



Brigata Canadian Equity Fund Series A and Series F

Management Report of Fund Performance
and Financial Statements
for the year ended December 31, 2010

Brigata Capital Management Inc.
35 Antares Drive
Ottawa, ON, K2E 8B1
Tel: 613-288-0572 Fax: 613-288-0574
Toll Free: 1-888-BRIGATA (1-888-274-4282)
www.brigatafunds.com info@brigatafunds.com

The Brigata Canadian Equity Fund

The views of the management of Brigata Capital Management Inc. contained in this report are as of the day they were written, and this report is not intended to provide legal, accounting, tax or specific investment advice. Portfolio holdings and allocations are as at December 31, 2010, unless otherwise noted. Views, portfolio holdings and allocations may have changed subsequent to these dates. Securityholders may contact us by writing to us at Brigata Capital Management Inc., 35 Antares Drive, Ottawa, Ontario K2E 8B1 or by calling toll-free 1-888-BRIGATA (1-888-274-4282) or in Ottawa (613) 288-0572 to request a copy of the Fund's quarterly portfolio disclosure, proxy voting policies and procedures or proxy voting disclosure record.

Commissions, trailing commissions, management fees and expenses may all be associated with mutual fund investments. Please read the simplified prospectus before investing. The indicated rates of return are the historical and annual compounded total returns including changes in security value and reinvestment of all dividends/distributions, and do not take into account sales, redemption, dividend/distributions or optional charges, or income taxes payable by any investor, which would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Mutual funds are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer.

This report includes statements that include information concerning possible or assumed future results of the Fund's operations, earnings, liquidity and cash flows, asset levels, merger activities and the effect of completed merger transactions, regulatory developments, demand for and pricing of each Fund, and general economic and securities market conditions. Such statements may be considered "forward-looking statements". When used in this report, words such as "believes," "expects", "anticipates", "intends", "plans", "estimates", "projects", and future or conditional verbs such as "will", "may", "could", "should" and "would", or any other statement that necessarily depends on future events are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Although we make such statements based on assumptions that we believe to be reasonable, there can be no assurance that actual results will not differ materially from our expectations. We caution investors not to rely unduly on any forward-looking statements. In connection with any forward-looking statements, you should carefully consider the areas of risk described in the most recent simplified prospectus of the Funds. You may obtain these documents from the SEDAR website at www.sedar.com.

Brigata Canadian Equity Fund
Statement of Management's Responsibility

To our Unitholders,

The accompanying Management Report of Fund Performance and Financial Statements have been prepared by Brigata Capital Management Inc., the Manager of the Brigata Canadian Equity Fund and approved by the Manager's Board of Directors. The Fund's Manager is responsible for the information and representations contained in the Management Report of Fund Performance and Financial Statements. The Management Report of Fund Performance in the front section of this document is unaudited, whereas the Financial Statements appearing in the second section are audited.

Brigata Capital Management Inc. maintains appropriate processes to ensure that relevant and reliable financial information is produced. The Financial Statements have been prepared in accordance with accounting principles generally accepted in Canada and include certain amounts that are based on estimates and judgements. The significant accounting policies that management believes are appropriate for the Fund are described in Note 2 to the Financial Statements.

PricewaterhouseCoopers LLP is the external auditor of the Fund, appointed by Brigata Capital Management Inc. as trustee of the Fund. They have audited the Financial Statements in accordance with Canadian generally accepted auditing standards to enable them to express to the unitholders their opinion on the financial statements.



Vince Valenti
President and Chief Executive Director
Brigata Capital Management Inc.



A. Ross Dedman
Chief Operating Officer
Brigata Capital Management Inc.

March 9, 2011

I. MANAGEMENT REPORT OF FUND PERFORMANCE

This management report of fund performance ("MRFP") is intended to provide readers with the financial highlights and an assessment of the performance of Brigata Canadian Equity Fund (the "Fund") as at and for the year ended December 31, 2010. All figures in the MRFP are in Canadian dollars unless otherwise indicated.

Investment Objectives and Strategies

The Fund's investment objective is to achieve long-term capital growth.

The Fund invests primarily in a broadly diversified portfolio of large- and mid-capitalization Canadian equity securities across various sectors which may include income trusts.

Up to 30% of the assets in the Fund may be held in foreign securities and up to 25% of the assets of the Fund may be held in cash and short-term fixed income instruments. During difficult market conditions, the Fund may call upon its discretion to make use of cash components to dampen the effects of poorly performing markets.

Risk

All mutual funds involve some level of risk. The risks associated with investing in a mutual fund are the risks associated with the securities in which the mutual fund invests.

There have been no changes to the Fund during the year ended December 31, 2010 which have affected the overall level of risk associated with an investment in the Fund as set forth in the Fund's current simplified prospectus.

The Brigata Canadian Equity Fund is suitable for investors who are able to accept an average level of risk and who intend to hold the Fund for 5 to 10 years.

Results of Operations

For the year ended December 31, 2010, the S&P/TSX composite total return index was up 17.61%, while during the same timeframe the S&P 500 (15.06%), the MSCI Eurofirst (-1.54%) and the MSCI World Equity (5.93%) all reported losses or smaller increases. During the same period the Series A units of the Fund rose 7.3%, compared to the 70% S&P/TSX Composite Total Return Index, 30% MSCI World Index, blended benchmark which showed a return of 14.1% for the period. The Fund underperformed the benchmark due to its approximate overweight levels of cash during the period, as well as being substantially underweight in the Energy, Financial and Materials sectors and being substantially overweight in the Consumer Discretionary and the more stable Consumer Staples sectors. As it is the policy of the Fund not to have more than 20% of their assets invested in any one sector, the Energy sector represents 18.41% of the Fund (26.57% of the TSX Composite Index) and the Financial sector 19.68% (27.93% of the TSX Composite Index).

