
OCP Credit Strategy Fund

Interim Financial Statements
for the period January 1 to June 30, 2011

NOTICE TO READER:

These interim financial statements and related notes for the six month period ended June 30, 2011 have been prepared by the management of the Fund. The external auditors of the Fund have not audited or reviewed these interim financial statements.

OCP CREDIT STRATEGY FUND
STATEMENTS OF NET ASSETS

As at	June 30, 2011 \$	December 31, 2010 \$
<hr/>		
Assets		
Forward Agreement <i>[Note 6]</i>	278,099,713	197,210,106
Receivable from counterparty under Forward Agreement <i>[Note 6]</i>	5,300,000	3,760,000
Cash	940,819	316,500
	<hr/>	<hr/>
	284,340,532	201,286,606
<hr/>		
Liabilities		
Accounts payable and accrued liabilities	832,766	547,353
Distributions payable <i>[Note 4]</i>	5,105,516	3,636,500
	<hr/>	<hr/>
	5,938,282	4,183,853
Net Assets	<hr/>	<hr/>
	278,402,250	197,102,753
Number of units outstanding <i>[Note 7]</i>	<hr/>	<hr/>
	29,174,375	20,780,000
Net assets per unit	<hr/>	<hr/>
	\$9.54	\$9.49

See accompanying notes

OCP CREDIT STRATEGY FUND
STATEMENTS OF OPERATIONS

For the six months ended June 30	2011 \$	2010 \$
Investment income		
Interest	14,427	15,932
Expenses		
Dealer service fee [Note 5]	412,130	393,472
Management fees [Note 5]	321,976	307,400
Forward Agreement fee [Note 6]	255,943	244,401
Harmonized Sales Tax / Goods and Services Tax	80,256	38,493
Securityholder reporting costs	41,459	31,142
Legal fees	21,151	9,917
Custodian and valuation fees	19,197	16,088
Other administration costs	14,053	9,552
Audit fees	6,074	15,674
Independent review committee fees	5,626	7,197
Trustee fees	5,001	4,959
	1,182,866	1,078,295
Net investment loss	(1,168,439)	(1,062,363)
Realized and unrealized gain (loss) on Forward Agreement		
Net realized foreign exchange gain	-	28
Net realized gain on partial settlements of Forward Agreement	1,471,829	316,856
Net change in unrealized appreciation on Forward Agreement	8,467,058	3,643,633
Net gain on Forward Agreement	9,938,887	3,960,517
Increase in net assets from operations	8,770,448	2,898,154
Increase in net assets from operations per unit	\$0.41	\$0.14

See accompanying notes

OCP CREDIT STRATEGY FUND
STATEMENTS OF CHANGES IN NET ASSETS

For the six months ended June 30	2011 \$	2010 \$
Increase in net assets from operations	8,770,448	2,898,154
Distributions to unitholders <i>[Note 4]</i>		
Return of capital	(8,742,016)	(8,906,308)
Capital unit transactions <i>[Note 7]</i>		
Subscriptions received	87,032,000	-
Redemption of units	(1,979,655)	-
Agents' fees and expenses of issue <i>[Note 1]</i>	(3,781,280)	(48,267)
	81,271,065	(48,267)
Increase (decrease) in net assets for the period	81,299,497	(6,056,421)
Net assets, beginning of period	197,102,753	197,488,600
Net assets, end of period	278,402,250	191,432,179

See accompanying notes

OCP CREDIT STRATEGY FUND
SCHEDULE OF FORWARD AGREEMENT (Unaudited)

