Audited Financial Statements of

ASTON HILL OPPORTUNITIES FUND

For the year ended December 31, 2014

March 31, 2015

Independent Auditor's Report

To the Unitholders of
Aston Hill Opportunities Fund
(the Fund)

We have audited the accompanying financial statements of the Fund, which comprise of the statements of financial position as at December 31, 2014, December 31, 2013, and January 1, 2013 and the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the years ended December 31, 2014 and December 31, 2013, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements of the Fund in accordance with International Financial Reporting Standards, 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 of the Fund 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 the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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.

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Opinion

In our opinion, the financial statements of the Fund present fairly, in all material aspects, the financial position of the Fund as at December 31, 2014, December 31, 2013 and January 1, 2013 and the financial performance and cash flows of the Fund for the years ended December 31, 2014 and December 31, 2013 in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario

ASTON HILL OPPORTUNITIES FUND

STATEMENTS OF FINANCIAL POSITION

	As at December 31, 2014	As at December 31, 2013	As at January 1, 2013
Assets			
Current assets			
Financial assets at fair value through profit or loss	**$ 10,643,594**	$ 5,094,913	$ 3,064,282
Short-term investments	**8,374,873**	3,973,362	-
Cash	**1,606,723**	815,039	2,432,709
Subscription receivable	**119,411**	546,200	-
Broker margin (note 14)	**2,210,519**	528,925	457,026
Derivative assets	**41,445**	-	-
Due from broker	**2,640,782**	1,117,118	23,356
Dividends receivable	**10,386**	4,073	2,120
Interest receivable	**7,066**	3,421	7,819
Due from Manager	**14,836**	-	-
Total assets	**25,669,635**	12,083,051	5,987,312
Liabilities			
Current liabilities			
Financial liabilities at fair value through profit or loss	**2,677,354**	1,352,843	164,665
Derivative liabilities	**245,559**	66,815	1,666
Due to broker	**2,208,967**	276,441	126,591
Liability on written option	**-**	-	-
Management fees payable (note 8)	**4,798**	9,074	5,001
Performance fees payable (note 8)	**154,077**	90,828	1,346
Accounts payable and accrued liabilities	**56,682**	39,451	29,146
Dividends payable	**2,152**	542	150
Redemptions payable	**-**	27,876	-
Distributions payable	**-**	-	734,789
	-	-	-
Total liabilities	**5,349,589**	1,863,870	1,063,354
Net Assets attributable to holders of redeemable units	**$ 20,320,046**	$ 10,219,181	$ 4,923,958
Net Assets attributable to holders of redeemable units per series			
Series A	**$ 4,561,939**	$ 1,041,194	$ 154,695
Series F	**$ 9,851,141**	$ 3,159,967	$ 465,846
Series Y	**$ 3,190,508**	$ 3,004,194	$ 2,192,138
Series Z	**$ 2,716,458**	$ 3,013,826	$ 2,111,279
Units outstanding per series (note 7)			
Series A	**121,336**	30,405	5,589
Series F	**243,345**	86,298	15,825
Series Y	**74,428**	78,291	74,171
Series Z	**69,098**	84,668	76,181
Net Assets attributable to holders of redeemable units per series per unit			
Series A	**$ 37.60**	$ 34.24	$ 27.68
Series F	**$ 40.48**	$ 36.62	$ 29.44
Series Y	**$ 42.87**	$ 38.37	$ 29.56
Series Z	**$ 39.31**	$ 35.60	$ 27.71

Approved on behalf of the Manager, Aston Hill Asset Management Inc.

Neil Murdoch
Director

Larry W. Titley
Director

ASTON HILL OPPORTUNITIES FUND

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31		2014		2013
Income				
Securities lending income	**$**	**839**	$	51
Other changes in fair value on financial assets and financial liabilities at fair value through profit or loss				
Net foreign currency gain		**318,937**		65,118
Dividends		**112,121**		53,227
Interest income for distribution purpose		**117,506**		110,682
Dividends paid on investments sold short		**(30,221)**		(2,440)
Net realized gain on investments		**2,160,333**		1,372,475
Net realized loss on derivative contracts		**(315,171)**		(53,058)
Transaction costs		**-**		-
Change in unrealized (depreciation) appreciation on investments		**(57,554)**		618,522
Change in unrealized appreciation depreciation on derivative contracts		**(164,344)**		(62,950)
Total income		**2,142,446**		2,101,627
Expenses				
Management fees (note 8)		**228,798**		110,405
Performance fees (note 8)		**152,513**		90,828
Administration fees (note 8)		**4,300**		4,756
Legal fees		**21,247**		3,025
Audit fees		**32,115**		21,404
Unitholder reporting costs		**59,968**		60,822
Custody fees		**19,208**		6,138
Independent review committee fees		**408**		20
Interest and bank charges		**68**		2,486
Filing fees		**-**		5,505
Securities borrowing fees		**8,154**		1,621
Withholding taxes		**16,376**		7,288
Transaction costs		**35,847**		21,693
		579,002		335,991
Expenses reimbursed by Manager (note 8)		**(21,661)**		-
Total expenses		**557,341**		335,991
Operating profit (loss)		**1,585,105**		1,765,636
Finance costs (excluding increase/decrease in Net Assets attributable to holders of redeemable units)				
Distributions to holders of redeemable units		**-**		-
Profit (loss) after distributions and before tax		**1,585,105**		1,765,636
		-		-
Increase in Net Assets attributable to holders of redeemable units from operations		**1,585,105**		1,765,636
Increase in Net Assets attributable to holders of redeemable units from operations per series				
Series A	**$**	**285,568**	$	104,179
Series F	**$**	**679,630**	$	279,571
Series Y	**$**	**340,644**	$	703,064
Series Z	**$**	**279,263**	$	678,822
Weighted average number of units outstanding for the year				
Series A		**76,287**		15,888
Series F		**169,325**		36,109
Series Y		**75,975**		79,481
Series Z		**75,405**		85,920
Increase in Net Assets attributable to holders of redeemable units from operations per unit(1)				
Series A	**$**	**3.74**	$	6.56
Series F	**$**	**4.01**	$	7.74
Series Y	**$**	**4.48**	$	8.85
Series Z	**$**	**3.70**	$	7.90

(1) Based on the weighted average number of units outstanding for the year.

The accompanying notes are an integral part of these financial statements.

ASTON HILL OPPORTUNITIES FUND

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

Series A

For the years ended December 31		2014		2013
Net Assets attributable to holders of redeemable units, beginning of year	**$**	**1,041,194**	$	154,695
Increase in Net Assets attributable to holders of redeemable units		**285,568**		104,179
Redeemable unit transactions:				
Exchange of units from income securities		**-**		-
Proceeds from redeemable units issued		**3,298,850**		759,200
Reinvestments of distributions to holders of redeemable units		**754**		23,120
Redemption of redeemable units		**(63,842)**		-
		3,235,762		782,320
Distributions to holders of redeemable units:				
Distributions to ROC Securityholders		**-**		-
Write-down of distributions payable to income securityholders		**-**		-
From income		**(585)**		-
Return of capital		**-**		-
		(585)		-
Net increase in Net Assets attributable to holders of redeemable units		**3,520,745**		886,499
Net Assets attributable to holders of redeemable units, end of year	**$**	**4,561,939**	$	1,041,194

Series F

For the years ended December 31		2014		2013
Net Assets attributable to holders of redeemable units, beginning of year	**$**	**3,159,967**	$	465,846
Increase in Net Assets attributable to holders of redeemable units		**679,630**		279,571
Redeemable unit transactions:				
Proceeds from redeemable units issued		**6,127,278**		2,345,000
Reinvestments of distributions to holders of redeemable units		**285**		69,550
Redemption of redeemable units		**(115,883)**		-
		6,011,680		2,414,550
Distributions to holders of redeemable units:				
From income		**(136)**		-
Return of capital		**-**		-
		(136)		-
Net increase in Net Assets attributable to holders of redeemable units		**6,691,174**		2,694,121
Net Assets attributable to holders of redeemable units, end of year	**$**	**9,851,141**	$	3,159,967

Series Y

For the years ended December 31		2014		2013
Net Assets attributable to holders of redeemable units, beginning of year	**$**	**3,004,194**	$	2,192,138
Increase in Net Assets attributable to holders of redeemable units		**340,644**		703,064
Redeemable unit transactions:				
Proceeds from redeemable units issued		**-**		-
Reinvestments of distributions to holders of redeemable units		**448**		240,731
Redemption of redeemable units		**(154,374)**		(131,372)
		(153,926)		109,359
Distributions to holders of redeemable units:				
From income		**(404)**		(367)
Return of capital		**-**		-
		(404)		(367)
Net increase in Net Assets attributable to holders of redeemable units		**186,314**		812,056
Net Assets attributable to holders of redeemable units, end of year	**$**	**3,190,508**	$	3,004,194

The accompanying notes are an integral part of these financial statements.

