

Financial Statements

Integra 130/30 U.S. Equity Fund

December 31, 2009

Integra 130/30 U.S. Equity Fund

Statement of Net Assets

As at December 31

	2009	2008
ASSETS		
Investments at fair value	\$39,169,283	\$36,693,593
Cash	184,357	735,262
Investment income receivable	41,528	50,720
Total assets	39,395,168	37,479,575
LIABILITIES		
Investments sold short at fair value	9,220,995	8,725,276
Accrued expenses	67,958	115,689
Total liabilities	9,288,953	8,840,965
NET ASSETS REPRESENTING UNITHOLDERS' EQUITY	\$30,106,215	\$28,638,610
UNITS OUTSTANDING (note 3)	3,969,245	3,940,145
NET ASSETS PER UNIT (note 9)	\$7.58	\$7.27
NET ASSET VALUE PER UNIT - INDUSTRY STANDARD FOR TRANSACTIONS (note 9)	\$7.61	\$7.36

(See accompanying notes)

On behalf of the Manager,
Integra Capital Management Corporation:



Graham Rennie
Director



Craig Honey
Director

Integra 130/30 U.S. Equity Fund

Statement of Operations

Year ended December 31

2009

2008

	2009	2008
INCOME		
Interest	\$94	\$4,763
Dividend	554,647	868,668
	554,741	873,431
EXPENSES		
Operating expenses	24,265	19,108
Stock loan fees	62,472	82,031
Valuation fees	10,989	951
Audit fees	25,285	14,611
Securityholder reporting costs	713	1,906
Independent review committee expense	5,476	5,720
Goods and Services Tax	3,337	2,115
	132,537	126,442
NET INVESTMENT INCOME	422,204	746,989
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS		
Net realized loss on sale of investments	(3,810,062)	(6,289,637)
Net realized gain (loss) on foreign exchange	(5,576)	24,223
Net unrealized gain (loss) on foreign exchange	(15,899)	15,270
Transaction costs (note 6)	(84,366)	(87,294)
Change in unrealized appreciation (depreciation) of investments	5,450,768	(3,376,185)
NET INCOME (LOSS) ON INVESTMENTS AND TRANSACTION COSTS	1,534,865	(9,713,623)
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	\$1,957,069	(\$8,966,634)
Increase (decrease) in net assets from operations per unit		
(Based on the average number of units outstanding during the year)	\$0.47	(\$2.24)

(See accompanying notes)

Integra 130/30 U.S. Equity Fund

Statement of Changes in Net Assets

Year ended December 31

	2009	2008
NET ASSETS, BEGINNING OF YEAR	\$28,638,610	\$39,308,611
Increase (decrease) in net assets from operations	1,957,069	(8,966,634)
DISTRIBUTIONS TO UNITHOLDERS		
Distribution from net investment income	(431,417)	(745,410)
	(431,417)	(745,410)
CAPITAL UNIT TRANSACTIONS (note 3)		
Proceeds from issuance of units	3,000,000	—
Reinvested distributions	431,417	745,410
Payments on redemptions	(3,489,464)	(1,703,367)
	(58,047)	(957,957)
Increase (decrease) in net assets for the year	1,467,605	(10,670,001)
NET ASSETS, END OF YEAR	\$30,106,215	\$28,638,610

(See accompanying notes)

