



E D G E P O I N T

EdgePoint Global Growth & Income Portfolio

Semi-annual Financial Statements

Period from January 1, 2011 to June 30, 2011

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying interim Financial Statements have been prepared by the Manager, EdgePoint Wealth Management Inc., on behalf of EdgePoint Global Growth & Income Portfolio (the "Fund"). Management is responsible for the information and representations contained in these Financial Statements.

Management has maintained appropriate processes to ensure that relevant and reliable financial information is produced. The interim Financial Statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles and include certain amounts based on estimates and assumptions. The significant accounting policies that management believes are appropriate for the Fund are described in note 2 to the interim Financial Statements.

The Board of Directors is responsible for reviewing and approving the Fund's interim Financial statements, overseeing management's performance of its financial reporting responsibilities and engaging the independent auditors. The Board of Directors is composed of senior management of the Manager. For all series of units of the Fund, the interim Financial Statements have been reviewed and approved by the Board of Directors.



Patrick Farmer
Chief Executive Officer and Director
August 28, 2011



Norman Tang
Director of Finance, as Chief Financial Officer
August 28, 2011

NOTICE TO UNITHOLDERS

EdgePoint Wealth Management Inc., the Manager of the Fund, appoints independent auditors to audit the Fund's annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the interim Financial Statements, this must be disclosed in an accompanying notice.

The Fund's independent auditor has not performed a review of these interim Financial Statements in accordance with the standards established by the Canadian Institute of Chartered Accountants.

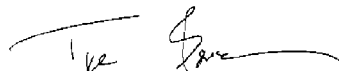
EdgePoint Global Growth & Income Portfolio


Statements of Net Assets (Unaudited)
As at June 30, 2011 and December 31, 2010

	2011 (Unaudited)	2010 (Audited)
Assets		
Investments, at fair value*	\$ 298,838,717	\$ 207,207,768
Net unrealized gain on foreign exchange forward contracts	–	363,665
Cash and cash equivalents	16,590,129	20,285,771
Receivable for units subscribed	1,190,353	301,649
Accrued interest and dividends receivable	930,259	655,809
Other accounts receivable	–	41,108
	317,549,458	228,855,770
Liabilities		
Payable for securities purchased	7,642,929	49,961
Payable for units redeemed	116,678	25,422
Accounts payable and accrued expenses	528,175	215,941
Net unrealized loss on foreign exchange forward contracts	172,724	–
	8,460,506	291,324
Net assets	\$ 309,088,952	\$ 228,564,446
Net assets, by series:		
Series A	\$ 146,247,005	\$ 111,321,074
Series B	76,994,979	60,599,141
Series F	17,422,948	12,196,516
Series I	2,039,714	1,045,270
Series O	2,119,091	1,360,677
Series A(N)	45,985,054	30,846,842
Series B(N)	14,747,712	8,797,329
Series F(N)	3,532,449	2,397,597
Net assets	\$ 309,088,952	\$ 228,564,446
Number of units outstanding:		
Series A	10,241,112	8,034,733
Series B	5,418,905	4,395,506
Series F	1,218,990	880,148
Series I	141,113	74,635
Series O	186,015	123,272
Series A(N)	3,215,773	2,224,043
Series B(N)	1,036,358	637,437
Series F(N)	244,274	171,043
Net assets per unit:		
Series A	\$ 14.28	\$ 13.85
Series B	14.21	13.79
Series F	14.29	13.86
Series I	14.45	14.01
Series O	11.39	11.04
Series A(N)	14.30	13.87
Series B(N)	14.23	13.80
Series F(N)	14.46	14.02

*Cost of investments is reflected in the *Statement of Investments*.
See accompanying notes to interim Financial Statements.

On behalf of the Board:


Tye Bousada, Director


Geoff MacDonald, Director

EdgePoint Global Growth & Income Portfolio

Statements of Operations (Unaudited)
Periods ended June 30, 2011 and June 30, 2010

	2011	2010
Income:		
Dividends	\$ 1,150,042	\$ 630,533
Interest	2,121,838	1,358,789
	3,271,880	1,989,322
Less foreign withholding taxes	127,867	43,529
	3,144,013	1,945,793
Expenses:		
Management fees (Note 3)	2,305,438	1,297,202
Administration and transfer agent fees	221,047	134,080
Fund accounting	37,741	30,511
Filing fees	27,199	17,434
Custody fees	17,431	6,082
Audit fees	11,049	16,597
Unitholder reporting	6,474	6,893
Independent Review Committee fees	1,945	1,653
Legal fees	182	6,528
Goods and Services Tax/Harmonized Sales Tax	298,425	74,362
Total expenses	2,926,931	1,591,342
Less expenses absorbed by the Manager (Note 3)	-	615
Net expenses	2,926,931	1,590,727
Net investment income	217,082	355,066
Net realized and unrealized gain (loss) and transaction costs:		
Net realized gain (loss) on sale of investments and foreign exchange	12,450,542	1,734,621
Net change in unrealized appreciation (depreciation) of investments	(6,078,211)	(9,320,794)
Transaction costs	(130,449)	(104,302)
	6,241,882	(7,690,475)
Increase (decrease) in net assets from operations	\$ 6,458,964	\$ (7,335,409)
Increase (decrease) in net assets from operations, by series:		
Series A	\$ 3,148,035	\$ (4,643,349)
Series B	1,676,988	(2,218,345)
Series F	436,483	(415,390)
Series I	31,919	(11,075)
Series O	51,254	(47,250)
Series A(N)	840,602	-
Series B(N)	201,864	-
Series F(N)	71,819	-
Increase (decrease) in net assets from operations, per unit:		
Series A	\$ 0.34	\$ (0.64)
Series B	0.34	(0.63)
Series F	0.42	(0.64)
Series I	0.33	(0.17)
Series O	0.33	(0.45)
Series A(N)	0.31	-
Series B(N)	0.24	-
Series F(N)	0.35	-

See accompanying notes to interim Financial Statements.