ASTON HILL OPPORTUNITIES FUND

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (continued)

Series Z

For the years ended December 31		2014		2013
Net Assets attributable to holders of redeemable units, beginning of year	**$**	**3,013,826**	$	2,111,279
Increase in Net Assets attributable to holders of redeemable units		**279,263**		678,822
Redeemable unit transactions:				
Proceeds from redeemable units issued		**-**		-
Reinvestments of distributions to holders of redeemable units		**-**		294,399
Redemption of redeemable units		**(576,631)**		(70,674)
		(576,631)		223,725
Distributions to holders of redeemable units:				
From income		**-**		-
Return of capital		**-**		-
		-		-
Net (decrease) increase in Net Assets attributable to holders of redeemable units		**(297,368)**		902,547
Net Assets attributable to holders of redeemable units, end of year	**$**	**2,716,458**	$	3,013,826

Fund Total

For the years ended December 31		2014		2013
Net Assets attributable to holders of redeemable units, beginning of year	**$**	**10,219,181**	$	4,923,958
Increase in Net Assets attributable to holders of redeemable units		**1,585,105**		1,765,636
Redeemable unit transactions:				
Exchange of units from income securities		**-**		-
Proceeds from redeemable units issued		**9,426,128**		3,104,200
Reinvestments of distributions to holders of redeemable units		**1,487**		627,800
Redemption of redeemable units		**(910,730)**		(202,046)
		8,516,885		3,529,954
Distributions to holders of redeemable units:				
Distributions to ROC Securityholders		**-**		-
Write-down of distributions payable to income securityholders		**-**		-
From income		**(1,125)**		(367)
Return of capital		**-**		-
		(1,125)		(367)
Net increase in Net Assets attributable to holders of redeemable units		**10,100,865**		5,295,223
Net Assets attributable to holders of redeemable units, end of year	**$**	**20,320,046**	$	10,219,181

The accompanying notes are an integral part of these financial statements.

ASTON HILL OPPORTUNITIES FUND

STATEMENTS OF CASH FLOWS

For the years ended December 31		2014		2013
Cash flows from operating activities				
Increase in Net Assets attributable to holders of redeemable units	**$**	**1,585,105**	$	1,765,636
Adjustments to reconcile to operating cash flows:				
Net realized gain on sale of investments		**(2,160,333)**		(1,372,475)
Net realized loss on forward currency contracts		**-**		-
Change in fair value of income securities		**-**		-
Net realized gain on foreign exchange		**(318,937)**		(65,118)
Change in unrealized depreciation (appreciation) on investments		**57,554**		(618,522)
Change in unrealized depreciation on derivative contracts		**164,344**		62,950
Proceeds from investments sold		**30,049,791**		15,508,660
Purchase of investments		**(36,190,876)**		(19,275,191)
(Increase) decrease in due from manager		**-**		-
Increase in due from manager		**(14,836)**		-
Increase in dividends receivable		**(6,313)**		(1,953)
Increase in interest receivable		**(3,645)**		4,398
(Decrease) increase in dividends payable on investments sold short		**1,610**		392
Increase (decrease) in management fees payable		**(4,276)**		4,073
Increase in performance fees payable		**63,249**		89,482
Increase in accounts payable and accrued liabilities		**17,231**		10,305
Increase in broker margin		**(1,681,594)**		(71,899)
Cash flows used in operating activities		**(8,441,926)**		(3,959,262)
Cash flows from financing activities				
Proceeds from redeemable units issued		**9,852,917**		2,558,000
Redemption of redeemable units		**(938,606)**		(174,170)
Distributions paid to holders of redeemable units, net of reinvested distributions		**362**		(107,356)
Cash flows from financing activities		**8,914,673**		2,276,474
Increase (decrease) in cash and cash equivalents during the year		**472,747**		(1,682,788)
Net realized (loss) gain on foreign exchange		**318,937**	-	65,118
Cash and cash equivalents, beginning of year		**815,039**		2,432,709
Cash and cash equivalents, end of year	**$**	**1,606,723**	$	815,039
Dividends received, net of withholding taxes	**$**	**89,441**	$	43,986
Interest received	**$**	**113,852**	$	115,080
Dividends paid	**$**	**28,611**	$	2,048
Interest paid	**$**	**68**	$	2,486

The accompanying notes are an integral part of these financial statements.

ASTON HILL OPPORTUNITIES FUND

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2014

Face Value / No. of Shares		Coupon Rate (%)	Maturity Date	Cost	Fair Value	% of Portfolio
	Fixed-income investments					
	High Yield Bonds					
30,000	Crumbs Bake Shop Inc. (1)	10.000%	April 10, 2018	30,096	-	
	Total High Yield Bonds			30,096	-	0.0%
	Total Fixed income investments			30,096	-	0.0%
	Equities - long					
	Materials					
2,036	Ecolab Inc.			252,099	246,479	
1,300	Vulcan Materials Co.			94,898	98,971	
	Total Materials			346,997	345,450	4.3%
	Energy					
17,245	Nordic American Tankers Ltd.			197,150	201,139	
	Total Energy			197,150	201,139	2.5%
	Industrials					
3,128	Deere & Co.			319,058	320,528	
10,347	HD Supply Holdings Inc.			324,024	353,421	
505	PACCAR Inc.			40,362	39,780	
4,552	Republic Services Inc.			188,462	212,213	
4,503	Swift Transportation Company			116,860	149,323	
7,300	Wabash National Corp.			93,580	104,507	
	Total Industrials			1,082,346	1,179,772	14.8%
	Consumer discretionary					
5,900	Aramark			197,669	212,869	
3,408	Bed Bath & Beyond Inc.			273,438	300,668	
8,935	Best Buy Co. Inc.			394,556	403,403	
7,300	Bloomin' Brands Inc.			199,972	209,353	
5,850	Burlington Stores Inc.			272,443	320,223	
4,700	Carnival Corp.			213,511	246,767	
935	CBS Corp.			60,741	59,931	
6,170	Cheesecake Factory Inc.			338,954	359,536	
1,400	Darden Restaurants Inc.			94,132	95,072	
5,806	DSW Inc.			241,348	250,835	
17,484	EVINE Live Inc.			105,704	133,453	
1,600	Grand Canyon Education Inc.			87,122	86,470	
4,753	Macy's Inc.			296,544	361,965	
8,758	ONE Group Hospitality Inc.			48,597	48,235	
7,500	ONE Group Hospitality Inc., Warrants, Expiry Oct/03/2016			-	8,687	
45	Priceline Group Inc.			59,935	59,429	
8,200	PulteGroup Inc.			201,755	203,820	
2,568	TJX Cos Inc.			169,159	203,984	
	Total Consumer discretionary			3,255,580	3,564,700	44.7%
	Consumer staples					
315	Crumbs Bake Shop Inc.			3	71	
3,300	Hormel Foods Corp.			198,306	199,138	
800	JM Smucker Co.			91,115	93,568	
789	Kellogg Co.			60,634	59,803	
4,200	Kraft Foods Group Inc.			305,464	304,819	
2,400	Pinnacle Foods Inc.			90,325	98,127	
4,942	Wal-Mart Stores Inc.			438,388	491,584	
				1,184,235	1,247,110	15.7%
	Total Consumer staples			1,184,235	1,247,110	15.7%