The top Canadian equity holdings in the Fund as at December 31, 2010 were Royal Bank, Bank of Nova Scotia, Cenovus Energy Inc., Canadian Oil Sands Trust, Canadian Tire Corp., EnCana Corp., Power Corp of Canada, Talisman Energy Corp. and Shaw Communications Inc. The largest foreign holdings were, iShares MSCI Emerging Market Index Fund, Nestle SA, Wal-Mart Stores Inc., and ABB Ltd.

Regardless of the strong moves experienced during the last quarter of 2010, we continue to see opportunities in the markets as 2011 could actually bring some pleasant surprises. The best opportunities

Results of Operations (continued)

will come from investing in the highest growth regions of the world – recently developed or emerging economies in Asia and Latin America. We will continue to use a prudent combination of high quality dividend paying companies including those with significant global exposure together with select direct investment in developing economies.

With inflation expected to increase in the future, the impact would be felt on food, energy and commodities. Therefore, the Fund continues to offset the cyclical factors with a focus on Canadian companies in the more consumer/defensive sectors whose fundamentals remain intact. These holdings emphasize quality management, visible earnings growth, growth in dividends and high dividend yields.

Recent Developments

For the year ended December 31, 2010 operating expenses of the Fund were absorbed by the Manager in amount sufficient to ensure that the management expense ratio (MER) would not exceed 2.40% per annum for Series A units and 1.45% for Series F units (exclusive of GST/HST). Effective January 2011, the Manager intends to absorb operating expenses in amount sufficient to ensure that the MER does not exceed 2.50% per annum for Series A units and 1.55% for Series F units (exclusive of HST). In addition, effective January 2011, IPG ceased to be its principal distributor.

At December 31, 2010 the Manager has developed a plan to meet the timetable published by the Canadian Institute of Chartered Accountants (CICA) for changeover to International Financial Reporting Standards (IFRS). The Manager has presently determined that the differences between Canadian GAAP and IFRS are not expected to impact on Net Assets or Net Asset Values. The Manager expects that the implementation on the Funds' financial statements will result in additional disclosures and potentially a different presentation of unitholder interests and certain other items. However, this present determination is subject to change if new standards or new interpretations of existing standards are issued. In January 2011 the Canadian Accounting Standards Board (the AcSB) extended the mandatory adoption date of IFRS for Investment Companies to January 1, 2013.

Related Party Transactions

Brigata Capital Management Inc. (BCMI) is the Manager of the Fund pursuant to a management agreement. BCMI is responsible for the daily administration of the Fund and provides the Fund, or makes sure the Fund is provided with, all services (accounting, custody, portfolio management, record maintenance, transfer agent) required to function properly. The Fund pays all its operating expenses, together with all applicable taxes, such as HST. The Fund pays the Manager management fees before HST, calculated daily on the net asset value of the Fund at the annual rate of 1.95% for Series A units and 1.00% for Series F units.

As at December 31, 2010, IPG owned 75.47% of the issued and outstanding shares of the Manager.

Operating expenses of the Fund for the year ended December 31, 2010 were absorbed in amount sufficient to ensure that the management expense ratio (MER) would not exceed 2.40% per annum for Series A units and 1.45% for Series F units (exclusive of GST/HST). For the year ended December 31, 2010, the Manager absorbed \$176,277 of the Fund's operating expenses, of which \$13,487 are shown as a receivable from the Manager as at December 31, 2010. The Manager may amend or remove this absorption of expenses at its discretion. Effective January 2011 the Manager intends to absorb operating expenses in amount sufficient to ensure that the MER does not exceed 2.50% per annum for Series A units and 1.55% for Series F units (exclusive of HST).

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 since inception.

Series A**The Fund's Net Assets Per Unit (\$) ⁽¹⁾**

Series A*	2010**	2009**	2008*
Net assets, beginning of the period	9.05	7.41	10.00
Increase (decrease) from operations:			
Total revenue	0.22	0.17	0.16
Total expenses	(0.24)	(0.21)	(0.26)
Realized gains (losses) for the year	0.31	0.01	(2.05)
Unrealized gains (losses) for the year	0.39	1.75	(1.85)
Total increase(decrease) from operations ⁽²⁾	0.68	1.72	(4.00)
Distributions:			
From income	-	-	-
From dividends	-	-	-
From capital gains	-	-	-
Return of capital	-	-	-
Total annual distributions ⁽³⁾	-	-	-
Net assets, end of the year ⁽⁴⁾	9.72	9.05	7.41

Series F

Series F*	2010**	2009**	2008*
Net assets, beginning of the period	9.23	7.48	10.00
Increase (decrease) from operations:			
Total revenue	0.22	0.17	0.16
Total expenses	(0.15)	(0.13)	(0.18)
Realized gains (losses) for the year	0.33	(0.01)	(1.41)
Unrealized gains (losses) for the year	0.43	1.75	(1.98)
Total increase(decrease) from operations ⁽²⁾	0.83	1.78	(3.41)
Distributions:			
From income	-	-	-
From dividends	-	-	-
From capital gains	-	-	-
Return of capital	-	-	-
Total annual distributions ⁽³⁾	-	-	-
Net assets, end of the year ⁽⁴⁾	10.00	9.23	7.48

(1) This information is derived from the Fund's financial statements. The net assets per unit presented in the financial statements differs from the net asset value calculated for Fund pricing purposes. An explanation of these differences can be found in the notes to the financial statements.

(2) Net assets 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 financial period.

(3) Distributions, if any, were paid in cash or re-invested in additional units of the Fund.

