INTEGRA® CAPITAL LIMITED

Integra Balanced Fund
Semi-Annual Management Report of Fund Performance
As at June 30, 2011

This semi-annual report of fund performance contains financial highlights but does not contain the complete semi-annual financial statements for the Investment Fund. You may request a copy of the semi-annual financial statements at no cost, by calling 1-800-363-2480, by writing to us at Integra Capital Limited ("Integra"), 2020 Winston Park Drive, Suite 200, Oakville ON L6H 6X7 or by visiting our website at www.integra.com or the SEDAR website at www.sedar.com.

Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or portfolio disclosure relating to the Fund.

Management Discussion of Fund Performance
Results of Operations

For the six months ended June 30th, the Fund generated a return of 0.17% compared to a 1.47% return achieved by the Fund's benchmark (30% S&P/TSX Composite Index, 40% DEX Bond Universe Index, 27% MSCI All Country World Index ND, plus 3% DEX 91-day Government of Canada Treasury Bill Total Return Index). The complete benchmark history of the fund is available upon request. All of the returns are presented in Canadian dollar terms and gross of fees.

For the first three months of this year, markets withstood the shocks of the earthquake and tsunami in Japan and the social unrest in the Middle East, while the second quarter brought more challenges and as has become commonplace, these led to significant volatility in asset prices. Among the problems that global economies faced were elevated energy prices, continued unrest in a number of Middle Eastern and African regimes, the disruption of global supply chains after March's earthquake and tsunami in Japan and the completion of the U.S. Federal Reserve's quantitative easing program 'QE2' at the end of June. Despite the threats that these issues presented, it was the European sovereign debt crisis that was the most dominant driver of investment returns. In June, the threat of a Greek sovereign default pushed markets sharply lower in a risk-averse move similar to what was experienced mid-2010. However, the markets staged a rapid recovery late in the quarter following the passing of first the Greek government's confidence vote and then its austerity plan, the latter of which paved the way for the country to receive further financial assistance, diminishing the threat of its immediate default.

There are other positives in the stock markets. Corporate earnings continue to grow, profit margins are still expanding and companies are holding large cash positions on their balance sheets. Additionally, Japan generated better than expected manufacturing and supply data following the effects of the natural disasters and potential nuclear catastrophe.

Despite the considerable volatility over the past few months, in broad terms, global equity markets managed to hold on to the gains generated during the first quarter. Nonetheless, there was significant divergence in the performance of various sectors. During the first half of 2011, amongst global equities, there was a wide dispersion of returns across the ten industry sectors. The top performing sectors included the more defensive areas of the market, Health Care, Telecom Services and Consumer Staples. Three sectors experienced negative returns including Information Technology.

Within the Canadian equity market, the Information Technology sector was by far the worst performing sector, losing over 30% of its value in the first half of 2011. The other business groups to finish the January to June period in negative territory were Materials, Consumer Discretionary and Energy. The best performing areas in the market were Health Care, Telecom Services and Industrials.

As economic growth became more timid in the second quarter, the returns generated by North American bonds accelerated after a fairly steady first three months of 2011. Investors' appetite for risk decreased causing government bond yields to drop. (Bond prices will rise when yields are falling.) As we moved deeper into the second quarter economic conditions in the U.S. coupled with continued sovereign debt problems in Europe gained more of investors' attention and there was a shift away from riskier assets into bonds. By the end of the second quarter, the Canada 10-years were yielding 3.11%. The magnitude of the decline during the second quarter caught investors by surprise as yields, at various points along the curve, fell to levels seen during the Great Recession. Interest rate movements, across sectors, remained choppy as investor sentiment towards risk changed frequently over the course of the past six months.

The direction of interest rate moves in the United States were similar to Canada, however the spread between 10-year and 30-year bonds increased more in the U.S. than in Canada. The yield on the 10-year US Treasury finished at 3.16% after dropping as low as 2.86% and the 30-year Treasury stood at 4.37% at the end of June while a 30-year Canada yielded 3.36%.

The spread between corporate bonds and government bonds also widened as we moved through the first half of the year as yield declines in the corporate sector did not keep pace with the broader declines in the government market. The spread between provincial bonds and government bonds widened marginally as well.

The Fund failed to match the return of its benchmark over the past six months. The negative variance was largely due to domestic stock selection. At the start of the year, the Canadian equity portfolio was overweight to uranium stocks – based upon expected demand from China's increasing power requirements. With the Fukushima meltdown caused by the devastating earthquake and subsequent tsunami, public opinion quickly soured on nuclear energy and uranium stocks tumbled – despite little change occurring to existing demand levels for the underlying commodity.