(1) Level 3 financial assets (note 11)

Face Value / No. of Shares		Coupon Rate (%)	Maturity Date	Cost	Fair Value	% of Portfolio
	Healthcare					
202	Actavis PLC			61,032	60,225	
2,400	Aetna Inc.			240,788	246,930	
13,200	Boston Scientific Corp.			202,599	202,578	
1,536,000	ConjuChem biotechnologies Inc.			161,280	154	
1,020	Cooper Cos Inc.			192,300	191,496	
4,867	Envision Healthcare Holdings Inc.			192,930	195,555	
4,709	HCA Holdings Inc.			367,184	400,285	
3,729	Hill-Rom Holdings Inc.			185,536	197,038	
661	Johnson & Johnson			81,229	80,059	
1,200	Merck & Co. Inc.			78,470	78,933	
2,200	Mylan Inc./PA			139,028	143,639	
4,308	Quintiles Transnational Holdings Inc.			275,107	293,747	
413	Thermo Fisher Scientific Inc.			60,891	59,933	
3,919	Zoetis Inc.			172,973	195,321	
	Total Healthcare			2,411,347	2,345,893	29.5%
	Financials					
14,472	Bank of America Corp.			294,409	299,877	
3,100	Citigroup Inc.			188,291	194,286	
1,300	JPMorgan Chase & Co.			87,790	94,228	
3,006	Lincoln National Corp.			180,314	200,790	
3,100	MetLife Inc.			198,286	194,215	
1,000	Prudential Financial Inc.			96,485	104,775	
6,162	SunTrust Banks Inc.			292,585	299,047	
	Total Financials			1,338,160	1,387,218	17.4%
	Information technology					
850	Ethoca Solutions Inc.[1]			56,915	60,055	
	Total Information technology			56,915	60,055	0.8%
	Telecommunication Services					
5,763	Verizon Communications Inc.			305,792	312,257	
	Total Telecommunication Services			305,792	312,257	3.9%
	Total Equities - long			10,178,522	10,643,594	133.6%
	Total Long investments			10,208,618	10,643,594	133.6%
	Equities - Short					
	Healthcare					
(800)	Varian Medical Systems Inc.			(75,937)	(80,160)	
	Total healthcare			(75,937)	(80,160)	(1.0%)
	Industrials					
(1,700)	Boeing Co.			(241,383)	(255,934)	
	Total Industrials			(241,383)	(255,934)	(3.2%)
	Consumer staples					
(1,000)	Metro Inc.			(90,665)	(93,300)	
	Total Consumer staples			(90,665)	(93,300)	(1.2%)

[1] Level 3 financial assets (note 11)

SCHEDULE OF INVESTMENT PORTFOLIO (continued)

As at December 31, 2014

Face Value / No. of Shares		Coupon Rate (%)	Maturity Date	Cost	Fair Value	% of Portfolio
	Exchange Traded Funds					
(5,404)	Consumer Discretionary Select Sector SPDR Fund			(449,321)	(451,600)	
(4,462)	Consumer Staples Select Sector SPDR Fund			(252,031)	(250,602)	
(3,772)	Health Care Select Sector SPDR Fund			(281,344)	(298,748)	
(2,532)	iShares Russell 2000 ETF			(351,787)	(350,955)	
(3,568)	Materials Select Sector SPDR Fund			(202,114)	(200,764)	
(822)	SPDR S&P 500 ETF Trust			(169,147)	(195,653)	
(5,226)	Technology Select Sector SPDR Fund			(253,171)	(250,294)	
(4,559)	Utilities Select Sector SPDR Fund			(247,760)	(249,344)	
	Total Exchange Traded Funds			(2,206,675)	(2,247,960)	(28.2%)
	Total Equities - Short			(2,614,660)	(2,677,354)	(33.6%)
	Total investments			7,593,958	7,966,240	100.0%
	Embedded broker commission			(6,255)		
	Total			7,587,703	7,966,240	100.0%

(1) Level 3 financial assets (note 11)

Schedule A

Short-term investments

As at December 31, 2014

Par Value	Short-term investments	Cost (CDN)	Fair Value (CDN)
400,000	Canadian Treasury Bill, *0.879% due January 15,2015*	399,068	399,068
500,000	Canadian Treasury Bill, *0.885% due January 29,2015*	499,165	499,165
1,000,000	Canadian Treasury Bill, *0.885% due February 26,2015*	997,100	997,100
1,000,000	Canadian Treasury Bill, *0.890% due March 12,2015*	997,300	997,300
1,500,000	Canadian Treasury Bill, *0.889% due March 26,2015*	1,495,880	1,495,880
1,000,000	Canadian Treasury Bill, *0.899% due April 09,2015*	996,760	996,760
1,500,000	Canadian Treasury Bill, *0.906% due April 23,2015*	1,494,585	1,494,585
1,000,000	Canadian Treasury Bill, *0.915% due May 07,2015*	996,800	996,800
500,000	Canadian Treasury Bill, *0.921% due May 21,2015*	498,215	498,215
		$ 8,374,873	**$ 8,374,873**

Schedule B

Forward Currency Contracts

As at December 31, 2014

Number of Contracts	Sold	Bought	Settlement Date	Unrealized Gain (Loss)	Counterparty	Counterparty Credit Rating
1	GBP 42,300	CAD 75,746	January 20, 2015	-669	CIBC	AA
1	CAD 74,905	GBP 42,300	January 20, 2015	1,509	CIBC	AA
1	USD 600,000	CAD 687,044	January 20, 2015	-8,208	CIBC	AA
1	USD 7,545,400	CAD 8,545,430	January 20, 2015	-197,744	CIBC	AA
1	USD 785,000	CAD 888,424	January 20, 2015	-21,188	Royal Bank of Canada	AA
Total				**(CAD 226,300)**		

Schedule C Option Contracts

As at December 31,2014

Underlying security	Number of Contracts	Option type	Expiration date	Strike price per contract	Current price per contract	Premium received ($)	Fair value ($)	Counterparty
Energy Select Sector SPDR	80	Call	January 17, 2015	78.00	1.600	14,826	23,443	CIBC
SPDR S&P 500 Trust	35	Put	March 20, 2015	190.00	3.007	12,190	9,993	CIBC
SPDR S&P 500 Trust	40	Put	January 17, 2015	195.00	1.100	5,096	3,174	CIBC
United Statest Oil Fund LP	200	Call	January 17, 2015	23.00	0.762	17,647	2,432	CIBC
iShares Russell 2000 Index	50	Put	January 17, 2015	112.00	1.335	7,729	2,403	CIBC
USD PUT CAD CALL @1.1265 OTC OPT 02-JAN-2015	(2,000,000)		January 2, 2015	1.13	0.005	-10,762	-	TD Bank Corp.
USD PUT CAD CALL @1.15 OTC OPT 20-JAN-2015	(2,000,000)		January 20, 2015	1.15	0.005	-10,888	-7,358	CIBC
USD PUT CAD CALL @1.155 OTC OPT 23-JAN-2015	(2,000,000)		January 23, 2015	1.16	0.005	-10,888	-11,901	Scotia Capital
						$ 24,950	**$ 22,186**	

1. THE FUND

Aston Hill Opportunities Fund (the “Fund”) is an investment trust which was initially established on July 29, 2005 and currently exists under the laws of the Province of Ontario pursuant to an amended and restated master declaration of trust dated as of April 19, 2012 (the “Declaration of Trust”). Aston Hill Asset Management Inc. (“AHAM”) is the trustee (in such capacity, the “Trustee”) and the manager (in such capacity, the “Manager”) of the Fund.

The investment objective of the Fund is to seek to achieve long-term capital growth through superior selection of securities from issuers anywhere in the world.

The Fund currently offers Series A Units and Series F Units (together, the “Units”) are available for sale to new investors. Although the Fund is a “mutual fund” as defined in applicable securities legislation, it is not required to (and does not) operate in accordance with the requirements of National Instrument 81-102 – Mutual Funds and other regulations and policies of the Canadian securities regulators that are applicable only to public mutual funds.