(4) Net assets 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. Accordingly totals may not add due to the different basis for computing the per unit amounts.

* The Series A and Series F units were first issued on January 3, 2008. The financial information is for the period ending December 31, 2008.

** The financial information is for the years ending December 31, 2009 and 2010.

Ratios and Supplementary Data

Series A*	2010**	2009**	2008*
Total net asset value ⁽¹⁾	13,480,658	\$11,091,816	\$4,922,033
Number of units outstanding ⁽¹⁾	1,386,009	1,223,103	662,755
Management expense ratio ⁽²⁾	2.60%	2.52%	2.52%
Management expense ratio before waivers or absorption	3.96%	5.32%	7.48%
Trading expense ratio ⁽³⁾	0.15	0.23	0.46
Portfolio turnover rate ⁽⁴⁾	50.36%	54.04%	58.3%
Net asset value per unit ⁽¹⁾	\$9.73	\$9.07	\$7.43

Series F*	2010**	2009**	2008*
Total net asset value ⁽¹⁾	\$519,449	\$421,146	\$233,768
Number of units outstanding ⁽¹⁾	51,862	45,556	31,183
Management expense ratio ⁽²⁾	1.58%	1.52%	1.52%
Management expense ratio before waivers or absorption	2.93%	4.41%	7.73%
Trading expense ratio ⁽³⁾	0.15	0.23	0.46
Portfolio turnover rate ⁽⁴⁾	50.36%	54.04%	58.3%
Net asset value per unit ⁽¹⁾	\$10.02	\$9.24	\$7.50

(1) The information is provided as at December 31 of the year shown.

(2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period and includes GST/HST.

(3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

(4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser 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 year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

* The Series A and Series F units were first issued on January 3, 2008. The financial information is for the period ending December 31, 2008.

** The financial information is for the years ending December 31, 2009 and 2010.

Past Performance

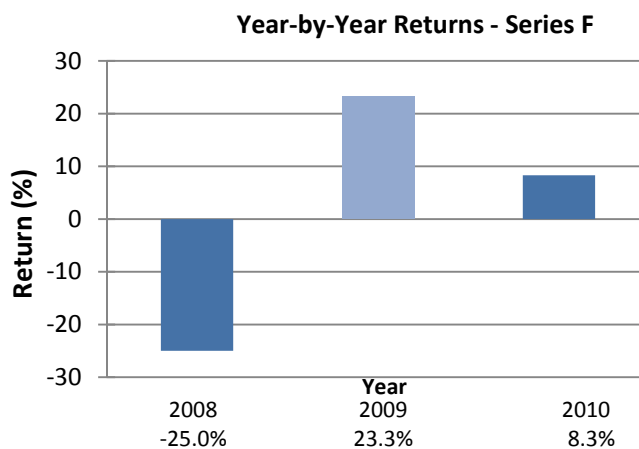
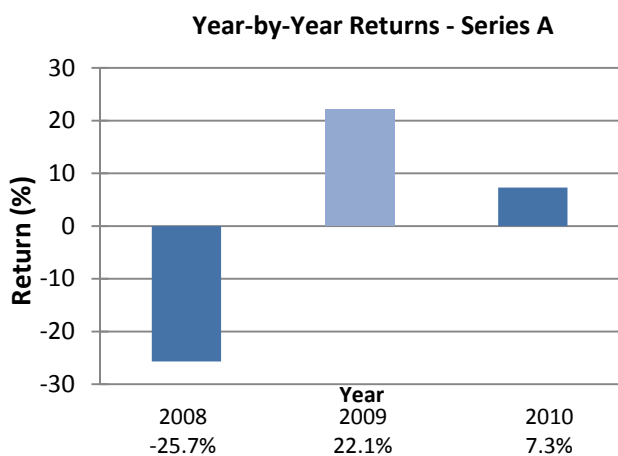
The past performance of the Fund is set out in the Year-by-Year Returns charts. Performance returns:

- are calculated as of December 31, 2008, 2009 and 2010.
- assume all dividends and distributions made by the Fund were reinvested without charge to purchase additional shares of the Fund; and are not reduced by any income taxes payable by you.
- you will be taxed on the dividends and distributions of net income even if you have reinvested them to purchase additional shares, unless your investment is in a registered tax plan.

The past performance of the Fund does not necessarily indicate how it will perform in the future.

Year-by-Year Returns

This bar chart shows the Fund’s performance for the year ended December 31, 2008, 2009 and 2010. The chart shows in percentage terms how an investment made on January 1 would have increased or decreased by December 31 of each year and how the performance varied during the respective periods.



Annual Compound Returns (%)

Benchmark Indices:

Brigata Canadian Equity Benchmark: This blended benchmark is weighted 70% S&P/TSX Composite Index, and 30% Morgan Stanley Capital International (MSCI) World index.

S&P/TSX Composite Index: This index is based upon a broad-based, market capitalization-weighted index of the largest, most widely held stocks traded on the Toronto Stock Exchange.

Morgan Stanley Capital International (MSCI) World Index: This index is a market capitalization-weighted index comprised of equity securities available in developed markets globally. The index is comprised of companies from 23 countries.

The table shows the historical annual compound total return for each series of the Fund as compared to the benchmarks listed below. The returns are for the periods ended December 31, 2010. For a discussion

Annual Compound Returns (%) (continued)

on the relative performance of the Fund compared to the index, see the "Results of Operations" section in the Management Discussion of Fund Performance on page 4.

