



ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

EXCEL
INCOME AND GROWTH FUND
For the years ended September 30, 2011 and 2010

Important information about the Fund is contained in the Simplified Prospectus. Read the prospectus carefully before investing. Past performance is no assurance or indicator of future returns. Fund unit values and investment returns will fluctuate.

Dear Excel Investor,

Emerging markets consumption has eclipsed that of the United States and Excel Funds is well positioned to help you capitalize on the unprecedented growth within these markets.

While there is some uncertainty in today's economic climate, emerging markets continue to thrive and are expected to account for 75% of global growth this year alone. These markets have escaped much of the financial turmoil that continues to affect developed markets around the world. With healthy underlying economic fundamentals and compelling valuations, emerging markets have a very attractive investment outlook. In contrast to the developed world, these markets have policy flexibility, low sovereign debt levels and strong banks. Structurally, emerging markets are poised to rebound best from the global slowdown and lead the way for the rest of the world.

Excel remains committed to helping Canadian investors grow with emerging markets through our highly ranked fund family. With a total of 12 mutual funds, Excel now offers the largest emerging markets focused fund line up in Canada. Our strategy continues to focus on active portfolio management by best in class, on-the-ground portfolio managers. This approach has proven effective once again, as the Excel Emerging Markets, Excel EM High Income and Excel EM Capital Income Funds have all outperformed relative to the competitors in their inaugural year.

With the recent launch of the Excel Blue Chip Emerging Markets Fund, Excel is adding to the wide range of investment options we offer and looking to help investors maximize their portfolio returns. The Excel Blue Chip Emerging Markets Fund is the first of its kind and offers Canadian investors the opportunity to benefit from emerging market growth with developed market leaders. This new global Fund invests in G7 and BRIC blue chip companies with high organic growth due to emerging market exposure. It uses geographic diversification and currency hedging to minimize risk and preserve capital while maintaining the ability to profit from emerging market outperformance over the longer term. While the global economy expands and contracts over time, we will continue to work hard on your behalf to bring you the best opportunities in emerging markets. As we enter the most exciting period of our history, I want to thank all investors for choosing Excel Funds for your emerging market investments.

Best Regards,



Bhim D. Asdhir
President and Chief Executive Officer

This Annual Management Report of Fund Performance contains financial highlights and should be read in conjunction with the complete audited annual financial statements of the investment fund. Unitholders may contact us by calling 1-888-813-9813, by writing to us at Excel Funds, 2000 Argentia Road, Plaza 4, Suite 280, Mississauga, ON, L5N 1W1, or by visiting our website at www.excelfunds.com to request a copy of the investment fund's interim or annual financial statements, proxy voting policies and procedures, proxy voting disclosure record, quarterly portfolio disclosure and annual activity report prepared by the Independent Review Committee.

Management Report of Fund Performance

This Annual Management Report of Fund Performance presents management's view of the significant factors and developments during the past year that have affected the Excel Income and Growth Fund's (the "Fund") performance and outlook. In this report, "Excel" or "Manager" refers to Excel Funds Management Inc., the manager of the Fund.

Investment Objective and Strategies

The investment objective of the Fund is to seek steady income and long-term growth of capital by investing in bonds, convertible bonds and dividend and/or distribution paying securities of companies located around the world. To achieve its investment objective, the Fund will invest in bonds, convertible bonds and dividend and/or distribution paying securities of companies located around the world. While Excel Investment Counsel Inc. ("EICI" or the "Portfolio Manager") strives to diversify the Fund's investment portfolio among geographic regions, the Fund may, from time to time, be concentrated in a particular country or region as a result of prevailing market conditions and/or available investment opportunities. The Fund may use derivatives like options, futures and forward contracts for hedging purposes as permitted by Canadian securities regulators. Derivatives may also be used by the Fund for non-hedging purposes such as to gain exposure to individual stocks or to seek to enhance returns. Under adverse market, economic or political conditions or for other considerations, the Fund may invest its assets in cash and cash equivalents (in any currency) or short-term fixed income securities for defensive or other purposes.