The address of the Fund’s registered office is 77 King Street West, Suite 2110, Toronto, Ontario, M5K 1G8.

The Schedule of Investment Portfolio for the Fund is as at December 31, 2014. The Statements of Financial Position are as at December 31, 2014, December 31, 2013 and January 1, 2013, where applicable. The Statements of Comprehensive Income, Statements of Cash Flows and Statements of Changes in Net Assets Attributable to Holders of Redeemable Units are for the years ended December 31, 2014 and 2013.

These financial statements were authorized for issue by AHAM on March 30, 2015.

2. BASIS OF PREPARATION AND ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS

These financial statements have been prepared in compliance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of financial statements, under the historical cost convention basis, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through prof t and loss. The Fund adopted this basis of accounting in 2014 as required by Canadian securities legislation and the Canadian Accounting Standards Board. Previously the Fund’s financial statements were prepared in accordance with Canadian generally accepted accounting principles as defined in Part V of the CPA Handbook (“Canadian GAAP”). The comparative information has been restated from Canadian GAAP to comply with IFRS. The Fund has consistently applied the accounting policies used in the preparation of their opening IFRS Statement of Financial Position at January 1, 2013, and throughout all periods presented, as if these policies had always been in effect. Note 6 of the Notes to the Financial Statements discloses the impact of the transition to IFRS on the Fund’s reported financial position, financial performance and cash flows, including the nature and effect of significant changes in accounting policies from those used in the Fund’s financial statements for the year ended December 31, 2013, as prepared under Canadian GAAP.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Manager to exercise its judgment in the process of applying the Fund’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS) applicable to the preparation of financial statements, under the historical cost convention basis, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit and loss. The Fund adopted this basis of accounting in 2014 as required by Canadian securities legislation and the Canadian Accounting Standards Board. Previously, the Fund’s ‘financial statements were prepared in accordance with Canadian generally accepted accounting principles as defined in the Part V of the CPA Handbook ("Canadian GAAP"). The comparative information has been restated from Canadian GAAP to comply with IFRS. The Fund has consistently applied the accounting policies used in the preparation of its opening IFRS statement of financial position at January 1, 2013 and throughout all periods presented, as if these policies had always been in effect. Note 6 of Notes to the Financial Statements discloses the impact of the transition to IFRS on the Fund’s reported financial position, financial performance and cash flows, including the nature and effect of significant changes in accounting policies from those used in the Fund’s financial statements for the year ended December 31, 2013 prepared under Canadian GAAP

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Manager to exercise its judgment in the process of applying the Fund’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

The following is a summary of significant accounting policies:

a) Financial Instruments

The Fund's long position investments in equity securities and fixed income securities are designated at fair value through profit or loss ("FVTPL") at inception. The Fund's derivatives and investments sold short are categorized as held for trading. As a result of such designation and categorization, the Fund's investments and derivatives are measured at FVTPL. The Fund's obligation for Net Assets attributable to holders of redeemable units is presented at approximately the redemption amount. All other financial assets and liabilities are measured for at amortized cost. Under this method, financial assets and liabilities reflect the amounts required to be received or paid, discounted when appropriate, at the financial instrument's effective interest rate. The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its published Net Asset Value (NAV). The fair values of the Fund's financial assets and liabilities that are not carried at FVTPL approximate their carrying amounts due to their short-term nature.

b) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded marketable securities) are based on quoted market prices at the close of trading on the reporting date. The Fund uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most that is most representative of fair value based on the specific facts and circumstances. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances given rise to the transfer.
The fair value of financial assets and liabilities that are not traded in an active market including foreign currency forward contracts and options are determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each measurement date. Valuation techniques include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same and others commonly used by market participants and which make the maximum us of observable inputs. Refer to Note 9 for further information about the Fund's fair value measurements.
Written options are valued at close price, and purchased options are valued at close price as reported on recognized exchanges.
The Fund's investments in securities having no quoted market value are valued at estimated fair value using valuation techniques as determined by the Manager. Estimated fair value is determined on the basis of the expected realizable value of the investments if they were disposed of in an orderly manner over a reasonable period of time. The Manager uses estimation techniques to determine fair value, including discounted cash flows, multiples of earnings and comparison with other securities that are substantially the same. The difference between fair value and average cost, as recorded in the accounts, is shown as change in unrealized appreciation (depreciation) on investments.

c) Cash

Cash consists of cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown in current liabilities in the Statements of Financial Position.

d) Other Assets and Liabilities

Other financial assets, which may include, dividend and interest receivable, subscriptions receivable from unitholders, due from broker and due from the Manager, are designated as loans and receivables and carried at amortized cost. Other financial liabilities, which may include accounts payable and accrued liabilities, management fees payable, redemptions payable to unitholders, and distributions payable to unitholders, are designated as such and are carried at amortized cost. Due to their short-term nature, the carrying value of the financial assets and liabilities approximates fair value.

e) Investment Transactions and Income Recognition

All investment transactions are accounted for on a trade date basis. Dividend income is recorded on the ex-dividend date. The interest income for distribution purposes shown on the Statements of Comprehensive Income represents the coupon interest received by the Fund accounted for on an accrual basis. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds which are amortized on a straight line basis. Distributions are recorded on the ex-distribution date as a reduction of the adjusted cost of the related instrument in case of return of capital. Securities lending income is recognized upon receipt.

Realized gains and losses on the sale of investments and unrealized appreciation or depreciation of investments are determined based on the average cost basis.

Securities lending income is recognized upon receipt.

Dividend income is recognized on the ex-dividend date.

f) Use of Estimate

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in Net assets attributable to holders of redeemable units during the reporting period. A significant area requiring the use of management judgments and estimates is the valuation of non-public investments. The resulting values may differ materially from values that would have been used had a readily available market existed for the investments and the prices at which the investments may be sold.

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Funds is to invest on a total return basis for the purpose of applying the fair value option for the financial assets under IAS39, Financial instruments – Recognition and Measurement (IAS39). The most significant judgment made include the determination that certain investments are held-for-trading and that the fair value option can be applied to those which are not.

g) Transaction Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities are expensed and are included in transaction costs in the Statements of Comprehensive Income. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties.

h) Foreign Currency Translation

The majority of the Fund's subscriptions and redemptions are denominated in Canadian dollar, which is also its functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at dates that transactions occur. Foreign currency assets and liabilities denominated in a foreign currency are translated in to the functional currency using the exchange rate prevailing at the measurement date. Foreign exchange gains and losses relating to cash and those relating to other financial assets and liabilities are presented as "Net foreign currency gains or losses" in the Statements of Comprehensive Income.

i) Forward Currency Contracts

Forward currency contracts are valued at current fair value on each valuation date. The value is determined as the gain or loss that would be realized if, on the valuation date, the position of the forward currency contracts were closed out. Gains or losses incurred when forward currency contracts entered into by the Fund, mature or are closed out are included in net realized gain (loss) on foreign exchange in the Statements of Comprehensive Income.

j) Interest and Borrowing Fees

As a result of taking both long and short positions, the Fund incurs both interest expense and borrowing fees. While the use of borrowed funds can substantially improve the return on invested capital, its use may also increase the adverse impact to which the investment portfolio of the Fund may be subjected by increasing the Fund's exposure to capital risk and higher current expenses. Interest and borrowing fees are expensed to the Statements of Comprehensive Income as incurred.

k) Account Standards Issued but Not Yet Adopted

The final version of International Financial Reporting Standard (IFRS) 9, Financial Instruments, was issued by IASB in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 introduces a model for classification and measurement, a single, forward-looking expected loss impairment model and a substantially reformed approach to hedge accounting. The new single, principle based approach for determining the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, which will require more timely recognition of expected credit losses. It also includes changes in respect of own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognized in profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, however is available for early adoption. In addition, the own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The Manager is in the process of assessing the impact of IFRS 9 and has not yet determined when it will adopt the new standard.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Funds has made in preparing the financial statements:

Classification of Redeemable Units Issued by the Fund

Under Canadian GAAP, the Fund accounted for their redeemable units as equity. Under IFRS, IAS 32 requires that shares of an entity which include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset be classified as a financial liability. A Fund with multiple series fails to meet the criteria outlined in IAS 32.16(a) and (c). Specifically, the unitholders would not be entitled to a pro rata share of the entity's Net Assets attributable to holders of redeemable units upon liquidation due to the differing series, nor would each series have identical features. Accordingly, all of the criteria in IAS 32.16 would not be met. As such, in accordance with the standard, the equity method would not be applied and instead, Net Assets attributable to holders of redeemable units would be presented as liability on the Statements of Financial Position.