As at June 30, 2011

Number of Shares or Par Value (US\$)	Description	Maturity Date	Average Cost \$	Fair Value \$
Investments held by OCP Investment Trust				
LONG POSITIONS				
BONDS				
7,226,285	ACST Pass Through Trust Floating Rate	June 14, 2037	6,374,161	6,393,740
1,600,000	AES Eastern Energy, 9.67%	January 2, 2029	1,081,152	1,095,499
4,510,000	Ally Financial (formerly known as GMAC Inc.), 8.00%	November 1, 2031	4,957,407	4,708,020
50,000	Ally Financial (formerly known as GMAC Inc.), 6.20%	November 15, 2013	45,004	48,042
100,000	Ally Financial (formerly known as GMAC Inc.), 6.375%	August 1, 2013	88,860	96,164
105,000	Ally Financial (formerly known as GMAC Inc.), 7.00%	January 15, 2013	100,238	101,675
96,000	Ally Financial (formerly known as GMAC Inc.), 7.00%	November 15, 2012	91,054	92,583
120,000	Ally Financial (formerly known as GMAC Inc.), 7.10%	January 15, 2013	114,010	116,261
30,000	Ally Financial (formerly known as GMAC Inc.), 7.10%	January 15, 2013	27,548	29,065
100,000	Ally Financial (formerly known as GMAC Inc.), 7.125%	August 15, 2012	97,055	96,282
135,000	Ally Financial (formerly known as GMAC Inc.), 7.25%	August 15, 2012	131,025	130,235
1,000,000	Ally Financial (formerly known as GMAC Inc.), 7.50%	August 15, 2017	854,728	965,951
194,000	Ally Financial (formerly known as GMAC Inc.), 7.75%	October 15, 2017	163,666	187,503
175,000	Ally Financial (formerly known as GMAC Inc.), 7.875%	November 15, 2012	164,353	169,426
90,000	Ally Financial (formerly known as GMAC Inc.), 8.00%	October 15, 2017	75,689	87,009
860,000	Beazer Homes USA, 8.125%	June 15, 2016	709,203	727,745
3,000,000	Capmark Financial Group 6.30%	Defaulted	1,695,417	1,655,154
1,904,011	CIT Group Inc., 7.00%	May 1, 2017	1,723,322	1,831,539
1,360,001	CIT Group Inc., 7.00%	May 1, 2016	1,245,498	1,306,596
820,000	CityCenter Holdings LLC, 10.75%	January 15, 2017	809,173	857,980
615,000	ConvaTec Healthcare, 10.50%	December 15, 2018	622,627	613,832
6,840,000	Dynegy Holdings Inc., 7.75%	June 1, 2019	4,807,561	4,798,692
6,380,000	Edison Mission Energy, 7.00%	May 15, 2017	4,954,133	4,983,558
800,000	Edison Mission Energy, 7.75%	June 15, 2016	597,257	694,331
8,500,000	Ford Motor Company, 7.45%	July 16, 2031	9,144,487	9,292,375
3,280,000	Harbinger Group Inc., 10.625%	November 15, 2015	3,238,836	3,265,861
4,315,000	Harbinger Group Inc., 10.625%	November 15, 2015	4,271,858	4,296,400
23,200	K Hovnanian Enterprises, 6.50%	January 15, 2014	18,530	19,297
7,600,530	K Hovnanian Enterprises, 7.50%	May 15, 2016	5,896,517	4,562,649
645,000	Lehman Brothers Holdings, 3.60%	Defaulted	159,312	162,499
25,300,000	Lehman Brothers Holdings, 6.875%	Defaulted	6,239,242	6,556,964