Investment Risks

The risks of investing in the Fund remain as discussed in the prospectus. The Fund is suitable for investors who are seeking current income and, to a lesser extent, long-term capital growth and who are looking for exposure to the bond markets and, to a lesser extent, the equity markets located around the world. The investor should be willing to accept moderate investment risk and be exposed to fluctuations in certain foreign currencies relative to the Canadian dollar and who plans to hold for the long term.

Securities of many issuers in the certain countries may be less liquid and more volatile than securities of comparable domestic issuers, but may offer the potential for higher returns over the long term. The securities held by the Fund may be denominated in foreign currency. Accordingly, the value of the Fund will fluctuate depending on the rate of exchange between the Canadian dollar and certain foreign currencies. Certain countries have less developed clearance and settlement procedures and delays may occur in registering transfers of securities. The Fund may, therefore, be unable to sell securities until the registration process is completed or may experience delays in receipt of dividends and other entitlements.

The value of the Fund may also be affected by political and economic developments, social or regional tensions, changes in local tax laws or government regulation and government intervention, high rates of inflation or interest rates. The risk of loss may also be increased because there may be less information available about issuers located in certain countries since these issuers are not subject to the extensive accounting, auditing and financial reporting standards and practices which are applicable in North America. There is also a lower level of regulation and monitoring of the capital markets in some emerging markets compared to other more developed markets.

Results of Operations

During the year ended September 30, 2011, the Fund's Series A, F and I units declined by 17.9%, 17.2%, 16.8% respectively. This compares to the negative 0.63% return for the blended benchmark of 66.7% Morgan Stanley Capital International ("MSCI") World Index and 33.3% Barclays Capital Index. The Fund's return is after the deduction of fees and expenses paid by the Fund.

As at September 30, 2011, 93.2% of Net Assets were invested in equities, 4.3% of Net Assets were invested in fixed income, and the remaining 2.5% in other assets comprising primarily of cash.

The Net Assets of the Fund decreased from \$11.0 million as at September 30, 2010 to \$5.6 million as at September 30, 2011. The change in Net Assets is attributable primarily to investor net redemptions of \$4.2 million and net realized and unrealized losses of \$1.2 million recorded on the investment portfolio. The Portfolio Manager does not believe the net redemptions had a meaningful impact on the Fund's performance or the Fund's ability to implement its investment strategy.

During the year ended September 30, 2011, the Fund maintained its distribution of \$0.033 per month (\$0.396 per annum).

Results of Operations (Cont'd)

The Fund's sector weightings were re-allocated in the last year to expand positions into industry sectors, which were considered to be possible areas of future growth. Asset weighting in utilities was reduced, and redeployed into information technology and health care at year end.

Excel has retained EICI as of December 7, 2009 to act as the portfolio manager of the Fund; previously the portfolio manager was Toron Capital Markets Inc. EICI is a wholly owned subsidiary of Asdhir Enterprises Inc., which also owns a majority of the voting shares of Excel.

Recent Developments

There were several global events that impacted the markets. Earlier in the year, there was an uprising in the Middle East and North Africa which led to an increase in the price of oil and Japan experienced a tragic earthquake and tsunami. As well, the United States of America ("U.S.") economy has been weaker than expected, which has caused economists to reduce their North American growth forecasts. All of these contributors to global uncertainty have caused a strong correction for most global equity markets. The Portfolio Manager believes the likelihood of a double-dip recession is low as corporate earnings growth is strong and balance sheets are much stronger than they were several years ago.

As we enter into the last part of 2011, markets continue to be challenged about the potential Greek default as part of the European sovereign debt crisis, the end of U.S. quantitative easing and slow economic growth. The Portfolio Manager believes that the economic fundamentals reflect an economic slowdown and not a contraction, and as a result the economic slowdown is temporary, and the market drop can be viewed as a normal correction. The market is expected to rally if future economic reports support the economic slowdown case.

