

Financial Statements

## **Lincluden Private Trust**

June 30, 2009

## Lincluden Private Trust

### Statement of Net Assets (unaudited)

	June 30, 2009	December 31, 2008
<b>ASSETS</b>		
Investments	\$85,310,288	\$78,656,588
Cash	793,577	500,136
Accrued investment income	330,225	463,545
Subscriptions receivable	22,532	—
Receivable for securities sold	1,021,681	418,600
<b>Total assets</b>	<b>87,478,303</b>	<b>80,038,869</b>
<b>LIABILITIES</b>		
Accrued expenses	40,267	71,040
Payable for securities purchased	638,230	—
Redemptions payable	51	223,450
<b>Total liabilities</b>	<b>678,548</b>	<b>294,490</b>
<b>NET ASSETS REPRESENTING UNITHOLDERS' EQUITY</b>	<b>\$86,799,755</b>	<b>\$79,744,379</b>
<b>UNITS OUTSTANDING</b> (note 3)	<b>8,493,687</b>	<b>8,325,970</b>
<b>NET ASSET PER UNIT</b> (note 10)	<b>\$10.22</b>	<b>\$9.58</b>
<b>NET ASSET VALUE PER UNIT - INDUSTRY STANDARD FOR TRANSACTIONS</b> (note 10)	<b>\$10.24</b>	<b>\$9.61</b>

(See accompanying notes)

## Lincluden Private Trust

### Statement of Operations (unaudited)

Six months ended June 30

	2009	2008
<b>INCOME</b>		
Interest	\$712,762	\$1,304,506
Dividend	882,871	586,514
Revenue from securities lending	6,384	11,361
	<b>1,602,017</b>	1,902,381
<b>EXPENSES</b>		
Custodial fees	21,647	28,370
Operating expenses	26,448	26,250
Audit fees	9,446	8,839
Security holder reporting costs	3,536	5,369
Goods and Services Tax	3,054	3,441
	<b>64,131</b>	72,269
<b>NET INVESTMENT INCOME</b>	<b>1,537,886</b>	1,830,112
<b>REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS</b>		
Net realized gain (loss) on sale of investments	(2,145,717)	1,176,230
Net realized gain on foreign exchange forward contracts	527	14,168
Net realized gain on foreign exchange	4,123	31,864
Net unrealized gain (loss) on foreign exchange	(54,329)	2,524
Transaction costs (note 6)	(38,395)	(20,541)
Change in unrealized appreciation (depreciation) of investments	6,293,501	(3,454,427)
<b>NET GAIN (LOSS) ON INVESTMENTS AND TRANSACTION COSTS</b>	<b>4,059,710</b>	(2,250,182)
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS</b>	<b>\$5,597,596</b>	(\$420,070)
<b>Increase (decrease) in net assets from operations per unit</b> (Based on the average number of units outstanding during the period)	<b>\$0.66</b>	(\$0.05)

(See accompanying notes)

### Statement of Changes in Net Assets (unaudited)

Six months ended June 30

	2009	2008
<b>NET ASSETS, BEGINNING OF PERIOD</b>	<b>\$79,744,379</b>	\$101,892,191
Increase (decrease) in net assets from operations	5,597,596	(420,070)
<b>DISTRIBUTIONS TO UNITHOLDERS</b>		
Distribution from net investment income	—	(1,420,442)
	—	(1,420,442)
<b>CAPITAL UNIT TRANSACTIONS (note 3)</b>		
Proceeds from issuance of units	4,759,474	2,273,587
Reinvested distributions	—	1,420,442
Payments on redemptions	(3,301,694)	(6,547,808)
	<b>1,457,780</b>	(2,853,779)
Increase (decrease) in net assets for the period	<b>7,055,376</b>	(4,694,291)
<b>NET ASSETS, END OF PERIOD</b>	<b>\$86,799,755</b>	\$97,197,900

(See accompanying notes)