OCP CREDIT STRATEGY FUND
SCHEDULE OF FORWARD AGREEMENT (Unaudited) continued

As at June 30, 2011

Number of Shares or Par Value (US\$)	Description	Maturity Date	Average Cost \$	Fair Value \$
48,790,000	Lehman Brothers Treasury Co BV, 7.585%	Defaulted	1,502,333	1,384,911
3,560,238	Lyondell Chemical Company, 11.00%	May 1, 2018	3,909,493	3,845,306
3,803,500	Penson Worldwide Inc., 12.50%	May 15, 2017	3,689,591	3,411,145
2,000,000	Smurfit-Stone Container Corporation 8.375%	Defaulted	-	48,217
2,139,800	Springleaf Finance Corporation, 6.90%	December 15, 2017	1,847,006	1,893,272
140,121	ORA/NRS II	Defaulted	104,703	124,584
93,414	ORA/NRS II C	Defaulted	66,063	83,056
Total Bonds			71,618,112	70,733,418
BANK DEBT				
10,070,001	Boyd Gaming Corporation Revolving Commitment	June 25, 2015	9,349,227	9,395,379
7,404,801	Caesars Entertainment Operating Co Inc. (formerly known as Harrah's Operating Company Inc.), Term Loan B3	January 28, 2015	6,284,580	6,406,645
2,967,458	Caesars Entertainment Operating Co Inc. (formerly known as Harrah's Operating Company Inc.), Term Loan B4	October 31, 2016	3,071,435	2,981,332
20,025,000	Capmark Financial Group Inc., Term Loan	Defaulted	9,604,055	10,931,881
5,000,000	Capmark Financial Group Inc., Irish Revolving Commitment	Defaulted	2,767,654	2,704,191
1,178,626	CCS Inc., Term Loan	November 14, 2014	1,038,067	1,078,882
2,954,849	Charter Communications Operating LLC, Term Loan	September 6, 2016	2,935,579	2,837,270
1,657,838	CIT Group, Inc. Term Loan	August 15, 2015	1,836,075	1,606,440
7,422,932	Federal Mogul Corporation, Term Loan	December 27, 2014	6,793,195	6,767,139
183,712	Ford Motor Company, Term Loan B1	December 15, 2013	169,138	176,929
735,214	Ford Motor Company, Term Loan B2	December 15, 2013	666,984	707,618
12,650,000	GGP Term Loan A Stub	Defaulted	-	290,336
4,000,000	Glitnir Bank Claim	Defaulted	1,186,657	1,051,138
5,700,000	Lehman Brothers Specialty Claim	Defaulted	2,325,041	2,308,649
6,600,000	Level 3 Financing Inc., Term Loan	March 13, 2014	6,114,773	6,152,543
2,376,566	LifeCare Holdings, Term Loan	February 1, 2017	2,243,877	2,329,079
6,469,868	Mach Gen LLC, Term Loan	February 15, 2015	4,753,184	4,823,685
1,429,141	Realogy Corporation, Term Loan	October 10, 2016	1,315,285	1,225,440
7,463,441	South Edge, Term Loan	Defaulted	3,314,939	6,837,487
4,674,300	Texas Competitive Electric Holdings Company, Extended Term Loan	October 10, 2017	3,603,302	3,510,334
689,384	Texas Competitive Electric Holdings Company, Non-Extended Term Loan	October 10, 2014	558,139	555,232
8,644,285	Tribune Company Revolving Commitment	Defaulted	6,072,925	5,840,480

OCP CREDIT STRATEGY FUND
SCHEDULE OF FORWARD AGREEMENT (Unaudited) continued

As at June 30, 2011

Number of Shares or Par Value (US\$)	Description	Maturity Date	Average Cost \$	Fair Value \$
2,500,000	Tribune Company, Term Loan	Defaulted	1,574,399	1,630,351
994,080	United Airlines Inc., N769UA Term Loan	September 30, 2013	885,340	817,240
1,421,987	United Airlines Inc., N768UA Term Loan	September 30, 2013	1,238,946	1,169,025
429,201	United Airlines Inc., N773UA Term Loan	September 30, 2013	391,656	369,406
3,926,300	Willbros United States Holdings Inc., Term Loan	June 30, 2014	3,895,803	3,786,320
899,710	Woodside PH Holdings	June 30, 2018	894,483	884,986
923,080	W.R. Grace Strip 5-year RC and 364 Day RC	Defaulted	1,649,910	1,679,084
Total Bank Debt			86,534,648	90,854,521
CREDIT DEFAULT SWAPS				
8,000,000	CDX HY 16 Puts	September 21, 2011	146,974	117,000
6,300,000	CDX HY 14, 5.00%	June 20, 2015	16,928	(262,818)
6,000,000	CDX IG 16, 1.00%	June 20, 2016	(22,518)	(23,508)
Total Credit Default Swaps			141,384	(169,326)
EQUITIES AND WARRANTS				
56,824	CIT Group Inc.		1,836,232	2,422,625
437	Delphi Equity Class B		7,493,399	9,531,118
68,804	General Motors Corporation		5,626,592	2,015,080
2,050	General Motors Corporation, 4.75%, Preferred Series 'B'		104,258	96,177
62,549	General Motors Corporation, Warrants A	July 10, 2016	–	1,289,620
62,549	General Motors Corporation, Warrants B	July 10, 2019	–	960,279
180,000	Motors Liquidation Company Escrow Pfd		–	112,829
529,000	Motors Liquidation Company Escrow GM		–	331,591
28,960	ProShares UltraShort Euro		493,204	467,507
286,000	Smurfit-Stone Container Corporation Escrow		(18)	–
87,904	Technicolor		586,852	518,301
Total Equities and Warrants			16,140,519	17,745,127
OPTIONS				
800	VIX Calls	August 17, 2011	141,887	54,003
Total Options			141,887	54,003
FORWARD CONTRACTS				
United States Dollars				
Forward currency contract 28/10/2011 ⁽¹⁾			–	(1,756,212)
Total Forward Contracts			–	(1,756,212)
Total Long Positions			174,576,550	177,461,531

