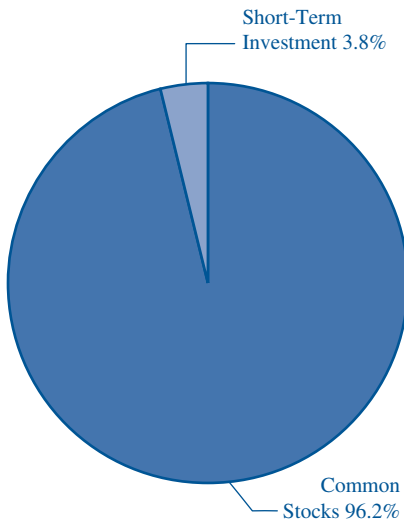
LKCM Aquinas Value Fund



LKCM Aquinas Growth Fund



LKCM Aquinas Small Cap Fund



LKCM AQUINAS VALUE FUND

SCHEDULE OF INVESTMENTS

December 31, 2015

COMMON STOCKS - 95.2%	Shares	Value	COMMON STOCKS	Shares	Value
Aerospace & Defense - 3.5%			IT Consulting & Services - 2.2%		
Honeywell International Inc.	15,000	\$ 1,553,550	PayPal Holdings, Inc. (a)	27,500	\$ 995,500
Auto Components - 3.6%			Machinery - 6.0%		
The Goodyear Tire & Rubber Company	50,000	1,633,500	Barnes Group Inc.	30,000	1,061,700
Banks - 11.8%			Danaher Corporation	17,500	1,625,400
BOK Financial Corporation	17,500	1,046,325			2,687,100
Cullen/Frost Bankers, Inc.	15,000	900,000	Multiline Retail - 1.9%		
SunTrust Banks, Inc.	40,000	1,713,600	Kohl's Corporation	18,000	857,340
Zions Bancorporation	60,000	1,638,000	Oil & Gas & Consumable Fuels - 3.9%		
		5,297,925	Cabot Oil & Gas Corporation	30,000	530,700
Beverages - 4.5%			ConocoPhillips	11,000	513,590
The Coca-Cola Company	17,500	751,800	Exxon Mobil Corporation	4,000	311,800
PepsiCo, Inc.	12,500	1,249,000	Gulfport Energy Corporation (a)	15,000	368,550
		2,000,800			1,724,640
Chemicals - 1.6%			Professional Services - 1.9%		
Monsanto Company	7,500	738,900	Verisk Analytics, Inc. (a)	11,000	845,680
Commercial Services & Supplies - 1.5%			Software - 3.8%		
Copart, Inc. (a)	17,500	665,175	Adobe Systems Incorporated (a)	18,000	1,690,920
Construction Materials - 3.8%			Specialty Retail - 6.1%		
Martin Marietta Materials, Inc.	12,500	1,707,250	The Home Depot, Inc.	8,500	1,124,125
Diversified Financials - 3.7%			Party City Holdco Inc. (a)	55,000	710,050
JPMorgan Chase & Co.	25,000	1,650,750	Tiffany & Co.	12,000	915,480
Electrical Equipment & Instruments - 3.4%					2,749,655
Roper Technologies, Inc.	8,000	1,518,320	TOTAL COMMON STOCKS		
Electronic Equipment & Instruments - 0.2%			(Cost \$26,282,002)		42,725,358
Trimble Navigation Limited (a)	5,000	107,250	SHORT-TERM INVESTMENTS - 5.0%		
Energy Equipment & Services - 1.3%			Money Market Funds (c) - 5.0%		
Schlumberger Limited (b)	8,400	585,900	Dreyfus Government Cash Management		
Food & Drug Retailing - 3.8%			Fund - Institutional Shares, 0.01%	933,960	933,960
CVS Health Corporation	17,500	1,710,975	Federated Government Obligations Fund -		
Food Products - 4.5%			Institutional Shares, 0.01%	1,300,853	1,300,853
The Kraft Heinz Company	9,700	705,772			2,234,813
Mondelez International Inc. - Class A	29,700	1,331,748	TOTAL SHORT-TERM INVESTMENTS		
		2,037,520	(Cost \$2,234,813)		2,234,813
Health Care Equipment & Supplies - 5.1%			Total Investments - 100.2%		
DENTSPLY International Inc.	20,000	1,217,000	(Cost \$28,516,815)		44,960,171
Medtronic, PLC (b)	14,200	1,092,264	Liabilities in Excess of Other Assets - (0.2)%		(92,181)
		2,309,264	TOTAL NET ASSETS - 100.0%		\$44,867,990
Household Durables - 2.5%					
Whirlpool Corporation	7,500	1,101,525			
Insurance - 6.7%					
MetLife, Inc.	33,000	1,590,930			
Prudential Financial, Inc.	17,500	1,424,675			
		3,015,605			
Internet Software & Services - 7.9%					
Akamai Technologies, Inc. (a)	20,000	1,052,600			
Alphabet, Inc. - Class A (a)	1,400	1,089,214			
Sabre Corporation	50,000	1,398,500			
		3,540,314			

- (a) Non-income producing security.
(b) Security issued by non-U.S. incorporated company.
(c) The rate quoted is the annualized seven-day yield of the fund at period end.

Investments are classified by asset class and industry pursuant to the Global Industry Classification Standard (GICS®) which was developed by and/or is the exclusive property of MSCI, Inc. and Standard & Poor Financial Services LLC ("S&P"). GICS is a service mark of MSCI and S&P and has been licensed for use by U.S. Bancorp Fund Services, LLC.