Functional and Presentation Currency

The Fund's investors are mainly Canadian residents, with the subscriptions and redemptions of the redeemable shares denominated in Canadian dollars. The primary activity of the Fund is to invest in Canadian and US securities and derivatives and to offer Canadian investors a higher return compared to other products available in Canada. The performance of the Fund is measured and reported to the investors in Canadian dollar. The Manager considers the Canadian dollar as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Canadian dollars, which is the Fund's functional and presentation currency.

Investments in Associates, Joint Ventures and Subsidiaries

Effective January 1, 2014, IFRS 10 requires "investment entities" (as defined therein) to account for investments in subsidiaries at FVTPL, rather than consolidating them. The Fund's have determined that each meets the definition of an "investment entity" and as a result, measures subsidiaries at FVTPL. An investment entity is an entity that: obtains funds from one or more investors for the purpose of providing them with investment management services, commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both, and measure and evaluates the performance of substantially all of its investments on a fair value basis. The most significant judgment that the Funds have made in determining that it meets this definition is that fair value is used as the primary measurement attribute to measure and evaluate the performance of substantially all of its investments.

IFRS 12 requires specific disclosures related to investments in subsidiaries, associates, joint ventures and unconsolidated structured entities. These disclosures apply whenever an entity holds these types of investments and are likely to apply to investments in underlying funds when the investor fund has significant influence, joint control or control over one or more underlying fund, or when the underlying fund is a structured entity. The Fund does not meet the requirements for control under IFRS 10.7 and therefore does not have control over the underlying funds. There are no contractual agreements in place between the top fund and the underlying funds.

Fair Value Measurement of Derivatives and Securities Not Quoted in an Active Market

The Fund holds financial instruments that are not quoted in active markets, including derivatives. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes are obtained from the pricing sources may be indicative and not executable or binding. Where no market data is available, the Fund may value positions using their own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by experienced personnel of the Manager, independent of the party that created them. The models used for private equity securities are based mainly on earnings multiples adjusted for a lack of marketability as appropriate.

Models use observable data, to the extent practicable. However, areas such as credit risk (both owned and counterparty), violates and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Fund considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to Note 9 for further information about the fair value measurement of the Fund's financial instruments.

Classification and Measurement of Investments and Application of the Fair Value Option

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Funds is to invest on a total return basis for the purpose of applying the fair value option for financial assets under IAS 39, Financial Instruments-Recognition and measurement (IAS 39). The most significant judgments made include the determination that contain investments are held-for-trading and that fair value option can be applied to those which are not.

5. FINANCIAL INSTRUMENTS BY CATEGORY

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the years ended December 31, 2014 and 2013.

Category	**Net gains (losses)**	
Net gains (losses) on financial instruments at FVTPL	2014	2013
Financial Assets and Liabilities at FVTPL:		
Held for Trading	(617,236)	(102,273)
Designated at inception	2,439,906	2,138,731
Total financial assets and liabilities at FVTPL	1,822,670	2,036,458

6. TRANSITION TO IFRS

The effect of the Fund's transition to IFRS is summarized in this note as follows:

Transition Elections

The only voluntary exemption adopted by the Fund upon transition was the ability to designate financial assets or financial liabilities at fair value through profit and loss upon transition to IFRS. All financial assets designated at FVTPL upon transition were previously carried at fair value under Canadian GAAP, as required by Accounting Guideline 18, Investment Companies.

Statement of Cash Flows

IAS 1 requires that a complete set of financial statements include a Statements of Cash Flows for the current and comparative periods, without exception.

Reconciliation of Equity and Comprehensive Income as Previously Reported Under Canadian GAAP to IFRS

Equity	December 31, 2013	January 1, 2013
Equity as reported under Canadian GAAP	10,212,382	4,918,002
Revaluation of investments at fair value through profit or loss	6,799	5,956
Net assets attributable to holders of redeemable units	10,219,181	4,923,958

	Year ended
Comprehensive Income	December 31, 2013
Comprehensive income as reported under Canadian GAAP	1,764,793
Revaluation of investments at fair value through profit or loss	843
Increase (decrease) in Net assets attributable to holders of redeemable units	1,765,636

Classification of Redeemable Units Issued by the Fund

Under Canadian GAAP, the Fund accounted for their redeemable units as equity. Under IFRS, IAS 32 requires that shares of an entity which include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset be classified as financial liability. The Fund's units do not meet the criteria in IAS 32 for classification as equity and therefore, have been reclassified as financial liabilities on transition to IFRS.

The Fund has multiple series and investors can request for cash distribution and therefore equity treatment is not met.

Revaluation of Investments at Fair Value Through Profit or Loss

Under Canadian GAAP, the Fund measured the fair values of its investments in accordance with Section 3855, Financial Instruments – Recognition and Measurement, which required the use of bid prices for long positions and ask prices for short positions; to the extent such prices are available. Under IFRS, the Fund measure the fair values of their investments using the guidance in IFRS 13, Fair Value Measurement (IFRS 13), which requires that if an asset or a liability has a bid price and an ask price, then its fair value is to be based on a price within the bid-ask spread that is most representative of fair value. It also allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurements within a bid-ask spread. As a result, upon adoption of IFRS the adjustment were recognized to increase the carrying amount of the Fund's investments as at January 1, 2013 and as at December 31, 2013 were as follows:

	December 31, 2013	January 1, 2013
Aston Hill Opportunities Fund	$ 6,799	$ 5,956

The impacts of the above adjustments were to decrease the Fund's increase (decrease) in Net Assets attributable to holders of redeemable units for the Fund for the year ended December 31, 2013.

	December 31, 2014
Aston Hill Opportunities Fund	$ 843

7. REDEEMABLE UNITS OF THE FUND

The Fund is authorized to issue an unlimited number of redeemable units of beneficial interest, each of which represents an equal, undivided interest in the Net Assets attributable to holders of redeemable units of the Fund. Each unitholder of the Fund is entitled to one vote for each redeemable unit held and is entitled to participate equally with respect to any and all distributions made by the Fund to unitholders. On termination or liquidation of the Fund, unitholders of record are entitled to receive, on a pro rata basis, all of the assets of the Fund remaining after payment of all debts, liabilities and liquidation expenses of the Fund.

Reddemable units of the Fund surrendered for redemption at least 30 days prior to the last business day of each month will be redeemed at the net asset value per unit calculated on the redemption date. Redemption of units prior to the first anniversary of the purchase of such units will be subject to an early redemption fee equal to 1% of the net assets of the units so redeemed.

Series A unit transactions for the years ended December 31, 2014 and 2013 were as follows:

Series A	**Number of Units**	
	2014	2013
Units outstanding, beginning of year	**30,405**	5,589
Redeemable units issued	**92,736**	23,981
Redeemable units redeemed	**(1,826)**	-
Redeemable units issued on reinvestment	**21**	835
Units outstanding, end of year	**121,336**	30,405

Series F unit transactions for the years ended December 31, 2014 and 2013 were as follows:

Series F	**Number of Units**	
	2014	2013
Units outstanding, beginning of year	**86,298**	15,825
Redeemable units issued	**160,080**	68,110
Redeemable units redeemed	**(3,040)**	-
Redeemable units issued on reinvestment	**7**	2,363
Units outstanding, end of year	**243,345**	86,298

Series Y unit transactions for the years ended December 31, 2014 and 2013 were as follows:

Series Y	Number of Units	
	2014	2013
Units outstanding, beginning of year	**78,291**	74,171
Redeemable units issued	**-**	-
Redeemable units redeemed	**(3,873)**	(4,025)
Redeemable units issued on reinvestment	**10**	8,145
Units outstanding, end of year	**74,428**	**78,291**

Series Z unit transactions for the years ended December 31, 2014 and year ended December 31, 2013 were as follows:

Series Z	Number of Units	
	2014	2013
Units outstanding, beginning of year	**84,668**	76,181
Redeemable units issued	**-**	-
Redeemable units redeemed	**(15,570)**	(2,136)
Redeemable units issued on reinvestment	**-**	10,623
Units outstanding, end of year	**69,098**	84,668

8. RELATED PARTY TRANSACTIONS AND EXPENSES OF THE FUND

a) Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Management Fees

Effective May 15, 2012, management fees, in accordance with the Fund's offering memorandum, are up to 2%, 1%, 1%, and 2.0% per annum of the Net Asset Value for Series A, Series F, Series Y, and Series Z units, respectively, calculated daily and paid monthly in arrears, plus applicable taxes.