OCP CREDIT STRATEGY FUND
SCHEDULE OF FORWARD AGREEMENT (Unaudited) continued

As at June 30, 2011

Number of Shares or Par Value (US\$)	Description	Maturity Date	Average Cost \$	Fair Value \$
SHORT POSITIONS				
BONDS				
(1,644,130)	AES Eastern Energy, 9.00%	January 2, 2017	(757,432)	(1,078,150)
(1,200,000)	Caesars Entertainment Operating Co Inc. (formerly known as Harrah's Operating Company Inc.), 10.00%	December 15, 2018	(1,020,689)	(1,044,390)
(820,000)	J Crew Group, Inc., 8.125%	March 1, 2019	(789,053)	(761,113)
(2,050,000)	Dunkin Finance Corporation, 9.625%	December 1, 2018	(2,092,648)	(1,994,193)
(2,050,000)	Lender Processing Services Inc., 8.125%	July 1, 2016	(2,065,530)	(1,927,492)
(1,290,000)	Level 3 Financing Inc., 9.25%	November 1, 2014	(1,211,602)	(1,279,775)
(2,050,000)	MGM Resorts International, 11.375%	March 1, 2018	(2,155,842)	(2,219,085)
(980,000)	Newpage Corporation, 11.375%	December 31, 2014	(871,161)	(881,269)
(1,230,000)	Rite Aid Corporation, 9.50%	June 15, 2017	(1,068,681)	(1,082,360)
(2,150,000)	Simon Property Group LP, 5.65%	February 1, 2020	(2,279,597)	(2,238,667)
(7,200,000)	Spanish Government Bonds, 4.00%	April 30, 2020	(9,383,302)	(9,219,396)
(3,280,000)	US Treasury Note, 4.25%	November 15, 2040	(3,127,745)	(3,091,893)
(6,800,000)	US Treasury Note, 5.375%	February 15, 2031	(8,173,213)	(7,683,625)
(2,150,000)	USG Corporation, 9.75%	January 15, 2018	(2,305,721)	(2,042,248)
Total Bonds			(37,302,216)	(36,543,656)
Total Short Positions			(37,302,216)	(36,543,656)
UNFUNDED BANK DEBT COMMITMENTS				
(4,884,189)	Venetian Orient Limited	May 18, 2015	(197,127)	(32,382)
(2,041,053)	Tribune Company Revolving Commitment	Defaulted	(654,626)	(589,255)
Unfunded Bank Debt Commitments			(851,753)	(621,637)
Adjustment for transactions costs			(4,322)	-
Total Investments			136,418,259	140,296,238
Other Assets and Liabilities held in OCP Investment Trust				
Cash				174,534,879
Cash on deposit with broker as collateral				366,452
Receivable for investments sold				2,377,641
Accrued interest				1,076,678
Performance fees payable				(111,285)
Interest payable on short positions				(638,267)
Other payables				(432,124)
Redemptions payable				(5,300,000)
Payable for investments purchased				(34,078,420)
Section 3855 valuation adjustment [Note 6]				7,921
Forward Agreement				278,099,713

- (1) Sold 132,293,830 United States dollars for Canadian dollars at a rate of 1.0482
The counterparty is rated A by Standard & Poor's.

See accompanying notes

OCF CREDIT STRATEGY FUND

NOTES TO FINANCIAL STATEMENTS (Unaudited)

June 30, 2011

1. THE FUND

OCF Credit Strategy Fund (the “Fund”) is an investment fund governed by the laws of the Province of Ontario by a Declaration of Trust dated October 27, 2009. On November 20, 2009 the Fund completed an initial public offering of 20,000,000 units at \$10 per unit. On December 3, 2009, an over-allotment option granted to agents was exercised for 780,000 units at \$10 per unit. Agents’ fees and expenses of issue relating to the initial public offering of units totaled \$11,771,048. On June 21, 2011, a follow-on offering was completed for 8,600,000 units at \$10.12 per unit. Agents’ fees and expenses of issue relating to the offering of units are estimated at \$3,781,280.

