

Financial Statements

Integra Canadian Fixed Income Plus Fund

December 31, 2010

INDEPENDENT AUDITORS' REPORT

To the Unitholders of
Integra Canadian Fixed Income Plus Fund

We have audited the accompanying financial statements of **Integra Canadian Fixed Income Plus Fund** (the "Fund"), which comprise the statement of net assets as at December 31, 2010, and the statements of operations and changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the net assets of the Fund as at December 31, 2010, and the results of its operations and the changes in its net assets for the year then ended in accordance with Canadian generally accepted accounting principles.

Toronto, Canada
March 25, 2011

Ernst & Young LLP

Chartered Accountants
Licensed Public Accountants

Integra Canadian Fixed Income Plus Fund

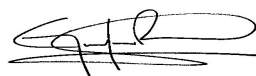
Statement of Net Assets

As at December 31


	2010	2009
ASSETS		
Investments at fair value	\$159,257,858	\$175,504,778
Cash	373,561	1,152,743
Accrued interest receivable	477,461	523,690
Securities purchased under agreements to resell (note 6)	3,278,120	20,666,224
Receivable for securities sold	663	111,447
Accounts receivable relating to margin	75,154	1,232,235
Net unrealized gain on futures contracts (note 5)	10,069	68,589
Total assets	163,472,886	199,259,706
LIABILITIES		
Due to broker	—	1,203,706
Investments sold short at fair value	3,280,490	20,242,765
Accrued expenses	76,514	194,294
Redemptions payable	1,329	1,107
Securities sold under agreements to repurchase (note 7)	6,074,951	12,909,673
Total liabilities	9,433,284	34,551,545
NET ASSETS REPRESENTING UNITHOLDERS' EQUITY	\$154,039,602	\$164,708,161
UNITS OUTSTANDING (note 3)	15,528,778	17,084,877
NET ASSETS PER UNIT (note 14)	\$9.92	\$9.64
NET ASSET VALUE PER UNIT - INDUSTRY STANDARD FOR TRANSACTIONS (note 14)	\$9.93	\$9.65

(See accompanying notes)

On behalf of the Manager,
Integra Capital Limited:



Graham Rennie
Director



Craig Honey
Director

Integra Canadian Fixed Income Plus Fund

Statement of Operations

Year ended December 31	2010	2009
INCOME		
Interest	\$7,300,737	\$8,675,630
Interest on securities purchased under agreements to resell	—	33,273
Income from swap agreements	(33,659)	26,648
Revenue from securities lending	7,113	6,752
	7,274,191	8,742,303
EXPENSES		
Custodial fees	12,525	191,116
Operating expenses	33,505	75,048
Audit fees	38,095	33,359
Legal Fees	2,858	—
Securityholder reporting costs	1,193	2,378
Fund valuation fees	—	117,054
Filing fees	—	950
Interest on securities sold under agreements to repurchase	65,240	124,923
Investment performance monitoring fees	4,763	4,762
Goods and Services Tax	1,747	18,847
Harmonized Sales Tax	7,215	—
	167,141	568,437
NET INVESTMENT INCOME	7,107,050	8,173,866
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS		
Net realized gain on sale of investments	517,347	3,587,991
Net realized gain (loss) on foreign exchange forward contracts	—	(4,432,182)
Net realized gain (loss) on foreign exchange	990	871,745
Net unrealized gain (loss) on foreign exchange	446	(385,599)
Net realized loss on options	(94,302)	(296,713)
Net realized gain on futures contracts	294,433	2,944,577
Net realized gain (loss) on swaps	25,131	(739,935)
Transaction costs (note 9)	(6,551)	(27,258)
Change in unrealized appreciation (depreciation) of investments	4,190,897	(670,832)
Change in unrealized appreciation on futures contracts	(58,520)	(2,524,781)
Change in unrealized appreciation on foreign exchange forward contracts	—	6,140,715
	4,869,871	4,467,728
NET GAIN ON INVESTMENTS AND TRANSACTION COSTS	4,869,871	4,467,728
INCREASE IN NET ASSETS FROM OPERATIONS	11,976,921	12,641,594
Increase in net assets from operations per unit (Based on the average number of units outstanding during the year)	\$0.75	\$0.88

(See accompanying notes)

Statement of Changes in Net Assets

Year ended December 31	2010	2009
NET ASSETS, BEGINNING OF YEAR	\$164,708,161	\$102,253,886
Increase in net assets from operations	11,976,921	12,641,594
DISTRIBUTIONS TO UNITHOLDERS		
Distribution from net investment income	(7,395,121)	(11,055,604)
	(7,395,121)	(11,055,604)
CAPITAL UNIT TRANSACTIONS (note 3)		
Proceeds from issuance of units	9,467,640	76,667,618
Reinvested distributions	7,395,121	11,055,604
Payments on redemptions	(32,113,120)	(26,854,937)
	(15,250,359)	60,868,285
Increase (decrease) in net assets for the year	(10,668,559)	62,454,275
NET ASSETS, END OF YEAR	\$154,039,602	\$164,708,161

(See accompanying notes)