Out of the management fees of Series A and Series Z, the Manager pays 1.0% per annum to investment dealers in proportion to the number of units held by clients of each dealer at the end of each calendar quarter.

The Manager, as its discretion, absorbed operating expenses for the funds during the year ended December 31, 2014. During the the year ended December 31, 204, the Manager absorbed $21,661 ($Nil-2013) for the Fund's expenses

There is no mandate obligation for the Manager to continue to absorb these expenses, nor is there a guarantee that these expenses will continue to be absorbed in the future.

Administration Fees

The Manager allocates back to the Fund a portion of the base salaries of individuals who have spent time working on matters relating to the operations of the Fund. The expenses are directly attributable to the Fund as they relate to time spent on Fund accounting, valuation, taxation, compliance, investor relations, financial and shareholder reporting, cost management, oversight and any other operations matter. During the year ended December 31, 204 the Manager allocated administration expenses $4,300 (2013 - $4,756) to the Fund's expenses.

b) Operating Expenses

The Fund pays its own operating expenses. These expenses include legal, audit and custodial safekeeping fees, taxes, interest, operating and administrative costs, investor servicing costs and the costs for reports.

Performance Fees

In addition, the Fund will pay to the Manager, on the last Business Day of each fiscal year of the Fund, a performance fee (the "Performance Fees") for each Unit in an amount equal to 20% of the amount by which the NAV per Unit of such Unit on such Business Day (excluding any accrued Performance Fee, but adding the aggregate amount of all distributions declared on such Unit during such fiscal year) exceeds the Performance Threshold. The "Performance Threshold" is the sum of the Starting NAV per Unit and the Hurdle Rate. The "Starting NAV per Unit" is (a) if the Unit was outstanding on the last Business Day of the previous fiscal year of the Fund, the NAV per Unit on such Business Day after deduction for any Performance Fees payable on such day, and (b) if the Unit was not outstanding on the last Business Day of the previous fiscal year of the Fund, the NAV per Unit on the subscription date for such Unit. The "Hurdle Rate" is 5% (or, for any Unit not outstanding for the full fiscal year, a proportionate amount of 5%) of the High Water Mark. The Performance Fee will be accrued monthly or for such other period as the Manager may determine, and paid yearly in arrears.

9. INDEMNIFICATION OF THE MANAGER

The Fund, in its Declaration of Fund has indemnified the Manager, its principals and their respective affiliates from all claims that may arise for (a) mistakes of judgment or for action or inaction or for losses due to such mistakes, action or inaction so long as they acted honestly and not in bad faith and reasonably believed that their conduct was in the best interests of the Fund, and (b) losses due to mistakes of judgment or the action or omission of any broker or agent of the Manager, selected, engaged or retained by the Manager, the principals or their respective affiliates.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Fund is exposed to a variety of financial instruments risks: portfolio concentration risk, credit risk, liquidity risk and market risk (including interest rate risk, currency risk and other price risk). The value of investments within the portfolio can fluctuate daily as a result of changes in prevailing interest rates, economic and market conditions and company-specific news related to investments held by the Fund. The Manager of the Fund may minimize the potential adverse effects of these risks on the Fund's performance by, but not limited to, regular monitoring of the Fund's positions and market events and diversification of the investment portfolio by asset type, country, sector, and term to maturity within the constraints of the stated objectives, and through the usage of derivatives to hedge certain risk exposures.

a) Concentration Risk

Concentration risk is the risk associated with the exposure to any one or more particular country, asset class or security. The Manager believes that there is no significant concentration risk for the Fund due to diversification by asset class and security.

The following is a summary of concentration as at December 31, 2014, December 31, 2013 and January 1, 2013:

	As a % of the Fund's Total Investments		
Sector	**December 31, 2014**	December 31, 2013	January 1, 2013
Consumer discretionary	**44.7%**	32.8%	35.0%
Healthcare	**29.5%**	17.4%	4.8%
Financials	**17.4%**	28.6%	13.0%
Consumer staples	**15.7%**	7.9%	5.3%
Industrials	**14.8%**	20.8%	17.5%
Materials	**4.3%**	22.5%	9.1%
Telecommunication services	**3.9%**	-	1.7%
Energy	**2.5%**	2.3%	-
Information technology	**0.8%**	1.3%	2.8%
Fixed income investments	**-**	2.7%	16.6%
Equities - short	**(33.6%)**	(36.3%)	(5.8%)
	100.0%	100.0%	100.0%

b) Market Risk

The Manager attempts to minimize the potential adverse effects of these risks on the Fund's performance by diversifying the investment portfolio within the constraints of the investment objectives, and by using financial instruments to hedge certain risk exposures. To assist in managing risks, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and restrictions, internal guidelines, and securities regulations.

Price Risk

Price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk). The value of each investment is influenced by the outlook of the issuer and by general economic and political conditions, as well as industry and market trends. All securities present a risk of loss of capital.

Other assets and liabilities are monetary items that are short-term in nature and therefore are not subject to significant other price risk.

As at December 31, 2014, had the fair values of the portfolio investments increased or decreased by 10%, with all other variables held constant, this would have increased or decreased net assets by approximately $796,624 (December 31, 2013 – $364,121, January 1, 2013 - $241,933). In practice, the actual trading results could differ and the difference could be material.

Interest Rate Risk

Interest rate risk is the risk that the fair value of interest-bearing investments will fluctuate due to changes in prevailing levels of market interest rates. As a result, the value of that invests in debt securities and/or income Funds will be affected by changes in applicable interest rates. If interest rates fall, the fair value of existing debt securities may increase due to the increase in yield. Alternatively, if interest rates rise, the yield of existing debt securities may decrease, which may then lead to a decrease in their fair value. The magnitude of the decline will generally be greater for long-term debt securities than for short-term debt securities.

The Fund is exposed to interest rate risk from debt instruments, the value of which fluctuates due to changes in prevailing levels of market interest rates. The Fund's exposure to interest rate risk by the fixed income debt instruments' remaining term to maturity was as follows:

As at December 31, 2014

	Less Than 1 Year	3 - 5 Years	Greater Than 5 Years	Total
Debt Instruments	$ 8,374,873	$ -	$ -	$ 8,374,873
As a percentage of Net assets attributable to holders of redeemable units	41.2%	-	-	41.2%

As at December 31, 2013

	Less Than 1 Year	3 - 5 Years	Greater Than 5 Years	Total
Debt Instruments	$ 3,973,362	$ 31,875	$ 68,983	$ 4,074,220
As a percentage of Net assets attributable to holders of redeemable units	38.9%	0.3%	0.7%	39.9%

January 1, 2013

	Less Than 1 Year	3 - 5 Years	Greater Than 5 Years	Total
Debt Instruments	$ -	$ -	$ 480,285	$ 480,285
As a percentage of Net assets attributable to holders of redeemable units	-	-	9.8%	9.8%

As at December 31, 2014, December 31, 2013 and January 1, 2013, if the prevailing interest rates had risen by 0.25%, assuming a parallel shift in the yield curve, with all other variables held constant, the Fund's Net assets attributable to holders of redeemable units would have decreased by approximately $Nil (December 31, 2013 – $944, January 1, 2013 – $4,821). Similarly, if the prevailing interest rates had declined by 0.25%, assuming a parallel shift in the yield curve, with all other variables held constant, the Fund's Net assets attributable to holders of redeemable units would have increased by approximately $Nil (December 31, 2013 – $956, January 1, 2013 – $4,821). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bonds. In practice, the actual results may differ from this sensitivity analysis, and the difference could be material.