The Fund is designed to provide unitholders with exposure to the performance of an actively managed, diversified portfolio (the “Portfolio”) comprised primarily of senior debt obligations of non-investment grade North American issuers.

In order to meet its investment objective, the Fund used the net proceeds of the offerings to pre-pay its obligation to purchase a portfolio of Canadian Securities (the “Canadian Securities Portfolio”) under a forward purchase and sale agreement (the “Forward Agreement”) which the Fund entered into with The Bank of Nova Scotia (the “Counterparty”). Under the terms of the Forward Agreement, the Counterparty has agreed to deliver to the Fund on November 20, 2014 (being the scheduled Forward Termination Date) the Canadian Securities Portfolio with an aggregate value equal to the redemption proceeds of a corresponding number of units of OCF Investment Trust (the “Trust”), which holds the Portfolio securities, net of any amount owing by the Fund to the Counterparty. As such, the return of the Fund will, by virtue of the Forward Agreement, be based on the return of the Trust, which, in turn, will be based on the performance of the Portfolio.

The manager of the Fund is Onex Credit Partners, LLC (the “Manager”), as such, the Fund is dependent on the Manager for the administration and management of all matters relating to its operations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles (“GAAP”). In applying Canadian GAAP, management may make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses during the reporting year. Significant estimates include the valuation of the forward agreement. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements.

Forward Agreement

The Forward Agreement is valued at an amount that would be realized if the position was to be closed out in accordance with its terms, in which case fair value shall be based on the net asset value of the Trust. The Forward Agreement is categorized as held for trading and changes in fair value are reflected in the Fund’s Statements of Operations under “Net change in unrealized appreciation on Forward Agreement”. Trade date accounting is used.

Income and expense recognition

The accrual method of recording income and expenses is followed.

Increase in net assets from operations per unit

The increase in net assets from operations per unit in the Statements of Operations represents the increase in net assets from operations during the period, divided by the weighted average number of units outstanding during the period.

Valuation of fund units for transaction purposes

Net asset value per unit is calculated at the end of Thursday of each week, on the annual redemption date and on such other dates as the Manager deems appropriate, by dividing the net asset value by the outstanding units.

Net assets per unit for financial reporting purposes are determined in the same manner as above, except for investments which are accounted for in accordance with CICA Handbook Section 3855.

Given that the Fund does not invest directly in any investment securities, there is no difference between the Fund’s net asset value and the Fund’s net assets.

OCP CREDIT STRATEGY FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) continued

Income taxes

No provision for income taxes has been recorded in the accompanying financial statements as all income and net realized taxable capital gains are distributed to the unitholders.

3. FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments of the Fund include cash, receivable from Counterparty under Forward Agreement, accounts payable and accrued liabilities and distributions payable. There are no significant differences between the carrying values of these financial instruments and their fair value. The Forward Agreement is carried at its fair value as described in Note 2 above. Financial instruments recorded at fair value, are categorized between those whose fair value is based on quoted market prices (Level 1), those involving valuation techniques where all the model inputs are observable in the market (Level 2) and those where the valuation technique involves the use of non-market observable inputs (Level 3). The Forward Agreement is considered Level 2.

4. DISTRIBUTIONS

An objective of the Fund is to provide unitholders with tax efficient quarterly distributions consisting of capital gains and returns of capital initially targeted to be \$0.175 per unit (\$0.70 per annum to yield 7.0% on the subscription price of \$10.00 per unit) to unitholders of record on the last business day of each of March, June, September and December.

If, in any period after such distributions, there would otherwise remain in the Fund additional net income or net realized capital gains, the Fund intends to make, on or before December 31 of that year, a special distribution of such portion of the remaining net income and net realized capital gains as is necessary to ensure that the Fund will not be liable for income tax under the Income Tax Act (Canada).

5. EXPENSES OF THE FUND AND RELATED PARTY TRANSACTIONS

The Manager is entitled to an annual management fee of 0.3125% based on the net asset value of the Fund, as well as an annual fee of 0.9375% based on the net asset value of the Trust (total overall management fee of 1.25%). These fees are calculated weekly and paid monthly in arrears.