## Lincluden Private Trust

### Statement of Investments (unaudited)

As at June 30, 2009

	Number of Shares	Average Cost \$	Fair Value \$
<b>COMMON AND PREFERRED SHARES — 56.73%</b>			
<b>Canadian Equities — 31.48%</b>			
<b>Consumer Discretionary — 2.63%</b>			
CanWest Global Communications Corp.	147,226	883,420	22,084
Shaw Communications Inc.	48,760	958,323	954,721
Thomson Reuters Corp.	38,655	1,429,033	1,308,085
		<b>3,270,776</b>	<b>2,284,890</b>
<b>Energy — 10.38%</b>			
ARC Energy Trust	62,515	1,229,553	1,107,141
Cameco Corp.	20,720	370,235	616,213
Canadian Natural Resources Ltd.	19,715	914,463	1,205,375
EnCana Corp.	10,880	550,736	626,144
Penn West Energy Trust	66,875	1,427,229	989,081
Petro-Canada	20,910	892,416	937,604
Suncor Energy Inc.	25,980	828,942	918,393
Talisman Energy Inc.	90,140	1,158,838	1,497,225
TransCanada Corp.	27,400	852,335	855,976
Zargon Energy Trust	16,000	483,308	252,800
		<b>8,708,055</b>	<b>9,005,952</b>
<b>Financials — 10.74%</b>			
Bank of Montreal	36,300	1,443,284	1,777,974
Bank of Nova Scotia	25,640	763,520	1,113,289
Brookfield Properties Corp.	65,410	907,836	601,772
Intact Financial Corp.	17,535	566,936	594,612
Manulife Financial Corp.	56,625	1,421,651	1,142,692
Royal Bank of Canada	30,865	1,234,831	1,465,779
Sun Life Financial Inc.	36,780	1,370,586	1,154,524
Toronto-Dominion Bank (The)	24,490	1,257,877	1,471,604
		<b>8,966,521</b>	<b>9,322,246</b>
<b>Health Care — 0.65%</b>			
CML Healthcare Income Fund	44,375	614,788	560,456
		<b>614,788</b>	<b>560,456</b>
<b>Industrials — 1.78%</b>			
Bombardier Inc., Class 'B'	145,855	829,410	500,283
CAE Inc.	82,710	551,128	564,909
WestJet Airlines Ltd.	46,960	568,067	480,401
		<b>1,948,605</b>	<b>1,545,593</b>
<b>Information Technology — 0.71%</b>			
March Networks Corp.	22,030	459,257	87,018
Research In Motion Ltd.	6,380	327,255	527,116
		<b>786,512</b>	<b>614,134</b>
<b>Materials — 1.70%</b>			
Barrick Gold Corp.	37,910	1,295,111	1,479,627
		<b>1,295,111</b>	<b>1,479,627</b>
<b>Telecommunication Services — 2.89%</b>			
BCE Inc.	35,970	794,492	863,280
Rogers Communications Inc., Class 'B'	34,200	1,113,379	1,021,554
TELUS Corp.	20,390	774,521	628,420
		<b>2,682,392</b>	<b>2,513,254</b>
<b>Total Canadian Equities — 31.48%</b>		<b>28,272,760</b>	<b>27,326,152</b>