EdgePoint Global Growth & Income Portfolio
*Statements of Changes in Net Assets (Unaudited)
Periods ended June 30, 2011 and June 30, 2010*

	Series A		Series B		Series F	
	2011	2010	2011	2010	2011	2010
Net assets, beginning of period	\$111,321,074	\$ 77,377,020	\$60,599,141	\$37,004,528	\$ 12,196,516	\$ 6,327,921
Increase (decrease) in net assets from operations	3,148,035	(4,643,349)	1,676,988	(2,218,345)	436,483	(415,390)
Capital transactions:						
Proceeds from issue of units	38,018,443	42,166,083	16,326,430	17,774,687	5,381,479	4,669,283
Reinvested distributions	195,528	148,341	39,491	25,817	97,221	57,044
Payments on redemption of units	(6,236,393)	(4,584,746)	(1,606,676)	(494,607)	(584,580)	(481,421)
	31,977,578	37,729,678	14,759,245	17,305,897	4,894,120	4,244,906
Distributions to unitholders	(199,682)	(150,658)	(40,395)	(26,312)	(104,171)	(59,177)
Increase (decrease) in net assets	34,925,931	32,935,671	16,395,838	15,061,240	5,226,432	3,770,339
Net assets, end of period	\$146,247,005	\$110,312,691	\$76,994,979	\$52,065,768	\$ 17,422,948	\$ 10,098,260

Units issued and outstanding:

Balance, beginning of period	8,034,733	5,911,342	4,395,506	2,834,624	880,148	484,543
Units issued for cash, including reinvested distributions	2,638,392	3,142,742	1,135,546	1,347,234	379,302	350,672
Units redeemed	(432,013)	(340,659)	(112,147)	(57,609)	(40,460)	(36,334)
Balance, end of period	10,241,112	8,713,425	5,418,905	4,124,249	1,218,990	798,881

	Series I		Series O		Series A(N)	
	2011	2010	2011	2010	2011	2010
Net assets, beginning of period	\$ 1,045,270	\$ 871,552	\$ 1,360,677	\$ 513,870	\$ 30,846,842	\$ -
Increase (decrease) in net assets from operations	31,919	(11,075)	51,254	(47,250)	840,602	-
Capital transactions:						
Proceeds from issue of units	1,085,299	140,761	721,340	721,958	16,675,444	-
Reinvested distributions	12,466	9,118	20,663	11,477	80,463	-
Payments on redemption of units	(119,075)	(411,128)	(14,180)	(5,000)	(2,375,179)	-
	978,690	(261,249)	727,823	728,435	14,380,728	-
Distributions to unitholders	(16,165)	(11,043)	(20,663)	(11,477)	(83,118)	-
Increase (decrease) in net assets	994,444	(283,367)	758,414	669,708	15,138,212	-
Net assets, end of period	\$ 2,039,714	\$ 588,185	\$ 2,119,091	\$ 1,183,578	\$ 45,985,054	\$ -

Units issued and outstanding:

Balance, beginning of period	74,635	65,340	123,272	50,092	2,224,043	-
Units issued for cash, including reinvested distributions	74,506	10,723	63,984	69,498	1,155,665	-
Units redeemed	(8,028)	(30,488)	(1,241)	(465)	(163,935)	-
Balance, end of period	141,113	45,575	186,015	119,125	3,215,773	-

EdgePoint Global Growth & Income Portfolio
*Statements of Changes in Net Assets (Unaudited)
 Periods ended June 30, 2011 and June 30, 2010*

	Series B(N)		Series F(N)		Total	
	2011	2010	2011	2010	2011	2010
Net assets, beginning of period	\$ 8,797,329	\$ –	\$ 2,397,597	\$ –	\$228,564,446	\$122,094,891
Increase (decrease) in net assets from operations	201,864	–	71,819	–	6,458,964	(7,335,409)
Capital transactions:						
Proceeds from issue of units	5,986,031	–	1,554,872	–	85,749,338	65,472,772
Reinvested distributions	8,508	–	21,175	–	475,515	251,797
Payments on redemption of units	(236,800)	–	(491,475)	–	(11,664,358)	(5,976,902)
	5,757,739	–	1,084,572	–	74,560,495	59,747,667
Distributions to unitholders	(9,220)	–	(21,539)	–	(494,953)	(258,667)
Increase (decrease) in net assets	5,950,383	–	1,134,852	–	80,524,506	52,153,591
Net assets, end of period	\$ 14,747,712	\$ –	\$ 3,532,449	\$ –	\$309,088,952	\$174,248,482
Units issued and outstanding:						
Balance, beginning of period	637,437	–	171,043	–		
Units issued for cash, including reinvested distributions	415,402	–	107,298	–		
Units redeemed	(16,481)	–	(34,067)	–		
Balance, end of period	1,036,358	–	244,274	–		

See accompanying notes to interim Financial Statements.