The Fund also held Sino-Forest, which was subject to fraud allegations made by research firm Muddy Waters LLC. Due to the uncertainty created and the expected prolonged period before issues including ownership of assets can be clarified, the stock has been sold out of the Fund.

Lastly, Research in Motion detracted from relative performance. The maker of the Blackberry witnessed its stock price fall in the face of declining market share, a weaker than expected earnings report and a gap in new product introductions. However, RIM remains a number three player in a world market that is forecast to post double digit growth each year until 2015 and trades at a very low valuation. The investment management teams continue to monitor the company closely.

The Fund's foreign stock holdings added value but the quantum was not sufficient enough to make up for the shortfall in Canadian stocks. Stock selection in foreign Utilities benefitted relative performance as shares of Italian utility company Enel gained value on news that the government replaced the chairmen of the nation's largest oil and power companies. Particular holdings in the Materials and Industrials sectors also provided some benefit. EADS, the French owner of plane maker Airbus, climbed after reporting better-than-expected first quarter results and confirmed its outlook for an increase in revenue from 2010.

The bond portion of the Fund was in line with the DEX universe. The fixed income holdings were overweight corporate and provincial bonds while having a slightly shorter duration (sensitivity to changes in interest rates) than the DEX.

The Fund experienced net subscriptions of $71.2 million during the first six months of 2011.

Fund expenses vary period over period mainly as the result of changes in average Net Asset Values and investment activity. Operating expenses were lower during the first half of 2011 as were Custodial expenses. The latter occurred largely due to the negotiation of new fee schedule's with the Fund's custodian.

Recent Developments

Macroeconomic factors continue to dominate the outlook for investment heading into the second half of the year. Investor sentiment has become distinctly more focused on the downside risks for global growth.

While many important commodities are still rising in price, the growth rates are slowing reflecting a moderation in expectations for global economic expansion. Because commodities have become such an important barometer of investor risk preference, a slowing in commodity price inflation has important implications for equities, particularly in Canada.

In recent months, domestic economic growth has flattened. The primary reason is a sharp decline in mining production caused by unusually severe weather-related factors in the early spring that disrupted energy and mining production. In addition, following strong growth during the first quarter, retail sales volumes have fallen in the most recent past three months. New motor vehicle unit sales have decreased. Home sales trailed the levels experienced during the early portion of 2011as affordability and household balance sheets are placing constraints on demand.

On the brighter side, rising operating profits among financial and non-financial businesses and easing credit lending conditions should continue to support future business investment. The latter still has considerable scope to grow strongly considering its below-normal share of GDP. Capital expenditures are being made by Canadian businesses on new machinery and equipment which should generate further productivity growth.

The extent of the global debt crisis and the number of economies involved, places an unprecedented drag on global economic activity. It has in turn, unleashed an equally unprecedented reflationary response in terms of monetary and fiscal intervention. The interaction between these two forces has created a volatile backdrop, against which investors flip-flop between fears of inflation and recession. The investment world is further distorted by zero interest policies because of the interplay between so-called 'risk-free' assets (government bonds) and the valuation of risk assets like equities, real estate and corporate debt. This means being vigilant about what to own (there are very real solvency risks to contend with) and trying to focus on assets that can generate real cash flows from reliable sources.

In Canada, the economy is demonstrating signs of a slowdown due to the impact of a weaker U.S. economy and the effect of a strong Canadian dollar. On July 19th, the Bank of Canada maintained the target for the overnight rate at 1%. The Bank expects the Canadian economy to expand at 2.8% this year and 2.6% in 2012 reflecting the anticipated net exports to be weaker due to more subdued U.S. activity.

Large global companies in sectors with stable end demand are favourable investments in this market environment. These types of stocks are prevalent in the Fund. Additionally, the Fund continues to maintains an AA average quality in the bond portfolio. Thus, the portfolio is positioned to reduce the impact of further market volatility.

Related Party Transactions

Manager, Portfolio Manager and Transfer Agent

The Fund is managed by Integra. Integra provides or arranges for the provision of all general management and administrative services rendered by the Fund in its day-to-day operations, including providing or arranging the provision of investment advice and record-keeping services for the Fund.

As a result of providing investment advisory and management services, Integra is entitled to receive a monthly fee from investors in the Fund.

Caution Regarding Forward-looking Statements

This report may contain forward-looking statements about the Fund, including its strategies and expected performance. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to potential future events or market and economic conditions.

In addition, any statement that may be made concerning future performance, strategies or prospects and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to risks, uncertainties and assumptions about the Fund and capital market and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results may differ materially from those expressed or implied in any forward-looking statements made by the Fund. A wide range of factors may contribute to these variances, including general economic, geopolitical and market influences in Canada or globally, interest rates and currencies, capital markets, technology innovations, regulations and catastrophic events.

Investors are encouraged to consider these and other factors including their own investment objectives carefully before making any investment decisions and are urged to avoid placing undue reliance on forward-looking statements.

Additionally, investors should be aware that the Fund has no specific intention to update any forward-looking statements whether as a result of new information and future events, prior to the release of the next Management Report on Fund Performance.

Integra Balanced Fund
Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the six-month period ended June 30, 2011 and for the remaining financial years ended December 31, as indicated. This information is derived from the Fund's unaudited interim financial statements and audited annual financial statements.

The Fund's Net Asset Value (NAV) per [Unit Data]

For the periods ended	June 30, 2011	Dec 31, 2010	Dec 31, 2009	Dec 31, 2008	Dec 31, 2007
Net Asset Value per unit, beginning of period	$14.08	$13.26	$11.79	$14.82	$15.78
Adjustment for new accounting standards	–	–	–	(0.02)	–
Net Assets per unit, beginning of period	$14.08	$13.26	$11.79	$14.80	$15.78
Increase (decrease) from operations:					
total revenue	0.19	0.38	0.44	0.52	0.54
total expenses	(0.01)	(0.02)	(0.02)	(0.03)	(0.03)
realized gains (losses)	0.02	0.07	0.08	(0.20)	0.62
unrealized gains (losses)	(0.22)	0.63	1.38	(2.81)	(1.08)
Total increase (decrease) from operations[1]	($0.02)	$1.06	$1.88	($2.52)	$0.05
Distributions:					
From income (excluding dividends)	–	(0.33)	(0.30)	(0.41)	(0.42)
From dividends	–	(0.09)	(0.10)	(0.09)	(0.08)
From capital gains	–	–	–	–	(0.52)
Return of capital	–	–	–	–	–
Total Annual Distributions[2]	$0.00	($0.42)	($0.40)	($0.50)	($1.02)
Net Assets per unit, end of period	$14.11	$14.08	$13.26	$11.79	$14.80

Ratios and Supplemental Data (Based on trading NAV)

	2011	2010	2009	2008	2007
Net Asset Value (000's)	$229,153	$158,273	$197,029	$173,331	$216,326
Number of units outstanding	16,241,039	11,237,061	14,858,285	14,700,100	14,595,864
Management expense ratio	2.55%	2.26%	2.20%	2.15%	2.07%
Management expense ratio before waivers or absorptions	2.55%	2.26%	2.20%	2.15%	2.07%
Portfolio turnover rate[3]	15.30%	89.28%	22.48%	162.27%	56.28%
Trading expense ratio[4]	0.00%	0.00%	0.00%	0.11%	0.08%

Supplementary information to the Financial Highlights calculations are based on the following:

1. Net asset and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the period.
2. Distributions were paid in cash/reinvested in additional units of the Fund, or both.
3. The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.
4. The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average Net Asset Values during the period.
5. The increase in portfolio turnover ratio for 2008 is due to manager and structural changes made to the fund in September 2008. The turnover is expected to return to more normal levels during 2009.

Integra Balanced Fund
Past Performance

The performance information shown assumes that all distributions made by the investment fund in the periods shown were reinvested in additional securities of the investment fund. Note that the performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the investment fund has performed in the past does not necessarily indicate how it will perform in the future.

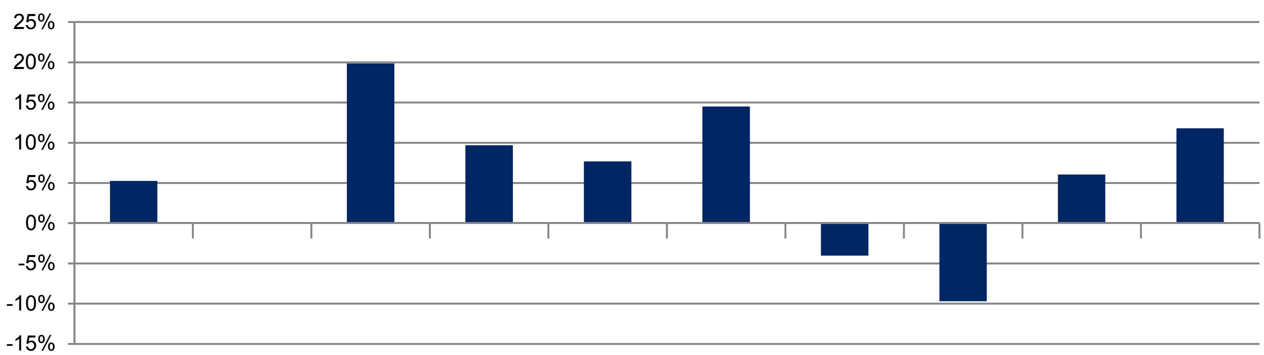
Fund Inception - December 1, 1987
Year-by-Year Returns

The following bar chart shows the investment fund's annual performance for each of the years shown, and illustrates how the investment fund's performance was changed from year to year. In percentage terms, the bar chart shows how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.