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

LKCM AQUINAS GROWTH FUND

SCHEDULE OF INVESTMENTS

December 31, 2015

COMMON STOCKS - 97.7%	Shares	Value	COMMON STOCKS	Shares	Value
Aerospace & Defense - 3.0%			Internet Software & Services - 13.6%, Continued		
Honeywell International Inc.	7,675	\$ 794,900	Alphabet, Inc. - Class C (a)	1,002	\$ 760,398
Banks - 1.1%			Facebook, Inc. - Class A (a)	12,000	1,255,920
Cullen/Frost Bankers, Inc.	3,000	180,000			3,583,778
Texas Capital Bancshares, Inc. (a)	2,000	98,840	IT Consulting & Services - 2.7%		
		278,840	PayPal Holdings, Inc. (a)	10,000	362,000
Beverages - 1.6%			Visa Inc. - Class A	4,500	348,975
The Coca-Cola Company	10,000	429,600			710,975
Biotechnology - 2.0%			Machinery - 3.9%		
Amgen Inc.	3,275	531,631	Danaher Corporation	11,000	1,021,680
Building Products - 1.3%			Media - 1.8%		
Masco Corporation	12,000	339,600	The Walt Disney Company	4,500	472,860
Chemicals - 0.9%			Oil & Gas & Consumable Fuels - 1.0%		
FMC Corporation	6,000	234,780	Cabot Oil & Gas Corporation	15,000	265,350
Computers & Peripherals - 7.1%			Personal Products - 1.3%		
Apple Inc.	10,500	1,105,230	The Estee Lauder Companies Inc. - Class A	4,000	352,240
EMC Corporation	30,000	770,400	Pharmaceuticals - 1.8%		
		1,875,630	Zoetis Inc	10,000	479,200
Consumer Finance - 2.3%			Real Estate Investment Trusts - 1.8%		
American Express Company	8,750	608,562	American Tower Corporation	5,000	484,750
Containers & Packaging - 1.2%			Software - 6.3%		
Ball Corporation	4,250	309,103	ACI Worldwide, Inc. (a)	24,000	513,600
Diversified Telecommunication Services - 1.1%			Manhattan Associates, Inc. (a)	6,000	397,020
AT&T Inc.	8,250	283,882	Microsoft Corporation	13,625	755,915
Electrical Equipment & Instruments - 4.3%					1,666,535
Roper Technologies, Inc.	6,000	1,138,740	Specialty Retail - 9.9%		
Electronic Equipment & Instruments - 3.8%			The Home Depot, Inc.	6,000	793,500
National Instruments Corporation	18,000	516,420	O'Reilly Automotive, Inc. (a)	3,000	760,260
Trimble Navigation Limited (a)	22,000	471,900	Tractor Supply Company	8,000	684,000
		988,320	Ulta Salon, Cosmetics & Fragrance, Inc. (a)	2,000	370,000
Food & Drug Retailing - 3.5%					2,607,760
CVS Health Corporation	9,375	916,594	Textiles, Apparel & Luxury Goods - 5.2%		
Health Care Equipment & Supplies - 1.8%			NIKE, Inc. - Class B	12,000	750,000
Medtronic, PLC (b)	6,000	461,520	V.F. Corporation	10,000	622,500
Health Care Providers & Services - 1.0%					1,372,500
Express Scripts Holding Co (a)	3,000	262,230	TOTAL COMMON STOCKS		
Hotels, Restaurants & Leisure - 2.4%			(Cost \$15,571,144)		25,730,001
Yum! Brands, Inc.	8,800	642,840			
Household Durables - 1.1%					
Whirlpool Corporation	2,000	293,740			
Household Products - 4.0%					
Colgate-Palmolive Company	12,000	799,440			
The Procter & Gamble Company	3,000	238,230			
		1,037,670			
Internet Catalog & Retail - 4.9%					
Amazon.com, Inc. (a)	1,900	1,284,191			
Internet Software & Services - 13.6%					
Akamai Technologies, Inc. (a)	15,000	789,450			
Alphabet, Inc. - Class A (a)	1,000	778,010			

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

LKCM AQUINAS GROWTH FUND
SCHEDULE OF INVESTMENTS, CONTINUED
December 31, 2015

SHORT-TERM INVESTMENTS - 2.6%	Shares	Value
Money Market Funds (c) - 2.6%		
Dreyfus Government Cash Management Fund - Institutional Shares, 0.01%	86,991	\$ 86,991
Federated Government Obligations Fund - Institutional Shares, 0.01%	600,681	600,681
		<u>687,672</u>
TOTAL SHORT-TERM INVESTMENTS (Cost \$687,672)		<u>687,672</u>
Total Investments - 100.3% (Cost \$16,258,816)		26,417,673
Liabilities in Excess of Other Assets - (0.3)%		(81,870)
TOTAL NET ASSETS - 100.0%		<u>\$26,335,803</u>

- (a) Non-income producing security.
- (b) Security issued by non-U.S. incorporated company.
- (c) The rate quoted is the annualized seven-day yield of the fund at period end.

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LKCM AQUINAS SMALL CAP FUND

SCHEDULE OF INVESTMENTS

December 31, 2015

COMMON STOCKS - 96.2%	Shares	Value	COMMON STOCKS	Shares	Value
Aerospace & Defense - 1.1%			Food Products - 3.4%		
Hexcel Corporation	1,565	\$ 72,694	Post Holdings Inc. (a)	1,910	\$ 117,847
Auto Components - 0.1%			TreeHouse Foods, Inc. (a)	1,295	101,606
Asbury Automotive Group Inc. (a)	55	3,709	219,453		
Automobiles - 2.2%			Health Care Equipment & Supplies - 8.2%		
Lithia Motors, Inc. - Class A	1,305	139,204	Cartel Medical Corp.	1,675	104,085
Banks - 9.4%			Cynosure, Inc. - Class A (a)	2,815	125,746
BancorpSouth, Inc.	4,183	100,350	LDR Holding Corporation (a)	3,395	85,248
Bank of the Ozarks, Inc.	2,425	119,941	PRA Health Sciences, Inc. (a)	1,160	52,513
Columbia Banking System, Inc.	3,470	112,810	VWR Corporation (a)	5,405	153,016
Hanmi Financial Corporation	3,575	84,799	520,608		
PrivateBancorp, Inc.	2,405	98,653	Health Care Providers & Services - 3.3%		
Texas Capital Bancshares, Inc. (a)	1,610	79,566	Aceto Corporation	3,880	104,683
596,119			Omnicell, Inc. (a)	2,505	77,855
Biotechnology - 4.3%			Team Health Holdings, Inc. (a)	625	27,431
Charles River Laboratories International, Inc. (a)	1,475	118,575	209,969		
EXACT Sciences Corporation (a)	5,715	52,749	Hotels, Restaurants & Leisure - 2.3%		
Neogen Corporation (a)	1,840	103,997	La Quinta Holdings Inc (a)	2,305	31,371
275,321			Popeyes Louisiana Kitchen, Inc. (a)	1,415	82,778
Building Products - 2.2%			Zoe's Kitchen Inc (a)	1,050	29,379
Apogee Enterprises, Inc.	1,420	61,784	143,528		
PGT, Inc. (a)	6,879	78,352	Internet Software & Services - 8.5%		
140,136			Criteo SA - ADR (a) (b)	2,570	101,772
Capital Markets - 0.9%			Demandware Inc. (a)	1,295	69,891
BGC Partners Inc - Class A	5,675	55,672	Euronet Worldwide, Inc. (a)	2,150	155,724
Commercial Services & Supplies - 4.0%			LogMeIn, Inc. (a)	1,465	98,302
Healthcare Services Group, Inc.	4,150	144,710	SPS Commerce, Inc. (a)	1,650	115,847
Multi-Color Corporation	280	16,747	541,536		
Ritchie Bros. Auctioneers Incorporated (b)	3,935	94,873	Leisure Equipment & Products - 2.0%		
256,330			Pool Corporation	1,605	129,652
Communications Equipment - 2.4%			Machinery - 1.0%		
Ciena Corporation (a)	2,300	47,587	Barnes Group Inc.	1,850	65,471
Infinera Corporation (a)	5,975	108,267	Media - 1.7%		
155,854			The E.W. Scripps Company - Class A	5,750	109,250
Construction & Engineering - 0.7%			Multiline Retail - 1.2%		
MasTec Inc. (a)	2,460	42,755	Burlington Stores, Inc. (a)	1,735	74,432
Construction Materials - 1.2%			Oil & Gas & Consumable Fuels - 2.3%		
Headwaters Incorporated (a)	4,130	69,673	Diamondback Energy Inc. (a)	145	9,701
Summit Materials, Inc. - Class A (a)	356	7,126	Memorial Resource Development Corp. (a)	3,935	63,550
76,799			PDC Energy, Inc. (a)	885	47,241
Diversified Financials - 1.3%			Synergy Resources Corporation (a)	3,175	27,051
HFF, Inc. - Class A	2,675	83,112	147,543		
Electronic Equipment & Instruments - 0.4%			Paper & Forest Products - 1.4%		
Belden Inc.	510	24,317	KapStone Paper and Packaging Corporation	3,815	86,181
Food & Staples Retailing - 0.5%			Pharmaceuticals - 3.8%		
Sprouts Farmers Market Inc. (a)	1,275	33,902	Akorn, Inc. (a)	3,756	140,136
33,902			Cambrex Corp. (a)	2,150	101,244
			241,380		