EdgePoint Global Growth & Income Portfolio
*Statement of Investments (Unaudited)
As at June 30, 2011*

Number of shares/units	Security	Average cost	Fair value	% of net assets
Equities				
177,300	WellPoint, Inc.	\$ 9,968,265	\$ 13,466,299	4.36
449,600	Ryanair Holdings PLC, ADR	13,095,604	12,712,298	4.11
422,000	Wells Fargo & Co.	11,946,358	11,415,084	3.69
522,500	The Progressive Corp.	9,595,490	10,762,703	3.48
599,600	International Game Technology	10,450,314	10,170,944	3.29
365,400	International Rectifier Corp.	8,097,293	9,859,390	3.19
207,500	Altera Corp.	6,001,331	9,274,738	3.00
163,400	Kinetic Concepts Inc.	5,877,735	9,084,168	2.94
337,600	Nalco Holding Co.	8,945,860	9,044,165	2.93
441,700	Western Union Co.	8,004,657	8,527,570	2.76
541,200	Cisco Systems, Inc.	10,545,768	8,141,721	2.63
167,600	Willis Group Holdings PLC	4,910,708	6,637,928	2.15
224,850	Pool Corp.	4,499,141	6,452,970	2.09
160,200	JPMorgan Chase & Company	6,902,977	6,320,127	2.04
320,800	Knoll, Inc.	4,266,991	6,212,006	2.01
128,000	Gerresheimer AG	4,879,175	5,901,847	1.91
91,200	Kabel Deutschland Holding AG	4,732,114	5,415,635	1.75
657,900	AMN Healthcare Services Inc.	5,209,457	5,272,234	1.71
145,000	Alere Inc.	5,204,145	5,121,990	1.66
182,700	Research In Motion Ltd.	10,805,236	5,081,215	1.64
169,200	MI Developments Inc.	4,849,667	4,957,560	1.60
275,625	Merit Medical Systems Inc.	4,268,855	4,773,740	1.54
204,793	Team Inc.	3,537,815	4,761,526	1.54
107,800	Hamamatsu Photonics K.K.	3,383,828	4,453,456	1.44
365,200	WPP PLC	4,494,148	4,413,909	1.43
163,800	The Bank of New York Mellon Corp.	4,967,093	4,045,361	1.31
814,600	Grafton Group PLC	3,545,737	3,819,845	1.24
118,100	Takata Corp.	3,519,287	3,465,411	1.12
109,000	HORIBA, Ltd.	3,174,504	3,376,947	1.09
126,300	SemGroup Corp. Class 'A'	3,134,105	3,124,097	1.01
340,100	Shuffle Master, Inc.	3,386,054	3,066,564	0.99
88,600	Colony Financial Inc.	1,831,323	1,541,360	0.50
131,400	EXFO Inc.	523,200	964,476	0.31
830,250	Travelsky Technology Limited 'H'	403,605	501,082	0.16
250,000	The Brick Ltd. warrants May 27, 2014	28,750	430,000	0.14
264,000	Mega Brands Inc. warrants March 30, 2015	34,320	47,520	0.02
		199,020,910	212,617,886	68.78
Face value (\$)				
Fixed income				
5,045,000	Shaw Communications 7.50% November 20, 2013	5,666,633	5,583,503	1.81
5,360,000	Wells Fargo Financial Canada 5.20% September 13, 2012	5,603,774	5,564,913	1.80
5,250,000	Omers Realty Corp. 4.09% June 4, 2013	5,453,700	5,452,178	1.77
5,000,000	Royal Bank of Canada 4.53% May 7, 2012	5,164,000	5,126,400	1.66
4,720,000	Molson Coors Capital Finance 5.00% September 22, 2015	4,859,872	5,000,462	1.62
4,615,000	Cogeco Cable Incorporated 5.95% June 9, 2014	4,853,684	4,979,031	1.61
4,105,000	Bell Canada Inc. 6.25% April 12, 2012	4,303,576	4,245,063	1.37
3,457,500	Newalta Inc. 7.0% November 30, 2012	3,539,788	3,569,869	1.16
3,160,000	Loblaw Companies Limited 5.4% November 20, 2013	3,389,158	3,371,594	1.09
3,000,000	Toyota Credit Canada Inc. 4.60% June 1, 2012	3,084,000	3,058,050	0.99
3,000,000	American Express Canada Floating Rate June 6, 2014	3,004,380	2,997,000	0.97
2,840,000	Vidéotron Ltée. 6.375% December 15, 2015	2,895,329	2,814,913	0.91
2,600,000	Corus Entertainment 7.25% February 10, 2017	2,649,500	2,752,880	0.89
2,425,000	Interpublic Group 6.25% November 15, 2014	2,655,661	2,595,784	0.84
2,400,000	Vidéotron Ltée. 9.125% April 15, 2018	2,720,984	2,595,176	0.84
2,500,000	Bear Stearns Company Inc. 4.35% July 20, 2012	2,573,750	2,560,925	0.83
2,345,000	Alere Inc. 9.00% May 15, 2016	2,487,086	2,357,506	0.76