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

The following summarizes the Fund's exposure to currency risks in Canadian dollars, as at December 31, 2014:

Currency	**Non-Monetary Instruments**	**Monetary Instruments Assets (Liabilities)**	**Derivative Contracts**	**Net Exposure**	**% of Net Assets**	**Impact on Net Assets**
Pound sterling	$ -	$ -	$ (841)	$ (841)	-	$ (42)
USD dollar	8,059,387	2,619,578	(10,098,711)	580,254	2.86%	29,013
Total	$ 8,059,387	$ 2,619,578	$ (10,099,552)	$ 579,413	2.86%	$ 28,971

The following summarizes the Fund's exposure to currency risks in Canadian dollars, as at December 31, 2013:

Currency	Non-Monetary Instruments	Monetary Instruments Assets (Liabilities)	Derivative Contracts	Net Exposure	% of Net Assets	Impact on Net Assets
Euro	$ 269,361	$ (149,846)	$ (257,757)	$ (138,242)	-1.35%	$ (6,912)
Pound sterling	59,144	(58,910)	(58,148)	(57,914)	-0.57%	(2,896)
USD dollar	(49,249)	7,734,212	(2,970,747)	4,714,216	46.13%	235,711
Total	$ 279,256	$ 7,525,456	$ (3,286,652)	$ 4,518,060	44.21%	$ 225,903

The following summarizes the Fund's exposure to currency risks in Canadian dollars, as at Janauary 1, 2013:

January 1, 2013

Currency	Non-Monetary Instruments	Monetary Instruments Assets (Liabilities)	Derivative Contracts	Net Exposure	% of Net Assets	Impact on Net Assets
USD dollar	$ 2,319,814	$ 885,937	$ (2,588,345)	$ 617,406	12.54%	$ 30,870
Total	$ 2,319,814	$ 885,937	$ (2,588,345)	$ 617,406	12.54%	$ 30,870

As December 31, 2014, had Canadian dollar appreciated or depreciated by 5% in relation to the U.S. dollar, the Net Asset Value of the Fund would be higher or lower by $28,971 (December 31, 2013 - $225,903, January 1, 2013 - $30,870).

The Fund's currency exposure from other assets, which may include foreign currency denominated dividends and interest receivable, due from broker, cash on deposit and short-term interest-bearing notes. Other liabilities, which may include foreign currency denominated due to broker balances.

c) Credit Risk
Credit risk is the risk that a security issuer or counterparty to a financial instrument will fail to meet its financial obligations. The fair value of a debt instrument includes consideration for the creditworthiness of the debt issuer. The credit risk exposure of the Fund's other assets is represented by their carrying amount as disclosed in the Statements of Financial Position.

Credit ratings for debt securities, preferred securities and derivative instruments are obtained from Standard & Poor's, where available; otherwise, ratings are obtained from Moody's Investors Service, Dominion Bond Rating Services or Canadian Bond Rating Services.

The Fund's primary credit risk is fixed income, short-term debt securities. The Manager performs ongoing credit risk evaluation of counterparties.

As at December 31, 2014, December 31, 2013 and January 1, 2013, the Fund was invested in debt securities with the following credit ratings:

Debt Securities by S&P Rating as a % of Net Assets attributable to holders of redeemable units	**December 31, 2014**	December 31, 2013	January 1, 2013
AAA	**41.2%**	38.9%	-
BB	**-**	-	1.9%
B	**-**	0.7%	2.8%
CCC	**-**	-	5.1%
Non rated	**-**	0.3%	-
Total	**41.2%**	39.9%	9.8%

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

d) Liquidity Risk

Liquidity risk is the risk the Fund will encounter difficulty in meeting obligations associated with financial liabilities. Unitholder redemption requests are the main liquidity risk for the Fund. The Fund invests majority of its asset in investments that are traded in an active market and can be readily disposed of. There can be no assurance that an active trading market for the investments will exist at all times, or that the prices at which the securities trade accurately reflect their values. Thin trading in a security could make it difficult to liquidate holdings quickly. The Schedule of Investment Portfolio of the Fund identifies securities for which a market quotation could not be obtained and may be illiquid if applicable. As at December 31, 2014, the Fund had $1,606,723 (December 31, 2013 - $815,039, January 1, 2013 – $2,432,709) in cash on hand to meet its short-term obligations.

The Fund's accounts payable and accrued liabilities are generally due within 90 days. All of the Fund's other financial liabilities as at December 31, 2014, December 31, 2013 and January 1, 2013 had maturities of less than 90 days from the financial statement date.

11. FAIR VALUE MEASUREMENTS

The Fund uses a fair value hierarchy that reflects the significance of the inputs used in making fair value measurements. The hierarchy has the following levels: quoted prices in an active market (level 1 – unadjusted inputs); observable inputs other than quoted prices (level 2 – directly or indirectly derived from quoted prices); and inputs not based on observable market data (level 3 – unobservable inputs).

All fair value measurements are recurring. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

a) Equities

The Fund's equity positions are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain of the Fund's equities do not trade frequently and therefore observable prices may not be available. In such cases, fair value is determined using observable market data (e.g., transactions for similar securities of the same issuer) and the fair value is classified as Level 2, unless the determination of fair value requires significant unobservable data, in which case the measurement is classified as Level 3.

b) Options and warrants

Options and warrants that are actively traded on an exchange are classified as level 1. Where the options and warrants are traded over the counter and the inputs into the fair value are based on reliable observable market date they are classified as level 2. When a significant portion of the fair valuation is based on inputs which are not observable the options and warrants are classified as level 3.

c) Fixed Income Investments

Bonds include primarily government and corporate bonds, which are valued using models with inputs including interest rate curves, credit spreads and volatilities. The inputs that are significant to valuation are generally observable and therefore the Fund's bonds have been classified as Level 2.

As at December 31, 2014, the fair value of Crumbs Bake Shop Inc. was valued at zero as the company has declared bankruptcy and Chapter 11 was filed.

d) Short-term Investments

Short-term investments are classified as level 2 and not traded.

e) Forward Currency Contracts

Forward currency contracts which are valued based primarily on the contract notional amount, the difference between the contract rate and the forward market rate for the same currency, interest rates and credit spreads. Contracts for which counterparty credit spreads are observable and reliable, or for which the credit-related inputs are determined not to be significant to fair value, are classified as Level 2.

The following is a summary of the inputs used as at December 31, 2014, December 31, 2013 and January 1, 2013 in valuing the Fund's investments carried at fair values:

December 31, 2014

	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial Assets				
Equities-Long	10,574,627	71	60,209	10,634,907
Short Term Investments	-	8,374,873	-	8,374,873
Warrants	8,687	-	-	8,687
Total Financial Assets	**10,583,314**	**8,374,944**	**60,209**	**19,018,467**
Other financial instruments				
Derivative assets	-	41,445	-	41,445
Derivative liabilities	-	(245,559)	-	(245,559)
Total other financial instruments	**-**	**(204,114)**	**-**	**(204,114)**
Financial Liabilities				
Equities-Short	(2,677,354)	-	-	(2,677,354)
Total Financial Liabilities	**(2,677,354)**	**-**	**-**	**(2,677,354)**

December 31, 2013

	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial Assets				
Equities-Long	4,954,056	-	39,998	4,994,054
Short Term Investments	-	3,973,362	-	3,973,362
Warrants	-	-	1	1
Fixed income investments	-	68,983	31,875	100,858
Total Financial Assets	**4,954,057**	**4,042,345**	**71,874**	**9,068,275**
Other financial instruments				
Derivative assets	-	-	-	-
Derivative liabilities	-	(66,815)	-	(66,815)
Total other financial instruments	**-**	**(66,815)**	**-**	**(66,815)**
Financial Liabilities				
Equities-Short	(1,352,843)	-	-	(1,352,843)
Total Financial Liabilities	**(1,352,843)**	**-**	**-**	**(1,352,843)**

January 1, 2013

	Level 1	Level 2	Level 3	Total
	$	**$**	**$**	**$**
Financial Assets				
Equities-Long	2,583,995	-	-	2,583,995
Warrants	-	-	2	2
Fixed income investments	-	480,285	-	480,285
Total Financial Assets	**2,583,995**	**480,285**	**2**	**3,064,282**
Other financial instruments				
Derivative assets	-	-	-	-
Derivative liabilities	-	(1,666)	-	(1,666)
Total other financial instruments	**-**	**(1,666)**	**-**	**(1,666)**
Financial Liabilities				
Equities-Short	(164,665)	-	-	(164,665)
Total Financial Liabilities	**(164,665)**	**-**	**-**	**(164,665)**

There were no transfers of financial assets between Level 1 and Level 2 during the years ended December 31, 2014 and years ended December 31, 2013 and January 1, 2013..