## Lincluden Private Trust

### Statement of Investments (unaudited)

As at June 30, 2009

	Number of Shares	Average Cost \$	Fair Value \$
<b>United States Equities — 12.97%</b>			
<b>Consumer Discretionary — 1.42%</b>			
Autoliv Inc.	9,658	456,111	320,338
Comcast Corp., Class 'A'	30,809	810,028	517,379
Lowes Cos. Inc.	17,825	589,694	398,495
		<b>1,855,833</b>	<b>1,236,212</b>
<b>Consumer Staples — 1.05%</b>			
Coca-Cola Co. (The)	7,531	385,654	416,840
Walgreen Co.	14,422	466,932	492,420
		<b>852,586</b>	<b>909,260</b>
<b>Energy — 1.36%</b>			
Chevron Corp.	5,866	424,687	451,327
Devon Energy Corp.	5,735	392,113	362,989
Pioneer Natural Resources Co.	12,334	455,409	364,548
		<b>1,272,209</b>	<b>1,178,864</b>
<b>Financials — 1.27%</b>			
Aon Corp.	3,869	120,108	170,160
Bank of America Corp.	21,845	290,619	334,119
MetLife Inc.	8,216	450,544	286,345
Wells Fargo & Co.	10,925	314,619	307,805
		<b>1,175,890</b>	<b>1,098,429</b>
<b>Health Care — 2.27%</b>			
IMS Health Inc.	16,590	365,764	242,954
Johnson & Johnson	5,050	379,746	333,122
Pfizer Inc.	22,874	692,205	398,471
Quest Diagnostics Inc.	6,690	374,871	437,807
Thermo Electron Corp.	4,407	202,561	208,664
Zimmer Holdings Inc.	7,185	452,349	353,381
		<b>2,467,496</b>	<b>1,974,399</b>
<b>Industrials — 1.54%</b>			
3M Co.	7,357	594,882	513,498
Danaher Corp.	5,757	385,615	412,787
Honeywell International Inc.	11,254	448,311	410,393
		<b>1,428,808</b>	<b>1,336,678</b>
<b>Information Technology — 3.31%</b>			
Applied Materials Inc.	31,882	503,231	406,177
Cisco Systems Inc.	19,878	436,364	429,618
Dell Inc.	27,740	501,949	442,324
eBay Inc.	15,650	306,643	310,613
Microsoft Corp.	19,033	531,799	525,411
Oracle Corp.	30,585	643,584	760,836
		<b>2,923,570</b>	<b>2,874,979</b>
<b>Materials — 0.36%</b>			
E.I. du Pont de Nemours & Co.	10,505	448,859	312,564
		<b>448,859</b>	<b>312,564</b>
<b>Telecommunication Services — 0.39%</b>			
Verizon Communications Inc.	9,411	377,852	335,862
		<b>377,852</b>	<b>335,862</b>
<b>Total United States Equities — 12.97%</b>		<b>12,803,103</b>	<b>11,257,247</b>

## Lincluden Private Trust

### Statement of Investments (unaudited)

As at June 30, 2009

	Number of Shares	Average Cost \$	Fair Value \$
<b>International Equities — 12.28%</b>			
<b>Cayman Islands — 0.51%</b>			
Garmin Ltd.	16,030	401,955	443,257
		<b>401,955</b>	<b>443,257</b>
<b>Finland — 0.62%</b>			
Nokia OYJ, ADR	31,661	588,066	535,732
		<b>588,066</b>	<b>535,732</b>
<b>France — 1.49%</b>			
AXA, ADR	14,970	426,040	328,237
France Telecom SA, ADR	11,022	291,296	291,337
Sanofi-Aventis, ADR	9,952	356,944	331,130
TOTAL SA, ADR	5,531	353,714	345,709
		<b>1,427,994</b>	<b>1,296,413</b>
<b>Germany — 1.08%</b>			
BASF SE	6,610	306,543	305,366
Munchener Rueckversicherungs-Gesellschaft AG, Registered	2,380	359,516	372,768
Siemens AG, ADR	3,314	214,792	258,903
		<b>880,851</b>	<b>937,037</b>
<b>Ireland — 0.40%</b>			
Experian PLC	39,790	281,026	345,689
		<b>281,026</b>	<b>345,689</b>
<b>Japan — 2.18%</b>			
Canon Inc., ADR	9,003	287,165	337,717
Keyence Corp.	1,336	277,639	315,828
NTT DoCoMo Inc., ADR	24,942	409,332	420,302
Panasonic Corp., ADR	23,284	462,990	345,042
Toyota Motor Corp.	5,423	508,093	472,413
		<b>1,945,219</b>	<b>1,891,302</b>
<b>Netherlands — 0.80%</b>			
ING Groep NV, ADR	20,927	544,579	245,709
Koninklijke Philips Electronics NV, ADR	21,020	599,676	445,511
		<b>1,144,255</b>	<b>691,220</b>
<b>South Korea — 0.47%</b>			
Samsung Electronics Co. Ltd., GDR	1,535	528,486	410,460
		<b>528,486</b>	<b>410,460</b>
<b>Switzerland — 1.09%</b>			
ABB Ltd., ADR	24,630	431,345	448,512
Nestle SA, ADR, Registered	11,479	465,731	501,917
		<b>897,076</b>	<b>950,429</b>
<b>United Kingdom — 3.64%</b>			
Barclays PLC, ADR	12,401	325,703	264,275
BG Group PLC	22,675	452,033	441,481
BP PLC, ADR	5,095	333,170	280,706
Diageo PLC, ADR	7,360	410,524	485,586
GlaxoSmithKline PLC, ADR	10,410	463,424	426,886
HSBC Holdings PLC, ADR	10,025	655,648	485,261
Standard Life PLC	132,525	540,100	469,414
Wolseley PLC	13,868	389,173	307,142
		<b>3,569,775</b>	<b>3,160,751</b>
<b>Total International Equities — 12.28%</b>		<b>11,664,703</b>	<b>10,662,290</b>
<b>TOTAL EQUITIES — 56.73%</b>		<b>52,740,566</b>	<b>49,245,689</b>