	1 Year	Since Inception⁽¹⁾
Series A	7.3	(0.9)
Series F	8.3	0.1
Brigata Canadian Equity Benchmark	14.1	(2.2)
S&P/TSX Composite Total Return Index	17.6	(1.2)
Morgan Stanley Capital International (MSCI) World Index	5.9	(4.6)

⁽¹⁾ "Since Inception" corresponds to inception date for Series A and F of January 3, 2008

Management Fees

The management fee for Series A and Series F is calculated as a percentage of its daily pricing NAV. The Fund's management fees were used by Brigata Capital Management Inc. to pay costs for managing the investment portfolio, providing investment analysis and recommendations, making investment decisions and providing other services. BCMI also used the management fees to fund trailer fees to dealers for units of the Fund bought and held by investors.

For the year ended December 31, 2010, approximately 48% (2009 – 48%) of the total management fee revenues received from Brigata Funds were used to fund trailer fees to dealers. In comparison, such trailer fee payments for the Fund represented 44% (2009 – 45%) of the management fees paid.

II. SUMMARY OF INVESTMENT PORTFOLIO as at December 31, 2010

The *Summary of Investment Portfolio* may change due to ongoing portfolio transactions. Updates are available at www.brigatafunds.com for quarterly periods where an annual or semi-annual report is not published. For more information, please contact us at info@brigatafunds.com or 1-888-BRIGATA (1-888-274-4282).

TOP 25 HOLDINGS	1	Cash and Cash Equivalents	4.45%
	2	IShares MSCI Emerging Markets Index	4.39%
	3	Royal Bank of Canada	3.12%
	4	Bank of Nova Scotia	3.02%
	5	Cenovus Energy Inc.	2.90%
	6	Canadian Oil Sands Trust	2.87%
	7	Canadian Tire Corp. Ltd., Class A	2.68%
	8	The Toronto-Dominion Bank	2.60%
	9	Nestle SA ADR	2.55%
	10	EnCana Corp.	2.49%
	11	Wal-Mart Stores Inc.	2.41%
	12	ABB Ltd., ADR	2.39%
	13	Power Corp. of Canada	2.37%
	14	Talisman Energy Inc.	2.37%
	15	Shaw Communications Inc., Class B	2.34%
	16	Canadian Apartment Properties REIT	2.33%
	17	Canadian National Railway Co.	2.32%
	18	TransCanada Corp.	2.32%
	19	Microsoft Corp.	2.32%
	20	SNC-Lavalin Group Inc.	2.31%
	21	Canadian Natural Resources Ltd.	2.25%
	22	Dollarama Inc.	2.20%
	23	Novartis AG, ADR	2.18%
	24	QUALCOMM Inc.	2.16%
	25	Shoppers Drug Mart Corp.	2.09%
	Aggregate % of top holdings	65.43%	
ASSET ALLOCATION		Canadian Equity	69.74%
		U.S. Equity	15.16%
		Foreign Equity	10.65%
		Cash and Cash Equivalents	4.45%
	Total asset allocation	100.00%	
SECTOR ALLOCATION		Financial	19.68%
		Energy	18.41%
		Consumer Discretionary	15.16%
		Consumer Staples	10.55%
		Industrial	8.47%
		Telecommunications	6.68%
		Information Technology	6.45%
		Materials	5.31%
		Cash and Cash Equivalents	4.45%
		Health Care	3.56%
		Utilities	1.28%
	Total sector allocation	100.00%	
GEOGRAPHIC ALLOCATION		Canada	73.39%
		United States	15.96%
		Switzerland	7.11%
		Australia	1.95%
		U.K.	1.59%
		Total geographic allocation	100.00%

Brigata Canadian Equity Fund

Annual Financial Statements

December 31, 2010

March 9, 2011

Independent Auditor's Report

To the Unitholders and Trustee of Brigata Canadian Equity Fund
(the Fund)

We have audited the accompanying financial statements of the Fund, which comprise the statement of investment portfolio as at December 31, 2010, the statements of net assets as at December 31, 2010 and 2009 and the statements of operations and changes in net assets for the years then ended, and the related notes including a summary of significant accounting policies.

Management's responsibility for the financial statements

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

Auditor's responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2010 and 2009 and the results of its operations and the changes in its net assets for the years then ended in accordance with Canadian generally accepted accounting principles.

PricewaterhouseCoopers LLP

Chartered Accountants, Licensed Public Accountants

Brigata Canadian Equity Fund

Statements of Net Assets

As at December 31

	2010	2009
Assets		
Investments at fair value (notes 3 and 9) (Cost: \$11,841,138; 2009 - \$9,367,731)	\$ 13,360,638	\$ 10,339,426
Cash	638,821	1,136,677
Accrued dividends receivable	32,918	19,681
Due from manager (note 7)	13,847	68,110
Subscriptions receivable	5,000	-
Total Assets	14,051,224	11,563,894
Liabilities		
Management fees payable (note 7)	22,518	19,024
Accounts payable and accrued liabilities	44,685	55,406
Total Liabilities	67,203	74,430
Net Assets representing unitholders' equity	\$ 13,984,021	\$ 11,489,464
Net Assets representing unitholders' equity per series (note 4)		
Series A	\$ 13,465,169	\$ 11,069,178
Series F	\$ 518,852	\$ 420,286
Units Outstanding (note 5)		
Series A	1,386,009	1,223,103
Series F	51,862	45,556
Net Assets per unit		
Series A	\$ 9.72	\$ 9.05
Series F	\$ 10.00	\$ 9.23

(See accompanying notes to financial statements)