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

LKCM AQUINAS SMALL CAP FUND
SCHEDULE OF INVESTMENTS, CONTINUED
December 31, 2015

COMMON STOCKS	Shares	Value	SHORT-TERM INVESTMENTS - 3.8%	Shares	Value
Professional Services - 2.4%			Money Market Funds (c) - 3.8%		
The Advisory Board Company (a)	1,750	\$ 86,818	Dreyfus Government Cash Management		
FTI Consulting, Inc. (a)	1,885	65,334	Fund - Institutional Shares, 0.01%	91,316	\$ 91,316
		<u>152,152</u>	Federated Government Obligations Fund - Institutional Shares, 0.01%	151,630	<u>151,630</u>
Real Estate Investment Trusts - 7.3%					<u>242,946</u>
CubeSmart	3,520	107,782	TOTAL SHORT-TERM INVESTMENTS		
Kennedy-Wilson Holdings Inc.	3,455	83,196	(Cost \$242,946)		
LaSalle Hotel Properties	2,250	56,610			
Sovran Self Storage, Inc.	1,355	145,405	Total Investments - 100.0%		
Stag Industrial, Inc.	3,835	70,756	(Cost \$5,367,526)		
		<u>463,749</u>	Other Assets in Excess of Liabilities - 0.0%		
Semiconductor Equipment & Products - 1.5%			TOTAL NET ASSETS - 100.0%		
Rambus Inc. (a)	8,060	93,415	<u>\$6,364,602</u>		
Software - 9.4%			ADR American Depository Receipt.		
ACI Worldwide, Inc. (a)	6,120	130,968	(a) Non-income producing security.		
Callidus Software, Inc. (a)	4,170	77,437	(b) Security issued by non-U.S. incorporated company.		
Fair Isaac Corporation	1,475	138,916	(c) The rate quoted is the annualized seven-day yield of the fund at period end.		
Guidewire Software Inc. (a)	1,030	61,965	<i>Investments are classified by asset class and industry pursuant to the Global</i>		
Manhattan Associates, Inc. (a)	1,460	96,608	<i>Industry Classification Standard (GICS®) which was developed by and/or is the</i>		
Proofpoint, Inc. (a)	1,435	93,289	<i>exclusive property of MSCI, Inc. and Standard & Poor Financial Services LLC</i>		
		<u>599,183</u>	<i>("S&P"). GICS is a service mark of MSCI and S&P and has been licensed for use</i>		
Specialty Retail - 1.8%			<i>by U.S. Bancorp Fund Services, LLC.</i>		
Monro Muffler Brake, Inc.	1,710	113,236			
Thrifts & Mortgage Finance - 1.9%					
Home Bancshares Inc.	2,950	119,534			
Trading Companies & Distributors - 2.1%					
Watsco, Inc.	1,130	132,357			
TOTAL COMMON STOCKS					
(Cost \$5,124,580)		<u>6,118,553</u>			

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

STATEMENT OF ASSETS AND LIABILITIES

December 31, 2015

	LKCM Aquinas Value Fund	LKCM Aquinas Growth Fund	LKCM Aquinas Small Cap Fund
Assets:			
Investments, at value*	\$44,960,171	\$26,417,673	\$6,361,499
Receivable for Fund shares sold	62,816	4,982	9,763
Dividends and interest receivable	37,697	15,801	3,945
Other assets	13,658	11,708	12,124
Total assets	<u>45,074,342</u>	<u>26,450,164</u>	<u>6,387,331</u>
Liabilities:			
Payable for investment advisory fees (Note B)	96,325	49,797	47
Payable for distribution expense (Note B)	61,711	37,633	4,971
Payable for Fund shares redeemed	13,895	103	34
Payable for accounting and transfer agent fees and expenses	11,648	10,416	7,295
Payable for reports to shareholders	13,331	4,161	994
Payable for administrative fees	6,901	4,742	3,412
Payable for custody fees and expenses	1,099	1,003	1,340
Accrued expenses and other liabilities	1,442	6,506	4,636
Total liabilities	<u>206,352</u>	<u>114,361</u>	<u>22,729</u>
Net Assets	<u>\$44,867,990</u>	<u>\$26,335,803</u>	<u>\$6,364,602</u>
Net Assets Consist of:			
Paid in capital	\$28,617,960	\$16,035,772	\$5,394,560
Accumulated net investment income	6,270	—	—
Accumulated net realized gain on securities	(199,596)	141,174	(23,931)
Net unrealized appreciation on investments	16,443,356	10,158,857	993,973
Net Assets	<u>\$44,867,990</u>	<u>\$26,335,803</u>	<u>\$6,364,602</u>
Net Assets	\$44,867,990	\$26,335,803	\$6,364,602
Shares of beneficial interest outstanding (unlimited shares of no par value authorized)	2,957,210	1,593,949	1,042,328
Net asset value per share (offering and redemption price)	<u>\$ 15.17</u>	<u>\$ 16.52</u>	<u>\$ 6.11</u>
* Cost of Investments	<u>\$28,516,815</u>	<u>\$16,258,816</u>	<u>\$5,367,526</u>

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

STATEMENT OF OPERATIONS
For the Year Ended December 31, 2015

	LKCM Aquinas Value Fund	LKCM Aquinas Growth Fund	LKCM Aquinas Small Cap Fund
Investment Income:			
Dividends*	\$ 842,174	\$ 355,982	\$ 76,739
Interest	128	84	38
Total income	<u>842,302</u>	<u>356,066</u>	<u>76,777</u>
Expenses:			
Investment advisory fees (Note B)	447,834	263,038	73,961
Distribution expense (Note B)	124,398	73,066	18,490
Accounting and transfer agent fees and expenses	70,279	61,013	42,758
Administrative fees	42,522	27,705	19,775
Federal and state registration	25,152	21,954	16,657
Reports to shareholders	18,701	10,967	2,808
Professional fees	12,882	8,981	5,066
Trustees' fees	8,280	5,072	1,570
Custody fees and expenses	6,382	5,957	8,514
Other	13,558	7,776	1,896
Total expenses	<u>769,988</u>	<u>485,529</u>	<u>191,495</u>
Less, expense waiver and/or reimbursement (Note B)	<u>(23,599)</u>	<u>(47,134)</u>	<u>(80,554)</u>
Net expenses	<u>746,389</u>	<u>438,395</u>	<u>110,941</u>
Net investment income (loss)	<u>95,913</u>	<u>(82,329)</u>	<u>(34,164)</u>
Realized and Unrealized Gain (Loss) on Investments:			
Net realized gain on investments	2,840,203	1,882,599	301,906
Net change in unrealized appreciation/depreciation on investments	<u>(4,331,225)</u>	<u>(1,010,548)</u>	<u>(601,687)</u>
Net realized and unrealized gain (loss) on investments	<u>(1,491,022)</u>	<u>872,051</u>	<u>(299,781)</u>
Net Increase (Decrease) in Net Assets Resulting from Operations	<u><u>\$(1,395,109)</u></u>	<u><u>\$ 789,722</u></u>	<u><u>\$(333,945)</u></u>
* Net of foreign taxes withheld	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>	<u><u>\$ 268</u></u>