Integra Canadian Fixed Income Plus Fund

Statement of Investments

As at December 31, 2010

	Par Value \$	Average Cost \$	Fair Value \$
INVESTMENTS AT FAIR VALUE			
Canadian Bonds — 50.24%			
Government of Canada — 23.28%			
Canada Housing Trust No. 1, 2.75%, 2014/12/15	3,961,000	3,960,322	4,009,683
Canada Housing Trust No. 1, 3.15%, 2015/06/15	430,000	429,432	440,638
Canada Housing Trust No. 1, 2.75%, 2015/12/15	534,000	532,793	535,565
Canada Housing Trust No. 1, 3.75%, 2020/03/15	482,000	477,219	495,315
Canada Housing Trust No. 1, 3.35%, 2020/12/15	485,000	482,710	479,107
Canada Housing Trust No. 1, Series '23', 4.10%, 2018/12/15	879,000	904,910	932,544
Canada Housing Trust No. 1, Series '28', 3.15%, 2014/06/15	1,005,000	1,011,168	1,034,120
Canada Housing Trust No. 1, Series '37', 2.45%, 2015/12/15	531,000	529,715	525,241
Canada Post Corp., Series '1', 4.36%, 2040/07/16	32,000	32,047	33,729
Canada Post Corp., Series '2', 4.08%, 2025/07/16	40,000	40,011	41,212
CBC Monetization Trust, Callable, 4.69%, 2027/05/15	19,278	19,278	19,775
Government of Canada, 1.00%, 2011/09/01	600,000	594,600	598,967
Government of Canada, 1.50%, 2012/06/01	2,759,000	2,755,273	2,757,836
Government of Canada, 3.75%, 2012/06/01	967,000	1,005,873	996,817
Government of Canada, 2.00%, 2012/09/01	8,550,000	8,654,505	8,604,227
Government of Canada, 3.50%, 2013/06/01	725,000	748,260	753,797
Government of Canada, 3.00%, 2014/06/01	1,120,000	1,145,800	1,153,992
Government of Canada, 2.00%, 2014/12/01	754,000	743,981	748,586
Government of Canada, 2.50%, 2015/06/01	108,000	108,950	108,896
Government of Canada, 4.50%, 2015/06/01	725,000	785,266	791,838
Government of Canada, 3.00%, 2015/12/01	1,879,000	1,917,726	1,929,475
Government of Canada, 4.00%, 2016/06/01	401,000	430,357	430,668
Government of Canada, 4.00%, 2017/06/01	512,000	551,138	550,961
Government of Canada, 3.75%, 2019/06/01	46,000	48,458	48,488
Government of Canada, 3.25%, 2021/06/01	1,963,000	1,977,898	1,967,596
Government of Canada, 8.00%, 2023/06/01	511,000	732,101	752,535
Government of Canada, 5.75%, 2029/06/01	90,000	107,604	117,406
Government of Canada, 5.75%, 2033/06/01	684,000	879,310	914,131
Government of Canada, 5.00%, 2037/06/01	845,000	1,014,490	1,048,026
Government of Canada, 4.00%, 2041/06/01	693,000	750,400	753,905
Milit-Air Inc., Series '1', 5.75%, 2019/06/30	115,642	124,951	127,264
PSP Capital Inc., Series '2', Callable, 2.94%, 2015/12/03	130,000	129,945	129,567
Royal Office Finance L.P., Series 'A', Callable, Sinking Fund, 5.21%, 2032/11/12	1,897,342	1,895,149	2,029,100
		35,521,640	35,861,007
Provincial Government — 9.99%			
Alberta Capital Finance Authority, 3.05%, 2015/06/15	51,000	50,883	51,964
Alberta Capital Finance Authority, 4.65%, 2017/06/15	215,000	216,300	233,895
Financement-Québec, 5.00%, 2012/11/01	1,000,000	1,068,160	1,043,800
Financement-Québec, 3.25%, 2014/06/01	40,000	40,436	41,109
Financement-Québec, 4.25%, 2015/12/01	41,000	41,357	43,609
Financement-Québec, 3.50%, 2016/12/01	122,000	122,728	124,330
Financement-Québec, 5.25%, 2034/06/01	125,000	121,510	137,605
Hospital for Sick Children/Canada, Series 'A', Callable, 5.22%, 2049/12/16	40,000	40,000	41,334
Hydro One Inc., Callable, 6.93%, 2032/06/01	200,000	241,776	252,828
Hydro One Inc., Series '17', Callable, 6.03%, 2039/03/03	100,000	99,931	116,700
Hydro-Quebec, Series 'HL', 11.00%, 2020/08/15	85,000	134,818	133,198
Hydro-Quebec, Series 'IC', 9.62%, 2022/07/15	75,000	110,915	113,032
Hydro-Quebec, Series 'JM', 5.00%, 2045/02/15	156,000	156,368	172,540
Hydro-Quebec, Series 'JN', 5.00%, 2050/02/15	302,000	318,707	337,118
McGill University Health Centre, Callable, 5.36%, 2043/12/31	23,000	22,990	24,067
New Brunswick (F-M) Project Co. Inc., Step Coupon, Callable, 6.47%, 2027/11/30	66,971	75,750	77,225
Province of Alberta, 4.00%, 2019/12/01	787,000	783,246	815,293
Province of Alberta, 4.50%, 2040/12/01	50,000	49,558	52,538
Province of British Columbia, 5.60%, 2018/06/01	680,000	709,961	777,674
Province of British Columbia, 4.10%, 2019/12/18	47,000	47,010	48,723
Province of British Columbia, 5.70%, 2029/06/18	600,000	666,828	715,690
Province of British Columbia, 4.95%, 2040/06/18	92,000	95,182	102,115
Province of British Columbia, 4.30%, 2042/06/18	86,000	86,623	86,527
Province of British Columbia, Series 'BCCD-24', 3.70%, 2020/12/18	140,000	139,524	139,515
Province of Manitoba, 4.15%, 2020/06/03	67,000	68,172	69,133
Province of Manitoba, 4.40%, 2025/09/05	39,000	38,856	40,200
Province of Manitoba, 5.70%, 2037/03/05	400,000	467,132	485,049
Province of Manitoba, 4.60%, 2038/03/05	23,000	22,573	24,003
Province of Manitoba, 4.65%, 2040/03/05	33,000	32,176	34,867
Province of Manitoba, 4.10%, 2041/03/05	25,000	24,934	24,214
Province of Manitoba, 4.70%, 2050/03/05	25,000	25,286	27,055
Province of New Brunswick, 4.70%, 2016/07/21	24,000	26,208	26,094
Province of New Brunswick, 4.45%, 2018/03/26	485,000	464,727	517,501