Brigata Canadian Equity Fund

Statements of Operations

For the years ended December 31

	2010	2009
Investment income		
Dividend income (net of withholding tax: \$11,357; 2009 - \$2,314)	271,515	\$ 178,194
Interest income	49,759	16,549
Foreign exchange gain (loss)	(18,483)	(29,543)
	302,791	165,200
Expenses		
Management fees (note 7)	263,693	163,635
Financial reporting expense	4,616	4,025
Legal fees	12,881	5,001
Audit fees	24,026	22,826
Custody fees	15,112	13,002
Securityholder reporting costs	76,164	78,798
Trustee fees	7,831	15,017
IRC fees	23,708	22,806
Operating expenses	15,824	43,420
Transaction fees	1,406	4,829
Valuation fees	38,802	48,365
Other expenses	13,063	9,548
Total expenses	497,126	431,272
Less:		
Expenses absorbed by manager (note 7)	(172,277)	(224,115)
	324,849	207,157
Net investment income (loss)	(22,058)	(41,957)
Realized and unrealized gain (loss) on investments and transaction costs		
Net realized gain on sale of investments	455,200	24,300
Transaction costs	(19,284)	(19,078)
Change in unrealized appreciation on investments	547,805	1,760,825
Net gain on investments	983,721	1,766,047
Increase in Net Assets from operations	\$ 961,663	\$ 1,724,090
Increase in Net Assets from operations per series		
Series A	\$ 921,800	\$ 1,653,266
Series F	\$ 39,863	\$ 70,824
Increase in Net Assets from operations per unit		
Series A	\$ 0.68	\$ 1.72
Series F	\$ 0.83	\$ 1.78

(See accompanying notes to financial statements)

Brigata Canadian Equity Fund

Statements of Changes in Net Assets

For the years ended December 31

	Series A	Series F	Total	Series A	Series F	Total
	2010			2009		
Increase in Net Assets from operations	\$ 921,800	\$ 39,863	\$ 961,663	\$ 1,653,266	\$ 70,824	\$ 1,724,090
Capital unit transactions						
Proceeds from units issued	2,706,479	61,203	2,767,682	4,789,515	126,911	4,916,426
Amounts paid for units redeemed	(1,232,288)	(2,500)	(1,234,788)	(283,324)	(10,632)	(293,956)
	1,474,191	58,703	1,532,894	4,506,191	116,279	4,622,470
Increase in Net Assets for the year	2,395,991	98,566	2,494,557	6,159,457	187,103	6,346,560
Net Assets, beginning of the year	11,069,178	420,286	11,489,464	4,909,721	233,183	5,142,904
Net Assets, end of the year (note 4)	\$ 13,465,169	\$ 518,852	\$ 13,984,021	\$ 11,069,178	\$ 420,286	\$ 11,489,464

(See accompanying notes to financial statements)

Brigata Canadian Equity Fund

Statement of Investments

As at December 31, 2010

No. of Shares or Par Value	Description	Average Cost \$	Fair Value \$	% of Net Assets
EQUITIES				
Energy				
7,100	Canadian Natural Resources Ltd.	207,188	314,459	
15,200	Canadian Oil Sands Trust	408,144	402,040	
12,200	Cenovus Energy Inc.	348,573	404,430	
12,000	EnCana Corp.	355,476	348,480	
7,052	Suncor Energy Inc.	237,372	269,316	
15,000	Talisman Energy Inc.	273,233	331,800	
8,550	TransCanada Corp.	307,077	324,387	
7,000	TransCanada Corp., Preferred	174,265	175,560	
	Total Energy	2,311,328	2,570,472	18.38
Materials				
2,950	BHP Billiton Ltd., ADR	190,084	272,344	
6,100	Goldcorp Inc.	228,830	279,441	
15,000	Yamana Gold Inc.	180,309	191,250	
	Total Materials	599,223	743,035	5.31
Industrials				
15,000	ABB Ltd., ADR	317,875	334,612	
4,900	Canadian National Railway Co.	257,705	324,772	
7,500	Finning International Inc.	143,500	202,800	
5,400	SNC-Lavalin Group Inc.	251,564	321,030	
	Total Industrials	970,644	1,183,214	8.46
Consumer Discretionary				
5,500	Canadian Tire Corp Ltd., Class A	296,320	374,990	
10,700	Dollarama Inc.	294,693	307,946	
3,500	McDonald's Corp.	232,673	266,919	
14,700	Reitmans Canada Ltd., Class A	204,917	274,301	
15,350	Shaw Communications Inc., Class B	313,944	326,955	
7,600	Thomson Reuters Corp.	243,262	282,416	
7,000	Tim Hortons Inc.	216,678	287,700	
	Total Consumer Discretionary	1,802,487	2,121,227	15.17
Consumer Staples				
6,100	Nestle SA, ADR	308,255	356,524	
12,200	North West Co Fund	204,161	251,564	
7,400	Shoppers Drug Mart Corp.	325,324	292,300	
24,750	The Jean Coutu Group PJC Inc.	222,995	238,343	
6,300	Wal-Mart Stores Inc.	344,710	337,602	
	Total Consumer Staples	1,405,445	1,476,333	10.56
Health Care				
17,000	CML Healthcare Income Fund	177,310	194,140	
5,200	Novartis AG, ADR	275,916	304,594	
	Total Health Care	453,226	498,734	3.57
Financials				
7,400	Bank of Nova Scotia	375,295	422,169	
19,000	Canadian Apartment Properties REIT	320,557	325,660	
12,000	Power Corp. of Canada	326,929	331,560	

(See accompanying notes to financial statements)