A dealer service fee, which is equal to 0.40% annually of the net asset value of the Fund is payable to dealers whose clients hold units of the Fund. This fee is calculated weekly and paid quarterly in arrears.

In addition, the Manager is entitled to an annual performance fee (the “**Performance Fee**”) from the Trust once a unitholder of OCP Investment Trust has achieved a preferred return of 9.0%. The Performance Fee is calculated and accrued monthly and paid annually (except that when units are redeemed the accrued Performance Fee in respect of such units will be paid at the time of such redemption). The amount of the Performance Fee is determined as of December 31 of each year (the “**Determination Date**”). The Performance Fee for a given year will be an amount for each unit of OCP Investment Trust then outstanding equal to 15% of the amount by which the sum of (i) the net asset value of such unit at the Determination Date (calculated without taking into account the Performance Fee), and (ii) the distributions paid on such unit during the previous 12 months (such sum being referred to as the “**Return**”), exceeds the Threshold Amount (as defined below). No Performance Fee will be paid unless the Return exceeds 109% of the Threshold Amount. If the Return exceeds 109% of the Threshold Amount, the Manager will be entitled to a Performance Fee equal to 15% of the Return. Furthermore, the Manager, at its own discretion, has determined that the performance fee will also be subject to the unitholders of the Fund receiving a preferred return of 8% on an annualized basis. On December 31, 2009, the Threshold Amount is the net asset value per unit of OCP Investment Trust, immediately following the closing of the offering. Thereafter, the Threshold Amount is the greatest of: (i) the net asset value per unit of OCP Investment Trust immediately following the closing of the offering; (ii) the net asset value per unit of OCP Investment Trust on the Determination Date for the previous fiscal year (after payment of such Performance Fee); and (iii) the net asset value per unit of OCP Investment Trust on the Determination Date in the last fiscal year in which a Performance Fee was paid (after payment of such Performance Fee).

As at June 30, 2011, a performance fee in the amount of \$111,285 (December 31, 2010 – \$1,042,891) was accrued in the Trust.

OCP CREDIT STRATEGY FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) continued

Under the Forward Agreement, the Fund pays to the Counterparty an annual fee of 0.25% of the notional amount of the Forward Agreement (being effectively equal to the net asset value of the Trust), calculated weekly and paid quarterly in arrears.

The Fund is responsible for all costs relating to its administration and operation.

All transactions with the Manager are measured at the exchange amounts, and occur within the normal course of business.

6. FORWARD AGREEMENT

The Fund has used the net proceeds of the offerings to pre-pay its obligation to purchase the Canadian Securities Portfolio pursuant to a Forward Agreement that it has entered into with the Counterparty, which has a credit rating of AA- according to Standard & Poor's Rating Services ("S&P"). Under the terms of the Forward Agreement, the Counterparty has agreed to deliver to the Fund on November 20, 2014, being the scheduled Forward Termination Date, the Canadian Securities Portfolio with an aggregate value equal to the redemption proceeds of a corresponding number of units of OCP Investment Trust, net of any amount owing by the Fund to the Counterparty. The Fund will partially settle the Forward Agreement prior to the Forward Termination Date in order to fund quarterly distributions, redemptions and repurchases of units from time to time, and operating expenses of the Fund.

The fair value of the Fund's Forward Agreement is equal to the net asset value of the Trust calculated at closing sale prices. As at June 30, 2011, the net asset value of the Trust was \$278,099,713. For financial statement reporting purposes, the net assets of the Trust includes portfolio securities measured in accordance with Section 3855 of the CICA Handbook, which for publicly listed securities is based on closing bid prices on a recognized stock exchange on which the investments are listed or principally traded. The following reconciles the net assets of the Trust to the fair value of the Forward Agreement as at June 30, 2011 and December 31, 2010:

	2011	2010
Net assets of the Trust based on closing bid prices	\$278,091,792	\$197,188,655
Section 3855 valuation adjustment	7,921	21,451
Forward Agreement, at fair value	\$278,099,713	\$197,210,106

7. UNITS ISSUED AND OUTSTANDING

The Fund is authorized to issue an unlimited number of transferable and redeemable units of one class, each of which is entitled to one vote at all unitholder meetings and represents an equal, undivided interest in the net assets of the Fund.