During the year the Fund focused on selecting equity securities of companies with strong balance sheets and with good earnings growth. Security selection remains important as the Fund seeks opportunities across asset classes. In terms of equities, equity valuations are very attractive, and thus the Fund remains overweight.

Future Accounting Changes

International Financial Reporting Standards ("IFRS")

The Fund is required to mandatorily adopt IFRS for its fiscal year beginning October 1, 2013, and will issue its initial financial statements in accordance with IFRS, including comparative information, for the interim period ending March 31, 2014. The Manager is in the process of developing an IFRS changeover plan, which addresses key elements of the conversion to IFRS and will identify the key differences between IFRS and Canadian generally accepted accounting principles ("Canadian GAAP") that are expected to affect the Fund. Elements of the plan include evaluating the impacts of the changeover on all investment activities, accounting policies, internal controls over financial reporting and disclosure controls and procedures. Based on the Manager's initial evaluations of the differences between Canadian GAAP and IFRS, the adoption of IFRS is not expected to have a significant impact on the calculation of Net Asset Value per unit. IFRS is expected to affect the overall presentation of financial statements and result in additional disclosure in the accompanying notes. Based on initial assessment, the Fund's units would be classified as a liability under International Accounting Standard 32, "Financial Instruments Presentation".

The Manager continues to monitor changes to IFRS proposed by the International Accounting Standards Board and relevant amendments by the Canadian Accounting Standards Board, and the initial assessment and IFRS changeover plan will change if new standards are issued or interpretations of existing standards are revised.

Past Performance

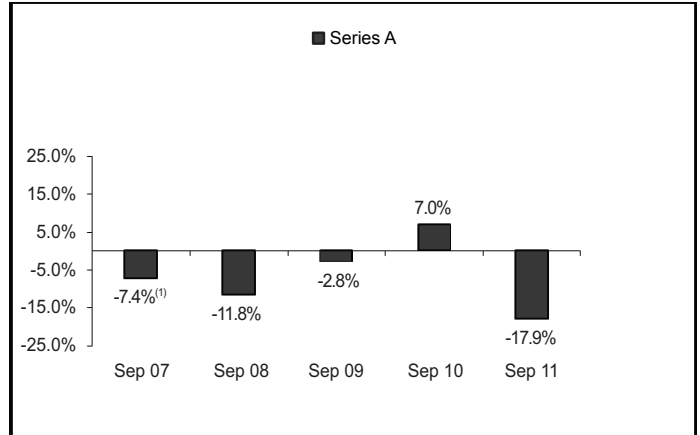
Sales commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemptions, distributions, optional charges or income taxes payable by any investor that would have reduced returns. It should be noted that mutual funds are not guaranteed as their value changes frequently and past performance may not be repeated. The Fund's performance numbers assume that all distributions are reinvested in additional units of the Fund. If you hold this Fund outside of a registered plan, income and capital gains distributions that are paid to you increase your income for tax purposes whether paid to you in cash or reinvested in additional units. The amount of the reinvested taxable distributions is added to the adjusted cost base of the units that you own. This would decrease your capital gains or increase your capital loss when you later redeem from the Fund, thereby ensuring that you are not taxed on this amount again. Please consult your tax advisor regarding your personal tax situation.

The past performance of the Fund is set out in the following charts. All returns are calculated in Canadian Dollars, and unit values are expressed in Canadian Dollars.

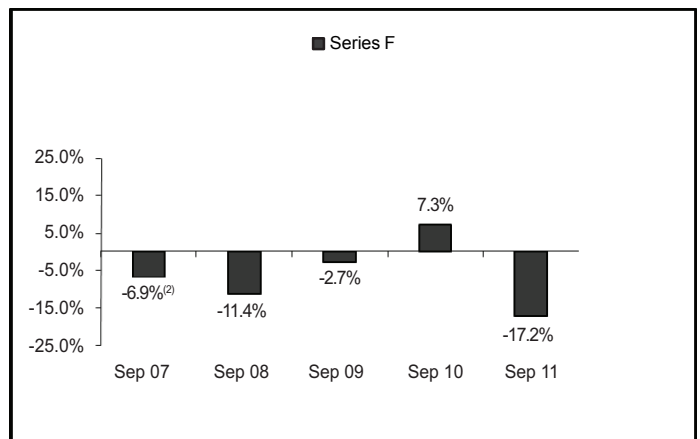
Year-by-Year Returns

The following bar charts show the performance of each series of the Fund for the year ended September, 2011 and for each of the previous periods ended September 30. The charts show in percentage terms how an investment made on October 1 or inception would have increased or decreased by the end of the relevant period.