## Lincluden Private Trust

### Statement of Investments (unaudited)

As at June 30, 2009

	Par Value \$	Average Cost \$	Fair Value \$
<b>BONDS — 37.17%</b>			
<b>Government of Canada — 15.55%</b>			
Canada Housing Trust No. 1, 3.950%, 2011/12/15	7,440,000	7,842,832	7,824,890
Canada Housing Trust No. 1, Series '23', 4.100%, 2018/12/15	4,085,000	4,228,725	4,180,344
Government of Canada, 5.000%, 2037/06/01	1,249,000	1,449,756	1,490,682
		<b>13,521,313</b>	<b>13,495,916</b>
<b>Provincial Government — 7.95%</b>			
Province of Manitoba, 5.700%, 2037/03/05	990,000	1,147,414	1,119,654
Province of Ontario, 4.500%, 2015/03/08	300,000	322,986	318,169
Province of Ontario, 4.200%, 2018/03/08	450,000	453,240	452,491
Province of Ontario, 4.700%, 2037/06/02	965,000	953,997	951,799
Province of Ontario, Series 'KJ', 7.600%, 2027/06/02	790,000	1,074,243	1,033,243
Province of Quebec, 4.500%, 2018/12/01	2,460,000	2,440,044	2,504,994
Province of Quebec, 5.000%, 2038/12/01	520,000	534,919	523,044
		<b>6,926,843</b>	<b>6,903,394</b>
<b>Corporate — 13.20%</b>			
407 International Inc., Series '07-A2', Callable, 4.900%, 2010/10/04	300,000	304,830	312,483
Bank of Montreal, 4.650%, 2013/03/14	900,000	910,008	941,956
Bank of Montreal, 5.450%, 2017/07/17	350,000	349,911	369,395
Bank of Nova Scotia, 4.560%, 2013/10/30	166,000	161,445	173,639
Bank of Nova Scotia, Callable, 6.650%, 2021/01/22	330,000	331,655	368,372
Bank of Nova Scotia, Callable, Variable Rate, 2019/04/15	230,000	229,929	238,184
Bell Canada, Callable, 4.850%, 2014/06/30	200,000	199,684	202,878
Canadian Tire Corp. Ltd., Callable, 5.650%, 2016/06/01	50,000	49,980	51,847
Cards II Trust, Class '4A', Series '2005-5', 3.869%, 2010/10/15	250,000	245,258	256,934
CU Inc., Callable, 4.801%, 2021/11/22	150,000	138,345	144,011
CU Inc., Callable, 5.563%, 2028/05/26	100,000	100,000	98,371
Enbridge Inc., Callable, 5.000%, 2016/08/09	200,000	197,696	202,820
General Motors Acceptance Corp. of Canada Ltd., 5.450%, 2009/08/20	350,000	348,442	336,425
Golden Credit Card Trust, Series '2008-1', 5.106%, 2011/04/15	150,000	150,000	157,127
Greater Toronto Airport Authority, 6.250%, 2012/12/13	200,000	210,822	218,257
Greater Toronto Airports Authority, Callable, 5.260%, 2018/04/17	220,000	222,090	224,154
Honda Canada Finance Inc., 5.675%, 2012/09/26	200,000	200,000	204,388
HSBC Financial Corp. Ltd., 4.800%, 2011/04/13	150,000	145,974	153,334
Hydro One Inc., 6.400%, 2011/12/01	300,000	318,450	328,765
Hydro One Inc., Callable, 6.350%, 2034/01/31	265,000	279,208	293,056
Loblaws Cos. Ltd., 6.150%, 2035/01/29	275,000	290,667	246,451
Master Credit Card Trust, Class 'A', Series '2006-2', 4.444%, 2011/11/21	250,000	248,515	260,079
NOVA Chemicals Ltd., Callable, 7.850%, 2010/08/30	123,000	113,160	117,072
Rogers Communications Inc., Callable, 5.800%, 2016/05/26	266,000	265,380	272,159
Royal Bank of Canada, 4.530%, 2012/05/07	200,000	194,770	209,119
Royal Bank of Canada, 5.000%, 2014/01/20	200,000	208,506	213,137
Royal Bank of Canada, 4.710%, 2014/12/22	500,000	512,830	526,231
Royal Bank of Canada, 5.950%, 2103/06/18	170,000	172,802	176,721
Royal Bank of Canada, Variable Rate, Callable, 2018/06/06	150,000	147,231	156,208
Scotiabank Tier I Trust, Variable Rate, Callable, 2108/06/30	80,000	80,000	86,839
Shoppers Drug Mart Inc., 5.190%, 2014/01/20	180,000	179,969	189,011
TELUS Corp., Series 'CD', 4.950%, 2017/03/15	400,000	397,900	392,956
Thomson Reuters Corp., Callable, 5.250%, 2011/07/15	180,000	179,577	189,056
Toronto-Dominion Bank (The), 4.854%, 2013/02/13	500,000	504,365	529,099
Toronto-Dominion Bank (The), 4.970%, 2104/10/30	160,000	151,413	153,888
Toronto-Dominion Bank (The), 4.779%, 2105/12/14	200,000	172,552	185,653
TransAlta Corp., 6.600%, 2009/10/13	500,000	499,075	505,564
TransCanada PipeLines Ltd., 11.100%, 2014/06/20	400,000	527,556	522,990
TransCanada PipeLines Ltd., 7.900%, 2027/04/15	70,000	81,382	83,920
TransCanada PipeLines Ltd., Series 'W', 9.450%, 2018/03/20	160,000	210,109	209,325
Wells Fargo Financial Canada Corp., Callable, 4.330%, 2013/12/06	520,000	498,988	517,577
Westcoast Energy Inc., 6.750%, 2027/12/15	400,000	381,804	434,387
		<b>11,112,278</b>	<b>11,453,838</b>