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

STATEMENTS OF CHANGES IN NET ASSETS

	LKCM Aquinas Value Fund		LKCM Aquinas Growth Fund	
	<i>Year Ended December 31, 2015</i>	<i>Year Ended December 31, 2014</i>	<i>Year Ended December 31, 2015</i>	<i>Year Ended December 31, 2014</i>
Operations:				
Net investment income (loss)	\$ 95,913	\$ 558,967	\$ (82,329)	\$ (154,305)
Net realized gain on investments	2,840,203	4,786,797	1,882,599	6,691,524
Net change in unrealized appreciation/depreciation on investments	(4,331,225)	(3,575,491)	(1,010,548)	(6,149,001)
Net increase (decrease) in net assets resulting from operations	<u>(1,395,109)</u>	<u>1,770,273</u>	<u>789,722</u>	<u>388,218</u>
Dividends and Distributions to Shareholders:				
Net investment income	(100,679)	(547,931)	—	—
Net realized gain on investments	(3,123,858)	(4,148,241)	(1,641,652)	(6,673,458)
	<u>(3,224,537)</u>	<u>(4,696,172)</u>	<u>(1,641,652)</u>	<u>(6,673,458)</u>
Net decrease in net assets resulting from				
Fund share transactions (Note C)	<u>(3,164,344)</u>	<u>(3,482,797)</u>	<u>(3,895,863)</u>	<u>(6,567,812)</u>
Total decrease in net assets	(7,783,990)	(6,408,696)	(4,747,793)	(12,853,052)
Net Assets:				
Beginning of period	<u>52,651,980</u>	<u>59,060,676</u>	<u>31,083,596</u>	<u>43,936,648</u>
End of period*	<u>\$44,867,990</u>	<u>\$52,651,980</u>	<u>\$26,335,803</u>	<u>\$ 31,083,596</u>
* Including accumulated net investment income of	<u>\$ 6,270</u>	<u>\$ 11,036</u>	<u>\$ —</u>	<u>\$ —</u>

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STATEMENTS OF CHANGES IN NET ASSETS

	LKCM Aquinas Small Cap Fund	
	<i>Year Ended December 31, 2015</i>	<i>Year Ended December 31, 2014</i>
Operations:		
Net investment loss	\$ (34,164)	\$ (104,580)
Net realized gain on investments	301,906	1,754,393
Net change in unrealized appreciation/depreciation on investments	<u>(601,687)</u>	<u>(2,448,267)</u>
Net decrease in net assets resulting from operations	<u>(333,945)</u>	<u>(798,454)</u>
Dividends and Distributions to Shareholders:		
Net realized gain on investments	<u>(1,106,020)</u>	<u>(1,153,966)</u>
Net increase (decrease) in net assets resulting from Fund share transactions (Note C)	<u>375,658</u>	<u>(5,292,103)</u>
Total decrease in net assets	(1,064,307)	(7,244,523)
Net Assets:		
Beginning of period	<u>7,428,909</u>	<u>14,673,432</u>
End of period	<u>\$ 6,364,602</u>	<u>\$ 7,428,909</u>

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

FINANCIAL HIGHLIGHTS
SELECTED DATA FOR EACH SHARE OF CAPITAL STOCK OUTSTANDING

LKCM Aquinas Value Fund					
	<i>Year Ended December 31, 2015</i>	<i>Year Ended December 31, 2014</i>	<i>Year Ended December 31, 2013</i>	<i>Year Ended December 31, 2012</i>	<i>Year Ended December 31, 2011</i>
Net Asset Value – Beginning of Period	\$ 16.87	\$ 17.99	\$ 14.18	\$ 12.72	\$ 12.68
Net investment income	0.03	0.17 ⁽²⁾	0.04 ⁽¹⁾	0.07 ⁽¹⁾	0.02 ⁽¹⁾
Net realized and unrealized gain (loss) on investments	(0.56)	0.34	4.72	1.46	0.04
Total from investment operations	(0.53)	0.51	4.76	1.53	0.06
Dividends from net investment income	(0.04)	(0.19)	(0.04)	(0.07)	(0.02)
Distributions from net realized gains	(1.13)	(1.44)	(0.91)	—	—
Total dividends and distributions	(1.17)	(1.63)	(0.95)	(0.07)	(0.02)
Net Asset Value – End of Period	<u>\$ 15.17</u>	<u>\$ 16.87</u>	<u>\$ 17.99</u>	<u>\$ 14.18</u>	<u>\$ 12.72</u>
Total Return	-3.28%	2.73%	33.60%	12.01%	0.46%
Ratios and Supplemental Data:					
Net assets, end of period (thousands)	\$44,868	\$52,652	\$ 59,061	\$ 46,902	\$42,056
Ratio of expenses to average net assets:					
Before expense waiver and/or reimbursement	1.55%	1.49%	1.52%	1.54%	1.55%
After expense waiver and/or reimbursement	1.50%	1.49%	1.50%	1.50%	1.50%
Ratio of net investment income to average net assets:					
Before expense waiver and/or reimbursement	0.14%	0.95%	0.21%	0.44%	0.11%
After expense waiver and/or reimbursement	0.19%	0.95%	0.23%	0.48%	0.16%
Portfolio turnover rate	11%	23%	9%	28%	29%

⁽¹⁾ Net investment income per share is calculated using the ending balance of accumulated net investment income prior to considerations of adjustments for permanent book and tax differences.

⁽²⁾ Net investment income per share represents net investment income divided by the average shares outstanding throughout the period.

LKCM Aquinas Growth Fund					
	<i>Year Ended December 31, 2015</i>	<i>Year Ended December 31, 2014</i>	<i>Year Ended December 31, 2013</i>	<i>Year Ended December 31, 2012</i>	<i>Year Ended December 31, 2011</i>
Net Asset Value – Beginning of Period	\$ 17.21	\$ 21.44	\$ 18.53	\$ 16.86	\$ 16.61
Net investment loss	(0.05) ⁽¹⁾	(0.09) ⁽¹⁾	(0.13) ⁽²⁾	(0.07) ⁽¹⁾	(0.10) ⁽¹⁾
Net realized and unrealized gain on investments	0.45	0.43	5.07	1.84	0.35
Total from investment operations	0.40	0.34	4.94	1.77	0.25
Distributions from net realized gains	(1.09)	(4.57)	(2.03)	(0.10)	—
Net Asset Value – End of Period	<u>\$ 16.52</u>	<u>\$ 17.21</u>	<u>\$ 21.44</u>	<u>\$ 18.53</u>	<u>\$ 16.86</u>
Total Return	2.19%	1.25%	26.74%	10.52%	1.51%
Ratios and Supplemental Data:					
Net assets, end of period (thousands)	\$ 26,336	\$ 31,084	\$ 43,937	\$ 35,315	\$ 33,698
Ratio of expenses to average net assets:					
Before expense waiver and/or reimbursement	1.66%	1.60%	1.58%	1.58%	1.60%
After expense waiver and/or reimbursement	1.50%	1.50%	1.50%	1.50%	1.50%
Ratio of net investment loss to average net assets:					
Before expense waiver and/or reimbursement	(0.44)%	(0.51)%	(0.69)%	(0.44)%	(0.71)%
After expense waiver and/or reimbursement	(0.28)%	(0.41)%	(0.61)%	(0.36)%	(0.61)%
Portfolio turnover rate	21%	30%	44%	42%	50%

⁽¹⁾ Net investment loss per share is calculated using the ending balance of accumulated net investment loss prior to considerations of adjustments for permanent book and tax differences.

⁽²⁾ Net investment loss per share represents net investment loss divided by the average shares outstanding throughout the period.