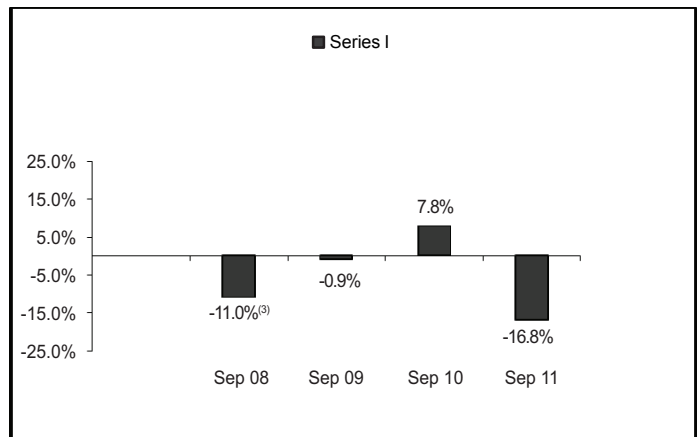
Past performance of the Fund is not necessarily an indication of how it will perform in the future.



(1) Return from January 2, 2007 to September 30, 2007



(2) Return from January 5, 2007 to September 30, 2007



(3) Return from December 6, 2007 to September 30, 2008

Annual Compound Returns

The following table shows the Fund's annual compound total return for Series A, F & I units of the Fund for the years ended September 30, 2011. The annual compound total return is also compared to a blended index comprised of 66.7% MSCI World Index and 33.3% Barclays Capital Index as well as to the MSCI World Index. All returns are calculated in Canadian dollars on a total return basis, meaning that all distributions are reinvested. The differences between the returns for each series, is a result of management fees charged and direct series expenses.

Percentage Return:	1 Year	3 Years	Since Inception⁽¹⁾
Series A	-17.91	-5.02	-7.27
66.7% MSCI World Index / 33.3% Barclays Capital Index ⁽²⁾	-0.63	2.03	-2.79
MSCI World Index ⁽³⁾	-3.50	-0.74	-6.42
Series F	-17.15	-4.60	-6.78
66.7% MSCI World Index / 33.3% Barclays Capital Index ⁽²⁾	-0.63	2.03	-2.74
MSCI World Index ⁽³⁾	-3.50	-0.74	-6.32
Series I	-16.82	-3.70	-5.76
66.7% MSCI World Index / 33.3% Barclays Capital Index ⁽²⁾	-0.63	2.03	-2.24
MSCI World Index ⁽³⁾	-3.50	-0.74	-6.94

⁽¹⁾ The inception dates for each of the series of the Excel Income and Growth Fund are: Series A - January 2, 2007, Series F - January 5, 2007, and Series I - December 6, 2007.

⁽²⁾ The Barclays Capital Aggregate Bond Index, which used to be called the "Lehman Aggregate Bond Index," is a broad base index, maintained by Barclays Capital, which took over the index business of the now defunct Lehman Brothers, and is often used to represent investment grade bonds being traded in United States. Index funds and exchange-traded funds are available that track this bond index.

⁽³⁾ The MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The MSCI World Index consists of the following 24 developed market country indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States*.