Integra Canadian Fixed Income Plus Fund

Statement of Investments

As at December 31, 2010

	Par Value \$	Average Cost \$	Fair Value \$
Province of New Brunswick, 4.40%, 2019/06/03	30,000	30,443	31,585
Province of New Brunswick, 4.50%, 2020/06/02	80,000	80,306	84,151
Province of New Brunswick, 4.80%, 2041/06/03	60,000	59,052	63,852
Province of New Brunswick, Sinking Fund, 4.80%, 2039/09/26	210,000	211,487	222,549
Province of Newfoundland and Labrador, 4.65%, 2040/10/17	222,000	218,917	233,179
Province of Nova Scotia, 4.15%, 2019/11/25	45,000	44,638	46,458
Province of Nova Scotia, 4.70%, 2041/06/01	95,000	98,562	99,765
Province of Ontario, 3.15%, 2015/09/08	221,000	224,507	225,015
Province of Ontario, 4.40%, 2019/06/02	451,000	454,365	475,525
Province of Ontario, 6.50%, 2029/03/08	600,000	733,406	769,116
Province of Ontario, 5.85%, 2033/03/08	1,017,000	1,168,996	1,230,947
Province of Ontario, 4.70%, 2037/06/02	485,000	475,342	508,885
Province of Ontario, 4.60%, 2039/06/02	434,000	419,043	450,857
Province of Ontario, 4.65%, 2041/06/02	773,000	821,275	814,377
Province of Prince Edward Island, 3.70%, 2020/09/02	8,000	7,958	7,876
Province of Prince Edward Island, 4.65%, 2037/11/19	20,000	19,311	20,456
Province of Quebec, 4.50%, 2019/12/01	215,000	219,259	227,171
Province of Quebec, 4.50%, 2020/12/01	1,596,000	1,654,165	1,674,022
Province of Quebec, 5.00%, 2038/12/01	480,000	513,173	521,811
Province of Quebec, 5.00%, 2041/12/01	215,000	228,380	236,319
Province of Saskatchewan, 3.90%, 2020/07/28	30,000	29,914	30,600
Province of Saskatchewan, Series 'EC', 5.00%, 2037/03/05	340,000	362,134	377,947
Province of Saskatchewan, Series 'GC', 4.75%, 2040/06/01	38,000	41,289	41,142
University of Western Ontario (The), Series 'A', Callable, 4.80%, 2047/05/24	58,000	58,000	56,260
Yukon Development Corp., 5.00%, 2040/06/29	8,000	7,946	8,394
		14,792,493	15,388,804
Municipal — 1.02%			
City of Toronto, 5.05%, 2017/07/18	21,000	20,943	22,902
City of Toronto, 4.95%, 2018/06/27	26,000	25,921	28,067
City of Toronto, 4.50%, 2019/12/02	40,000	39,876	41,465
City of Toronto, 5.34%, 2027/07/18	9,245	9,129	9,921
City of Toronto, 5.20%, 2040/06/01	50,000	50,360	53,473
City of Vancouver, 4.50%, 2020/06/01	25,000	24,904	25,961
Durham District School Board, 6.75%, 2019/11/19	12,000	14,018	14,288
Municipal Finance Authority of British Columbia, 4.45%, 2020/06/01	41,000	42,397	42,726
Municipality of Peel, Ontario, Sinking Fund, 5.10%, 2040/06/29	24,000	23,821	25,176
Municipality of York, Ontario, 4.50%, 2020/06/30	16,000	15,953	16,502
South Coast British Columbia Transportation Authority, 3.80%, 2020/11/02	25,000	24,982	24,460
TCHC Issuer Trust, Series 'A', Callable, 4.88%, 2037/05/11	40,000	40,000	39,454
Ville de Montréal, 5.00%, 2017/12/01	62,000	62,304	66,979
Ville de Montréal, 5.00%, 2018/12/01	25,000	24,787	26,867
Ville de Montréal, 5.45%, 2019/12/01	1,020,000	1,087,390	1,123,878
		1,506,785	1,562,119
Corporate — 15.95%			
407 International Inc., Callable, 4.99%, 2020/06/16	36,000	35,978	38,313
407 International Inc., Callable, 4.30%, 2021/05/26	200,000	199,932	199,316
407 International Inc., Series '10-A1', Callable, 3.88%, 2015/06/16	23,000	22,996	23,830
AltaGas Income Trust, Callable, 5.49%, 2017/03/27	250,000	249,970	263,846
AltaLink L.P., Series '2008-1', Callable, 5.24%, 2018/05/29	65,000	66,673	71,309
American Express Canada Credit Corp., 4.85%, 2014/10/03	350,000	350,000	367,775
Bank of Montreal, 3.49%, 2016/06/10	100,000	100,000	100,163
Bank of Montreal, 5.45%, 2017/07/17	26,000	25,988	28,600
Bank of Montreal Subordinated Notes Trust, Variable Rate, Callable, 2022/09/26	50,000	55,256	55,259
Bank of Montreal, Callable, 4.69%, 2011/01/31	600,000	597,930	601,246
Bank of Montreal, Callable, 5.05%, 2013/09/03	300,000	294,771	319,983
Bank of Montreal, Callable, 3.93%, 2015/04/27	100,000	100,000	103,269
Bank of Montreal, Callable, 3.10%, 2016/03/10	100,000	100,000	98,816
Bank of Montreal, Callable, 4.61%, 2025/09/10	250,000	250,000	247,314
Bank of Nova Scotia, 3.35%, 2014/11/18	750,000	749,692	760,390
Bank of Nova Scotia, Variable Rate, Callable, 2018/10/03	625,000	688,925	678,146
Bell Aliant Regional Communications L.P., 4.37%, 2017/09/13	100,000	99,994	99,154
Bell Aliant Regional Communications L.P., Callable, 6.29%, 2015/02/17	100,000	99,960	109,698
Bell Canada, Callable, 4.85%, 2014/06/30	450,000	449,289	475,441
BMO Capital Trust II, Series 'A', Variable Rate, Callable, 2018/12/31	750,000	954,330	960,510
BMO Capital Trust, Series 'E', Variable Rate, Callable, 2015/12/31	350,000	361,386	363,439
BMW Canada Inc., Series 'A', Restricted, 3.22%, 2013/03/28	1,000,000	999,890	1,015,639
Caisse centrale Desjardins du Quebec, 3.50%, 2017/10/05	106,000	106,000	103,603
Cameco Corp., Series 'D', Callable, 5.67%, 2019/09/02	50,000	50,212	53,545
Canadian Capital Auto Receivables Asset Trust II, Class 'A2', Series '2010-1', 2.00%, 2012/11/17	481,160	481,160	481,275