Brigata Canadian Equity Fund

Statement of Investments

As at December 31, 2010

No. of Shares or Par Value	Description	Average Cost \$	Fair Value \$	% of Net Assets
8,350	Royal Bank of Canada	385,782	436,036	
7,000	TMX Group Inc.	225,857	258,650	
4,900	Toronto-Dominion Bank	288,524	363,090	
	Total Financials	1,922,944	2,137,165	15.28
	Information Technology			
13,700	Cisco Systems Inc.	341,670	275,255	
11,700	Microsoft Corp.	324,891	324,474	
6,150	QUALCOMM Inc.	249,808	302,248	
	Total Information Technology	916,369	901,977	6.45
	Telecommunication Services			
4,000	BCE Inc.	128,440	141,360	
5,000	BCE Inc., Preferred	114,448	115,100	
8,300	Rogers Communications Inc., Class B	301,543	286,433	
3,700	TELUS Corp.	116,066	168,276	
8,500	Vodafone Group PLC, ADR	194,751	223,229	
	Total Telecommunication Services	855,248	934,398	6.68
	Utilities			
5,700	Emera Inc.	115,793	178,695	
	Total Utilities	115,793	178,695	1.28
	Total Equities	11,352,707	12,745,250	91.14
	Funds			
13000	iShares MSCI Emerging Markets Index Fund	502,789	615,388	
		502,789	615,388	4.40
	Total Investments	11,855,496	13,360,638	95.54
	Less: Transaction Costs (note 2)	(14,358)		
	Total Investments	11,841,138	13,360,638	95.54
	Other net assets	123,849	623,383	4.46
	Total Net Assets	11,964,987	13,984,021	100.00

(See accompanying notes to financial statements)

BRIGATA CANADIAN EQUITY FUND

Notes to the Financial Statements

December 31, 2010

1. Establishment of Fund

Brigata Canadian Equity Fund (the "Fund") is an open-end investment trust established under the laws of the Province of Ontario by a Master Declaration of Trust (the "Declaration of Trust"). The Declaration of Trust establishing the Fund was dated as of January 2, 2008. The Manager and Trustee of the Fund is Brigata Capital Management Inc. (the "Manager" and "Trustee") and the custodian of the Fund is RBC Dexia Investor Services Trust (the "Custodian"). The Fund commenced operation on January 3, 2008 with Series A and Series F units.

Series A units are available to all investors. Series F units are only sold to investors in fee based accounts that do not require the payment of trailer fees to dealers.

2. Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles (Canadian GAAP), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting periods. Actual results could vary from these estimates.

Basis of fair value measurement

All financial instruments recognized at fair value on the Statement of Net Assets are classified into three fair value hierarchy levels, based on the transparency of the input values used, as follows:

- | | |
|---------|---|
| Level 1 | Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Investment Manager has the ability to access at the measurement date. |
| Level 2 | Inputs other than quoted prices that is observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active. |
| Level 3 | Inputs that are unobservable. There is little if any market activity. Inputs into the determination of fair value require significant management judgment or estimation. |

Valuation of investments

Investments are categorized as held for trading and are recorded at fair value. The fair value of investments as at the financial reporting period is determined as follows:

- (i) Securities listed upon a recognized public stock exchange are valued at their last bid prices on the valuation date. Securities with no available bid prices are valued at the closing sale prices.
- (ii) Securities not listed upon a recognized public stock exchange are valued using valuation techniques, on such basis and in such manner established by the Manager.
- (iii) Short-term notes, treasury bills and bonds are valued at the bid quotations from recognized investment dealers.

Transaction costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commission paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Transaction costs are expensed and are included in "Transaction costs" in the Statement of Operations.

BRIGATA CANADIAN EQUITY FUND

Notes to the Financial Statements

December 31, 2010

2. Summary of Significant Accounting Policies (continued)

Cost of investments

The cost of investments represents the amount paid for each security, and is determined on an average cost basis excluding transaction costs.

Investment transactions and income

Investment transactions are accounted for on the trade date. Interest income is accrued daily and dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

Cash

Cash is comprised of cash on deposit and is deemed to be held for trading carried at fair value.

Foreign currency translation

Assets and liabilities in foreign currencies are translated into Canadian dollars at the rate of exchange prevailing at the period end. Purchases and sales of investments and income and expenses are translated into Canadian dollars at the rate of exchange prevailing at the transaction date.

Unit valuation

Units of the Fund are offered for sale on a continuous basis and may be purchased or redeemed on any valuation date at the Net Asset Value per unit. A valuation date is each day on which the Toronto Stock Exchange is open for business. The Net Asset Value per unit of a series for the purposes of subscription or redemption is computed by dividing the Net Asset Value of the Fund attributable to the series (that is, the total market value of the assets of the Fund less its liabilities) by the total number of units of the series of the Fund outstanding at such time. Net Asset Value is calculated in accordance with Section 14.2 of National Instrument 81-106. This differs from Net Assets calculated in accordance with Section 3855 of Canadian GAAP presented on the Financial Statements. For a comparison of Net Asset Value to Net Assets refer to note 4.

Increase (decrease) in net assets from operations per unit

Increase (decrease) in net assets from operations per unit in the statement of operations represents the increase (decrease) in net assets from operations for the period, attributable to the series, divided by the weighted average number of units outstanding in that series during the period, of the respective series.

3. Fair value disclosures

The Fund's assets recorded at fair value have been categorised based upon a fair value hierarchy in accordance with the amendments to CICA Handbook Section 3862, "*Financial Instruments – Disclosure*" ("Section 3862"). See Note 2 for a discussion of the Fund's policies regarding this hierarchy. The following fair value hierarchy table presents information about the Fund's assets measured at fair value as of December 31, 2010 and 2009.