EdgePoint Global Growth & Income Portfolio
*Statement of Investments
As at June 30, 2011*

Number of shares/units	Security	Average cost	Fair value	% of net assets
Face value (\$)	Fixed income (continued)			
2,136,400	The Brick Ltd. 12.00% May 30, 2014	\$ 2,071,398	\$ 2,296,630	0.74
2,041,000	Bear Stearns Cos LLC 5.45% November 12, 2014	2,155,521	2,173,053	0.70
1,900,000	Vidéotron Ltée. 6.875% July 15, 2021	1,900,000	1,911,875	0.62
1,750,000	BMW Canada Inc. 3.22% March 28, 2013	1,771,664	1,779,628	0.58
1,675,000	Livingston International 10.125% November 9, 2015	1,759,500	1,777,979	0.58
1,421,000	Toromont Industries 4.92% October 13, 2015	1,300,627	1,477,769	0.48
1,349,900	Mega Brands Inc. 10.00% March 31, 2015	1,357,572	1,404,166	0.45
1,300,000	American Express Canada 5.90% April 2, 2013	1,384,071	1,374,789	0.45
1,375,000	Vidéotron Ltée. 6.875% January 15, 2014	1,435,247	1,343,906	0.43
1,250,000	Dundeewealth Inc. 5.10% September 25, 2014	1,249,950	1,330,138	0.43
1,265,000	Total Energy Services Inc. 5.75% March 31, 2016	1,266,056	1,270,060	0.41
840,000	Bell Canada 3.65% May 19, 2016	839,395	844,074	0.27
550,000	Shaw Communications Inc. 6.50% June 2, 2014	565,895	599,121	0.19
530,000	Daylight Energy Limited 6.25% December 31, 2014	530,000	556,500	0.18
380,000	Shoppers Drug Mart Inc. 5.19% January 20, 2014	406,638	403,332	0.13
375,000	Boardwalk REIT 5.31% January 23, 2012	362,438	382,267	0.12
205,000	Loblaw Companies Limited 4.85% May 8, 2014	211,068	216,473	0.07
28,758	TimberWest Forest Trust 9.00% Debenture February 11, 2014	28,762	54,145	0.02
32,700	Anderson Energy Limited 7.50% January 31, 2016	33,391	33,271	0.01
		85,534,068	85,854,423	27.78
	Derivatives (Note 10)	1,084,799	366,408	0.12
	Adjustment for transaction costs	(287,301)	–	–
	Total Investments	\$ 285,352,476	298,838,717	96.68
	Foreign exchange forward contracts			
	Foreign exchange forward contract to buy CDN 6,275,352 for JPY 525,999,999 with an exchange rate of 0.011930, maturing September 07, 2011		(25,257)	(0.01)
	Foreign exchange forward contract to buy CDN 937,401 for JPY 79,589,999 with an exchange rate of 0.011778, maturing October 04, 2011		(16,697)	(0.01)
	Foreign exchange forward contract to buy CDN 2,307,040 for JPY 203,999,999 with an exchange rate of 0.011309, maturing October 11, 2011		(139,068)	(0.04)
	Foreign exchange forward contract to buy CDN 5,497,004 for USD 5,767,500 with an exchange rate of 0.953100, maturing July 29, 2011		(62,129)	(0.02)
	Foreign exchange forward contract to buy CDN 7,202,294 for USD 7,390,000 with an exchange rate of 0.974600, maturing September 20, 2011		70,427	0.02
		–	(172,724)	(0.06)
	Other assets, less liabilities		10,422,959	3.38
	Net assets		\$ 309,088,952	100.00

See accompanying notes to interim Financial Statements.

1. The Fund:

- (a) EdgePoint Global Growth & Income Portfolio (the “Fund”) is an open-ended mutual fund trust created on November 10, 2008 by declaration of trust under the laws of the Province of Ontario. EdgePoint Wealth Management Inc. (“EdgePoint”) is the Fund’s manager (“Manager”) and trustee, and EdgePoint Investment Group Inc. is the investment advisor. The Fund commenced operations on November 17, 2008 with four series of units: Series A, Series B, Series F and Series I. On September 1, 2009, the Fund began offering Series O units. On August 3, 2010, the Fund began offering Series A(N), Series B(N) and Series F(N) units.
- (b) The Fund’s authorized capital consists of an unlimited number of units and series without par value. The number of outstanding units of each series is disclosed in the *Statements of Net Assets*. Series A and Series B units are available to retail investors. Series F units are available to all investors who participate in fee-based programs through an investment dealer who has signed an agreement with EdgePoint. Series A(N), Series B(N) and Series F(N) units have the same requirements except they are available only to investors residing in provinces that have not harmonized their provincial sales taxes with the federal Goods and Services Tax. Series I and Series O units are for investors who meet minimum investment thresholds and have entered into a Series I Subscription Agreement or a Series O Subscription Agreement with EdgePoint.
- (c) To establish Series O units of the Fund, EdgePoint made an initial investment. As at June 30, 2011, EdgePoint held Series O units of the Fund with an aggregate market value of \$2,409 (December 31, 2010: \$8,903).
- (d) The Financial Statements include the *Statement of Investments* at June 30, 2011, the *Statements of Net Assets* at June 30, 2011 and December 31, 2010, and the *Statements of Operations* and the *Statements of Changes in Net Assets* for the periods ended June 30, 2011 and June 30, 2010 (the “Financial Statements”).