Integra 130/30 U.S. Equity Fund

Statement of Investments

As at December 31, 2009

	Number of Shares	Average Cost \$	Fair Value \$
INVESTMENTS AT FAIR VALUE			
United States Equities — 130.10%			
Consumer Discretionary — 13.06%			
Aaron's Inc.	4,140	116,863	120,353
Aeropostale Inc.	720	24,719	25,664
Amazon.com Inc.	922	81,942	130,024
Autoliv Inc.	4,252	168,336	192,033
Barnes & Noble Inc.	1,460	29,643	28,852
Big Lots Inc.	5,917	152,787	178,029
Black & Decker Corp. (The)	195	12,561	13,253
Brinker International Inc.	1,054	15,875	16,276
Career Education Corp.	4,810	126,604	117,391
CBS Corp., Class 'B'	6,912	95,409	101,809
Comcast Corp., Class 'A'	55,751	940,214	985,409
DIRECTV, Class 'A'	1,390	37,142	48,583
DISH Network Corp., Class 'A'	14,856	275,896	323,478
Ford Motor Co.	73,916	641,599	774,898
GameStop Corp., Class 'A'	1,163	26,882	26,689
Harman International Industries Inc.	1,334	51,887	49,339
IAC/InterActiveCorp	5,083	106,726	108,813
Las Vegas Sands Corp.	13,348	240,199	208,641
New York Times Co., Class 'A'	9,301	87,174	120,519
PetSmart Inc.	493	13,209	13,779
Starbucks Corp.	8,876	144,311	214,577
Whirlpool Corp.	1,223	94,742	102,814
Williams Sonoma Inc.	1,490	19,585	31,944
		3,504,305	3,933,167
Consumer Staples — 9.47%			
Dean Foods Co.	3,563	61,486	67,384
Estee Lauder Cos. Inc., Class 'A'	1,732	84,457	87,283
Kimberly-Clark Corp.	566	38,928	37,619
Pepsi Bottling Group Inc. (The)	441	16,833	17,175
Philip Morris International Inc.	19,558	1,012,000	984,584
Sara Lee Corp.	38,910	429,377	496,838
Sysco Corp.	31,875	918,636	931,308
Walgreen Co.	5,950	194,796	227,800
		2,756,513	2,849,991
Energy — 18.03%			
BJ Services Co.	918	16,654	17,900
Chevron Corp.	16,681	1,357,439	1,346,365
Concho Resources Inc.	2,422	93,238	111,974
ConocoPhillips	16,664	921,346	892,178
ExxonMobil Corp.	5,546	438,017	396,351
Helmerich & Payne Inc.	1,591	66,746	65,466
Hess Corp.	13,532	851,525	858,269
Murphy Oil Corp.	14,336	862,031	814,580
Occidental Petroleum Corp.	2,457	187,513	209,541
Patterson-UTI Energy Inc.	4,553	77,039	73,268
Whiting Petroleum Corp.	7,479	501,023	560,212
XTO Energy Inc.	1,686	85,933	82,207
		5,458,504	5,428,311
Financials — 21.23%			
American Express Co.	23,358	822,149	992,228
Associated Banc-Corp.	1,243	14,469	14,256
Bank of America Corp.	10,110	137,209	159,512
Bank of Hawaii Corp.	2,063	92,262	100,351
BB&T Corp.	1,080	30,210	28,589
BlackRock Inc., Class 'A'	2,928	561,992	712,754
BOK Financial Corp.	1,646	80,129	81,016
Cincinnati Financial Corp.	1,203	32,825	33,093

Integra 130/30 U.S. Equity Fund

Statement of Investments

As at December 31, 2009

	Number of Shares	Average Cost \$	Fair Value \$
Cullen Frost Bankers Inc.	566	30,043	29,627
Discover Financial Services	35,354	510,303	536,678
Endurance Specialty Holdings Ltd.	1,325	51,794	51,715
Hudson City Bancorp Inc.	18,282	269,640	262,573
Invesco Ltd.	2,622	49,906	64,569
Jones Lang LaSalle Inc.	551	31,794	34,890
JPMorgan Chase & Co.	4,675	215,290	204,226
M & T Bank Corp.	5,004	339,270	348,593
Moody's Corp.	9,985	253,702	280,536
New York Community Bancorp Inc.	40,025	533,012	608,843
PartnerRe Ltd.	1,051	85,228	82,262
PNC Financial Services Group	1,025	58,412	56,468
T. Rowe Price Group Inc.	17,040	864,501	951,252
Torchmark Corp.	3,171	143,065	146,104
U.S. Bancorp	26,088	600,865	612,626
		5,808,070	6,392,761
Health Care — 21.52%			
AmerisourceBergen Corp.	26,596	575,857	726,045
Amgen Inc.	17,196	1,072,214	1,019,812
Beckman Coulter Inc.	612	43,083	41,986
Biogen Idec Inc.	16,572	872,240	929,469
Cardinal Health Inc.	26,942	853,483	910,607
Community Health Systems Inc.	2,054	67,407	76,120
Cooper Cos. Inc. (The)	1,688	64,135	67,458
Coventry Health Care Inc.	4,154	75,913	105,561
Gilead Sciences Inc.	10,739	561,504	486,468
Hill-Rom Holdings Inc.	784	16,166	19,487
IMS Health Inc.	589	13,113	12,911
Johnson & Johnson	5,611	384,131	378,878
McKesson Corp.	12,682	734,755	828,954
Pfizer Inc.	26,469	528,504	504,750
Stryker Corp.	2,033	117,244	107,353
Tenet Healthcare Corp.	18,567	83,146	104,915
Zimmer Holdings Inc.	2,567	122,008	159,072
		6,184,903	6,479,846
Industrials — 10.57%			
Avery Dennison Corp.	3,391	135,672	129,720
Burlington Northern Santa Fe Corp.	784	80,956	81,056
Crane Co.	1,488	44,788	47,766
Donaldson Co. Inc.	297	13,231	13,155
FedEx Corp.	1,367	115,451	119,262
Fluor Corp.	9,727	487,645	459,286
General Dynamics Corp.	6,614	443,375	469,972
Illinois Tool Works Inc.	10,519	519,303	529,214
Joy Global Inc.	325	15,899	17,554
KBR Inc.	8,318	179,684	165,683
Lockheed Martin Corp.	4,264	370,409	336,827
Navistar International Corp.	2,330	87,077	94,409
Southwest Airlines Inc.	22,298	184,226	264,384
Thomas & Betts Corp.	184	7,395	6,846
United Technologies Corp.	6,192	445,854	448,035
		3,130,965	3,183,169
Information Technology — 25.78%			
Affiliated Computer Services Inc., Class 'A'	301	16,599	18,835
Analog Devices Inc.	3,053	99,746	101,075
Apple Inc.	92	18,972	20,316
Computer Sciences Corp.	1,580	92,342	95,292
Corning Inc.	48,449	828,594	980,784
Dell Inc.	13,810	226,132	207,900
eBay Inc.	6,916	136,041	170,602

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	Number of Shares	Average Cost \$	Fair Value \$
Harris Corp.	3,293	154,988	164,153
IBM Corp.	10,378	1,362,324	1,420,246
Ingram Micro Inc., Class 'A'	21,071	381,445	385,467
Intel Corp.	15,589	299,798	333,392
Jabil Circuit Inc.	8,813	133,977	160,483
Lexmark International Inc.	1,113	30,514	29,975
Microchip Technology Inc.	8,463	243,659	257,737
Microsoft Corp.	50,646	1,480,510	1,618,327
Molex Inc.	4,430	93,140	100,082
Motorola Inc.	43,036	350,764	349,655
Sun Microsystems Inc.	2,409	25,443	23,638
Tech Data Corp.	5,595	220,432	273,333
Texas Instruments Inc.	33,703	844,542	911,933
Xerox Corp.	2,603	21,804	23,086
Xilinx Inc.	4,327	110,227	113,677
		7,171,993	7,759,988
Materials — 2.82%			
Cabot Corp.	1,527	35,302	41,990
CF Industries Holdings Inc.	156	12,886	14,846
Cliffs Natural Resources Inc.	5,057	188,645	244,081
Eastman Chemical Co.	1,847	84,951	116,643
Huntsman Corp.	30,466	308,497	359,953
Newmont Mining Corp. Holding Co.	76	3,941	3,769
Reliance Steel & Aluminum Co.	501	23,038	22,553
Sealed Air Corp.	1,919	43,869	43,978
		701,129	847,813
Telecommunication Services — 4.30%			
AT&T Inc.	23,410	777,088	687,909
NII Holdings Inc., Class 'B'	6,091	112,071	214,425
Sprint Nextel Corp.	102,117	451,076	391,819
		1,340,235	1,294,153
Utilities — 3.32%			
DTE Energy Co.	1,625	67,904	74,259
Energen Corp.	5,368	211,976	259,542
FirstEnergy Corp.	7,095	319,517	345,497
Mirant Corp.	1,131	16,995	17,833
PPL Corp.	8,944	312,530	302,953
		928,922	1,000,084
Total United States Equities at Fair Value — 130.10%		36,985,539	39,169,283
INVESTMENTS SOLD SHORT AT FAIR VALUE			
United States Equities — (30.62%)			
Consumer Discretionary — (3.44%)			
Brink's Home Security Holdings Inc.	(838)	(29,352)	(28,807)
Central European Media Enterprises Ltd., Class 'A'	(8,980)	(245,338)	(224,528)
Choice Hotels International Inc.	(5,240)	(172,273)	(174,249)
Clear Channel Outdoor Holdings Inc., Class 'A'	(2,931)	(28,934)	(32,202)
Corrections Corp. of America	(183)	(4,801)	(4,725)
DIRECTV, Class 'A'	(1,391)	(39,986)	(48,629)
Goodyear Tire & Rubber Co. (The)	(14,826)	(221,127)	(220,242)
Liberty Media Holding Corp. - Capital, Series 'A'	(9,089)	(195,638)	(227,825)
Liberty Media-Starz, Series 'A'	(1)	(129)	(19)
Penn National Gaming Inc.	(1,092)	(32,436)	(31,127)
Toll Brothers Inc.	(1,518)	(29,502)	(30,157)
Warner Music Group Corp.	(556)	(3,301)	(3,340)
Weight Watchers International Inc.	(312)	(11,463)	(9,538)
		(1,014,280)	(1,035,388)