BRIGATA CANADIAN EQUITY FUND

Notes to the Financial Statements

December 31, 2010

3. Fair value disclosures (continued)

	Financial Assets at fair value as at December 31, 2010			
	Level 1	Level 2	Level 3	Total
Cash	\$ 638,821	\$ -	\$ -	\$ 638,821
Equities	13,004,114	356,524	-	13,360,638
	\$ 13,642,935	\$ 356,524	\$ -	\$ 13,999,459

	Financial Assets at fair value as at December 31, 2009			
	Level 1	Level 2	Level 3	Total
Cash	\$ 1,136,677	\$ -	\$ -	\$ 1,136,677
Equities	10,339,426	-	-	10,339,426
	\$ 11,476,103	\$ -	\$ -	\$ 11,476,103

During 2010 and 2009 there were no transfers of investments between levels.

4. Reconciliation of Net Asset Value

Net Asset Value ("NAV") is the value of the total assets of a Fund less the value of its total liabilities at a valuation date for the purpose of processing unitholder transactions. Net assets are determined in accordance with *CICA Handbook* Section 3855, "Financial Instruments – Recognition and Measurement" ("Section 3855"). Section 3855 required the use of bid prices for long positions and ask prices for short positions in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of defining NAV. For investments that are not traded in an active market, Section 3855 requires the use of specific valuation techniques, rather than the use of valuation techniques by virtue of general practice in investment funds industry.

	Net Asset Value			Net Asset Value Per Unit		
	Net Asset Value	Adjustment	Net Assets	Net Asset Value Per Unit	Adjustment	Net Assets Per Unit
	\$	\$	\$	\$	\$	\$
As at December 31, 2010						
Series A	\$ 13,480,658	\$ (15,489)	\$ 13,465,169	\$ 9.73	\$ (0.01)	\$ 9.72
Series F	\$ 519,449	\$ (598)	\$ 518,852	\$ 10.02	\$ (0.02)	\$ 10.00
As at December 31, 2009						
Series A	\$ 11,091,816	\$ (22,638)	\$ 11,069,178	\$ 9.07	\$ (0.02)	\$ 9.05
Series F	\$ 421,146	\$ (860)	\$ 420,286	\$ 9.24	\$ (0.01)	\$ 9.23

5. Unitholders' Equity

The Fund currently consists of Series A and Series F units which are available on a daily basis. The number of Series A and Series F units of the Fund that may be issued is unlimited unless the Manager determines otherwise

BRIGATA CANADIAN EQUITY FUND

Notes to the Financial Statements

December 31, 2010

5. Unitholders' Equity (continued)

in its sole discretion. Unit transactions of the Fund for the years ended December 31, 2010 and 2009 were as follows:

	2010		2009	
	Series A	Series F	Series A	Series F
Units - Beginning of year	1,223,103	45,556	662,754	31,183
Units issued	299,249	6,582	595,362	15,647
Units redeemed	(136,343)	(276)	(35,013)	(1,274)
Units - End of year	1,386,009	51,862	1,223,103	45,556

6. Brokerage Commissions on Securities Transactions

The total fees paid to brokers in connection with investment portfolio transactions for the year ended December 31, 2010 were \$19,284 (2009 - \$19,078). There were \$2,844 (2009 - \$3,280) soft dollar commissions paid by the Fund during this period. The term "soft dollar" is used to describe a widely acceptable business practice by which the investment advisor receives various benefits from the broker throughout the course of the normal business relationship. Such benefits may be in the form of research, or other materials that aid the investment process, thus contributing to long-term realization of returns for the unit holders.

7. Management Fees and Expenses

The Manager is responsible for the day-to-day management of the Fund and its investment portfolio in compliance with the Fund's constating documents. The Manager monitors and evaluates the performance of the Fund pays for the services of the Portfolio Managers and pays for the investment management services of the Investment Advisors.

Pursuant to the terms of the trust agreement, the Manager receives a management fee from the Fund equal to 1.95% of the net asset value (the "Net Asset Value") of Series A units of the Fund and 1.00% of net asset value (the "Net Asset Value") of Series F units of the Fund, calculated in arrears and payable monthly. For the year ended December 31, 2010, management fees incurred by the Brigata Canadian Equity Fund Series A and Series F were \$258,793 (2009 - \$160,198) and \$4,900 (2009 - \$3,437) respectively.

In addition to the management fee, the Fund pays its own operating expenses. These expenses include, but are not limited to audit, accounting and legal fees, custodial, trustee, valuation, recordkeeping, operating, IRC and filing fees, and all costs associated with the qualification for sale of Series A and Series F units of the Fund.

The Management Expense Ratio ("MER") per series of units of the Fund for a fiscal period represents the total expenses of the series of units of the Fund expressed as a percentage of the average daily net asset values for the series of units during the fiscal period.

The Manager may absorb some of the operating expenses generally payable by the Fund. Operating expenses of the Fund were absorbed by the Manager in the amount sufficient to ensure that the management expense ratio "MER" for the Fund did not exceed 2.40% per annum in respect of the Series A and 1.45% per annum in respect of Series F. These absorption of expenses are exclusive of GST/HST and the Manager may amend or remove these absorption of expenses at its discretion. Effective January 2011, the Manager announced the intention to absorb operating expenses in amount sufficient to ensure that the MER does not exceed 2.50% per annum in respect of series A and to 1.55% per annum in respect to series F, exclusive of HST.

BRIGATA CANADIAN EQUITY FUND

Notes to the Financial Statements

December 31, 2010

8. Income Taxes

The Fund has qualified as a mutual fund trust as defined in the Income Tax Act (Canada) as it meets the number of unitholders requirement. Pursuant to the terms of the Declaration of Trust, the Fund pays or makes payable in the calendar year to the unitholders all the net income and such portion of the net capital gains which will result in the Fund paying no tax under the current provisions of the Act. As a result, under existing tax legislation, the net income and net capital gains are taxable in the hands of the unitholders of the Fund. Accordingly, no provision for Canadian income taxes has been made in these financial statements.