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

FINANCIAL HIGHLIGHTS

SELECTED DATA FOR EACH SHARE OF CAPITAL STOCK OUTSTANDING

	LKCM Aquinas Small Cap Fund				
	<i>Year Ended December 31, 2015</i>	<i>Year Ended December 31, 2014</i>	<i>Year Ended December 31, 2013</i>	<i>Year Ended December 31, 2012</i>	<i>Year Ended December 31, 2011</i>
Net Asset Value – Beginning of Period	\$ 7.66	\$ 9.39	\$ 7.34	\$ 7.35	\$ 7.07
Net investment loss	(0.04) ⁽²⁾	(0.07) ⁽²⁾	(0.07) ⁽¹⁾	(0.00) ⁽¹⁾⁽³⁾	(0.06) ⁽¹⁾
Net realized and unrealized gain (loss) on investments	(0.30)	(0.33)	2.45	0.59	0.34
Total from investment operations	(0.34)	(0.40)	2.38	0.59	0.28
Distributions from net realized gains	(1.21)	(1.33)	(0.33)	(0.60)	—
Net Asset Value – End of Period	<u>\$ 6.11</u>	<u>\$ 7.66</u>	<u>\$ 9.39</u>	<u>\$ 7.34</u>	<u>\$ 7.35</u>
Total Return	-4.74%	-4.54%	32.41%	8.16%	3.96%
Ratios and Supplemental Data:					
Net assets, end of period (thousands)	\$ 6,365	\$ 7,429	\$ 14,673	\$ 11,684	\$ 11,037
Ratio of expenses to average net assets:					
Before expense waiver and/or reimbursement	2.59%	2.27%	2.25%	2.32%	2.44%
After expense waiver and/or reimbursement	1.50%	1.50%	1.50%	1.50%	1.50%
Ratio of net investment loss to average net assets:					
Before expense waiver and/or reimbursement	(1.55)%	(1.55)%	(1.54)%	(0.84)%	(1.81)%
After expense waiver and/or reimbursement	(0.46)%	(0.78)%	(0.79)%	(0.02)%	(0.87)%
Portfolio turnover rate	72%	66%	60%	82%	70%

⁽¹⁾ Net investment loss per share is calculated using the ending balance of accumulated net investment loss prior to considerations of adjustments for permanent book and tax differences.

⁽²⁾ Net investment loss per share represents net investment loss divided by the average shares outstanding throughout the period.

⁽³⁾ Less than \$(0.005).

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

A. Organization and Significant Accounting Policies: LKCM Funds (the “Trust”) is registered under the Investment Company Act of 1940 (“1940 Act”) as an open-end, management investment company. The Trust was organized as a Delaware statutory trust on February 10, 1994 and consists of eight diversified series, three of which are presented herein and include the LKCM Aquinas Value Fund, LKCM Aquinas Growth Fund and LKCM Aquinas Small Cap Fund (collectively, the “Funds”), the assets of which are invested in separate, independently managed portfolios. On July 11, 2005, the Funds acquired the assets and assumed the liabilities of the Aquinas Funds. The Funds are subject to expenses pursuant to the Rule 12b-1 plan described in Note B. Each Fund charges a 1% redemption fee for redemptions on Fund shares held for less than 30 days, unless otherwise determined by the Funds in their discretion.

The LKCM Aquinas Value Fund seeks to maximize long-term capital appreciation, while incorporating Catholic values investing principles in the investment process. The LKCM Aquinas Value Fund seeks to achieve its investment objective by investing under normal circumstances in equity securities of companies that Luther King Capital Management Corporation (the “Adviser”) believes to be undervalued relative to a company’s earnings. The LKCM Aquinas Growth Fund seeks to maximize long-term capital appreciation, while incorporating Catholic values investing principles in the investment process. The LKCM Aquinas Growth Fund seeks to achieve its investment objective by investing under normal circumstances in equity securities of companies that the Adviser believes generally have above-average growth in revenue and/or earnings, above-average returns on shareholders’ equity, and/or potential for above-average capital appreciation. The LKCM Aquinas Small Cap Fund seeks to maximize long-term capital appreciation, while incorporating Catholic values investing principles in the investment process. The LKCM Aquinas Small Cap Fund seeks to achieve its investment objective by investing under normal circumstances at least 80% of its net assets in equity securities of smaller companies (those with market capitalizations at the time of investment between \$600 million and \$4.5 billion) that the Adviser believes are likely to have above-average growth in revenue and/or earnings and potential for above-average capital appreciation.

The Funds practice socially responsible investing within the framework provided by the United States Conference of Catholic Bishops’ Socially Responsible Investing Guidelines (the “Guidelines”). Each Fund’s investment approach incorporates the Guidelines through a combination of screening portfolio companies based on criteria set forth in the Guidelines, dialogue with companies whose policies and practices may conflict with the Guidelines, and/or potentially excluding from each Fund’s portfolio the securities of those companies that are unwilling to alter their policies and practices over a reasonable period of time. The Adviser monitors companies selected for the Funds for policies on various issues contemplated by the Guidelines. If a Fund invests in a company whose policies and practices are inconsistent with the Guidelines, the Adviser may attempt to influence the company, sell the company’s securities or otherwise exclude future investments in such company.

The following is a summary of significant accounting policies followed by the Funds in preparation of the financial statements. The Funds are investment companies and, accordingly, follow the investment company accounting and reporting guidance of the Financial Accounting Standards Board Accounting Standards Codification Topic 946, *Investment Companies*.

1. Security Valuation: Equity securities listed or traded on a U.S. securities exchange for which market quotations are readily available are valued at the last quoted sale price on the exchange on which the security is primarily traded. Nasdaq Global Market securities are valued at the Nasdaq Official Closing Price (“NOCP”). Unlisted U.S. securities and listed U.S. securities not traded on a particular valuation date are valued at the mean of the most recent quoted bid and ask price on the relevant exchanges or markets. Equity securities listed on a foreign exchange for which market quotations are readily available are valued at the last quoted sales price on the exchange on which the security is primarily traded. Debt securities are normally valued at the mean of the closing bid and ask price and/or by using a combination of broker quotations or evaluated prices provided by an independent pricing service. Other assets and securities for which no market or broker quotations or evaluated prices are readily available (including restricted securities) are valued in good faith at fair value using guidelines approved by the Board of Trustees. The Board has adopted specific guidelines and procedures for valuing portfolio securities and delegated their implementation to the Adviser. The guidelines and procedures authorize the Adviser to make determinations regarding the fair value of a portfolio security and to report such determinations to the Board of Trustees. The Funds may use prices provided by independent pricing services to assist in the fair valuation of the Funds’ portfolio securities.

The Trust has adopted accounting standards which establish an authoritative definition of fair value and set out a hierarchy for measuring fair value. These standards require additional disclosures about the various inputs and valuation techniques used to develop the measurements of fair value and a discussion of changes in valuation techniques and related inputs during the period. These standards define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy is organized into three levels based upon the assumptions (referred to as “inputs”) used in pricing the asset or liability. These standards state that “observable inputs” reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from independent sources and “unobservable inputs” reflect an entity’s own assumptions about the assumptions market participants would use in pricing the asset or liability. These inputs are summarized in the three broad levels listed below.

Level 1 – Quoted unadjusted prices for identical instruments in active markets to which the Trust has access at the date of measurement.

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets. Level 2 inputs are those in markets for which there are few transactions, the prices are not current, little public information exists or instances where prices vary substantially over time or among brokered market makers.