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As at December 31, 2009

	Number of Shares	Average Cost \$	Fair Value \$
Energy — (6.34%)			
Comstock Resources Inc.	(6,203)	(253,929)	(264,083)
Denbury Resources Inc.	(417)	(6,130)	(6,492)
El Paso Corp.	(33,017)	(300,178)	(346,134)
EXCO Resources Inc.	(2,757)	(42,160)	(61,390)
Exterran Holdings Inc.	(8,603)	(196,189)	(193,637)
Forest Oil Corp.	(7,844)	(167,791)	(183,214)
Newfield Exploration Co.	(1,855)	(68,805)	(93,909)
Plains Exploration & Production Co.	(2,611)	(56,786)	(75,794)
Quicksilver Resources Inc.	(4,329)	(30,211)	(68,120)
Range Resources Corp.	(9,304)	(480,683)	(492,374)
SandRidge Energy Inc.	(2,650)	(28,788)	(26,392)
Seahawk Drilling Inc.	(697)	(15,211)	(16,514)
Valero Energy Corp.	(4,638)	(78,685)	(81,540)
		(1,725,546)	(1,909,593)
Financials — (5.64%)			
American National Insurance Co.	(567)	(48,473)	(71,324)
Aon Corp.	(508)	(21,094)	(20,610)
Comerica Inc.	(1,499)	(32,441)	(46,814)
Fifth Third Bancorp	(11,809)	(123,979)	(120,952)
First American Corp.	(1,812)	(60,461)	(63,447)
First Horizon National Corp.	(20,201)	(247,979)	(285,691)
Genworth Financial Inc.	(13,169)	(112,942)	(158,490)
GLG Partners Inc.	(9,421)	(37,188)	(32,691)
Hartford Financial Services Group Inc. (The)	(3,283)	(38,923)	(80,055)
Interactive Brokers Group Inc., Class 'A'	(9,253)	(168,056)	(172,182)
Jefferies Group Inc.	(806)	(12,025)	(20,085)
Legg Mason Inc.	(353)	(9,059)	(11,180)
Leucadia National Corp.	(4,214)	(102,498)	(106,424)
Loews Corp.	(368)	(11,128)	(14,147)
Markel Corp.	(268)	(86,265)	(95,708)
Old Republic International Corp.	(16,749)	(187,829)	(176,466)
OneBeacon Insurance Group Ltd., Class 'A'	(600)	(8,569)	(8,668)
SLM Corp.	(5,865)	(49,683)	(69,417)
Synovus Financial Corp.	(11,334)	(59,864)	(24,477)
TFS Financial Corp.	(4,460)	(55,442)	(56,949)
Whitney Holding Co.	(2,240)	(19,402)	(21,863)
Zions Bancorp	(3,072)	(54,335)	(41,513)
		(1,547,635)	(1,699,153)
Health Care — (7.73%)			
Abraxis BioScience Inc.	(375)	(13,881)	(15,941)
BioMarin Pharmaceutical Inc.	(4,108)	(108,220)	(81,008)
Brookdale Senior Living Inc.	(265)	(4,834)	(5,081)
Dendreon Corp.	(10,649)	(293,476)	(294,503)
Hologic Inc.	(26,593)	(419,453)	(408,703)
King Pharmaceuticals Inc.	(45,455)	(475,664)	(585,176)
Perrigo Co.	(769)	(26,688)	(32,118)
United Therapeutics Corp.	(6,281)	(300,649)	(353,268)
Vertex Pharmaceuticals Inc.	(12,290)	(450,856)	(552,862)
		(2,093,721)	(2,328,660)
Industrials — (2.98%)			
AMR Corp.	(5,431)	(38,233)	(44,410)
BE Aerospace Inc.	(8,279)	(146,688)	(204,050)
First Solar Inc.	(195)	(28,291)	(27,780)
Intrepid Potash Inc.	(218)	(6,563)	(6,667)
Manitowoc Co. Inc. (The)	(9,100)	(57,603)	(95,400)
Monster Worldwide Inc.	(337)	(5,416)	(6,147)
Paccar Inc.	(6,624)	(272,392)	(252,355)
TransDigm Group Inc.	(5,235)	(244,091)	(260,905)
		(799,277)	(897,714)