## Lincluden Private Trust

### Statement of Investments (unaudited)

As at June 30, 2009

	Par Value \$	Average Cost \$	Fair Value \$
<b>Foreign Bond — 0.47%</b>			
American International Group Inc., 4.900%, 2014/06/02	150,000	149,982	52,500
Bank of America Corp., 5.450%, 2014/09/17	200,000	199,816	188,758
Bank of America Corp., 4.360%, 2015/09/21	200,000	186,637	172,172
		<b>536,435</b>	<b>413,430</b>
<b>TOTAL BONDS — 37.17%</b>		<b>32,096,869</b>	<b>32,266,578</b>
<b>SHORT-TERM NOTES — 4.38%</b>			
<b>Treasury Bills — 4.38%</b>			
Government of Canada Treasury Bill, 0.180%, 2009/08/06	600,000	599,832	599,884
Government of Canada Treasury Bill, 0.230%, 2009/10/01	3,200,000	3,198,016	3,198,137
		<b>3,797,848</b>	<b>3,798,021</b>
<b>TOTAL SHORT-TERM NOTES — 4.38%</b>		<b>3,797,848</b>	<b>3,798,021</b>
<b>TRANSACTION COSTS</b>		<b>(74,617)</b>	
<b>TOTAL INVESTMENT PORTFOLIO — 98.28%</b>		<b>88,560,666</b>	<b>85,310,288</b>
<b>OTHER ASSETS, NET OF LIABILITIES — 1.72%</b>			<b>1,489,467</b>
<b>NET ASSETS — 100.00%</b>			<b>86,799,755</b>

(See accompanying notes)

## Lincluden Private Trust

### Risk Disclosures

#### Financial Instruments Risk

Investment activities of the Lincluden Private Trust (the "Trust") exposes it to some financial risks. The Trust's overall risk management program seeks to minimize the potentially adverse effect of risk on the Trust's financial performance in a manner consistent with the Trust's investment objectives and long-term investment time horizon.