Level 3 – Model derived valuations in which one or more significant inputs or significant value drivers are unobservable. Unobservable inputs are those inputs that reflect the Trust’s own assumptions that market participants would use to price the asset or liability based on the best available information.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. As of December 31, 2015, the Funds’ assets carried at fair value were classified as follows:

LKCM Aquinas Value Fund

<u>Description</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks	\$42,725,358	\$ —	\$ —	\$42,725,358
Money Market Funds	2,234,813	—	—	2,234,813
Total Investments*	<u>\$44,960,171</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$44,960,171</u>

LKCM Aquinas Growth Fund

<u>Description</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks	\$25,730,001	\$ —	\$ —	\$25,730,001
Money Market Funds	687,672	—	—	687,672
Total Investments*	<u>\$26,417,673</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$26,417,673</u>

LKCM Aquinas Small Cap Fund

<u>Description</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks	\$ 6,118,553	\$ —	\$ —	\$ 6,118,553
Money Market Funds	242,946	—	—	242,946
Total Investments*	<u>\$ 6,361,499</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 6,361,499</u>

* Additional information regarding the industry classifications of these investments is disclosed in the Schedule of Investments.

There were no transfers into or out of Level 1, Level 2 or Level 3 fair value measurements during the reporting period. Transfers between levels are recognized at the end of the reporting period.

2. Federal Income Taxes: The Funds have elected to be treated as “regulated investment companies” under Subchapter M of the Internal Revenue Code and each Fund intends to distribute all of its investment company net taxable income and net capital gains to shareholders. Therefore, no federal income tax provision is recorded.

3. Distributions to Shareholders: The LKCM Aquinas Value, LKCM Aquinas Growth and LKCM Aquinas Small Cap Funds generally intend to pay dividends and net capital gain distributions, if any, at least on an annual basis.

4. Foreign Securities: Investing in securities of foreign companies and foreign governments involves special risks and considerations not typically associated with investing in U.S. companies and securities of the U.S. government. These risks include devaluation of currencies and future adverse political and economic developments. Moreover, securities of many foreign companies and foreign governments and their markets may be less liquid and their prices more volatile than those of securities of comparable U.S. companies and securities of the U.S. government.

5. Expense Allocation: Expenses incurred by the Funds are allocated among the Funds based upon (i) relative average net assets, (ii) a specific identification basis as incurred, or (iii) evenly among the Funds, depending on the nature of the expense.

6. Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

7. Guarantees and Indemnifications: In the normal course of business, the Funds enter into contracts with service providers that contain general indemnification clauses. The Funds’ maximum exposure under these arrangements is unknown as this would involve future claims against the Funds that have not yet occurred. Based on experience, the Funds expect the risk of loss to be remote.

8. Security Transactions and Investment Income: Security and shareholder transactions are recorded on the trade date. Realized gains and losses on sales of investments are calculated on the identified cost basis. Dividend income and dividends and distributions to shareholders are recorded on the ex-dividend date. Withholding taxes on foreign dividends have been provided for in accordance with the Funds’ understanding of the applicable country’s tax rules and rates. Interest income is recognized on the accrual basis. All discounts and premiums are amortized based on the effective interest method for tax and financial reporting purposes. The Funds may hold the securities of real estate investment trusts (“REITs”). Distributions from such investments may include income, capital gains and return of capital.

9. Other: Generally accepted accounting principles require that certain components of net assets be adjusted to reflect permanent differences between financial and tax reporting. These reclassifications have no effect on net assets or net asset values per share.

Accordingly, at December 31, 2015, reclassifications were as follows:

	<u>LKCM Aquinas Value Fund</u>	<u>LKCM Aquinas Growth Fund</u>	<u>LKCM Aquinas Small Cap Fund</u>
Accumulated net investment income	\$ —	\$ 82,329	\$ 34,164
Accumulated Loss	(557,131)	(246,019)	(321,757)
Paid in capital	557,131	163,690	287,593

10. Restricted and Illiquid Securities: The Funds are permitted to invest in securities that are subject to legal or contractual restrictions on resale or are illiquid. Restricted securities generally may be resold in transactions exempt from registration. A security may be considered illiquid if it lacks a readily available market or if its valuation has not changed for a certain period of time. Disposal of these securities may involve time-consuming negotiations and expense, and prompt sale at the current valuation may be difficult.

B. Investment Advisory and Other Agreements: Luther King Capital Management Corporation (the “Adviser”) serves as the investment adviser to the Funds under an Investment Advisory Agreement (the “Agreement”). The Adviser receives a fee, computed daily and payable quarterly, at the annual rates presented below as applied to each Fund’s average daily net assets. The Adviser has contractually agreed to waive all or a portion of its management fee and/or reimburse expenses of the Funds through April 30, 2016 in order to limit each Fund’s operating expenses to the annual cap rates identified below. This expense limitation excludes interest, taxes, brokerage commissions, indirect fees and expenses relating to investments in other investment companies, including money market funds, and extraordinary expenses. For the year ended December 31, 2015, the Adviser waived the following management fees and/or reimbursed expenses to meet its expense cap obligations:

	<u>LKCM Aquinas Value Fund</u>	<u>LKCM Aquinas Growth Fund</u>	<u>LKCM Aquinas Small Cap Fund</u>
Annual Management Fee Rate	0.90%	0.90%	1.00%
Annual Cap on Expenses	1.50%	1.50%	1.50%
Fees Waived and/or Expenses Reimbursed in 2015	\$23,599	\$47,134	\$80,554

U.S. Bancorp Fund Services, LLC serves as transfer agent and administrator for the Trust and serves as accounting services agent for the Funds. U.S. Bank, N.A. serves as custodian for the Funds.

Distribution services are performed pursuant to a distribution contract with Quasar Distributors, LLC, the Trust’s principal underwriter.

The LKCM Funds have adopted a Rule 12b-1 plan for the LKCM Aquinas Value, LKCM Aquinas Growth and LKCM Aquinas Small Cap Funds, under which each Fund may pay up to 1.00% of its average daily net assets for distribution and other services. However, the Board of Trustees has currently only authorized a fee of 0.25% of the average daily net assets for the LKCM Aquinas Value, LKCM Aquinas Growth and LKCM Aquinas Small Cap Funds. For the year ended December 31, 2015, fees incurred by the LKCM Aquinas Value, LKCM Aquinas Growth and LKCM Aquinas Small Cap Funds pursuant to the 12b-1 Plan were \$124,398, \$73,066, and \$18,490, respectively.

C. Fund Shares: At December 31, 2015, there was an unlimited number of shares of beneficial interest, no par value, authorized. The following table summarizes the activity in shares of each Fund:

Aquinas Value Fund

	Year Ended December 31, 2015		Year Ended December 31, 2014	
	Shares	Amount	Shares	Amount
Shares sold	565,895	\$ 9,525,123	481,234	\$ 8,649,355
Shares issued to shareholders in reinvestment of distributions	191,725	2,958,315	251,947	4,303,201
Shares redeemed	(921,665)	(15,647,910)	(895,608)	(16,435,642)
Redemption fee		128		289
Net decrease	(164,045)	\$ (3,164,344)	(162,427)	\$ (3,482,797)
Shares Outstanding:				
Beginning of period	3,121,255		3,283,682	
End of period	<u>2,957,210</u>		<u>3,121,255</u>	

Aquinas Growth Fund

	Year Ended December 31, 2015		Year Ended December 31, 2014	
	Shares	Amount	Shares	Amount
Shares sold	161,029	\$ 2,800,797	141,239	\$ 2,972,887
Shares issued to shareholders in reinvestment of distributions	86,945	1,464,551	353,769	6,183,269
Shares redeemed	(460,277)	(8,161,230)	(737,779)	(15,724,066)
Redemption fee		19		98
Net decrease	(212,303)	\$ (3,895,863)	(242,771)	\$ (6,567,812)
Shares Outstanding:				
Beginning of period	1,806,252		2,049,023	
End of period	<u>1,593,949</u>		<u>1,806,252</u>	