Integra Canadian Fixed Income Plus Fund

Statement of Investments

As at December 31, 2010

	Par Value \$	Average Cost \$	Fair Value \$
Canadian Capital Auto Receivables Asset Trust II, Class 'A3', Series '2010-1', 3.05%, 2014/07/17	500,000	500,000	503,550
Canadian Credit Card Master Trust, Class 'A', Series '2010-1', 3.44%, 2015/07/24	23,000	23,000	23,190
Canadian Imperial Bank of Commerce, 3.05%, 2013/06/03	150,000	149,920	152,293
Canadian Imperial Bank of Commerce, 3.10%, 2015/03/02	250,000	249,530	250,666
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 2020/04/30	490,000	493,192	505,635
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 2020/11/02	300,000	299,367	293,657
Canadian Imperial Bank of Commerce/Canada, 3.95%, 2017/07/14	200,000	199,576	203,106
Canadian Pacific Railway Co., Callable, 6.45%, 2039/11/17	100,000	99,947	108,403
Canadian Tire Corp. Ltd., Callable, 6.32%, 2034/02/24	50,000	49,258	51,821
Capital Desjardins Inc., Series 'H', Variable Rate, Callable, 2020/11/23	70,000	70,000	69,869
Capital Power L.P., Callable, 5.28%, 2020/11/16	45,000	45,000	44,241
Caterpillar Financial Services Ltd., 4.94%, 2012/06/01	147,000	146,987	152,634
CDP Financial Inc., 4.60%, 2020/07/15	100,000	99,794	103,933
Chip Mortgage Trust, Callable, 4.49%, 2015/08/04	13,000	12,996	13,421
CIBC Capital Trust, Series 'A', Callable, 9.98%, 2019/06/30	300,000	376,566	378,893
Citigroup Finance Canada Inc., 4.35%, 2013/03/08	150,000	149,883	152,918
Cogeco Cable Inc., Callable, 5.15%, 2020/11/16	150,000	149,710	148,928
CU Inc., Callable, 6.22%, 2024/03/06	150,000	150,000	172,610
CU Inc., Callable, 5.56%, 2037/10/30	122,000	122,000	133,334
Enbridge Gas Distribution Inc., Callable, 4.04%, 2020/11/23	350,000	349,856	349,781
Enbridge Inc., Callable, 5.17%, 2016/05/19	50,000	49,971	54,161
Enbridge Inc., Callable, 4.77%, 2019/09/02	50,000	49,976	51,925
Enbridge Inc., Callable, 4.53%, 2020/03/09	250,000	249,960	253,333
Enbridge Inc., Callable, 5.12%, 2040/09/28	150,000	150,000	146,389
Enbridge Pipelines Inc., Callable, 4.45%, 2020/04/06	200,000	199,920	205,297
Epcor Utilities Inc., Callable, 5.80%, 2018/01/31	400,000	399,488	445,129
Finning International Inc., Callable, 5.16%, 2013/09/03	200,000	199,988	212,172
Ford Auto Securitization Trust, Class 'A1', Series '2010-R1', Callable, 1.52%, 2012/10/15	117,407	117,407	117,324
Ford Auto Securitization Trust, Class 'A2', Series '2010-R1', Callable, 2.75%, 2013/11/15	500,000	500,000	502,854
Ford Auto Securitization Trust, Class 'A3', Series '2010-R1', Callable, 3.84%, 2015/01/15	500,000	500,000	515,968
Fortis Inc., Callable, 6.51%, 2039/07/04	250,000	249,835	294,362
Gaz Métro inc., Series 'L', Callable, 5.40%, 2013/04/15	100,000	99,974	106,366
GE Capital Canada Funding Co., 5.68%, 2019/09/10	150,000	155,013	160,551
GE Capital Canada Funding Co., 5.73%, 2037/10/22	100,000	98,951	102,713
GE Capital Canada Funding Co., Variable Rate, 2011/08/08	500,000	487,525	499,565
GE Capital Canada Funding Co., Series 'A', 4.24%, 2015/06/08	250,000	249,990	256,905
Gloucester Credit Card Trust, Class 'A', Series '2008-1', 5.34%, 2013/05/15	100,000	97,409	105,628
Greater Toronto Airports Authority, Series '02-3', 6.98%, 2032/10/15	150,000	150,030	187,091
Greater Toronto Airports Authority, Series '2009-1', 5.96%, 2019/11/20	50,000	54,274	56,938
Great-West Lifeco Inc., 6.00%, 2039/11/16	20,000	20,106	21,579
Great-West Lifeco Inc., Callable, 4.65%, 2020/08/13	13,000	13,000	13,020
Halifax International Airport Authority, Series 'C', Callable, 4.89%, 2050/11/15	13,000	13,000	12,659
HSBC Bank Canada, 3.86%, 2015/05/21	150,000	149,960	154,309
HSBC Bank Canada, 3.56%, 2017/10/04	350,000	350,000	343,445
John Deere Credit Inc., 3.90%, 2013/07/29	100,000	99,886	103,262
Laurentian Bank of Canada, Variable Rate, Callable, 2020/11/02	750,000	747,998	738,209
Loblaws Cos. Ltd., 6.50%, 2029/01/22	100,000	83,510	105,003
Manulife Financial Capital Trust II, Series '1', Variable Rate, Callable, 2108/12/31	100,000	113,057	109,263
Manulife Financial Corp., Callable, 4.90%, 2014/06/02	200,000	200,000	208,112
Maritimes & Northeast Pipeline L.P., Callable, 4.34%, 2019/11/30	487,500	487,480	496,449
National Bank of Canada, 3.15%, 2015/02/11	150,000	150,000	150,602
Nova Scotia Power Inc., Callable, 5.95%, 2039/07/27	337,000	335,878	374,701
Ornge Issue Trust, Series 'A', Callable, 5.73%, 2034/06/11	50,000	50,000	53,494
Power Corp. of Canada, Callable, 8.57%, 2039/04/22	25,000	25,619	33,322
RBC Capital Trust, Preferred, Series '2018', Variable Rate, Callable, 2018/06/30	400,000	434,332	460,778
Rogers Communications Inc., 6.11%, 2040/08/25	64,000	63,939	63,207
Rogers Communications Inc., Callable, 5.80%, 2016/05/26	110,000	109,744	120,521
Rogers Communications Inc., Callable, 4.70%, 2020/09/29	72,000	71,960	70,667
Rogers Communications Inc., Callable, 6.68%, 2039/11/04	150,000	149,846	160,240
Royal Bank of Canada, 4.97%, 2014/06/05	124,000	123,949	133,162
Royal Bank of Canada, 3.66%, 2017/01/25	50,000	49,982	50,372
Royal Bank of Canada, 4.93%, 2025/07/16	100,000	99,968	102,241
Royal Bank of Canada, Callable, 3.27%, 2014/11/10	50,000	49,993	50,820
Royal Bank of Canada, Callable, 3.18%, 2015/03/16	100,000	99,963	100,902
Royal Bank of Canada, Callable, Variable Rate, 2020/11/02	250,000	249,930	244,816
Royal Bank of Canada, Series '11', Variable Rate, Callable, 2018/03/11	250,000	267,292	261,841
Scotiabank Capital Trust, Series '06-1', Variable Rate, Callable, 2056/12/31	150,000	147,760	151,124
Scotiabank Tier I Trust, Variable Rate, Callable, 2108/06/30	150,000	171,432	172,212
Shaw Communications Inc., Callable, 5.65%, 2019/10/01	100,000	99,683	103,307
Shaw Communications Inc., Callable, 5.50%, 2020/12/07	250,000	249,088	253,071
Shoppers Drug Mart Corp., Series '3', 4.80%, 2012/01/20	175,000	174,956	179,913
Sun Life Capital Trust II, Callable, 5.86%, 2019/12/31	150,000	150,000	154,585
Sun Life Capital Trust, Series 'B', Variable Rate, Callable, 2052/06/30	150,000	173,590	169,225