Integra 130/30 U.S. Equity Fund

Statement of Investments

As at December 31, 2009

	Number of Shares	Average Cost \$	Fair Value \$
Information Technology — (4.24%)			
AOL Inc.	(423)	(11,556)	(10,355)
Brocade Communications Systems Inc.	(1,854)	(14,146)	(14,966)
Ciena Corp.	(17,777)	(214,683)	(202,952)
Cypress Semiconductor Corp.	(22,730)	(217,812)	(252,111)
EchoStar Communications Corp., Class 'A'	(1,345)	(27,614)	(28,553)
Global Payments Inc.	(683)	(37,339)	(38,615)
Itron Inc.	(1,852)	(113,221)	(131,210)
MEMC Electronic Materials Inc.	(2,683)	(35,973)	(39,097)
Nuance Communications Inc.	(6,394)	(79,248)	(104,301)
Rambus Inc.	(9,297)	(158,181)	(237,912)
SanDisk Corp.	(7,127)	(153,177)	(217,124)
		(1,062,950)	(1,277,196)
Materials — (0.09%)			
Eagle Materials Inc.	(212)	(6,796)	(5,796)
Titanium Metals Corp.	(1,534)	(16,274)	(20,150)
		(23,070)	(25,946)
Utilities — (0.16%)			
Oneok Inc.	(1,011)	(34,540)	(47,345)
		(34,540)	(47,345)
Total United States Equities Sold Short at Fair Value — (30.62%)		(8,301,019)	(9,220,995)
TRANSACTION COSTS		(14,916)	
TOTAL INVESTMENT PORTFOLIO — 99.48%		28,669,604	29,948,288
OTHER ASSETS, NET OF LIABILITIES — 0.52%			157,927
NET ASSETS — 100.00%			30,106,215

(See accompanying notes)

Integra 130/30 U.S. Equity Fund

Risk Disclosures

Financial Instruments Risk

Investment activities of the Integra 130/30 U.S. Equity Fund (the "Fund") expose it to some financial risks. The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objectives and long-term investment time horizon.

Risk Management

The Fund's objective is to provide long-term capital appreciation through a portfolio of investments in U.S. equities, both long and short positions, that are sufficiently diversified to minimize investment risk.

The Fund utilizes an investment strategy that uses a combination of long and short U.S. stocks, whereby approximately 130% of the net asset value of the portfolio will be in long positions and approximately 30% of the net asset value of the portfolio will be in short positions. The Fund may purchase securities on margin and may arrange with banks, brokers and others to borrow money.

Analytic Investors LLC, the Fund's sub-advisor (the "Sub-Advisor"), believes that markets are complex and dynamic and that traditional investment strategies cannot add value consistently to large cap stock portfolios. Therefore, the firm specializes in sophisticated quantitative techniques, backed by continuous research, to deliver quality risk-adjusted performance regardless of the market cycle. Its strategy uses a proprietary multi-factor return computer model coupled with sophisticated optimization techniques to consistently add value relative to the Standard & Poor's 500 Composite Index.

The Fund may enter into securities lending transactions. Securities lending transactions will be used in conjunction with the Fund's other investment strategies in a manner considered most appropriate by Integra Capital Management Corporation (the "Manager") to achieve the Fund's investment objectives and to enhance the Fund's returns.

To assist with managing risk, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations.

Credit Risk

Credit risk on financial instruments is the risk of a loss occurring as a result of the default of an issuer on its obligation to the Fund. Credit risk is managed by dealing with issuers that are believed to be creditworthy and by regular monitoring of credit exposures. Additionally, credit risk is reduced by diversification of issuer, industry and geography.

As at December 31, 2009 and December 31, 2008, the Fund had no significant investments in debt instruments and/or derivatives.

Counterparty Credit Risk

Counterparty credit risk primarily emanates from the use of over-the-counter derivatives. This risk is minimized by selecting counterparties who have a minimum A credit rating. Ongoing monitoring of credit events/rating developments occurs to ensure the sustainable credit quality of the counterparty. Various factors are considered in the assessment process including fundamental components of the counterparty's profile (such as capital adequacy, asset quality, profitability and liquidity) and credit ratings assigned to the counterparty. The current prime broker for the Fund has an AA credit rating on its long-term debt.