Aquinas Small Cap Fund

	Year Ended December 31, 2015		Year Ended December 31, 2014	
	Shares	Amount	Shares	Amount
Shares sold	298,922	\$ 2,369,397	238,715	\$ 2,172,452
Shares issued to shareholders in reinvestment of distributions	167,677	1,046,300	135,998	1,060,787
Shares redeemed	(393,895)	(3,040,051)	(967,697)	(8,525,990)
Redemption fee		12		648
Net increase (decrease)	72,704	\$ 375,658	(592,984)	\$ (5,292,103)
Shares Outstanding:				
Beginning of period	969,624		1,562,608	
End of period	<u>1,042,328</u>		<u>969,624</u>	

D. Security Transactions: Purchases and sales of investment securities, other than short-term investments, for the year ended December 31, 2015 were as follows:

	Purchases		Sales	
	U.S. Government	Other	U.S. Government	Other
LKCM Aquinas Value Fund	\$ —	\$5,250,858	\$ —	\$12,966,356
LKCM Aquinas Growth Fund	—	6,036,105	—	12,331,929
LKCM Aquinas Small Cap Fund	—	5,056,585	—	6,084,962

E. Tax Information: At December 31, 2015, the components of accumulated earnings (losses) on a tax basis were as follows:

	<u>LKCM Aquinas Value Fund</u>	<u>LKCM Aquinas Growth Fund</u>	<u>LKCM Aquinas Small Cap Fund</u>
Cost of Investments	<u>\$28,516,815</u>	<u>\$16,259,715</u>	<u>\$5,367,526</u>
Gross Unrealized Appreciation	\$16,845,859	\$10,221,144	\$1,137,124
Gross Unrealized Depreciation	<u>(402,503)</u>	<u>(63,186)</u>	<u>(143,151)</u>
Net Unrealized Appreciation	<u>\$16,443,356</u>	<u>\$10,157,958</u>	<u>\$ 993,973</u>
Undistributed Ordinary Income	\$ 6,270	\$ —	\$ —
Undistributed Long-Term Capital Gain	<u>—</u>	<u>142,073</u>	<u>—</u>
Total Distributable Earnings	<u>\$ 6,270</u>	<u>\$ 142,073</u>	<u>\$ —</u>
Other Accumulated Loss	<u>\$ (199,596)</u>	<u>\$ —</u>	<u>\$ (23,931)</u>
Total Accumulated Gains	<u>\$16,250,030</u>	<u>\$10,300,031</u>	<u>\$ 970,042</u>

The difference between book-basis and tax-basis unrealized appreciation, if any, is attributable primarily to the tax deferral of losses on wash sales.

To the extent the Funds realize future net capital gains, taxable distributions will be reduced by any unused capital loss carryforwards as permitted by the Internal Revenue Code. The Funds currently have no unused capital loss carryforwards.

At December 31, 2015, the LKCM Aquinas Value Fund and the LKCM Aquinas Small Cap Fund deferred, on a tax basis, post-October capital losses of \$199,596 and \$23,931, respectively.

The tax components of dividends paid during the periods shown below were as follows:

	<u>Year Ended December 31, 2015</u>		<u>Year Ended December 31, 2014</u>	
	<u>Ordinary Income</u>	<u>Long-Term Capital Gains</u>	<u>Ordinary Income</u>	<u>Long-Term Capital Gains</u>
LKCM Aquinas Value Fund	\$100,679	\$3,123,858	\$550,565	\$4,145,607
LKCM Aquinas Growth Fund	—	1,641,652	—	6,673,458
LKCM Aquinas Small Cap Fund	—	1,106,020	—	1,153,966

The Funds designated as long-term capital gain dividend, pursuant to Internal Revenue Code Section 852(b)(3), the amount necessary to reduce earnings and profits of the Funds related to net capital gain to zero for the tax years ended December 31, 2015 and 2014. The Funds designated earnings and profits distributed to shareholders upon the redemption of shares during 2015 in determining undistributed net capital gains as of December 31, 2015.

The Trust has adopted financial reporting rules regarding recognition and measurement of tax positions taken or expected to be taken on a tax return. The Trust has reviewed all open tax years and major jurisdictions and concluded that there is no impact on the Funds' financial position or results of operations. Tax years that remain open to examination by major tax jurisdictions include tax years ended December 31, 2012 through December 31, 2015. There is no tax liability resulting from unrecognized tax benefits relating to uncertain income tax positions taken or expected to be taken on tax returns as of December 31, 2015. The Funds are not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. If applicable, the Funds would recognize interest accrued related to unrecognized tax benefits in "interest expense" and penalties in "other expense" on the statement of operations.

F. Recent Accounting Pronouncements: In May 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2015-07 "Disclosure for Investments in Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent)". The amendments in ASU No. 2015-07 remove the requirement to categorize within the fair value hierarchy investments measured using the NAV practical expedient. The ASU also removes certain disclosure requirements for investments that qualify, but do not utilize, the NAV practical expedient. The amendments in the ASU are effective for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. Management is currently evaluating the impact these changes will have on the Fund's financial statements and related disclosures.

G. Subsequent Events: In preparing these financial statements, the Trust has evaluated events after December 31, 2015 and determined that there were no significant subsequent events that would require adjustment to or additional disclosure in these financial statements.

To the Shareholders and Board of Trustees of LKCM Funds:

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of LKCM Aquinas Funds (the "Funds") comprising the LKCM Aquinas Value Fund, LKCM Aquinas Growth Fund, and LKCM Aquinas Small Cap Fund as of December 31, 2015, and the related statements of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Funds are not required to have, nor were we engaged to perform, an audit of their internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of December 31, 2015, by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of each of the portfolios constituting the LKCM Aquinas Funds as of December 31, 2015, the results of their operations for the year then ended, the changes in their net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

Milwaukee, Wisconsin
February 19, 2016

December 31, 2015

Availability of Proxy Voting Information: A description of the policies and procedures that the Funds use to determine how to vote proxies relating to their portfolio securities, as well as information regarding how the Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30, is available without charge, upon request, by calling toll-free 1-800-688-LKCM or on the SEC website at <http://www.sec.gov>.

The actual voting records relating to portfolio securities during the twelve month period ended June 30 (as filed with the SEC on Form N-PX) are available without charge, upon request, by calling the Funds toll free at 1-800-688-LKCM or by accessing the SEC's website at www.sec.gov.

Availability of Quarterly Portfolio Schedule: The Funds' are required to file complete schedules of portfolio holdings with the SEC for the first and third fiscal quarters on Form N-Q. Once filed, the Funds' Form N-Q is available without charge upon request on the SEC's website (<http://www.sec.gov>) and is also available by calling 1-800-688-LKCM. You can also review and copy the Funds' Form N-Q by visiting the SEC's Public Reference Room in Washington, DC (information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330).

Information about the Funds' Trustees and Officers:

The business and affairs of the Funds are managed under the direction of the Funds' Board of Trustees. Information pertaining to the Trustees of the Funds is set forth below. The Statement of Additional Information includes additional information about the Funds' Trustees and officers and is available, without charge, upon request by calling 1-800-688-LKCM.