Integra Canadian Fixed Income Plus Fund

Statement of Investments

As at December 31, 2010

	Par Value \$	Average Cost \$	Fair Value \$
Sun Life Financial Inc., Series '2009-1', Variable Rate, Callable, 2019/03/31	150,000	149,799	169,242
Sun Life Financial Inc., Variable Rate, Callable, 2042/05/29	78,000	73,363	71,910
TD Capital Trust IV, Perpetual, Callable, 10%, 2108/06/30	100,000	125,164	128,410
TELUS Corp., Series 'CF', Callable, 4.95%, 2014/05/15	200,000	199,992	211,713
TELUS Corp., Series 'CG', Callable, 5.05%, 2019/12/04	100,000	99,419	101,886
TELUS Corp., Series 'CH', Callable, 5.05%, 2020/07/23	50,000	49,872	50,464
Terasen Gas Inc., Callable, 6.00%, 2037/10/02	150,000	149,462	171,939
Thomson Reuters Corp., Callable, 4.35%, 2020/09/30	400,000	398,460	400,844
Toronto-Dominion Bank (The), Variable Rate, Callable, 2016/01/18	250,000	247,392	250,197
Toronto-Dominion Bank (The), Variable Rate, Callable, 2020/11/02	75,000	75,000	74,084
Toronto-Dominion Bank (The), Variable Rate, Callable, 2105/12/14	250,000	267,045	259,926
TransAlta Corp., Callable, 6.45%, 2014/05/29	45,000	44,920	48,875
TransCanada PipeLines Ltd., 5.05%, 2013/08/20	100,000	99,869	106,615
TransCanada PipeLines Ltd., Callable, 5.05%, 2014/02/14	150,000	149,576	160,528
TransCanada PipeLines Ltd., Callable, 8.05%, 2039/02/17	100,000	99,529	140,752
Union Gas Ltd., Callable, 5.20%, 2040/07/23	13,000	12,937	13,483
Union Gas Ltd., Series '6', 5.46%, 2036/09/11	50,000	51,040	53,513
Union Gas Ltd., Series '6', Callable, 5.35%, 2018/04/27	55,000	60,454	60,297
VW Credit Canada Inc., 2.55%, 2013/11/18	450,000	449,420	448,291
Westcoast Energy Inc., Series '10', Callable, 4.57%, 2020/07/02	20,000	19,998	20,266
		23,886,237	24,571,101
Total Canadian Bonds — 50.24%		75,707,155	77,383,031
United States Bonds — 1.42%			
Corporate — 1.42%			
Bear Stearns Cos. LLC (The), 4.30%, 2011/01/12	750,000	741,202	750,360
Goldman Sachs Group Inc. (The), 4.80%, 2011/06/01	1,000,000	1,036,240	1,010,560
Goldman Sachs Group Inc. (The), 5.25%, 2016/06/01	75,000	75,592	77,569
Lehman XS Trust, Class '3A6', Series '2007-6', Callable, 6.50%, 2037/05/25	4,469	4,722	3,408
Molson Coors International L.P., Callable, 3.95%, 2017/10/06	350,000	348,898	339,280
		2,206,654	2,181,177
Total United States Bonds — 1.42%		2,206,654	2,181,177
Foreign Bonds — 0.93%			
Asian Development Bank, 4.75%, 2017/06/15	88,000	87,855	95,125
Rabobank Nederland - Cooperatieve Centrale Raiffeisen-Boerenleenbank B.A., 3.12%, 2015/02/05	350,000	349,356	351,446
Rabobank Nederland NV, Floating Rate, 1.39%, 2012/02/08	1,000,000	1,000,030	998,960
		1,437,241	1,445,531
Other — 50.80%			
Integra Principal High Quality Fixed Income Plus Fund	7,766,331	77,979,182	78,248,119
		77,979,182	78,248,119
TOTAL INVESTMENTS AT FAIR VALUE — 103.39%		157,330,232	159,257,858
INVESTMENTS SOLD SHORT AT FAIR VALUE			
Government of Canada — (2.13%)			
Government of Canada, 1.50%, 2012/12/01	(1,575,000)	(1,567,440)	(1,570,118)
Government of Canada, 3.50%, 2020/06/01	(1,658,000)	(1,692,153)	(1,710,372)
		(3,259,593)	(3,280,490)
TOTAL INVESTMENTS SOLD SHORT AT FAIR VALUE — (2.13%)		(3,259,593)	(3,280,490)
TOTAL BONDS — 101.26%		154,070,639	155,977,368
TOTAL INVESTMENT PORTFOLIO — 101.26%		154,070,639	155,977,368
OTHER ASSETS, NET OF LIABILITIES — (1.26%)			(1,937,766)
NET ASSETS — 100.00%			154,039,602

(See accompanying notes)

Integra Canadian Fixed Income Plus Fund

Summary of the Investments of the Indirect Holdings

As at December 31,

	% of Net Assets	
	2010	2009
Integra Principal High Quality Fixed Income Plus Fund		
By Sector		
Government	24.43	27.81
Provincial	34.94	25.71
Municipal	0.37	0.80
Corporate	37.64	37.33
	97.38	91.65
By Region		
Canada	71.48	68.15
United States	17.54	23.50
Australia	1.66	2.01
France	0.39	0.08
Japan	0.26	—
Luxembourg	0.14	0.16
Mexico	0.13	—
Netherlands	0.60	0.56
Spain	0.50	—
Sweden	0.33	—
New Zealand	—	0.76
United Kingdom	4.35	2.86
	97.38	98.08
Other Assets, Net of Liabilities	2.62	1.92
Total	100.00	100.00

Integra Canadian Fixed Income Plus Fund

Risk Disclosures

Financial Instruments Risk

Investment activities of Integra Canadian Fixed Income Plus 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 investment objective of the Fund is to provide relatively stable rates of return through a portfolio of debt and fixed income instruments, including futures and derivatives, issued by governments and corporations around the world.