Currency Risk

Changes in the value of the Canadian dollar compared to foreign currencies will affect the value, in Canadian dollars, of any foreign securities held in the Fund. From time to time, the Fund may manage currency risk through foreign currency hedging strategies.

The tables below indicate the currencies to which the Fund had exposure, on its trading monetary assets and liabilities as well as the underlying principal amount of foreign exchange contracts.

Integra 130/30 U.S. Equity Fund

Risk Disclosures *(continued)*

December 31, 2009

Currency	Currency Risk Exposed Holdings*	Foreign Exchange Contracts	Net Exposure	As a % of Net Assets
U.S. Dollar	\$30,132,645	—	\$30,132,645	101.54%

*Amounts include monetary items.

December 31, 2008

Currency	Currency Risk Exposed Holdings*	Foreign Exchange Contracts	Net Exposure	As a % of Net Assets
U.S. Dollar	\$28,703,581	—	\$28,703,581	102.91%

*Amounts include monetary items.

As at December 31, 2009, had the Canadian dollar strengthened or weakened by 5% in relation to all currencies, with all other variables held constant, net assets would have decreased or increased, respectively, by approximately \$1,506,632 (December 31, 2008 - \$1,435,179). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

Interest Rate Risk

Changes in market interest rates expose fixed income securities, such as bonds, to interest rate risk. Funds that hold income investments are exposed to this risk since changes in prevailing market interest rates will affect the value of fixed income securities.

The majority of the Fund's financial assets and liabilities are non-interest bearing. Accordingly, the Fund is not subject to significant amount of risk due to fluctuations in the prevailing levels of market interest rates.

Liquidity Risk

Unitholders may redeem their units on each valuation date. Therefore, the Fund is invested in securities that are traded in active markets and can be readily disposed.

Other Market Risk

Other market risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Sub-Advisor moderates this risk through a careful selection of investment strategies and selection of securities and other financial instruments within the parameters of the investment strategy developed by the Manager of the Fund.

As at December 31, 2009, a 5% change in stock prices would have changed the Fund's net assets by \$1,497,414 (December 31, 2008 - \$1,398,416), with all other factors held constant. In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

The impact on net assets of the Fund at December 31, 2009, due to a 5% increase or decrease in the Fund's benchmark (S&P 500 Index), with all other variables held constant, would have been \$1,425,830 (December 31, 2008 - \$1,375,000). This calculation is based on the beta of the Fund over the past 36 months. In practice, the actual results may differ from the sensitivity analysis indicated above and the difference could be material.

Integra 130/30 U.S. Equity Fund

Risk Disclosures *(continued)*

Fair Value Measurements

The Fund adopted the amendments to CICA Section 3862, "Financial Instruments – Disclosures", on January 1, 2009. CICA Section 3862 establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments. The hierarchy of inputs is summarized below:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Changes in valuation methods may result in transfers into or out of an investment's assigned level.

The following is a summary of the inputs used as of December 31, 2009 in valuing the Fund's financial assets and liabilities carried at fair values:

Classification	Level 1	Level 2	Level 3	Total
Equities - long positions	\$39,169,283	–	–	\$39,169,283
Equities - short positions	(9,220,995)	–	–	(9,220,995)
Total Financial Assets and Liabilities				\$29,948,288

Summary of Investment Portfolio as at December 31, 2008

The Fund's summary of investment portfolio for December 31, 2008 appears in the following table:

	Percentage of Net Assets (%)
INVESTMENTS AT FAIR VALUE	
United States Equities	
Consumer Discretionary	12.07
Consumer Staples	16.02
Energy	13.98
Financials	16.22
Health Care	18.99
Industrials	16.17
Information Technology	22.59
Materials	3.20
Telecommunication Services	4.43
Utilities	4.46
Total United States Equities	128.13
INVESTMENTS SOLD SHORT	
United States Equities	
Consumer Discretionary	(6.51)
Consumer Staples	(1.04)
Energy	(1.77)
Financials	(4.98)
Health Care	(3.56)
Industrials	(4.98)
Information Technology	(4.50)
Materials	(1.95)
Telecommunication Services	(0.37)
Utilities	(0.81)
Total United States Equities	(30.47)
TOTAL INVESTMENT PORTFOLIO	97.66
OTHER ASSETS, NET OF LIABILITIES	2.34
NET ASSETS	100.00

Integra 130/30 U.S. Equity Fund

Notes to Financial Statements

1. Establishment of the Fund

The Integra 130/30 U.S. Equity Fund (the "Fund") was created under the laws of the Province of Ontario by a Declaration of Trust. The Fund was established on June 28, 2006 and commenced operations on this date.