EXCEL INCOME AND GROWTH FUND

Annual Management Report of Fund Performance
For the year ended September 30, 2011

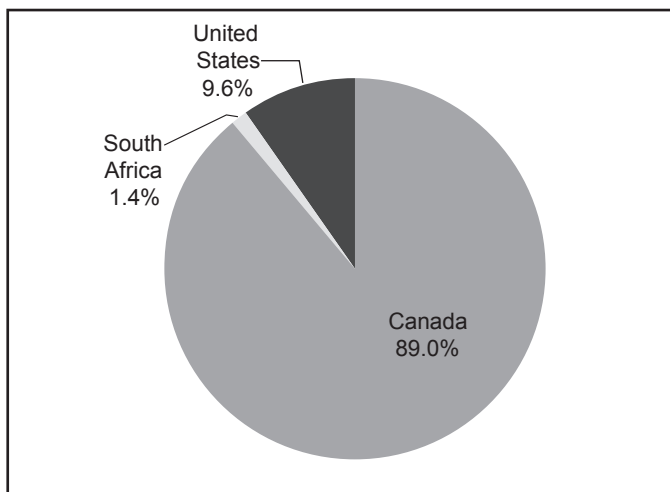
Summary of Investment Portfolio As at September 30, 2011

Portfolio Allocation*

Asset Class	% of Net Asset Value
Pharmaceuticals & Healthcare	24.7%
Metals & Mining	23.7%
Oil & Gas	12.2%
Information Technology	7.6%
Industrial & Manufacturing	5.6%
Corporate Bond	4.3%
Financial Services	3.9%
Chemicals	3.7%
Advertising & Media	3.6%
Shipping & Transportation	3.3%
Infrastructure & Development	2.4%
Other Net Assets	1.9%
Telecommunications	1.9%
Automotive	1.2%
Total	100.0%

*The portfolio allocation percentages are based on Net Asset Value, and accordingly differ slightly from those in the Statement of Investment Portfolio in the financial statements which are based on Canadian GAAP.

Portfolio Region Allocation*



*The portfolio region allocation is based on Net Asset Value.

Top 25 Holdings*

Issuer	% of Net Asset Value
Medicago Inc.	11.9%
Burcon NutraScience Corporation	7.8%
Wi-LAN Inc.	4.9%
Yamana Gold Inc.	4.9%
Eldorado Gold Corporation	4.8%
Suncor Energy Inc.	4.8%
Goldcorp Inc.	4.3%
Teck Resources Limited "B"	4.1%
EV Energy Partner Limited Partnership	4.0%
Canadian Imperial Bank of Commerce	3.9%
Agrium Inc.	3.7%
Torstar Corporation "B"	3.6%
Linn Energy LLC	3.3%
Air Canada "B"	3.3%
Bombardier Inc. "B"	3.3%
Canadian Natural Resources 4.95% June 1, 2015	2.9%
Shoppers Drug Mart Corporation.	2.9%
Cash & Cash Equivalents	2.9%
North American Tungsten Corporation Limited	2.8%
Sandvine Corporation	2.7%
Aecon Group Inc.	2.4%
Martinrea International Inc.	2.3%
Abbott Laboratories Inc.	1.9%
Research In Motion Limited	1.9%
International Bank for Reconstruction & Development 12.5% May 14, 2012	1.4%

* The top 25 holdings percentages are based on Net Asset Value, and accordingly differ slightly from those in the Statement of Investment Portfolio in the financial statements which are based on Canadian GAAP.

The investments and percentages may have changed by the time you purchase units of this fund. The top 25 holdings are made available quarterly. The "Quarterly Portfolio Disclosure" is posted on the Excel Funds website - www.excelfunds.com.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the indicated periods. "Net Assets" are calculated in accordance with the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3855, "Financial Instruments-Recognition and Measurement" ("Section 3855") and are used for financial reporting purposes. "Net Asset Value" is calculated in accordance with section 14.2 of National Instrument 81-106, "Investment Fund Continuous Disclosure" ("NI 81-106") and is used for transactional pricing purposes. Section 3855 requires the use of valuation techniques for certain types of investments that may differ from those prescribed by NI 81-106. Ratios and Supplemental Data are derived from the Fund's Net Asset Value.