Name, Address and Age	Position(s) Held with the Trust	Term of Office & Length of Time Served ⁽¹⁾	Principal Occupation During Past Five Years	Number of Portfolios in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee
Disinterested Trustees:					
H. Kirk Downey 301 Commerce Street Suite 1600 Fort Worth, TX 76102 Year of Birth: 1942	Chairman of the Board of Trustees Trustee	Since 2005 Since 1994	President and CEO, Texas Systems, LLC and CEO, Texas learning systems LLC since 1999 (education companies); Dean, M.J. Neeley School of Business, Texas Christian University Business School from 1987 to 1999.	8	AZZ Incorporated
Earle A. Shields, Jr. 301 Commerce Street Suite 1600 Fort Worth, TX 76102 Year of Birth: 1920	Trustee	Since 1994	Consultant; formerly Consultant for NASDAQ Corp. and Vice President, Merrill Lynch & Co., Inc.	8	None
Richard J. Howell 301 Commerce Street Suite 1600 Fort Worth, TX 76102 Year of Birth: 1942	Trustee Chairman of the Audit and Compliance Committee	Since 2005 Since 2008	CPA; Adjunct Faculty at SMU Cox School of Business from 2004 to 2009; Consulting Services, since 2002; Audit Partner, Arthur Andersen LLP from 1974 to 2002.	8	Red Robin Gourmet Burgers, Inc.
Larry J. Lockwood 301 Commerce Street Suite 1600 Fort Worth, TX 76102 Year of Birth: 1953	Trustee	Since 2013	C.R. Williams Professor of Finance, Stan Block Endowed Chair in Finance, Department of Finance, Neeley School of Business, Texas Christian University since 1994.	8	None
Interested Trustees:					
J. Luther King, Jr. ⁽²⁾ 301 Commerce Street Suite 1600 Fort Worth, TX 76102 Year of Birth: 1940	Trustee, President and Chief Executive Officer	Since 1994	Chairman, President and Director, Luther King Capital Management Corporation since 1979.	8	Tyler Technologies, Inc.
Steve R. Purvis ⁽²⁾ 301 Commerce Street Suite 1600 Fort Worth, TX 76102 Year of Birth: 1964	Trustee Vice President	Since 2013 Since 2000	Principal, Luther King Capital Management since 2004, Vice President and Portfolio Manager, Luther King Capital Management since 1996.	8	AZZ Incorporated

⁽¹⁾ Each Trustee holds office during the lifetime of the Trust until that individual resigns, retires or is otherwise removed or replaced.

⁽²⁾ Messrs. King and Purvis are each considered an "interested person" of the Trust (as defined in the 1940 Act) because of their affiliation with the Adviser.

Information about the Funds' Trustees and Officers, Continued

Name, Address and Age	Position(s) Held with the Trust	Term of Office & Length of Time Served ⁽¹⁾	Principal Occupation During Past Five Years
Officers:			
J. Luther King, Jr. ⁽²⁾ 301 Commerce Street Suite 1600 Fort Worth, TX 76102 Year of Birth: 1940	Trustee, President and Chief Executive Officer	Since 1994	Chairman, President and Director, Luther King Capital Management Corporation since 1979.
Steven R. Purvis ⁽²⁾ 301 Commerce Street Suite 1600 Fort Worth, TX 76102 Year of Birth: 1964	Trustee Vice President	Since 2013 Since 2000	Principal, Luther King Capital Management since 2004, Vice President and Portfolio Manager, Luther King Capital Management since 1996.
Paul W. Greenwell 301 Commerce Street Suite 1600 Fort Worth, TX 76102 Year of Birth: 1950	Vice President	Since 1996	Principal, Luther King Capital Management since 1986, Vice President and Portfolio Manager, Luther King Capital Management since 1983.
Richard Lenart 301 Commerce Street Suite 1600 Fort Worth, TX 76102 Year of Birth: 1966	Secretary and Treasurer	Since 2006	Luther King Capital Management since 2005.
Jacob D. Smith 301 Commerce Street Suite 1600 Fort Worth, TX 76102 Year of Birth: 1974	Chief Financial Officer Chief Compliance Officer	Since 2010 Since 2006	Chief Financial Officer since 2010, General Counsel and Chief Compliance Officer, Luther King Capital Management since 2006. Principal, Luther King Capital Management since 2013.

⁽¹⁾ Each Trustee holds office during the lifetime of the Trust until that individual resigns, retires or is otherwise removed or replaced.

⁽²⁾ Messrs. King and Purvis are each considered an "interested person" of the Trust (as defined in the 1940 Act) because of their affiliation with the Adviser.

LKCM FUNDS PRIVACY NOTICE

Our Commitment to Your Privacy

At LKCM Funds, we are committed to safeguarding the confidentiality and privacy of nonpublic personal information about our current and former shareholders. This privacy notice describes the policies and procedures we have implemented to protect the privacy of your nonpublic personal information as well as the sources through which we may obtain nonpublic personal information about you.

How We Protect Your Nonpublic Personal Information

Protecting your nonpublic personal information is an important priority at LKCM Funds. Accordingly, we have implemented policies and procedures designed to safeguard your nonpublic personal information, such as your tax identification number, account and investment history, account numbers, account balances and nonpublic contact information, from unauthorized access. Pursuant to these policies and procedures, we maintain various physical, technological, and administrative safeguards to protect the security and confidentiality of your nonpublic personal information, and we adapt these safeguards to respond to evolving technological and other standards.

We do not disclose nonpublic personal information about you to outside firms, organizations or individuals except as authorized by you or your representatives or as required or permitted by law. We may disclose nonpublic personal information about you to nonaffiliated third parties, such as custodians, brokers, auditors, accountants, and systems and administrative service providers, in connection with the services we provide to you or on your behalf. When we provide nonpublic personal information about you to nonaffiliated third parties for these purposes, we expect them to safeguard your nonpublic personal information, use your nonpublic personal information only for the intended purposes and otherwise abide by applicable law.

How We Obtain Your Nonpublic Personal Information

We collect nonpublic personal information about you from various sources, including documents, new account applications and other information that you or your representatives, custodians, attorneys, accountants or similar parties provide to us, communications that we have with you or your representatives, custodians, attorneys, accountants or similar parties, and documents and other information related to your accounts or investment experience with us.

Please do not hesitate to contact Jacob D. Smith, our Chief Compliance Officer, if you have any questions regarding the measures we have implemented to protect the privacy of your nonpublic personal information.

U.S. Bancorp Fund Services, LLC
P.O. Box 701
Milwaukee, WI 53201-0701

LKCM FUNDS
P.O. Box 701
Milwaukee, WI 53201-0701

Officers and Trustees

J. Luther King, Jr., CFA, CIC
Trustee, President

H. Kirk Downey
Chairman of the Board

Larry J. Lockwood
Trustee

Paul W. Greenwell
Vice President

Richard J. Howell
Trustee

Richard Lenart
Secretary & Treasurer

Steven R. Purvis, CFA
Trustee, Vice President

Earle A. Shields, Jr.
Trustee

Jacob D. Smith
Chief Financial Officer
Chief Compliance Officer

Investment Adviser

Luther King Capital Management Corporation
301 Commerce Street, Suite 1600
Fort Worth, TX 76102

**Administrator, Transfer Agent, Dividend
Paying Agent & Shareholder Servicing Agent**

U.S. Bancorp Fund Services, LLC
P.O. Box 701
Milwaukee, WI 53201-0701

Custodian

U.S. Bank, N.A.
1555 N. River Center Drive, Suite 302
Milwaukee, WI 53212

Independent Registered Public Accounting Firm

Deloitte & Touche LLP
555 E. Wells St., Suite 1400
Milwaukee, WI 53202

Distributor

Quasar Distributors, LLC
615 E. Michigan Street
Milwaukee, WI 53202