2. Significant accounting policies:

These Financial Statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles (“GAAP”) and reflect the following policies:

(a) Accounting estimates:

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the Financial Statements. Actual results could differ from those estimates.

(b) Valuation of investments:

Investments are categorized as held for trading and are therefore recorded at their fair value. Investments in securities listed on a public securities exchange or traded on an over-the-counter market are valued at their closing bid price. Securities with no available closing bid price are valued at their last sale or close price. Securities for which a closing bid price, last sale or close price are unavailable, or securities for which market quotations are unreliable or not reflective of all available material information, are valued at their fair value as determined by the Manager using available sources of information and commonly accepted industry valuation techniques, including valuation models. Short-term investments, including short-term debt instruments maturing within less than 90 days from the acquisition date, are deemed held for trading and are recorded at amortized cost, which approximates their fair value.

(c) Valuation of foreign exchange contracts:

The Fund may enter into foreign exchange contracts for hedging purposes or to establish exposure to a particular currency. Foreign exchange contracts are valued based on the difference between the contract forward rate and the forward bid rate (for currency held) or the forward ask rate (for currency sold short) on the valuation date. Upon the closing of a contract, the gain or loss is included in the net realized gain (loss) on the sale of investments and foreign exchange.

(d) Cash and cash equivalents:

Cash and cash equivalents are cash on deposit and short-term notes with maturities of less than 90 days and are carried at cost, which approximates their fair value.

(e) Other assets and liabilities:

All trade receivables and other accounts receivable are designated as receivables. They are recorded at amortized cost, which approximates their fair value. Similarly, all trade payables and accrued expenses are designated as financial liabilities and are recorded at amortized cost, which approximates their fair value.

(f) Investment transactions and income recognition:

All income, net realized and unrealized appreciation, foreign exchange and transaction costs are attributable to investments and derivatives deemed held for trading. Investment transactions are accounted for on the trade date; that is, on the day a buy or sell order is executed. The cost of investments represents the amount paid for each security and is determined on an average-cost basis, excluding transaction costs. Realized gains and losses on investment transactions are computed as the proceeds of the disposition less their average cost. The unrealized appreciation of investments represents the

2. Significant accounting policies (continued):

difference between their average cost and their fair value at the period-end date. Dividend income, including stock dividends, is recorded on the ex dividend date along with withholding taxes on foreign dividends, if any. Interest income is recorded daily on an accrued basis.

Income and realized and unrealized capital gains (losses) are distributed among the different series of securities in proportion to the amount of equity invested in them. For management fees and expenses, refer to note 3.

(g) Transaction costs:

Transaction costs, such as brokerage commissions incurred in the purchase and sale of portfolio securities, and other trade execution costs paid to external third parties, such as stamp, duty and exchange fees, are recognized as expenses in the *Statements of Operations* based on trade date.

(h) Translation of foreign currencies:

The fair value of investments and other assets and liabilities denominated in foreign currencies is translated into Canadian dollars at the rate of exchange prevailing on each business day except for the historical costs of investments, which are translated at the rate of exchange prevailing on the date of purchase. Proceeds from the sale of investments, dividends and interest income received in foreign currencies are translated into Canadian dollars at the approximate rate of exchange prevailing on the dates of such transactions. Gains and losses from transactions and the translation of foreign currencies are considered investment transactions and, accordingly, are included in the net realized gain (loss) on the sale of investments and foreign exchange, or in the net change in the unrealized appreciation of investments.

(i) Capital management:

The Manager manages the Fund's capital, which consists of the Fund's net assets in accordance with the investment objectives set out in the Fund's Simplified Prospectus and Annual Information Form.

(j) Increase (decrease) in net assets from operations, per unit:

Increase (decrease) in net assets from operations, per unit in the *Statements of Operations* represents the net increase (decrease) in the net assets from operations for each series for the period divided by the average units outstanding for each series for the period.

(k) Future changes in accounting policies:

On January 12, 2011, the Canadian Accounting Standards Board published amendments to the Canadian Institute of Chartered Accountants ("CICA") Handbook that provide a two-year deferral of the transition to

International Financial Reporting Standards ("IFRS") by investment companies. For fiscal years beginning on or after January 1, 2013, investment companies, including the Fund, will be required to implement IFRS for interim and annual financial statements. Until this date, the Fund will continue to apply the accounting standards in Part V of the CICA Handbook.

Based on the Manager's current evaluation of the differences between GAAP and IFRS, the Manager does not expect that net assets attributable to unitholders or the net asset value per unit will be impacted by the changeover to IFRS. Currently, the Manager expects that the impact of IFRS on the Fund's financial statements will result in additional disclosures and a potentially different presentation of unitholder interests and certain other items.

The Fund's units are puttable financial instruments. Under International Accounting Standards ("IAS") 32, *Financial Instruments: Presentation*, for the Fund to continue to classify the units as equity, they must meet certain specific criteria. Due to the Fund's multi-class structure, it is unlikely that the units will meet the criteria as it is currently written. As such, the units will be classified as a liability upon the adoption of IFRS. This will not impact the net asset value per unit used for unitholders' purchase, switch, or redemption transactions and is considered a presentation difference only. Certain agreements that refer to net asset value may need to be amended to reflect new terminology that may be adopted; however, calculations for amounts such as management fees will remain the same.