The Fund's Net Assets Per Unit (\$) ⁽⁶⁾

Series A	Sep-11	Sep-10	Sep-09	Sep-08	Sep-07
Net Assets, beginning of year	7.16	7.06	7.68	9.14	10.00 ⁽³⁾
Increase (decrease) from operations:					
Total revenue	0.16	0.27	0.36	0.40	0.32
Total expenses	(0.28)	(0.18)	(0.25)	(0.12)	(0.04)
Realized gains (losses) for the year	0.74	0.12	(1.32)	(0.33)	(0.51)
Unrealized gains (losses) for the year	(2.07)	0.42	0.93	(0.96)	(0.64)
Total increase (decrease) from operations⁽¹⁾	(1.45)	0.63	(0.28)	(1.01)	(0.87)
Distributions:					
From income (excluding dividends)	(0.40)	(0.09)	(0.20)	(0.29)	(0.11)
From dividends	-	(0.08)	(0.03)	(0.03)	(0.01)
From capital gains	-	-	-	-	-
Return of capital	-	(0.23)	(0.16)	(0.09)	-
Total distributions⁽²⁾	(0.40)	(0.40)	(0.39)	(0.41)	(0.12)
Net Assets, end of year	5.52	7.16	7.06	7.68	9.14

Series F	Sep-11	Sep-10	Sep-09	Sep-08	Sep-07
Net Assets, beginning of year	7.26	7.13	7.74	9.21	10.00 ⁽⁴⁾
Increase (decrease) from operations:					
Total revenue	1.22	0.27	0.37	0.37	0.31
Total expenses	(0.22)	(0.17)	(0.24)	(0.09)	(0.04)
Realized gains (losses) for the year	0.49	(0.06)	(1.36)	(0.24)	(0.46)
Unrealized gains (losses) for the year	(3.65)	0.49	0.80	(1.01)	(0.66)
Total increase (decrease) from operations⁽¹⁾	(2.16)	0.53	(0.43)	(0.97)	(0.85)
Distributions:					
From income (excluding dividends)	(0.40)	(0.09)	(0.15)	(0.31)	(0.11)
From dividends	-	(0.08)	(0.03)	(0.03)	(0.01)
From capital gains	-	-	-	-	-
Return of capital	-	(0.23)	(0.21)	(0.09)	-
Total distributions⁽²⁾	(0.40)	(0.40)	(0.39)	(0.44)	(0.12)
Net Assets, end of year	5.65	7.26	7.13	7.74	9.21

Series I	Sep-11	Sep-10	Sep-09	Sep-08	Sep-07
Net Assets, beginning of year	8.33	8.09	8.56	10.00 ⁽⁵⁾	-
Increase (decrease) from operations:					
Total revenue	0.20	0.31	0.41	0.39	-
Total expenses	(0.21)	(0.16)	(0.11)	(0.08)	-
Realized gains (losses) for the year	1.70	0.10	(1.47)	(0.45)	-
Unrealized gains (losses) for the year	(2.23)	0.40	1.08	(0.95)	-
Total increase (decrease) from operations⁽¹⁾	(0.54)	0.65	(0.09)	(1.09)	-
Distributions:					
From income (excluding dividends)	(0.40)	(0.08)	(0.17)	(0.23)	-
From dividends	-	(0.08)	(0.03)	(0.02)	-
From capital gains	-	-	-	-	-
Return of capital	-	(0.24)	(0.19)	(0.11)	-
Total distributions⁽²⁾	(0.40)	(0.40)	(0.39)	(0.36)	-
Net Assets, end of year	6.56	8.33	8.09	8.56	-

(1) Net Assets and distributions are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period.

(2) Distributions were paid in cash/ reinvested in additional units of the Fund, or both.

(3) Inception date for Series "A" Units was January 2, 2007 with a \$10.00 issue price.

(4) Inception date for Series "F" Units was January 5, 2007 with a \$10.00 issue price.

(5) Inception date for Series "I" Units was December 6, 2007 with a \$10.00 issue price.

(6) This table is not intended to be a reconciliation of opening and closing Net Assets per unit.