The Fund has the flexibility to invest in the full spectrum of fixed income securities available in Canada, the United States and internationally, including investment-grade corporate bonds, treasuries, agencies, asset-backed securities, mortgages, bank loans and emerging markets debt. This flexibility provides the Fund with a greater investment opportunity set in comparison to the limited opportunities that are available in the Canadian bond universe.

The Fund may invest up to 5% in cash and short-term instruments.

The Fund is sub-advised by State Street Global Advisors Ltd. and Principal Global Investors LLC. (the "Sub-Advisors").

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 Limited (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.

As the Fund invests in underlying funds it has various risk exposures attributable to its investments in these underlying funds. The types of risks outlined below reflect the risks of the underlying funds.

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.

The table below summarizes the Fund's exposure to the credit ratings of debt securities.

Long Portfolio Debt Securities by Credit Rating	As a % of Total Bonds	
	December 31, 2010	December 31, 2009
AAA	38.04%	45.90%
AA	26.65%	21.79%
A	29.55%	25.83%
BBB	5.76%	5.40%
Below BBB (O)	0.00%	0.66%
Unrated (U)	0.00%	0.42%
Total	100.00%	100.00%

Short Portfolio Debt Securities by Credit Rating	As a % of Total Bonds	
	December 31, 2010	December 31, 2009
AAA	100.00%	90.22%
A	0.00%	9.78%
Total	100.00%	100.00%

Integra Canadian Fixed Income Plus Fund

Risk Disclosures

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 forward contracts.

Currency (As at December 31, 2010)	Currency Risk Exposed Holdings (including derivatives) *	Foreign Exchange Forward Contracts	Net Exposure	As a % of Net Assets
Australian Dollar	\$516,260	\$(523,028)	\$(6,768)	0.00%
British Pound	6,630	—	6,630	0.00%
Euro	(18,531)	—	(18,531)	(0.01%)
U.S. Dollar	17,673,372	(17,805,679)	(132,307)	(0.09%)

*Amounts include monetary items.

Currency (As at December 31, 2009)	Currency Risk Exposed Holdings (including derivatives) *	Foreign Exchange Forward Contracts	Net Exposure	As a % of Net Assets
U.S. Dollar	\$29,072,116	\$ —	\$29,072,116	17.65%
Australian Dollar	494,919	—	494,919	0.30%
British Pound	(28,954)	—	(28,954)	(0.02%)
Euro	(49,841)	—	(49,841)	(0.03%)

*Amounts include monetary items.

As at December 31, 2010, 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 \$7,549 (December 31, 2009 - \$1,474,412). 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 Sub-Advisor of the Fund uses combinations of Canadian interest-rate swaps and futures to synthetically create portfolios that track published DEX Bond indices. These strategies may add minimal active interest rate risk to the Fund.

Integra Canadian Fixed Income Plus Fund

Risk Disclosures

The tables below summarize the Fund's exposure to interest rate risk. It includes the Fund's assets and trading liabilities at fair values, categorized by the earlier of contractual re-pricing or maturity dates. The interest rate risk associated with short-term notes is minimal and therefore not included in the table below.

Long Portfolio	December 31, 2010	December 31, 2009
Less than 1 year	\$5,326,118	\$2,293,413
1-3 years	26,573,573	32,771,839
3-5 years	36,673,045	36,515,950
> 5 years	88,593,514	102,334,557
Total	\$157,166,250	\$173,915,759

As at December 31, 2010, had the prevailing interest rates raised or lowered by 1%, with all other variables held constant, net assets would have decreased or increased, respectively, by approximately \$ 9,975,859 (December 31, 2009 - \$11,034,258) on the long portfolio.

Short Portfolio	December 31, 2010	December 31, 2009
1-3 years	(1,570,118)	—
3-5 years	—	(\$18,263,939)
> 5 years	(1,710,372)	(1,978,826)
Total	(3,280,490)	(\$20,242,765)

As at December 31, 2010, had the prevailing interest rates raised or lowered by 1%, with all other variables held constant, net assets would have decreased or increased, respectively, by approximately \$168,444 (December 31, 2009 - (\$997,373)) on the short portfolio.

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. The Fund retains sufficient cash and cash equivalent positions to maintain liquidity.

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-Advisors moderate 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, 2010, a 5% change in the exposure to futures, net, would have changed the Fund's net assets by \$374,726 (December 31, 2009 - \$545,214) 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, 2010, due to a 5% increase or decrease in the Fund's benchmark (DEX Universe), with all other variables held constant, would have been \$8,130,980 (December 31, 2009 - \$8,615,884). 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 Canadian Fixed Income Plus Fund

Risk Disclosures

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 tables below summarize the inputs used in valuing the Fund's financial assets and liabilities carried at fair values:

Classification (As at December 31, 2010)	Level 1	Level 2	Level 3	Total
Financial Assets				
Bonds	\$ —	\$81,009,739	\$ —	\$81,009,739
Investment Funds	78,248,119	—	—	78,248,119
Futures	10,069	—	—	10,069
Securities purchased under agreements to resell	—	3,278,120	—	3,278,120
Total Financial Assets	78,258,188	84,287,859	—	162,546,047
Financial Liabilities				
Bonds	—	(3,280,490)	—	(3,280,490)
Securities sold under agreements to repurchase	—	(6,074,951)	—	(6,074,951)
	—	(9,355,441)	—	(9,355,441)
Total Financial Assets and Liabilities	\$78,258,188	\$74,932,418	\$ —	\$153,190,606