Annual Returns Chart

Annual Returns ending June 30

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
5.26%	0.05%	19.85%	9.69%	7.69%	14.50%	-4.03%	-9.69%	6.06%	11.81%



Integra Balanced Fund
Summary of Investment Portfolio as at June 30, 2011

Asset Mix	% of Fund's Net Assets
Canadian Equities	32.85%
U.S. Equities	8.01%
International Equities	6.25%
Global Equities	10.36%
Emerging Market Equities	5.16%
Bonds	37.37%
Other Assets, Net of Liabilities	(0.01%)

Canadian Sector Mix (Integra Canadian Value Growth Fund)	% of Fund's Net Assets
Consumer Discretionary	4.37%
Consumer Staples	1.36%
Energy	23.64%
Financials	25.45%
Health Care	0.74%
Industrials	6.38%
Information Technology	4.06%
Materials	23.01%
Telecommunication Services	5.35%
Utilities	0.66%

US Sector Mix (Integra U.S. Value Growth Fund)	% of Fund's Net Assets
Consumer Discretionary	12.63%
Consumer Staples	5.35%
Energy	9.77%
Financials	12.21%
Health Care	13.65%
Industrials	13.63%
Information Technology	16.99%
Materials	2.71%
Telecommunication Services	3.04%
Utilities	1.19%

EAFE Country Mix (Acadian Core International Equity Fund)	% of Fund's Net Assets
Argentina	0.02%
Australia	7.86%
Austria	0.81%
Belgium	1.34%
Bermuda	0.11%
Brazil	0.02%
China	1.19%
Denmark	1.23%
Finland	1.30%
France	9.10%
Germany	11.75%
Greece	0.41%
Guernsey	0.26%
Hong Kong	2.03%
Indonesia	0.03%
Israel	0.10%
Italy	2.00%
Japan	21.40%
Malaysia	0.13%
Marshall Islands	0.10%
Netherlands	2.68%
Norway	1.10%
Pakistan	0.05%
Philippines	0.02%
Poland	1.86%
Portugal	0.04%
Singapore	5.20%
South Korea	3.12%
Spain	0.18%
Sweden	2.22%
Switzerland	4.17%
Taiwan	0.60%
Thailand	0.02%
United Kingdom	16.16%
United States	0.03%

Integra Balanced Fund
Summary of Investment Portfolio as at June 30, 2011

Global Country Mix	
(Integra Newton Global Equity Fund)	% of Fund's Net Assets
Australia	4.22%
Belgium	0.78%
Bermuda	0.82%
Brazil	3.70%
Canada	3.54%
Denmark	0.53%
France	5.96%
Germany	2.47%
Hong Kong	4.56%
Ireland	2.05%
Italy	0.50%
Japan	9.39%
Macau	0.76%
Norway	1.00%
Russia	0.66%
Singapore	1.90%
South Africa	1.21%
South Korea	0.23%
Spain	0.80%
Switzerland	11.05%
Taiwan	1.22%
Thailand	1.99%
Turkey	0.40%
United Kingdom	9.37%
United States	29.18%

Emerging Market Country Mix	
(Integra Emerging Markets Equity Fund)	% of Fund's Net Assets
Argentina	0.33%
Brazil	15.48 %
British Virgin Islands	0.41 %
Chile	0.61 %
China	11.49 %
Hong Kong	4.96 %
Hungary	0.40 %
India	3.65 %
Indonesia	1.80 %
Luxembourg	0.34 %
Malaysia	3.02 %
Mexico	5.96 %
Peru	0.45 %
Phillipines	0.26 %
Poland	2.45 %
Russia	7.02 %
South Africa	6.29 %
South Korea	16.29 %
Taiwan	11.76 %
Thailand	2.34 %
Turkey	1.23 %
United Kingdom	0.97 %
United States	0.94 %

Top 6 Issuers		
(excluding cash equivalents)		% of Fund's Net Assets
1	Integra Bond Fund	37.37%
2	Integra Canadian Value Growth Fund	32.85%
3	Integra Newton Global Equity Fund	10.36%
4	Integra US Value Growth Fund	8.01%
5	Acadian Core International Equity Fund	6.25%
6	Integra Emerging Markets Equity Fund	5.16%

Total Fund Net Assets $ 229,153,366

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the investment fund. The most recent report, semi-annual report or quarterly report is available at no cost, by calling 1-800-363-2480, by writing to us at Integra Capital Limited, 2020 Winston Park Drive, Suite 200, Oakville, ON, L6H 6X7 or by visiting our website at www.integra.com

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