Commencing in 2011, units may be surrendered annually for redemption during the period from the first business day in January until 5:00pm (Toronto time) on January 15 in each year (the "Notice Period") subject to the Fund's right to suspend redemptions in certain circumstances. Units surrendered for redemption during the Notice Period will be redeemed on the last business day of March of each year (the "Annual Redemption Date") for a redemption price per unit equal to the net asset value per unit determined as of the Annual Redemption Date, less any costs and expenses incurred by the Fund in order to fund such redemption.

Changes in the number of units outstanding for the periods ended June 30 are summarized as follows:

	2011 #	2010 #
Units outstanding, beginning of period	20,780,000	20,780,000
Issuance of units	8,600,000	-
Redemptions of units	(205,625)	-
Units outstanding, end of period	29,174,375	20,780,000

OCP CREDIT STRATEGY FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) continued

8. MANAGEMENT OF FINANCIAL RISKS

In the normal course of business, the Fund is exposed to various financial risks, including credit risk, liquidity risk and market risk (consisting of interest rate risk, currency risk and other price risk). The Fund's overall risk management program seeks to minimize potentially adverse effects of these risks on the Fund's financial performance by employing professional, experienced portfolio managers, by monitoring daily the Fund's positions and market events and by diversifying the investment Portfolio of OCP Investment Trust within the constraints of the investment guidelines. To assist in managing risk, the Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy, investment guidelines and securities regulations.

As the Fund obtains exposure to the Portfolio held in the Trust through the Forward Agreement, the following incorporates the risks and risk management applicable to the Trust and the Fund.

Credit risk

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

In entering into the Forward Agreement, which is the most significant asset of the Fund, the Fund is exposed to the credit risk associated with the Counterparty. As at June 30, 2011, the credit exposure is \$278,099,713 (December 31, 2010 – \$197,210,106) and is represented by the net asset value of the Trust. The possibility exists that the Counterparty will default on its obligations under the Forward Agreement. This risk is managed by dealing with a counterparty that the Manager believes to be creditworthy and through regular monitoring of credit exposures. As at June 30, 2011, the Counterparty has a current credit rating of AA- by S&P.

The Fund is also exposed to credit risk of the debt securities it has exposure to via the Forward Agreement. The Trust invests primarily in senior debt obligations of non-investment grade issuers, including defaulted obligations, which involves risk of loss and price changes due to such factors as an issuer's credit worthiness. This represents the main concentration of credit risk. The fair value of the debt securities held in the Portfolio includes consideration of the credit worthiness of the issuer. The Schedule of Forward Agreement discloses the securities which are currently in default.

As part of its cash management, the Fund limits its direct exposure to credit loss by placing its cash with high credit quality financial institutions.

Within the Trust's Portfolio, the maximum exposure to any one debt issuer as of June 30, 2011 was \$15,291,226 representing 5.5% of the net assets of the Trust (December 31, 2010 – \$9,473,037 or 4.8%).

As at June 30, 2011, indirect exposure to debt securities by credit rating is as follows:

Credit Rating	As a % of the Trust's net assets
AAA	(3.87)
AA	(3.31)
A	1.49
BB	5.44
B	22.84
CCC	0.71
CC	1.37
Not Rated*	20.08

OCP CREDIT STRATEGY FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) continued

As at December 31, 2010, indirect exposure to debt securities by credit rating is as follows:

Credit Rating	As a % of the Trust's net assets
AAA	(1.41)
AA	(2.61)
A	1.07
BB	4.72
B	31.63
CCC	(0.17)
Not Rated*	12.30

*Not rated by Standard & Poor's Rating Services.

All transactions executed by the Trust in listed securities are settled/paid 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.

Liquidity risk

Liquidity risk is the risk that the Fund may not be able to settle or meet its obligations on time or at a reasonable price.

The Forward Agreement may be partially pre-settled at any time. If the Trust is unable to dispose of some or all of the Portfolio upon receipt of a redemption request, the Fund may experience a delay in the receipt of cash on the sale of Canadian Securities Portfolio to be delivered by the Counterparty under the Forward Agreement until such time as the Trust is able to dispose of such securities.

As at June 30, 2011, approximately 51.49% (December 31, 2010 – 42.93%) of the Trust's net assets are held in cash (net of amounts receivable for investments sold and payable for investments purchased) and as a result, the Trust's liquidity risk is considered minimal.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments.