3. Management fees and expenses:

(a) EdgePoint, the Manager, provides investment management, distribution and administrative services to the Fund. In consideration for services provided, EdgePoint receives a monthly management fee based on the daily average net assets of each series. The management fee differs among series of units, as outlined in the table below. The Fund pays EdgePoint an aggregate management fee. Management fees for Series I and Series O units are negotiated and paid directly by the investor and not the Fund. These fees will not exceed the Fund's Series A management fees.

Series A	1.70%
Series B	1.90%
Series F	0.70%
Series A(N)	1.70%
Series B(N)	1.90%
Series F(N)	0.70%

(b) In addition to management fees, the Fund is responsible for paying all expenses relating to its operations. These expenses may include, but are not limited to: taxes, accounting, legal and audit fees, costs relating to the Fund's Independent Review Committee, trustee and

3. Management fees and expenses (continued):

custodial fees, portfolio transaction costs, administrative costs, investor servicing costs, and costs of reports and prospectuses. Each series is responsible for paying the operating expenses specifically attributed to that series. Except for interest and bank charges paid or payable directly by the Fund, the Manager incurs such expenses on the Fund's behalf and is then reimbursed by the Fund for such expenses. The Fund's common operating expenses are allocated among series based on the average number of unitholders or the average daily net assets of each series depending on the operating expense. All Series I operating expenses are EdgePoint's responsibility.

(c) At its sole discretion, EdgePoint may waive management fees or absorb the Fund's expenses. Absorbed expenses, if any, are shown on the Statements of Operations. Such waivers and absorptions can be terminated at any time.

(d) From time to time, EdgePoint may reduce the effective management fee payable by some unitholders by reducing the management fee it charges to the Fund and directing the Fund to make distributions to these unitholders in amounts equal to the management fee reduction. Management fee distributions are automatically reinvested in additional units of the Fund and are accounted for as distributions for financial statement reporting purposes.

4. Income taxes:

The Fund qualifies as a mutual fund trust under the *Income Tax Act* (Canada) and, accordingly, is not subject to income taxes on the portion of its net income, including net realized gains, which are paid or payable to unitholders. Such distributed income is taxable in the hands of unitholders.

Temporary differences between the carrying value of assets and liabilities for accounting and income tax purposes give rise to future income tax assets and liabilities. The most significant temporary difference is that between the reported fair value of the Fund's investment portfolio and its adjusted cost base for income tax purposes. Since the Fund's distribution policy is to distribute all net realized capital gains, future tax liabilities with respect to unrealized capital gains and future tax assets with respect to unrealized capital losses will not be realized by the Fund and are therefore not recorded by the Fund. Unused realized capital losses represent the Fund's future tax assets; however, due to the uncertainty that they will be realized by offsetting future capital gains, no net tax benefit is recorded by the Fund.

As at the most recent taxation year end of December 15, 2010, the Fund had capital losses of nil (2009: nil).

5. Brokerage commissions:

Commissions paid to brokers in connection with portfolio transactions are disclosed in the Fund's *Statements of Operations*. Brokerage business is allocated based on which broker can deliver to the Fund the best results. Subject to these criteria, EdgePoint may allocate business to brokers

that provide or pay for, in addition to transaction execution, investment research, statistical or other similar services that may or may not be used by EdgePoint in its investment decision-making process. As at June 30, 2011, EdgePoint had commission-sharing or "soft dollar" arrangements with certain brokers in which they paid for third-party services. These services represent less than 1% of total brokerage commissions paid by the Fund. Other proprietary research services are offered on a "bundled" basis with transaction execution. As a result, EdgePoint is not able to reasonably ascertain the value of these investment research services.

6. Reconciliation of net asset value:

Net assets reported in these Financial Statements are accounted for using GAAP ("GAAP Net Assets") and use the closing bid price for the fair value of investments traded in an active market. The net asset value ("NAV") for purposes of unitholders' purchases, switches and redemptions is calculated in accordance with the valuation rules set out in the Fund's Simplified Prospectus and Annual Information Form and uses the last trade price to value investments traded in an active market. The Canadian Securities Administrators requires reconciliation between NAV and GAAP Net Assets.

The difference between NAV and GAAP Net Assets on a per unit basis is as follows:

June 30, 2011	NAV	GAAP Net Assets
Series A	\$ 14.29	\$ 14.28
Series B	14.22	14.21
Series F	14.30	14.29
Series I	14.46	14.45
Series O	11.40	11.39
Series A(N)	14.31	14.30
Series B(N)	14.24	14.23
Series F(N)	14.47	14.46

December 31, 2010	NAV	GAAP Net Assets
Series A	\$ 13.87	\$ 13.85
Series B	13.80	13.79
Series F	13.88	13.86
Series I	14.02	14.01
Series O	11.05	11.04
Series A(N)	13.89	13.87
Series B(N)	13.82	13.80
Series F(N)	14.04	14.02

7. Financial instruments:

Essentially, all of the Fund's assets and liabilities are financial instruments. These financial instruments comprise investments, net unrealized gains (losses) on foreign exchange forward contracts, cash and cash equivalents, trade receivables, other accounts receivable, trade payables

7. Financial instruments (continued):

and accrued expenses. Investments and foreign exchange contracts are recorded at their fair value based on the accounting policies described in note 2(b). All other financial instruments are carried at cost or amortized cost, which approximates their fair value.