Classification (As at December 31, 2009)	Level 1	Level 2	Level 3	Total
Financial Assets				
Bonds	\$ —	\$96,158,730	\$ —	\$96,158,730
Mortgage-backed securities	—	4,487,480	—	4,487,480
Investment Funds	74,757,945	—	—	74,757,945
Futures	68,589	—	—	68,589
Securities purchased under agreements to resell	—	20,666,224	—	20,666,224
	74,826,534	121,312,434	—	196,138,968
Financial Liabilities				
Bonds	—	(20,242,767)	—	(20,242,767)
Securities sold under agreements to repurchase	—	(12,909,673)	—	(12,909,673)
	—	(33,152,440)	—	(33,152,440)
Total Financial Assets and Liabilities	\$74,826,534	\$88,159,994	\$ —	\$162,986,528

Integra Canadian Fixed Income Plus Fund

Risk Disclosures

Summary of Investment Portfolio

The Fund's summary of investment portfolio appears in the following table:

	Percentage of Net Assets (%)	
	December 31, 2010	December 31, 2009
INVESTMENTS AT FAIR VALUE		
BONDS		
Canadian Bonds		
Government of Canada	23.28	31.57
Provincial Government	9.99	8.52
Municipal Government	1.02	0.15
Corporate	15.95	14.73
Total Canadian Bonds	50.24	54.97
United States Bonds		
Corporate	1.42	5.96
Total United States Bonds	1.42	5.96
Foreign Bonds	0.93	0.18
Other Bonds	50.80	45.39
TOTAL BONDS	103.39	106.50
INVESTMENTS SOLD SHORT AT FAIR VALUE		
Canadian Bonds		
Government of Canada	(2.13)	(11.09)
Provincial Government	—	(0.24)
Corporate	—	(0.96)
Total Canadian Bonds	(2.13)	(12.29)
TOTAL INVESTMENT PORTFOLIO	101.26	94.21
OTHER ASSETS, NET OF LIABILITIES	(1.26)	5.79
NET ASSETS	100.00	100.00

Integra Canadian Fixed Income Plus Fund

Notes to Financial Statements

1. Establishment of the Fund

The Integra Canadian Fixed Income Plus Fund [the "Fund"] was created under the laws of the Province of Ontario by a Declaration of Trust. The Fund was established on April 27, 2007 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 statements with the regulatory authorities and has notified the Ontario Securities Commission that it is relying on this exemption. The Fund has prepared its financial statements 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) 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.
- [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] 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.
- [i] 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.
- [j] 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 foreign 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.

Integra Canadian Fixed Income Plus Fund

Notes to Financial Statements

- [k] The futures contracts are exchange-traded futures contracts and listed in the notes to the financial statements. Futures contracts are valued at their settlement price at the close of business on each valuation date. Any difference between the settlement value at the close of business on the current valuation date and that of the previous valuation date is recorded in the Statement of Net Assets as an unrealized gain (loss) on futures contracts. Amounts receivable (payable) from futures contracts are reflected in the Statement of Net Assets as unrealized gain (loss) on futures contracts.
- [l] A repurchase agreement involves the transfer of securities to a seller in return for cash. Under the agreement, the Fund will later receive the cash plus interest in exchange for the delivery (purchase) of the same securities. A purchase is not recorded in respect of securities transferred to a seller on the inception of a purchase agreement, and such instruments are not recorded as a component of marketable securities. The repurchase agreement, plus accrued interest, is recorded as a money market security in the Statement of Net Assets. A reverse repurchase agreement involves the transfer of securities to a buyer in return for cash. Under the agreement, the Fund will later pay the cash plus interest in exchange for the return (repurchase) of the same securities. A sale is not recorded in respect of securities transferred to a buyer on the inception of a reverse repurchase agreement, and such instruments continue to be recorded as a component of marketable securities. Obligations to repay cash received under the reverse repurchase agreement, plus accrued interest, are recorded as a liability in the Statement of Net Assets.
- [m] All swap contracts, which include interest rate swaps, currency swaps, inflation swaps and credit default swaps, are recorded at fair value using year-end market prices. Fair value represents the amount of consideration at which derivative financial instruments could be exchanged in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to transact. Where quoted market values are not readily available, appropriate valuation techniques are used to determine fair value.

3. Unitholders' Equity

Unit transactions during the year were as follows:

	December 31, 2010		December 31, 2009	
	Number of Fund units	Amount \$	Number of Fund units	Amount \$
Subscriptions	933,310	9,467,640	7,938,236	76,667,618
Reinvestments	747,549	7,395,121	1,143,830	11,055,604
Redemptions	3,236,958	32,113,120	2,716,707	26,854,937

The number of issued and outstanding units for the year ended December 31, 2010 is 15,528,778 (December 31, 2009 - 17,084,877).

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 loss arising from credit risk, the Fund deals only with large financial institutions with 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, 2010 and December 31, 2009, the Fund did not hold any foreign exchange forward contracts.

5. Futures Contracts

As at December 31, 2010, the Fund held the following 38 long (48 short) futures contract positions:

Contracted Value (CAD\$)	Currency	Expiry Date	Number of Contracts	Name of Future	Unrealized Gain (Loss)\$	Market Value (CAD\$)
(7,341,750)	CAD	Jun. 12	(30)	90 DAY BANKER'S ACCEPTANCE	3,750	(7,338,000)
7,252,865	GBP	Jun. 12	38	90 DAY STERLING	6,692	7,259,556
(7,415,706)	USD	Mar. 12	(18)	FEDERAL FUND 30 DAY	(373)	(7,416,079)
(7,504,592)					10,069	(7,494,523)

As at December 31, 2009, the Fund held the following 140 long (34 short) futures contract positions:

Integra Canadian Fixed Income Plus Fund

Notes to Financial Statements

Contracted Value (CAD\$)	Currency	Expiry Date	Number of Contracts	Name of Future	Unrealized Gain (Loss)	Market Value (CAD\$)
10,714,000	CAD	Mar. 10	56	Canada 10 year bond	(149,800)	6,599,040
(2,567,600)	USD	Mar. 10	(34)	United States 10 year T-note	116,678	(4,115,200)
12,479,345	USD	Mar. 10	84	Canadian dollar Future	101,711	8,420,431
20,625,745					68,589	10,904,271

6. Securities Purchased Under Agreements to Resell

As at December 31, 2010, the Fund held the following securities purchased under agreements to resell:

Transaction Date	Expiry Date	Cash Paid (CAD\$)	Portfolio Sold	Par Value (CAD\$)	Fair Value (CAD\$)
Dec. 2010	Jan. 2011	1,571,856	Government of Canada, 1.50%, 2012/12/01	1,575,000	1,569,934
Dec. 2010	Jan. 2011	1,706,264	Government of Canada, 3.50%, 2020/06/01	1,658,000	1,709,543
		3,278,120			3,279,477