As of December 15, 2010, the Fund's latest taxation year, the Fund had \$735,500 (2009 - \$875,000) in capital losses carried forward and no non-capital losses carried forward.

9. Risks Arising From Financial Instruments

The Fund's financial instruments consist of cash and investments. As a result, the Fund is exposed to various types of risks that are associated with its investment strategies, financial instruments, and markets in which it invests. These risks include market risk, credit risk and liquidity risk. The value of investments within a fund's portfolio can fluctuate on a daily basis as a result of changes in interest rates, economic conditions, market and company news related to specific securities within the fund. The level of risk depends on the Fund's investment objectives and the type of securities it invests in. These risks and related risk management practices employed by the Fund are discussed below.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, currency fluctuations, and changes in interest rates. The investments of the Fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by the Fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Fund's market price risk is managed through diversification of the investment portfolio. The Investment Manager monitors the Fund's overall market positions on a daily basis and positions are maintained within established ranges.

(i) Market Fluctuation Risk

The Fund is exposed to market fluctuation risk to the extent of its investment in equity instruments. If the market indexes had increased (decreased) by 5% at December 31, 2010, with all other variables held constant, this could have increased (decreased) net assets by approximately \$668,000 (2009 – \$517,000). In practice, actual results may differ from the sensitivity analysis and the difference may be material.

(ii) Currency risk

Currency risk is the risk that the value of investments denominated in currencies, other than the functional currency of the Fund, will fluctuate due to changes in foreign exchange rates. Equities in foreign markets and foreign bonds are exposed to currency risk as the prices denominated in foreign currencies are converted to the Fund's functional currency in determining fair value.

Exposures to foreign currencies as at December 31, 2010 and 2009 are presented in the table below:

BRIGATA CANADIAN EQUITY FUND

Notes to the Financial Statements

December 31, 2010

9. Risks Arising From Financial Instruments (continued)

(ii) Currency risk (continued)

As at December 31, 2010	Cash and other	Investments at	Total Foreign	Percentage of
Currency	Net Assets	Fair Value	Holdings	Net Assets
	Cdn \$	Cdn \$	Cdn \$	(%)
US Dollar	106,966	3,390,200	3,497,166	25.0
British Pound	-	223,229	223,229	1.6

As at December 31, 2009	Cash and other	Investments at	Total Foreign	Percentage of
Currency	Net Assets	Fair Value	Holdings	Net Assets
	Cdn \$	Cdn \$	Cdn \$	(%)
US Dollar	251,975	1,816,736	2,068,711	18.0
British Pound	-	241,959	241,959	2.1

As at December 31, 2010, if the exchange rate between the Canadian Dollar and the foreign currencies (i.e. British Pound and US Dollar) increased or decreased by 5%, with all other variables being constant, the increase or decrease in net assets respectively, in terms of British Pounds and US Dollars, could amount to approximately \$11,000 (2009 - \$12,000) and \$175,000 (2009 - \$104,000) respectively. In practice, actual results may differ from the sensitivity analysis and the difference may be material.

(iii) Interest rate risk

Interest rate risk is the risk that the market value of the Fund's interest-bearing investments will fluctuate due to changes in market interest rates. The majority of the Fund's financial assets are non-interest bearing. The Fund does not receive interest on any cash balance. While cash can currently be considered a significant position of the investment portfolio, the interest rate risk is minimal. The Fund does not have a significant exposure to interest rate risk.

Credit risk

As at December 31, 2010, the Fund does not hold any fixed income investments. Therefore, the Fund does not have significant exposure to credit risk.

Liquidity risk

Liquidity risk is defined as the risk that the Fund may not be able to settle or meet its obligations on time or at a reasonable price. The Fund is exposed to daily cash redemptions of redeemable units. The units of the Fund are redeemed on demand at the current Transactional NAV per unit at the option of the unitholder. Liquidity risk is managed by investing the majority of the Funds' assets in investments that are traded in an active market and can be readily disposed. In addition, the Fund aims to retain sufficient cash and cash equivalent positions to maintain liquidity.

The Fund's investments are considered readily realizable and highly liquid, therefore the Fund's liquidity risk is considered minimal.

Manager and Trustee**Brigata Capital Management Inc.**

35 Antares Drive

Ottawa, Ontario K2E 8B1

Tel: 613-288-0572

Fax: 613-288-0574

Toll Free: 1-888-BRIGATA (1-888-274-4282)

email: info@brigatafunds.comwebsite: www.brigatafunds.com**Portfolio Manager****C.F.G. Heward****Investment Management Ltd.**

2155 rue de la Montagne

Montreal, Quebec H3G 1Z8

Independent Review Committee

Andrew Billingsley, MBA

Ottawa, Ontario

Lisa Johnson, LL.B

Ottawa, Ontario

John Lisowski, CA

Ottawa, Ontario

Auditors**PricewaterhouseCoopers LLP**

99 Bank Street, Suite 800

Ottawa, Ontario K1P 1E4

Legal Counsel**Borden Ladner Gervais LLP**

100 Queen Street, Suite 1100

Ottawa, Ontario K1P 1J9

Custodian, Registrar and Transfer Agent**RBC Dexia Investor Services Trust**

155 Wellington Street West, Street Level

Toronto, Ontario M5V 3L3



Brigata Capital Management Inc.
35 Antares Drive, Ottawa, Ontario, K2E 8B1
Tel: 613-288-0572 Fax: 613-288-0574
Toll Free: 1-888-BRIGATA (1-888-274-4282)
www.brigatafunds.com
info@brigatafunds.com