Ratios and Supplemental Data

Series A	Sep-11	Sep-10	Sep-09	Sep-08	Sep-07
Net Asset Value (\$) (000's) ⁽¹⁾	4,894	4,883	3,900	4,552	7,898
Net Asset Value per unit ⁽¹⁾	5.56	7.17	7.06	7.69	8.96
Number of units outstanding (000's) ⁽¹⁾	880	681	554	592	863
Management expense ratio (%) ⁽²⁾	2.98	1.88	3.5	1.22	0.26
Management expense ratio before waivers or absorptions (%) ⁽²⁾	4.72	4.21	4.2	3.61	2.83
Portfolio turnover rate (%) ⁽³⁾	192.9	162.6	27.5	35.68	41.14
Trading expense ratio (%) ⁽⁴⁾	1.09	0.71	0.05	0.14	0.36

Series F	Sep-11	Sep-10	Sep-09	Sep-08	Sep-07
Net Asset Value (\$) (000's) ⁽¹⁾	46	17	26	41	386
Net Asset Value per unit ⁽¹⁾	5.69	7.26	7.14	7.51	9.03
Number of units outstanding (000's) ⁽¹⁾	8	2	4	5	42
Management expense ratio (%) ⁽²⁾	1.97	1.74	3.3	0.82	0.24
Management expense ratio before waivers or absorptions (%) ⁽²⁾	3.32	3.08	3.86	2.08	2.00
Portfolio turnover rate (%) ⁽³⁾	192.9	162.6	27.5	35.68	41.14
Trading expense ratio (%) ⁽⁴⁾	1.09	0.71	0.05	0.14	0.36

Series I	Sep-11	Sep-10	Sep-09	Sep-08	Sep-07
Net Asset Value (\$) (000's) ⁽¹⁾	679	6,145	5,659	6,650	-
Net Asset Value per unit ⁽¹⁾	6.61	8.34	8.10	8.57	-
Number of units outstanding (000's) ⁽¹⁾	103	737	701	776	-
Management expense ratio (%) ⁽²⁾	1.52	1.25	1.28	0.84	-
Management expense ratio before waivers or absorptions (%) ⁽²⁾	2.15	1.83	1.86	1.51	-
Portfolio turnover rate (%) ⁽³⁾	192.9	162.6	27.5	35.68	-
Trading expense ratio (%) ⁽⁴⁾	1.09	0.71	0.05	0.14	-

(1) This information is provided at September 30.

(2) Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average Net Asset Value during the period. In the period a series is established or reinstated, the management expense ratio is annualized from the date of inception or reinstatement.

(3) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

(4) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average Net Asset Value during the period.

Management Fees

Excel was entitled to receive \$150,124 (2010: \$123,934) in management fees, but the Fund paid Excel (after fees absorbed) management fees of \$42,741 (2010: \$2,571). The management fee for each series is calculated as a percentage of its Net Asset Value, as of the close of business on each business day. The Fund's management fees were used to pay the portfolio managers for managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements for the purchase and sale of the investment portfolio and providing other services. Excel also used the management fees to fund commission payments and other dealer compensation (collectively "distribution-related costs") to registered dealers and brokers for units of the Fund bought and held by investors.

During the year ended September 30, 2011, Excel received administration fees of \$7,711 (2010: \$6,441) relating to the operation of the Fund.

For the year ended September 30, 2011, 59.6% (2010: 56.3%) of the total management fee received by Excel from all Excel Mutual Funds was used to fund distribution-related costs paid to registered dealers, brokers and sub-advisors for units of the Fund bought and held by investors.

Other Related Party Transactions

Excel has created an Independent Review Committee ("IRC") to review and provide impartial judgment on, among other things, conflict of interest matters. The IRC reviews potential conflicts of interest referred to it by Excel and makes recommendations on whether a course of action achieves a fair and reasonable result for the Excel Funds. In addition, the IRC regularly reviews Excel's policies and procedures relating to conflicts of interest. The IRC prepares, at least annually, a report of its activities for investors, which is available at www.excelfunds.com and www.sedar.com.