Of the Trust's interest-bearing financial instruments, changes in the prevailing levels of market interest rates will not have a significant impact on their fair values.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Fund is exposed to the performance of the Trust which invests its assets in securities that are denominated in a currency other than the Canadian dollar, the functional currency of the Fund. Consequently, the Fund is exposed to currency risk as the fair value of the Portfolio securities denominated in currencies other than the Canadian dollar will vary due to changes in foreign currency exchange rates. For the periods ended June 30, 2011 and December 31, 2010, the Fund does not have significant exposure to foreign exchange risk as substantially all of the Trust's foreign investments are hedged back to the Canadian dollar.

Other price risk

Other price risk is the risk that the fair value of equities will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund is exposed to the performance of the Trust, which does not invest substantially in equity securities and as a result, the Fund does not have a significant exposure to other price risk as of June 30, 2011 and December 31, 2010.

OCP CREDIT STRATEGY FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) continued

9. CAPITAL MANAGEMENT

Units issued and outstanding represent the capital of the Fund. The Fund has no restrictions or specific capital requirements and is authorized to issue an unlimited number of redeemable units as specified in its most recent Annual Information Form. Restrictions and specific requirements on the redemption of units are described in Note 7. The Statements of Changes in Net Assets and Note 7 outline the relevant changes of the Fund's units for the period.

The Fund's objectives in managing its capital in respect of the units are to provide unitholders with tax efficient quarterly distributions consisting of capital gains and returns of capital currently targeted to be \$0.175 per unit (\$0.70 per year to yield 7% per year based on the initial \$10.00 subscription price), while at the same time to preserve and enhance the net asset value.

The Fund manages its capital in accordance with its investment objectives and strategies and the risk management practices outlined in Note 8 while maintaining sufficient liquidity to meet distributions and redemptions.

10. INCOME TAXES

The Fund qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is not subject to tax on that portion of its income, including net realized capital gains for its taxation year that is paid or payable to its unitholders. Income tax on net realized capital gains not paid or payable will be generally recoverable by virtue of refunding provisions contained in the Income Tax Act (Canada) and provincial income tax legislation, as redemptions occur. It is the intention of the Fund to pay all net taxable income and sufficient net taxable gains so that the Fund will not be subject to income taxes. Occasionally, the Fund may distribute more than it earns. This excess distribution is a return of capital and is not taxable to unitholders.

As of December 31, 2010, the Fund has accumulated \$4,311,030 of non-capital losses which may be carried forward to reduce future taxable income and expire in the years indicated:

Non-Capital Losses	Expiration of Non-Capital Losses	
	2029	2030
\$4,311,030	\$637,867	\$3,673,163

11. INTERNATIONAL FINANCIAL REPORTING STANDARDS

On January 12, 2011, the Canadian Accounting Standards Board made a decision to extend the deferral of the adoption of International Financial Reporting Standards ("IFRS") by investment companies for an additional year to January 1, 2013. This results in a two-year deferral of IFRS adoption by investment companies compared to other publicly accountable entities. Consequently, IFRS would be applicable to the Fund for the fiscal year beginning January 1, 2013. At the transition date the prior fiscal year financial statements will require restatement to IFRS for comparative purposes.

The Fund is continuing with its orderly transition plan to meet the requirements to changeover to IFRS. The Fund has reviewed the existing body of IFRS against its current policies under Canadian GAAP and has noted certain policy differences most notable is the requirement to consolidate the financial results of the Fund with OCP Investment Trust. The Manager is reviewing closely the developments of the International Accounting Standards Board's investment company project which addresses consolidation for investment companies and is not expected to be issued before January 1, 2012. Apart from this, other major changes identified include the addition of a statement of cash flows and the classification of unitholder's equity (puttable instruments) as a liability unless certain conditions are met, as well as more extensive note disclosure requirements. These changes will not have an impact on the Fund's results of operations or financial position.

The process of evaluating the potential impact of IFRS on the financial statements is ongoing as the International Accounting Standards Board and the Canadian Accounting Standards Board continue to issue new standards and recommendations.

12. SUBSEQUENT EVENT

On July 7, 2011, the syndicate of agents for the follow-on offering of the Fund partially exercised its over-allotment option and acquired an additional 1,240,000 units of the Fund.