8. Fair value measurements:

The Fund's hierarchy for disclosing the fair value of the Fund's investments is based on the inputs summarized below:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – 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); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The following inputs were used in valuing the Fund's investments and derivatives at fair values as at June 30, 2011 and December 31, 2010:

June 30, 2011	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Total
Equities	\$ 212,617,886	\$ –	\$ 212,617,886
Bonds	–	85,854,423	85,854,423
Options – long	617	365,791	366,408
Foreign exchange forward contracts	–	(172,724)	(172,724)
Total investments	\$ 212,618,503	\$ 86,047,490	\$ 298,665,993

December 31, 2010	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Total
Equities	\$ 160,034,392	\$ –	\$ 160,034,392
Bonds	–	46,635,103	46,635,103
Options – long	538,273	–	538,273
Foreign exchange forward contracts	–	363,665	363,665
Total investments	\$ 160,572,665	\$ 46,998,768	\$ 207,571,433

During the periods ended June 30, 2011 and December 31, 2010, no investments were transferred between levels and the Fund held no Level 3 financial instruments.

9. Financial instrument risk:

In the normal course of business, the Fund is exposed to a variety of financial risks: market risk (comprising market price risk, foreign currency risk and interest rate risk), counterparty credit risk and liquidity risk. The value of investments in the Fund's portfolio can fluctuate daily as a result of changes in interest rates, market and economic conditions, and factors specific to individual securities within the Fund. The level of risk depends on the Fund's investment objectives and the type of securities in which it invests.

Risk management:

The Fund seeks to provide a combination of long-term capital appreciation and income generation by investing primarily in global equity and fixed-income securities. The portfolio management team invests in companies that it believes have strong competitive positions, long-term growth prospects and are run by competent management teams. The portfolio management team acquires ownership stakes in these companies at prices below their assessment of each company's true value. The fixed-income approach includes an analysis of macro-economic factors affecting economic growth as well as credit analysis to uncover relative value opportunities both within and across different market sectors.

The team takes a conservative approach to risk management by applying in depth, thorough research to each investment idea in order to understand the risks of the individual business and weighs this against its return potential.

Risk is further managed by investing in a diversified portfolio of companies. The team believes that investing in businesses with competitive advantages is a more effective approach to diversification than focusing on traditional sector allocations. The team takes a common-sense approach to risk by assessing how much money can be lost and the probability of losing it. While this approach may seem overly simplistic, it provides vital clarity about the true investment risks.

The Manager employs a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy, internal guidelines and securities regulations. Monthly reviews by the Chief Compliance Officer and Chief Investment Officer ensure that pre-trade and post-trade compliance rules are followed. The Governance and Oversight Committee conducts quarterly reviews to monitor portfolio activity for compliance with applicable rules.

(a) Market risk:**(i) Market price risk:**

Market price risk arises primarily from uncertainties about the future market prices of instruments held. Market price fluctuations may be caused by factors specific to an individual investment, or factors affecting all securities traded in a market or industry sector. All investments present a risk of loss of capital. The maximum risk resulting from financial instruments is equivalent to their fair value. The Fund's most significant exposure to market price risk arises from its investment in equity securities. If equity prices for these securities had increased or decreased on their respective stock exchanges by

9. Financial instrument risk (continued):

5% as at June 30, 2011, with all other variables held constant, the Fund's net assets would have increased or decreased, respectively, by approximately \$10.6 million or 3.4% of total net assets (December 31, 2010: \$8 million or 3.5% of total net assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

(ii) Foreign currency risk:

Foreign currency risk arises from financial instruments denominated in a currency other than the Canadian dollar, which is the Fund's functional currency. The Fund is exposed to the risk that the value of securities denominated in other currencies will fluctuate due to changes in exchange rates.

The following table indicates the currencies (excluding the Canadian dollar) to which the Fund's financial instruments had significant exposure. Period-end figures are in Canadian dollars and include the underlying principal of forward exchange contracts, if any:

June 30, 2011:				
Currency	Investments	Cash	Foreign exchange contracts	Total
	(\$'000s)	(\$'000s)	(\$'000s)	(\$'000s)
British pound	4,414	-	-	4,414
Euro	15,137	-	-	15,137
Hong Kong dollar	501	-	-	501
Japanese yen	11,296	-	(9,701)	1,595
U.S. dollar	186,944	12,669	(12,691)	186,922
	218,292	12,669	(22,392)	208,569
% of net assets	70.6%	4.1%	(7.2%)	67.5%

December 31, 2010:				
Currency	Investments	Cash	Foreign exchange contracts	Total
	(\$'000s)	(\$'000s)	(\$'000s)	(\$'000s)
British pound	2,263	-	-	2,263
Euro	11,701	-	-	11,701
Hong Kong dollar	574	-	-	574
Japanese yen	7,901	-	(7,640)	261
U.S. dollar	152,202	18,244	(19,445)	151,001
	174,641	18,244	(27,085)	165,800
% of net assets	76.4%	8.0%	(11.9%)	72.5%

As at June 30, 2011, if the Canadian dollar had strengthened or weakened by 1% relative to all foreign currencies with all other variables held constant, the Fund's net assets would have increased or decreased, respectively, by approximately \$2.09 million or 0.7% of total net assets (December 31, 2010: \$1.66 million or 0.7% of total net assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

(iii) Interest rate risk:

Interest rate risk arises from interest-bearing financial instruments where the values of those instruments fluctuate due to changes in market interest rates.