EICI is a wholly owned subsidiary of Asdhir Enterprises Inc., which also owns a majority of the voting shares of Excel.

Other Related Party Transactions (Cont'd)

During the year ended September 30, 2011, the Excel India Fund, a fund also managed by Excel, purchased 2,940 (2010: 23,568) Series I units of the Fund and redeemed 390,459 (2010: Nil) Series I units of the Fund. As at September 30, 2011, the Excel India Fund held 62,822 (2010: 450,341) Series I units of the Fund.

During the year ended September 30, 2011, the Excel China Fund, a fund also managed by Excel, purchased 1,866 (2010: 14,993) Series I units of the Fund and redeemed 248,474 (2010: Nil) Series I units of the Fund. As at September 30, 2011, the Excel China Fund held 39,866 (2010: 286,474) Series I units of the Fund.

As at September 30, 2011, Excel held 18,856 (2010: 17,823) Series A units of the Fund.

Fund Formation and Series Information

Date of Formation: January 2, 2007

The Fund may issue an unlimited number of units of each series. The number of units of each series that have been issued and are outstanding are disclosed in the *Financial Highlights*.

Series Offered by Excel Funds Management Inc. (2000 Argentia Road, Plaza 4, Suite 280, Mississauga, Ontario, L5N 1W1; 1-800-813-9813; www.excelfunds.com)

Series A

Units of Series A are offered for sale on a continuous basis and can be purchased by submitting a purchase order to your dealer or financial advisor. You may choose from three purchase options when purchasing Series A units of the Fund, namely the Initial Sales Charge Option, Deferred Sales Charge Option or Volume Sales Charge Option. The minimum initial investment in the Fund for the Initial Sales Charge or the Deferred Sales Charge option is \$250. The minimum initial investment in the Fund for the Volume Sales Charge is \$250.

Inception Date:	Jan 2, 2007
Management Fees:	2.25%
Sales Charges:	Up to 5.00%
Redemption Charges	Up to 5.75%
Redemption Charges	
Under Low Load Option:	Up to 2.50%

Series F

Series F units are offered to investors enrolled in a dealer sponsored fee-for-service and who are subject to an asset based fee rather than commissions on each transaction. Series F units are only available through dealers or financial planners who offer certain “wrap” or “fee-for-service” programs that have been approved by Excel. Your dealer or financial advisor must enter into an agreement with Excel before selling Series F units. The minimum initial investment for the F Series is \$250.

Inception Date:	Jan 5, 2007
Management Fees:	1.25%
Sales Charges:	⁽¹⁾
Redemption Charges	n/a
Redemption Charges	
Under Low Load Option:	n/a

Series I

Series I units are designed for institutional investors and are sold pursuant to applicable prospectus exemption.

Inception Date:	Dec 6, 2007
Management Fees:	⁽²⁾
Sales Charges:	n/a
Redemption Charges	n/a
Redemption Charges	
Under Low Load Option:	n/a

⁽¹⁾ There is no sales charges payable on Series F units, but Series F investors will generally be required to pay their dealer an advisory or asset based fee in addition to the Series F management fee payable by the Fund.

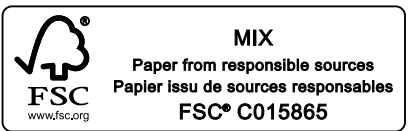
⁽²⁾ The management fee on Series I is negotiable between the Institution and Excel Funds Management Inc.

A Note on Forward-Looking Statements

This report may contain forward-looking statements about the Fund, including its strategy, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and international, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

We stress that the above-mentioned list of important factors is not exhaustive. We encourage you to consider these and other factors carefully before making any investment decisions and we urge you to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Fund has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise.



At Excel Funds we believe we have a responsibility to minimize our impact on the environment. We have also chosen as our print partner Informco, one of the most environmentally progressive printers in Canada and an ISO Environment 14001 and Forest Stewardship Council® (FSC®) certified company. This paper comes from responsible sources.



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