#### Risk Management

The Trust's actively managed balanced portfolio is designed to earn an attractive long-term rate of return utilizing a value approach. The valuation and building process incorporates a "top-down" approach to determine asset mix, and a "bottom-up" process to determine individual security selection. This methodology factors in the fundamental long-term earning power of corporations, long-term interest rates and the dynamics of rapid asset repricing. The process is not designed to generate frequent changes in asset mix but rather to indicate when asset classes and securities are significantly mis-priced. The neutral asset mix target for the Trust is 50% equities and 50% fixed income.

The sub-advisor of the Trust is Lincluden Management Limited.

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

To assist with managing risk, the Manager also maintains a governance structure that oversees the Trust's investment activities and monitors compliance with the Trust'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 a Trust. 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 Trust's exposure to the credit ratings of debt securities as at June 30, 2009.

<b>Debt Securities by Credit Rating</b>	<b>As a % of Total Bonds</b>
AAA	43.92%
AA	23.76%
A	23.06%
BBB	7.86%
Below BBB	1.40%
<b>Total</b>	<b>100.00%</b>

#### 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.

## Lincluden Private Trust

### Risk Disclosures *(continued)*

#### 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 Trust. From time to time, the Trust may manage currency risk through foreign currency hedging strategies.

The table below indicates the currencies to which the Trust had exposure as at June 30, 2009, on its trading monetary assets and liabilities as well as the underlying principal amount of foreign exchange contracts.

Currency	Currency Risk Exposed Holdings*	Foreign Exchange Contracts	Net Exposure	As a % of Net Assets
U.S. Dollar	19,759,302	—	19,759,302	22.76%
British Pound	1,564,879	—	1,564,879	1.80%
Euro Currency Unit	678,134	—	678,134	0.78%
Japanese Yen	320,412	—	320,412	0.37%

\*Amounts include monetary items.

As at June 30, 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 \$1,116,136. 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. Trusts 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 table below summarizes the Trust's exposure to interest rate risks at June 30, 2009. It includes the Trust'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 are minimal and therefore are not included in the table below.

	Less than 1 year	1-3 years	3-5 years	> 5 years	Total
Bonds	841,989	9,808,859	3,739,275	17,876,455	32,266,578

As at June 30, 2009, 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 \$2,172,965.

#### Liquidity Risk

Unitholders may redeem their units on each valuation date. Therefore, the Trust is invested in securities that are traded in active markets and can be readily disposed. The Trust retains sufficient cash and cash equivalent positions to maintain liquidity.

## Lincluden Private Trust

### Risk Disclosures *(continued)*

#### 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 Trust.

As at June 30, 2009, a 5% change in stock prices would have changed the Trust's net assets by \$2,462,284 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 Trust at June 30, 2009, due to a 5% increase or decrease in the Trust's benchmark (35% TSX, 20% Russell 1000, 40% DEX Universe, 5% Government of Canada Treasury Bills Indices), with all other variables held constant, would have been \$3,708,000. This calculation is based on the beta of the Trust, over the past 36 months. In practice, the actual results may differ from the sensitivity analysis indicated above and the difference could be material.

## Lincluden Private Trust

### Notes to Financial Statements

#### 1. Establishment of the Trust

The Lincluden Private Trust (the "Trust") was created under the laws of the Province of Ontario by a Declaration of Trust. The Trust was established on March 5, 2003 and commenced operations on this date.

The Trust is not a reporting issuer and is exempt from the filing requirements of Sections 2.1 and 2.3 for the period ended June 30, 2009. The Trust has prepared its financial statements according to National Instrument 81-106 ("NI 81-106") and has advised the Ontario Securities Commission that it is relying on the exemption not to file its financial statements according to Sections 2.1 and 2.3.

#### 2. Summary of significant accounting policies

The financial statements of the Trust have been prepared within the framework of the significant accounting policies summarized below:

On January 1, 2008, the Trust adopted the 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 to Sections 3862 and 3863 are contained after the Trust's Statement of Investment Portfolio.