The majority of the Fund's financial assets are equity shares, which are not interest bearing. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity:

June 30, 2011	Debt instrument	% of net assets
Less than 1 year	\$ 12,811,780	4.15
1 to 3 years	37,168,005	12.03
3 to 5 years	25,413,127	8.22
Greater than 5 years	10,461,511	3.38
	\$ 85,854,423	27.78

December 31, 2010	Debt instrument	% of net assets
Less than 1 year	\$ 1,201,908	0.52
1 to 3 years	8,494,268	3.72
3 to 5 years	27,778,814	12.15
Greater than 5 years	9,160,115	4.01
	\$ 46,635,105	20.40

As at June 30, 2011, if prevailing interest rates had risen or declined by 0.5%, assuming a parallel shift in the yield curve with all other variables held constant, the Fund's net assets would have decreased or increased, respectively, by approximately \$1.11 million or 0.36% of total net assets (December 31, 2010: \$0.80 million or 0.30% of total net assets). The Fund's sensitivity to interest rate changes was established using the weighted-average modified duration of 2.59 years based on the Fund's fixed-income holdings (December 31, 2010 – 3.41). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

(b) Counterparty credit risk:

Counterparty credit risk is the risk that the counterparty to a financial instrument will fail to honour an obligation or commitment that it has entered into with the Fund.

The Fund's main exposure to credit risk is in its holdings of fixed-income debt instruments. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The maximum credit risk of these investments is their carrying value at June 30, 2011.

9. Financial instrument risk (continued):

As at June 30, 2011 and December 31, 2010, the Fund was invested in debt securities with the following credit ratings:

	% of net assets	% of debt instruments
AAA	1.77	6.35
AA	5.15	18.55
A	1.40	5.06
BBB	13.71	49.35
BB	0.62	2.23
B	0.76	2.75
NR	4.37	15.71
	27.78	100.00

December 31, 2010	% of net assets	% of debt instruments
AA	0.95	4.66
A	0.18	0.87
BBB	11.01	53.94
BB	1.72	8.42
B	3.58	17.56
NR	2.96	14.55
	20.40	100.00

The Fund is also exposed to credit risk from its trading of listed securities. It minimizes the concentration of credit risk by trading with a large number of brokers and counterparties on recognized and reputable exchanges. The risk of default is considered minimal as all transactions are settled and paid for upon delivery using approved brokers.

The Fund may enter into foreign exchange contracts to buy and sell currencies for the purpose of settling foreign securities transactions. These are short-term spot settlements carried out with counterparties with a credit rating of at least "A." The exposure to credit risk on these contracts is considered minimal as there are few contracts outstanding at any one time and the transactions are settled and paid for upon delivery.

(c) Liquidity risk:

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities.

Aside from financial liabilities that arise from its normal investing activities, the Fund has no other significant financial liabilities. The Fund's most significant potential exposure to financial liabilities is the daily cash redemptions of redeemable units. In accordance with securities regulations, the Fund must maintain at least 90% of its assets in liquid investments (i.e., investments traded in an active market that can be readily sold). The

Fund also has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions. No such borrowing occurred during the period.

10. Schedule of derivatives:

Put options	Expiry date	Strike price	Number of contracts	Average cost	Fair value
Research In Motion Jan/115 CO	Jan. 24, 2012	115.00	640	\$ 47,646	\$ 617
				\$ 47,646	\$ 617

Put options	Expiry date	Strike price	USD notional	Average cost	Fair value
Japan-USD Mar/110 PO	Mar. 13, 2014	110.00	11,019,000	\$ 135,437	\$ 82,756
Japan-USD Mar/110 PO	Mar. 13, 2014	110.00	11,019,000	137,587	82,756
Japan-USD Aug/115 PO	Aug. 21, 2013	115.00	16,857,154	143,737	52,231
Japan-USD Aug/115 PO	Aug. 21, 2013	115.00	17,766,991	143,737	55,050
Japan-USD Jul/100 PO	Jul. 18, 2013	100.00	5,815,000	187,771	63,445
Japan-USD Mar/125 PO	Mar. 29, 2013	125.00	11,538,727	62,070	11,083
Japan-USD Mar/140 PO	Mar. 29, 2013	140.00	7,100,000	23,077	5,881
Japan-USD Mar/125 PO	Mar. 29, 2013	125.00	6,000,000	46,062	5,763
Japan-USD Mar/125 PO	Mar. 29, 2013	125.00	5,940,000	46,039	5,757
Japan-USD Sep/100 PO	Sep. 27, 2011	100.00	2,852,000	89,134	958
Japan-USD Sep/115 PO	Sep. 27, 2011	115.00	2,852,000	22,502	111
				\$1,037,153	\$365,791

11. Comparative figures:

Certain 2010 comparative figures have been reclassified to conform to the financial statement presentation adopted in 2011.

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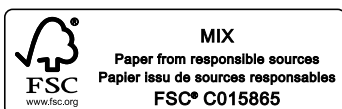
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