The Fund is not a reporting issuer and is exempt, pursuant to National Instrument 81-106, from the requirement to file its financial statement with the regulatory authorities and has notified the Ontario Securities Commission that it is relying on this exemption. The Fund has prepared its financial statement in accordance with National Instrument 81-106.

2. Summary of Significant Accounting Policies

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

On January 1, 2008, the Fund adopted CICA Section 3862, "Financial Instruments - Disclosures" of the CICA Handbook ("Section 3862") and Section 3863, "Financial Instruments - Presentation" ("Section 3863"). These sections establish standards for comprehensive disclosure and presentation requirements for financial instruments. The standards include new requirements to quantify certain risk exposures and to provide sensitivity analysis for certain risks. The disclosure requirements of Sections 3862 and 3863 are contained after the Fund's Statement of Investments.

- [a] Investments are recorded at their fair value in Canadian currency with the difference between this amount and the average cost being shown as unrealized appreciation (depreciation) of investments, net of unrealized gains (losses) resulting from foreign currency translations.
- [b] The fair values of foreign investments and other foreign denominated assets and liabilities are translated into Canadian dollars at exchange rates prevailing on the reporting date.
- [c] Purchases and sales of foreign securities and income and expenses are translated into Canadian dollars at the exchange rates prevailing on the dates of the transactions.
- [d] The gain or loss on sale of investments, net of realized gains (losses) resulting from foreign currency translations, is calculated with reference to the average cost of the related investments, excluding transaction costs.
- [e] Income and expenses are recorded on an accrual basis. Foreign income and expenses are translated into Canadian dollars at the rates of exchange applicable on the valuation date. Security transactions are recorded on the trade date and related transaction costs are charged to income. Dividends are accrued as of the ex-dividend date. Stock dividends are recorded in income based on the fair value of the security.
- [f] Short-term notes are recorded at fair value. The fair value of short-term notes approximates the accrued interest added to the average cost. Gains and losses arising from the disposition of short-term investments prior to maturity are recorded as adjustments to interest income.
- [g] For each Fund unit sold, the Fund receives an amount equal to the net asset value per unit at the date of sale, which amount is included in unitholders' equity. Fund units are redeemable at the option of unitholders at their net asset value on the redemption date. For each Fund unit redeemed, unitholders' equity is reduced by the net asset value of the Fund unit at the date of redemption.
- [h] The fair value of a forward contract is the gain or loss that would be realized if, on the valuation date, the positions were closed out. The forward contract is valued using an interpolation of the forward exchange rate based on the length of the forward contract. It is reflected in the Statement of Operations as change in unrealized appreciation (depreciation) on foreign exchange forward contracts. When the forward contracts are closed out, any gains or losses realized are included in net realized gain or loss on foreign exchange forward contracts.
- [i] Commissions and other transaction costs are incremental costs that are directly attributable to the acquisition, issue, or disposal of an investment, which include fees and commissions paid to agents, advisors, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Commissions and transaction costs are included as expenses in the Statement of Operations.

Integra 130/30 U.S. Equity Fund

Notes to Financial Statements

- [j] The cost of investments represents the amount paid for each security and is determined on an average cost basis excluding commissions and other transaction costs.

3. Unitholders' Equity

Unit transactions during the year were as follows:

	December 31, 2009		December 31, 2008	
	Number of Fund units	Amount \$	Number of Fund units	Amount \$
Subscriptions	431,906	3,000,000	—	—
Reinvestments	56,667	431,417	101,337	745,410
Redemptions	459,473	3,489,464	206,840	1,703,367

The number of issued and outstanding units for the year ended December 31, 2009 is 3,969,245 (December 31, 2008 - 3,940,145).

4. Foreign Exchange Forward Contracts

The Fund utilizes foreign exchange forward contract hedging in the management of currency risk associated with its investment in foreign securities. The objective is to protect the Fund from the possibility of capital losses on foreign currency denominated investments due to increases in the value of the Canadian dollar. However, credit and market risks associated with foreign exchange forward contracts potentially expose the Fund to losses.

In order to minimize the possibility of losses arising from credit risk, the Fund deals only with large financial institutions with a minimum A credit rating.

Currency risks relate to the possibility that foreign exchange forward contracts change in value due to fluctuations in currency prices. The foreign exchange forward contracts are marked-to-market daily and the resulting unrealized gains or losses are recognized in the Statement of Net Assets.

The result of employing foreign exchange forward contracts is that the foreign exchange gains and losses in the securities portfolio move substantially in opposite directions from the gains and losses in the hedging portfolio.

As at December 31, 2009, the Fund held no foreign exchange forward contracts.

5. Income Taxes

The Fund qualifies as a unit trust under the provisions of the Income Tax Act (Canada). The Fund is subject to tax on its income, including net realized capital gains, for the calendar year which is not paid or payable to the unitholders as at the end of the calendar year. Sufficient distributions of income and of net realized capital gains are made to unitholders of record for the Fund, so that no provision for income taxes is required in the financial statements.

Capital losses incurred by the Fund cannot be allocated to unitholders but may be carried forward indefinitely to realized capital gains. As at December 31, 2009, the Fund had \$4,638,376 in net capital loss carryforwards [December 31, 2008 - \$2,150,278].

6. Brokerage Commissions

Brokerage commissions ("soft dollar commissions") on portfolio transactions may also include research services provided to the investment manager. The value of the research services paid to certain brokers for the year ended December 31, 2009 is nil.

7. Capital Management

CICA Section 1535, "Capital Disclosures", establishes standards for disclosing information about an entity's capital and how it is managed. The adoption of this standard results in additional disclosures relating to the redeemable units of the Fund but does not affect the Fund's results or financial position. The capital of the Fund is represented by issued redeemable units with no par value. The units of the Fund are entitled to distributions, if any, and any redemptions are based on the Fund's net asset value per unit. The Fund has no restrictions or specific capital requirements on the subscriptions and redemptions of units. The relevant movements are shown on the Statement of Changes in Net Assets. The Fund endeavours to invest its subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions.

Integra 130/30 U.S. Equity Fund

Notes to Financial Statements

8. Management Fees

The trustee has appointed Integra Capital Management Corporation (the "Manager") as manager to administer and regulate the day-to-day operations of the Fund. In return for the services provided, the Manager receives annual management fees directly from the Fund's unitholders, based on the net asset value of the Fund.

9. Comparison of Net Asset Value Per Unit - Industry Standard for Transactions to Net Assets Per Unit

NI 81-106 previously required the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP. The Canadian Securities Administrators ("CSA") have amended NI 81-106, effective September 8, 2008, to replace the previous requirement to calculate the daily net asset value for the purpose of processing unitholder transactions in accordance with Canadian GAAP and allow investment funds to value their investments using fair value measures as defined in NI 81-106. The method by which the net assets are calculated for financial reporting purposes will be different from the method for which the net asset value for subscriptions or redemptions is calculated. A comparison between the net asset value per unit calculated for subscriptions and redemptions and the net assets per unit calculated for financial reporting is required to be disclosed in the financial statements.

December 31, 2009		December 31, 2008	
Net Asset Value per Unit - Industry Standard for Transactions	Net Assets per Unit	Net Asset Value per Unit - Industry Standard for Transactions	Net Assets per Unit
\$7.61	\$7.58	\$7.36	\$7.27

10. Transition to International Financial Reporting Standards

The Canadian Accounting Standards Board has confirmed January 1, 2011 as the date International Financial Reporting Standards ("IFRS") will replace Canadian GAAP for publicly accountable enterprises, which include investment funds and other reporting issuers. Accordingly, the Fund will adopt IFRS for its fiscal period beginning January 1, 2011.

In preparing to meet the requirements, the Manager has taken the following steps in managing the transition to IFRS:

- Established a working group to identify key differences between Canadian GAAP and IFRS and to coordinate the implementation of the transition plan,
- Identify areas where changes in disclosure will be required under IFRS standards,
- Evaluate current information technology and reporting systems for readiness in IFRS implementation, and
- Assess the likely impacts on business activity and operational areas such as internal controls, staffing and training requirements.

Based on the current evaluation of the differences between Canadian GAAP and IFRS, the adoption of IFRS is expected to have no impact on the calculation of net assets or net asset value. IFRS is expected to affect the overall presentation of financial statements and result in additional disclosure in the accompanying notes. However, the Manager's assessment may change if new standards are issued or if the interpretations of current standards are revised.

11. Comparative Figures

Certain comparative figures have been reclassified to conform to the presentation for the period ended December 31, 2009.