- [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. Gains and losses arising from the disposition of short-term investments prior to maturity are recorded as adjustments to interest income.
- [g] For each Trust unit sold, the Trust receives an amount equal to the net asset value per unit at the date of sale, which amount is included in unitholders' equity. Trust units are redeemable at the option of unitholders at their net asset value on the redemption date. For each Trust unit redeemed, unitholders' equity is reduced by the net asset value of the Trust unit at the date of redemption.
- [h] The 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.

## Lincluden Private Trust

### Notes to Financial Statements

- [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 Statements of Operations.
- [ii] 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 period were as follows:

	June 30, 2009		December 31, 2008	
	Number of Trust units	Amount \$	Number of Trust units	Amount \$
Subscriptions	519,227	4,759,474	740,747	7,439,973
Reinvestments	—	—	336,816	3,505,218
Redemptions	351,510	3,301,694	2,155,672	21,236,263

The number of issued and outstanding units at the period ended June 30, 2009 is 8,493,687 [December 31, 2008 - 8,325,970].

### 4. Foreign Exchange Forward Contracts

The Trust 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 Trust 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 contracts potentially expose the Trust to losses.

In order to minimize the possibility of loss arising from credit risk, the Trust deals only with large financial institutions.

Currency risks relate to the possibility that foreign exchange contracts change in value due to fluctuations in currency prices. The foreign exchange 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 June 30, 2009, the Trust held no foreign exchange forward contracts.

### 5. Income Taxes

The Trust qualifies as unit trust under the provisions of the Income Tax Act (Canada). The Trust 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 Trust, so that no provision for income taxes is required in the financial statements.

Capital losses incurred by the Trust cannot be allocated to unitholders but may be carried forward indefinitely to realized capital gains. As at December 31, 2008, the Trust had \$870,336 in net capital loss carryforwards.

## Lincluden Private Trust

### Notes to Financial Statements

#### 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 period ended June 30, 2009 is nil [June 30, 2008 - \$20,541].

#### 7. Securities Lending

The Trust lends portfolio securities from time to time in order to earn additional income. The Trust 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 Trust. The Trust 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 and maintains collateral in an amount of at least 105% of the market value of the loaned securities during the period of the loan. At June 30, 2009, certain securities shown in the Statement of Net Assets with a market value of \$8,367,563 [June 30, 2008 - \$23,804,519] had been loaned as part of the securities lending program. The Trustee held securities with a market value of \$8,860,412 [June 30, 2008 - \$25,130,431] as collateral for such loans. Under the terms of the program, the Trust may instruct that securities be returned within three days.

#### 8. Capital Management

Section 1535 establishes standards for disclosing information about an entity's capital and how it is managed. The standard applies to financial statements relating to fiscal years beginning on or after October 1, 2007. The adoption of this standard results in additional disclosures relating to the redeemable units of the Trust but does not affect the Trust's results or financial position. The capital of a Trust is represented by issued redeemable units with no par value. The units of the Trust are entitled to distributions, if any, and any redemptions are based on the Trust's net asset value per unit. The Trust 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 Trust endeavours to invest its subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions.

#### 9. Management Fees

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

#### 10. Comparison of net asset value per unit - industry standard for transactions to net asset per unit

National Instrument 81-106 ("NI 81-106"), Investment Fund Continuous Disclosure, previously required the daily net asset value of an investment fund to be calculated in accordance with 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 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.

June 30, 2009		December 31, 2008	
Net Asset Value per Unit - Industry Standard for Transactions	Net Asset per Unit	Net Asset Value per Unit - Industry Standard for Transactions	Net Asset per Unit
\$10.24	\$10.22	9.61	\$9.58

## **Lincluden Private Trust**

### **Notes to Financial Statements**

#### **11. Future Accounting Policy Changes**

At June 30, 2009 the Manager has developed a changeover plan to meet the timetable published by the CICA for changeover to International Financial Reporting Standards ("IFRS"). The key elements of the plan include disclosures of the qualitative impact in the 2009 annual financial statements, the disclosures of the quantitative impact, if any, in the 2010 financial statements and the preparation of the 2011 financial statements in accordance with IFRS with comparatives. The Manager has presently determined that there will be no significant impact to net asset value per unit from the changeover to IFRS. The impact of IFRS on accounting policies and implementation decisions will mainly be in the areas of additional disclosures in the financial statements of the Trust.