As at December 31, 2009, the Fund held the following three securities purchased under agreements to resell:

Transaction Date	Expiry Date	Cash Paid (CAD\$)	Portfolio Sold	Par Value (CAD\$)	Fair Value (CAD\$)
Dec. 2009	Jan. 2010	18,542,699	Government of Canada, Series "YU24", 2.000%, 2014/12/01	19,000,000	18,330,657
Dec. 2009	Jan. 2010	1,710,687	Greater Toronto Airports Authority, Callable, 5.260%, 2018/04/17	1,500,000	1,573,222
Dec. 2009	Jan. 2010	412,838	Province of Quebec, 4.500%, 2019/12/01	400,000	403,871
		20,666,224			20,307,750

7. Securities Sold Under Agreements to Repurchase

All transactions are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

As at December 31, 2010, the Fund held the following security sold under agreements to repurchase:

Transaction Date	Expiry Date	Cash Received (CAD\$)	Portfolio Sold	Par Value (CAD\$)	Fair Value (CAD\$)
Dec. 2010	Jan. 2011	6,074,951	Government of Canada, 2.00%, 2012/09/01	6,000,000	6,038,394
		6,074,951			6,038,394

As at December 31, 2009, the Fund held the following two securities sold under agreements to repurchase:

Transaction Date	Expiry Date	Cash Received (CAD\$)	Portfolio Sold	Par Value (CAD\$)	Fair Value (CAD\$)
Dec. 2009	Jan. 2010	505,118	Government of Canada, 2.000%, 2012/09/01	500,000	501,042
Dec. 2009	Jan. 2010	12,404,555	Government of Canada, 2.500%, 2015/06/01	12,500,000	12,253,270
		12,909,673			12,754,312

The Fund enters into collateralized repurchase agreements and reverse repurchase agreements that may result in credit exposure in the event that the counterparty to the transaction is unable to fulfil its contractual obligations. To minimize the risk associated with such instruments, the sub-advisors of the Fund conduct due diligence to assess the credit and liquidity risks inherent in these investments. This risk is minimized by selecting counterparties who have a minimum A credit rating.

8. 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 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,

Integra Canadian Fixed Income Plus Fund

Notes to Financial Statements

2010, the Fund had \$331,606 (December 31, 2009 - \$608,337) in net capital loss carryforwards.

9. Brokerage Commissions

Brokerage commissions on portfolio transactions may also include research services provided to the investment manager ("soft dollar commissions"). The value of the research services paid to certain brokers for the year ended December 31, 2010 is nil (2009 - nil).

10. Securities Lending

The Fund lends portfolio securities from time to time in order to earn additional income. The Fund has entered into a securities lending program with its custodian, CIBC Mellon Global Securities Services. The aggregate market value of all securities cannot exceed 50% of the net assets of the Fund. The Fund receives collateral in the form of debt obligations of the Government of Canada and any other Sovereign States and Canadian provincial government, against the loaned securities. The Fund maintains a minimum collateral requirement of 102% for North American equities and 105% for Non-North American equities during the period of the loan. At December 31, 2010, certain securities shown in the Statement of Net Assets with a market value of \$14,875,352 (December 31, 2009 - \$16,819,870) had been loaned as part of the securities lending program. The Trustee, on behalf of the Fund, held securities with a market value of \$15,633,620 (December 31, 2009 - \$17,725,005) as collateral for such loans. Under the terms of the program, the Fund may instruct that securities be returned within three days.

11. 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.

12. Management Fees

The Trustee has appointed Integra Capital Limited (the "Manager") as manager to administer and regulate the day-to-day operations of the Fund. In return for the services provided, the Manager's parent company, Integra Capital Management Corporation, receives management fees from the Fund's unitholders, based on the net asset value of the Fund. These management fees are paid either by a redemption of units or the unitholder, if an institution, may be invoiced and payment will be delivered to the Manager.

13. Trustee and Other Fees

The Fund is responsible for its operating expenses relating to the carrying on of its business, including custodial services, legal, Independent Review Committee fees (if applicable), audit fees, transfer agency services relating to the issue and redemption of units, and the cost of financial and other reports in compliance with all applicable laws, regulations and policies. Such expenses are calculated and accrued daily based on the average net asset value. The Manager pays for such expenses on behalf of the Fund, except for certain expenses such as interest and taxes, and is then reimbursed by the Fund.

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

NI 81-106, issued by the Canadian Securities Administrators ["CSA"] requires investment funds to value their investments using fair value measures as defined in NI 81-106. NI 81-106 requires that fair value prices be based on bid prices, whereas subscriptions and redemptions from the Fund are based on closing prices. Consequently, the method by which the net asset value is calculated for subscription and redemption purposes will be different from the net assets calculated for financial reporting purposes. In accordance with NI 81-106, a comparison of net assets, calculated in accordance with CICA Section 3855 of an investment fund, and net asset value, calculated in accordance with the Manager's fair value policies and procedures for unit pricing, for the year ended December 31 were as follows:

December 31, 2010		December 31, 2009	
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
\$9.93	\$9.92	\$9.65	\$9.64

15. Transition to International Financial Reporting Standards

International Financial Reporting Standards ("IFRS") will replace Canadian GAAP for publicly accountable enterprises, which include investment funds and other reporting issuers. Under the general transition rules for publicly accountable enterprises the Fund would adopt IFRS for its fiscal period beginning January 1, 2011.

Integra Canadian Fixed Income Plus Fund

Notes to Financial Statements

On January 12, 2011, the Canadian Accounting Standards Board amended the requirement to prepare financial statements in accordance with IFRS as issued by the International Accounting Standards Board, permitting investment companies, which include investment funds, to defer adoption of IFRS to fiscal years beginning on or after January 1, 2013. The Fund has elected to defer adoption of IFRS to January 1, 2013.

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,
- Identified areas where changes in disclosure will be required under IFRS standards,
- Evaluated current information technology and reporting systems for readiness in IFRS implementation,
- Assessed the likely impacts on business activity and operational areas such as internal controls, staffing and training requirements.

The major changes identified for IFRS financial statements include the addition of a Statement of Cash Flows and the classification of unitholders' equity (puttable instruments) as a liability within the Statement of Net Assets, unless certain conditions are met.

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.