The following is a reconciliation of investments in which significant unobservable inputs (level 3) were used in determining their fair value:

Balance as at December 31, 2013	$ 39,998	$ 31,875	$ 1	$ 71,874
Purchases	56,915	-	-	56,915
Sales	-	-	-	-
Net transfers in (out)	(41,796)	-	-	(41,796)
Realized gains/losses	-	-	-	-
Change in unrealized appreciation (depreciation) on investments	5,092	(31,875)	(1)	(26,784)
Balance as at December 31, 2014	**$ 60,209**	**$ -**	**$ -**	**$ 60,209**
Net change in unrealized appreciation (depreciation) from investments as at December 31, 2014	**$ 5,092**	**$ (31,875)**	**$ -**	**$ (26,783)**

As at December 31, 2013	**Equities - long**	**Fixed income investments**	**Warrants**	**Total**
Balance as at December 31, 2012	$ -	$ -	$ 2	$ 2
Purchases	38,946	30,096	-	69,042
Change in unrealized appreciation (depreciation) on investments	1,052	1,779	(1)	2,830
Balance as at December 31, 2013	**$ 39,998**	**$ 31,875**	**$ 1**	**$ 71,874**
Net change in unrealized appreciation (depreciation) from investments as at December 31, 2013	**$ 1,052**	**$ 1,779**	**$ (1)**	**$ 2,830**

As at January 1, 2013	Fixed income investments	Warrants	Total
Balance as at December 31, 2011	$ -	$ -	$ -
Change in unrealized appreciation (depreciation) on investments	-	2	2
Balance as at January 1, 2013	$ -	$ 2	$ 2
Net change in unrealized appreciation (depreciation) from investments as at January 1, 2013	$ -	$ 2	$ 2

The fair value of each level 3 investment is reviewed by management based on a number of applicable valuation techniques for each investment depending on a number of factors including stage of business, the period since the last third-party financing, the ability to compare the businesses to similar publicly held companies, the reliability of future cash flow projections, and disclosed information related to transactions involving similar businesses. In addition to the range of valuation techniques employed, a significant number of the key assumptions used in the valuation of individual investments are company specific. Due to the nature of this detailed, investment-by-investment approach to fair value determination and the number of different key assumptions, there are no alternative assumptions that are broadly applicable across the investment portfolio of the Fund.

The Fund's Level 3 securities consist of private equity positions. These positions are typically valued at cost and are adjusted based on market conditions. The Fund's Manager coordinates regular reviews to the value of these private companies using valuation techniques relevant to each position and any available market data.

The following shows the impact to the fair value of material assets and liabilities categorized in level 3 held at the end of December 31, 2014, had the value of the security increased or decreased as a result in a reasonable shift in value of any unobservable inputs used to value these securities:

Security Name	Fair Value	Valuation technique	Unobservable inputs	Weighted average	Reasonable Shift (+/-)		Change in valuation	
Ethoca Solutions	60,055	Recent equity f	2014 projected r	10.65 x	+1.0 x	-0.5 x	$ 6,000.00	-$ 3,000.00

The Fund may hold other assets and liabilities categorized in level 3, however they are immaterial to the Fund and any reasonable possible shift in their valuation would not have any significant impact to the Net Assets attributable to holders of redeemable unit of the Fund.

12. INCOME TAXES

The Fund is taxed as a mutual fund trust under the Income Tax Act (Canada). The Fund is required to make distributions each period of its net income and net realized capital gains and, therefore, will not generally be liable for income taxes. However, such part of the Fund's taxable income and net realized capital gains that is not so paid or payable will be taxable to the Fund. At December 31, 2013, no tax provision was required to be recorded by the Fund.

Net capital losses may be carried forward indefinitely to reduce future net realized capital gains. Non-capital losses arising in taxation years after 2005 may be carried forward 20 years. Non-capital losses carried forward may reduce future net investment income.

As at December 31, 2014, the Fund had non-capital losses of $7,394,055 (2013 - $7,884,336). There were no capital losses as at December 31, 2014 and 2013.

The non-capital loss carryforwards will expire as follows:

	2014	2013
2027	**7,177,410**	7,667,691
2028	**216,645**	216,645
	$ 7,394,055	$ 7,884,336

Withholding Taxes
The Fund incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate line item in the Statements of Comprehensive Income.

13. FILING EXEMPTION

The Fund is relying on the exemption pursuant to Section 2.11 of National Instrument 81-106, Investment Fund Continuous Disclosure, to not file its financial statements with the Ontario Securities Commission.

14. BROKER MARGIN

A short sale by a Fund involves borrowing securities from a broker which are then sold in the open market. At a future date, the same securities are repurchased by the Fund and returned to the broker. Until the securities are returned, Fund assets are deposited with the broker as security and the Fund pays securities borrowing fees to the broker on the borrowed securities, as well as any distributions payable on the investments sold short.

15. SECURITIES LENDING

The Fund has entered into a securities lending program with its custodian, RBC Investor Services Trust. The aggregate market value of all securities loaned by the Fund cannot exceed 50% of the assets of the Fund. The Fund will receive collateral of at least 102% of the value of the securities on loan. Collateral will generally be comprised of cash and obligations of, or guaranteed by, the Government of Canada or a province thereof, or the United States Government or its agencies, or a permitted supranational agency as defined in NI 81-102. There was $1,876,200 (Collateral - $1,913,730) of securities on loan as at December 31, 2014, (December 31, 2013 - $nil, January 1, 2013 - $nil).

16. OFFSETTING OF FINANCIAL INSTRUMENTS

The Fund entered into various master netting arrangements in connection with its Forward Currency Contracts. These agreements do meet the criteria for offsetting in the Statements of Financial Position and allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. The following table presents the recognized financial instruments that are offset, or subject to enforceable master netting agreements or other similar agreements, as at December 31, 2014, December 31, 2013 and January 1, 2013. The "Net" column shows what the impact on the Fund's Statements of Financial Position would be if all set-off rights were exercised.

As at December 31, 2014

Financial assets and liabilities		**Amounts offset**		**Amounts not offset**	**Net**
	Gross assets	Gross liabilities	Net amounts presented	Financial instruments	
	$	$	$	$	$
Counterparty					
Scotia Capital	-	-	-	(11,901)	(11,901)
CIBC	1,509	(206,621)	(205,112)	34,087	(171,025)
Royal Bank of Canada	-	(21,188)	(21,188)	-	(21,188)
					(204,114)

As at December 31, 2013

Financial assets and liabilities		Amounts offset		Amounts not offset	Net
	Gross assets	Gross liabilities	Net amounts presented	Financial instruments	
	$	$	$	$	$
Counterparty					
CIBC	14,226	(48,542)	(34,316)	(2,199)	(36,515)
Royal Bank of Canada	6,597	(36,897)	(30,300)	-	(30,300)
					(66,815)

As at January 1, 2013

Financial assets and liabilities		Amounts offset		Amounts not offset	Net
	Gross assets	Gross liabilities	Net amounts presented	Financial instruments	
	$	$	$	$	$
Counterparty					
Royal Bank of Canada	2,237	(3,903)	(1,666)	-	(1,666)
					(1,666)

17. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation.