BOYD GROUP INCOME FUND

INTERIM REPORT TO UNITHOLDERS

Third Quarter and Nine Months Ended September 30, 2011

BOYD GROUP INCOME FUND

PRESIDENT'S MESSAGE TO UNITHOLDERS

Third Quarter and Nine Months Ended September 30, 2011

To Our Unitholders,

The momentum from the first half of 2011 carried through into the third quarter with solid operational execution and financial results.

With the acquisition of True2Form Collision Repair Centers, Inc. ("True2Form") and Cars Collision Center of Colorado, LLC and Cars Collision Center, LLC (together, "Cars Collision") we have solidified our position as largest multi-location collision operator in North America with a total of 166 repair centers, consisting of 128 centers in 13 U.S. states and 38 centers in the four Western Canadian provinces.

For the quarter ended September 30, 2011, sales increased by 41.1% to $97.3 million, from $69.0 million in the third quarter of 2010. The substantial increase was due in large part to additional sales of $6.2 million from 37 True2Form locations, $17.2 million of sales from 28 Cars locations, and $2.9 million from eight new single locations. Same-store sales growth was strong overall, increasing by 1.3% in Canada and 12.1% in the U.S, which added $4.7 million to overall sales; however, this was partially offset by $2.3 million due to a lower U.S. dollar translation rate on sales generated from U.S. operations. Positive same-store sales growth continues to be a highlight for the company, confirming our business model and strength in operational execution.

Earnings before interest, income taxes, depreciation and amortization, adjusted for the fair value adjustments related to the exchangeable share liability and unit option liability ("Adjusted EBITDA")[1] for the third quarter of 2011 totalled $6.4 million or 6.6% of sales compared to Adjusted EBITDA of $5.0 million or 7.3% of sales in the same period of the prior year. The 26.6% increase in Adjusted EBITDA was the result of improvements in same-store sales, which contributed $0.5 million, combined with $1.5 million of EBITDA contribution from the acquisition of Cars Collision, offset by $0.2 million in less EBITDA from other new locations. Adjusted EBITDA was negatively impacted by changes in the U.S. dollar and foreign exchange losses in the amount of $0.2 million and locations closed during the period reduced EBITDA by a further $0.2 million.

Net earnings were $6.5 million, or $0.22 per diluted unit, compared with net earnings of $1.9 million, or $0.18 per diluted unit for the same period last year. The increase in net earnings was the result of recording fair value adjustments for exchangeable shares in the amount of $3.3 million and unit options in the amount of $0.7 million. Net earnings were also impacted by the variability of acquisition and transaction costs and the recording of an income tax expense of $0.7 million. Excluding the impact of these adjustments, net earnings would have increased to $3.4 million, or 3.5% of sales, compared with adjusted earnings of $3.1 million, or 4.5% of sales, for the same period in 2010.

For the third quarter of 2011, the Fund generated adjusted distributable cash of $5.4 million and declared distributions of $1.2 million, resulting in a payout ratio based on adjusted distributable cash of 22.8% for the quarter. This compares with a payout ratio of 16.9% for the same period a year ago. The increase in payout ratio is due in part, to the higher level of distributions. Additionally, we are pleased to announce that the Board of Trustees of the Fund has approved a 7.1% increase in the monthly distributions, bringing annualized distributions to $0.45 per unit from $0.42 per unit. As a growth company offering an attractive payout, our objective continues to be to maintain a conservative distribution policy that will provide us with the financial flexibility necessary to support our growth initiatives and gradually increase distributions over time.

[1] EBITDA and Adjusted EBITDA are not recognized measures under International Financial Reporting Standards ("IFRS"). Management believes that in addition to net earnings, EBITDA and Adjusted EBITDA are useful supplemental measures as they provides investors with an indication of operational performance. Investors should be cautioned, however, that EBITDA and Adjusted EBITDA should not be construed as alternatives to net earnings determined in accordance with IFRS as an indicator of the Fund's performance.

In general, we did see the impact of the challenging market conditions in some of our markets during the quarter, however these were mostly offset by strong performance in other markets, including the Illinois market which enjoyed the benefit of some hail related repair volume. Having variability among our individual markets' performance is not unusual for our business and confirms the benefits and stability of a geographically diverse business.

With respect to our balance sheet, the Fund now holds total debt, net of cash, of $19.2 million, compared with $31.2 million at June 30, 2011. We now have a cash position of $17.0 million, compared to cash, net of bank indebtedness, of $2.9 million as at June 30, 2011. During the third quarter, the Fund completed a bought deal public offering where 1.3 million shares were issued out of treasury and sold to an underwriting syndicate at a gross price of 10.75 per unit. We believe that this was an advantageous time for the Fund to further strengthen its capital structure and balance sheet, providing for additional flexibility to execute on the Fund's growth strategy in the future.

The strength of our business model and strategy combined with successful operational execution have driven our overall growth in revenues and same-store sales continued despite challenging market conditions, which includes a continuing trend of reduced miles driven. While some of our markets were negatively impacted by these market conditions, the impact from hailstorms in the Illinois area market was generally supportive of increased repair volume, contributing to strength in that market during the third quarter. Importantly, we believe that the strength of our results also reflect gains in market share.

Regardless of short-term variations, we are positive on the long-term dynamics of our industry and we continue to position the company to be opportunistic to execute on our plans for expansion and growth. In this regard, five new locations were announced subsequent to the end of the third quarter, keeping us on track to reach our goal for the year of adding eight to 13 new locations in 2011. We believe the trend of consolidation in the collision repair industry will continue and as the largest multi-site operator of automotive repair service centers in North America, Boyd is favourably positioned to capture value over the long-term. Important to the execution of our strategy, we believe that we have an exceptional management team, systems, experience, and strong balance sheet to continue to successfully grow our business.

On behalf of the Trustees of the Boyd Group Income Fund and Boyd Group employees, thank you for your continued support.

Sincerely,

(signed)

Brock Bulbuck
President & Chief Executive Officer

Management's Discussion & Analysis

OVERVIEW

Boyd Group Income Fund (the "Fund"), through its operating company, The Boyd Group Inc. and its subsidiaries ("Boyd" or the "Company"), is the largest multi-site operator of automotive collision repair service centers in North America, currently operating 166 locations in the four western Canadian provinces and thirteen U.S. states. Boyd carries on business in Canada under the trade name "Boyd Autobody & Glass" and in the U.S., Boyd operates under the "Gerber Collision & Glass", "True2Form" and "Cars" names. The Company operates its autoglass repair and replacement network business with approximately 3,000 affiliated service providers throughout the United States under the "Gerber National Glass Services" name. The following is a geographic breakdown of the collision repair locations by trade name.

BOYD AUTOBODY & GLASS	Gerber Collision & Glass	True2Form Collision Repair Centers	Cars Collision Center
38 centers	63 centers	38 centers	27 centers
• Manitoba (13) • Alberta (12) • British Columbia (11) • Saskatchewan (2)	• Illinois (22) • Arizona (12) • Georgia (12) • Washington (10) • Nevada (3) • Oklahoma (3) • Kansas (1)	• North Carolina (17) • Ohio (9) • Maryland (7) • Pennsylvania (5)	• Illinois (13) • Indiana (8) • Colorado (6)

Boyd provides collision repair services to insurance companies, individual vehicle owners, as well as fleet and lease customers, with a high percentage of the Company's revenue being derived from insurance-paid collision repair services. In Canada, government-owned insurers operating in Manitoba, Saskatchewan and British Columbia, dominate the insurance-paid collision repair markets in which they operate. In the U.S. and Canadian markets other than Manitoba and Saskatchewan, private insurance carriers compete for consumer policyholders, and in many cases significantly influence the choice of collision repairer through Direct Repair Programs ("DRP's").

The following review of the Fund's operating and financial results for the three months ended September 30, 2011, including material transactions and events up to and including November 8, 2011 should be read in conjunction with the unaudited interim condensed consolidated financial statements, as well as the audited annual consolidated financial statements, management discussion and analysis and Annual Information Form of Boyd Group Income Fund for the year ended December 31, 2010 as filed on SEDAR at www.sedar.com. The Fund's units trade on the Toronto Stock Exchange under the symbol TSX: BYD.UN.

SIGNIFICANT EVENTS

On April 25, 2011, as part of a new start-up, the Company commenced operations in a new collision repair facility in Savannah, Georgia.

On May 1, 2011, the Company acquired the business and assets of McDonough Collision located in McDonough, Georgia.

On June 30, 2011, the Company acquired Cars Collision Center of Colorado, LLC and Cars Collision Center, LLC (together, "Cars"). Cars was a private company operating 14 locations in Illinois, eight locations in northern Indiana, and six locations in Colorado. It generated sales of approximately US$65 million in the 12 months ended April 30, 2011. The total consideration for the transaction of approximately US$20.5 million was funded with a combination of cash, U.S. senior bank term debt, third-party financing, and a seller take-back note. No new equity was issued related to the transaction.

On July 31, 2011, the Company ceased operations in its collision repair facility in South Holland, Illinois.

On September 1, 2011, the Company ceased operations in its Edmonton North, Alberta location and commenced operations in a new collision repair facility in Edmonton Yellowhead, Alberta.

On September 16, 2011, the Fund was added to the S&P/TSX SmallCap Index.

On September 27, 2011 the Fund completed a bought deal public offering where it sold to an underwriting syndicate 1,963,231 trust units, of which 1,300,000 units were issued out of treasury, 463,231 units were sold by Terry Smith who at the time was the Executive Chairman of the Fund and 200,000 units were sold by Eddie Cheskis, an officer of one of the Company's subsidiaries at a gross price of $10.75 per unit.

On October 1, 2011, the Company acquired the business and assets of Mastercraft Collision located in Richmond, British Columbia.

On October 1, 2011, the Company ceased operations in one of its new Cars collision repair facilities in Northwest Highway, Illinois.

On October 3, 2011, as part of a new start-up, the Company commenced operations in a new collision repair facility in Grove City, Ohio.

On October 3, 2011, as part of a new start-up, the Company commenced operations in a new collision repair facility in Seattle, Washington.

On October 10, 2011, as part of a new start-up, the Company commenced operations in a new collision repair facility in Everett, Washington.

Effective October 15, 2011, the Fund announced the retirement of Terry Smith from both his position as Executive Chairman of the Fund and as a member of the Fund's Board of Trustees. The Company is obligated to continue with the payment of Mr. Smith's salary and benefits until January 31, 2014, being the date upon which his employment agreement would have ended, but for this agreement, Mr. Smith will receive no other material compensation in respect of the end of his employment, although his right to payment under his retirement compensation agreement will continue.

OUTLOOK

The Fund will continue to work on maintaining same-store sales growth, improving gross margins and Adjusted EBITDA margins of all operations, and developing its systems and its infrastructure to further enhance securityholder value. Boyd also plans to continue expanding operations in both the U.S. and Canada by opening or acquiring between eight and 13 new locations each year, for the foreseeable future.

Boyd will also continue to remain alert to opportunities for accelerated growth through the acquisition of additional multi-location businesses. The collision repair industry in both the U.S. and Canada remains highly fragmented and offers attractive opportunities for best in class operators to build value through focused consolidation and economies of scale. Boyd believes that its business is well positioned for the future with the management team, systems, experience and the market opportunity, along with a strong balance sheet to continue to successfully grow its business.

The acquisition of True2Form has been immediately accretive to net earnings, Adjusted EBITDA, cash flow and distributable cash. Although True2Form's historical margins have been less than our consolidated Adjusted EBITDA margin, we believe that through the continued integration into our business model plus the benefit of synergies, we will increase True2Form's margin to a level similar to Boyd's. Although the impact of this will be gradual and, therefore, will occur over time, we originally forecasted to be able to achieve an EBITDA margin on the True2Form business in the range of 4%–5% in our first full year of ownership. True2Form's results have met our expectations delivering a 5.0% EBITDA margin on $80.8 million U.S. in sales for its first 12 months of operations.

Cars is also expected to be immediately accretive to net earnings, Adjusted EBITDA, cash flow and distributable cash. We are forecasting to achieve an EBITDA margin on the Cars business in the range of 5%–6% in our first full year of ownership, with additional improvement available in subsequent years as the integration process and synergies mature. While Cars results have exceeded our expectations to date, and while we are optimistic that our earlier forecasts may continue to be exceeded, we would caution against using three months' results as a basis for a run-rate going forward.

In evaluating our distribution level we remain committed to a conservative distribution policy that will provide us with the financial flexibility necessary to support our growth initiatives and gradually increase distributions over time. After reviewing our expected cash requirements and taking into consideration the incremental cash flow expected from the Cars acquisition, the Trustees of the Fund and Directors of the Company have approved an increase in distributions to $0.45 per unit and class A share annually or $0.0375 per unit and class A share monthly commencing November 2011, payable on December 22, 2011 to unitholders of record on November 30, 2011. Future distribution increases will be considered as circumstances and conditions change over time.

Our continued good results during 2011, following a record 2010, give us cautious optimism for the rest of 2011 and beyond. This despite the continued uncertainty of the economy and continuing high automobile gas prices which have served to reduce miles driven and, in turn, accident frequency. We, however, maintain a positive view on long term industry opportunities as well as our business model and believe that we have the management team, systems, experience, and strong balance sheet to continue to successfully grow our business.

BUSINESS ENVIRONMENT & STRATEGY

As at September 30, 2011, the business environment of the Company and strategies adopted by management remain unchanged from those described in the Fund's 2010 annual MD&A.

The following table outlines the new locations that have been added in recent years and their current performance summarized by year of acquisition or start-up. It excludes the results for True2Form and Cars as these were strategic acquisitions outside the scope of this growth plan

New location results			
New Location:	Sales (C$) *	EBITDA (C$) *	EBITDA Margin (%)
2006 Tacoma, WA Renton, WA Scottsdale, AZ	$11,337,000	$1,830,000	16.1%
2007 Glenview, IL Tempe, AZ	$9,041,000	$1,542,000	17.1%
2008 Lacey, WA Las Vegas, NV Calgary, AB	$8,270,000	$796,000	9.6%
2009 Scurfield, MB Mesa, AZ Glendale, AZ Anthem, AZ Tucson East, AZ Tucson NW, AZ Tucson South, AZ Avondale, AZ Rome, GA	$14,656,000	$1,199,000	8.2%
2010 Cartersville, GA Owasso, OK Evanston, IL Las Vegas NW, NV Buckhead, GA Roswell South, GA Bellingham, WA Yuma, AZ**	$10,243,000	$241,000	2.4%
2011** Savannah, GA McDonough, GA	$4,651,000	$69,000	1.5%
Combined	$58,198,000	$5,677,000	9.8%
Average per store	$2,155,000	$210,000	9.8%

* Annualized based last twelve months results
** Annualized based on actual results for 2010/2011 excluding the start up period

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

Statements made in this interim report, other than those concerning historical financial information, may be forward-looking and therefore subject to various risks and uncertainties. Some forward-looking statements may be identified by words like "may", "will", "anticipate", "estimate", "expect", "intend", or "continue" or the negative thereof or similar variations. Readers are cautioned not to place undue reliance on such statements, as actual results may differ materially from those expressed or implied in such statements.

The following table outlines forward-looking information included in this MD&A:

Forward-looking Information	Key Assumptions	Most Relevant Risk Factors
The stated objective of adding between eight and 13 new locations	Opportunities continue to be available and are at attractive prices	Acquisition market conditions change and repair shop owner demographic trends change

per year for the foreseeable future	Financing options continue to be available at reasonable rates and on acceptable terms and conditions New and existing customer relationships are expected to provide acceptable levels of revenue opportunities Anticipated operating results would be accretive to overall Company results	Credit and refinancing conditions prevent or restrict the ability of the Company to continue growth strategies Changes in market conditions and operating environment Significant declines in the number of insurance claims Integration of new stores is not accomplished as planned Increased competition which prevents achievement of acquisition and revenue goals
The Fund will continue to work to maintain same store sales growth and improve gross margins and EBITDA margins	Continued improvement in economic conditions and employment rates Pricing in the industry remains stable The Company's customer and supplier relationships provide it with competitive advantages to increase sales over time Market share growth will more than offset systemic changes in the industry and environment Able to maintain/reduce costs as a percentage of sales	Return to poor economic conditions Loss of one or more key customers Significant declines in the number of insurance claims Ability of the Company to pass cost increases to customers over time Increased competition which may prevent achievement of revenue goals Changes in market conditions and operating environment Changes in energy costs Changes in weather conditions Ability to effectively manage costs over time
Stated objective to gradually increase distributions over time	Growing profitability of the Company and its subsidiaries The continued and increasing ability of the Company to generate cash available for distribution Balance sheet strength & flexibility is maintained and the distribution level is manageable taking into consideration bank covenants, growth requirements and maintaining a distribution level that is supportable over time No change in the Fund's structure	The Fund is dependent upon the operating results of the Company and its ability to pay interest and dividends to the Fund Economic conditions deteriorate Changes in weather conditions Decline in the number of insurance claims Loss of one or more key customers Changes in government regulation
Expect the True2Form acquisition to achieve 4-5% EBITDA margin in the first full year Expect Cars acquisition to achieve 5%-6% EBITDA margin in the first full year	True2Form/Cars maintain or improve sales and margin levels Extend the benefits of Boyd's purchasing power to the True2Form/Cars operations Identified synergies are successfully implemented Integration of True2Form/Cars into the Boyd business model in a timely manner	Loss of one or more key customers Inability to extend Boyd's purchasing power to the True2form/Cars operations A planned synergy is not implemented or there are no cost savings upon implementing a planned synergy Failure to integrate effectively in a timely manner

We caution that the foregoing table contains what the Fund believes are the material forward looking statements and is not exhaustive. Therefore when relying on forward-looking statements, investors and others should refer to the "Risk Factors" section of the Fund's Annual Information Form, the "Risks and Uncertainties" and other sections of our Management's Discussion and Analysis and our other periodic filings with Canadian securities regulatory authorities. All forward-looking statements presented herein should be considered in conjunction with such filings.

NON-GAAP FINANCIAL MEASURES

EBITDA AND ADJUSTED EBITDA

Earnings before interest, taxes, depreciation and amortization ("EBITDA") is not a calculation defined in International Financial Reporting Standards ("IFRS"). EBITDA should not be considered an alternative to net earnings in measuring the performance of the Fund, nor should it be used as an exclusive measure of cash flow. The Fund reports EBITDA and Adjusted EBITDA because it is a key measure that management uses to evaluate performance of the business and to reward its employees. EBITDA is also a concept utilized in measuring compliance with debt covenants. EBITDA and Adjusted EBITDA are measures commonly reported and widely used by investors and lending institutions as an indicator of a company's operating performance and ability to incur and service debt, and as a valuation metric. While EBITDA is used to assist in evaluating the operating performance and debt servicing ability of the Fund, investors are cautioned that EBITDA and Adjusted EBITDA as reported by the Fund may not be comparable in all instances to EBITDA as reported by other companies.

The CICA's Canadian Performance Reporting Board defined standardized EBITDA to foster comparability of the measure between entities. Standardized EBITDA represents an indication of an entity's capacity to generate income from operations before taking into account management's financing decisions and costs of consuming tangible and intangible capital assets, which vary according to their vintage, technological age and management's estimate of their useful life. Accordingly, Standardized EBITDA comprises sales less operating costs before interest expense, capital asset amortization and impairment charges, and income taxes. Adjusted EBITDA is calculated to exclude items of an unusual nature that do not reflect normal or ongoing operations of the Fund and which should not be considered in a valuation metric or should not be included in assessment of ability to service or incur debt. Included in this category of adjustments are the fair value adjustments to exchangeable shares and the fair value adjustment to unit options. Both of these items will ultimately be settled with units of the Fund and are not expected to have any cash impact on the Fund. Also included as an adjustment to EBITDA are acquisition and transaction costs which do not relate to the current operating performance of the business units but are typically costs incurred to expand operations. From time to time, the Fund may make other adjustments to its Adjusted EBITDA for items that are not expected to recur.

The following is a reconciliation of the Fund's net earnings to EBITDA and Adjusted EBITDA for the three and nine month periods ending September 30, 2011 and September 30, 2010:

Adjusted EBITDA Reconciliation to Earnings (000's)	**Three Months Ended September 30,**		**Nine Months Ended September 30,**	
	2011	2010	**2011**	2010
Net earnings	**$ 6,519**	$ 1,940	**$ 5,020**	$ 5,523
Add:				
Interest expense	**588**	434	**1,475**	1,029
Income tax expense	**721**	7	**1,747**	67
Depreciation	**1,790**	1,154	**4,248**	2,911
Amortization of financing fees and other intangible assets	**572**	339	**1,329**	813
Standardized EBITDA	**$ 10,190**	$ 3,874	**$ 13,819**	$ 10,343
Add (deduct):				
Fair value adjustment to exchangeable shares	**(3,285)**	591	**946**	566
Fair value adjustment to unit options	**(676)**	105	**361**	108
Acquisition and transaction costs	**151**	471	**1,612**	764
Adjusted EBITDA	**$ 6,380**	$ 5,041	**$ 16,738**	$ 11,781

DISTRIBUTABLE CASH

Standardized and adjusted distributable cash are not recognized measures and do not have a standardized meaning under IFRS. Management believes that in addition to net earnings, standardized and adjusted distributable cash are useful supplemental measures as they provide investors with an indication of cash available for distribution. Investors should be cautioned however, that standardized and adjusted distributable cash should not be construed as an alternative to net earnings and cash flows determined in accordance with IFRS as an indicator of the Fund's performance. Boyd's method of calculating adjusted distributable cash may differ from other companies and income trusts and, accordingly, may not be comparable to similar measures used by other companies.

Distributions

During the first nine months of 2011, the Fund declared distributions to unitholders and dividends to BGHI's Class A shareholders, in the following amounts:

Record date	Payment date	Distribution per unit	Dividend per share	Distribution amount	Dividend amount
January 31, 2011	February 24, 2011	$ 0.035	$ 0.035	$ 377,391	$ 29,572
February 28, 2011	March 29, 2011	0.035	0.035	377,397	29,565
March 31, 2011	April 27, 2011	0.035	0.035	377,397	29,565
April 30, 2011	May 27, 2011	0.035	0.035	377,413	29,548
May 31, 2011	June 28, 2011	0.035	0.035	377,817	29,144
June 30, 2011	July 27, 2011	0.035	0.035	377,823	29,139
July 31, 2011	August 29, 2011	0.035	0.035	377,918	29,044
August 31, 2011	September 28, 2011	0.035	0.035	377,972	28,990
September 30, 2011	October 27, 2011	0.035	0.035	438,428	14,033
		$ 0.315	$ 0.315	$ 3,459,556	$ 248,600

During the quarter, Terry Smith, who at the time was the Executive Chairman of the Fund, retracted 427,766 Class A common shares which were later sold as part of the bought deal public offering.

Maintaining Productive Capacity

Productive capacity is defined by Boyd as the maintenance of the Company's facilities, equipment, signage, courtesy cars, systems, brand names and infrastructure. Although most of Boyd's repair facilities are leased, funds are required to ensure facilities are properly repaired and maintained to ensure the Company's physical appearance communicates Boyd's standard of professional service and quality. The Company's need to maintain its facilities and upgrade or replace equipment, signage, systems and courtesy car fleets forms part of the annual cash requirements of the business. The Company manages these expenditures by annually reviewing and determining its capital budget needs and then authorizing major expenditures throughout the year based upon individual business cases. The Company budgets and manages its cash capital expenditures up to approximately 0.8% of sales.

Although maintenance capital expenditures may remain within budget on an annual basis, the timing of these expenditures often varies significantly from quarter to quarter.

In addition to normal maintenance capital expenditures, the Company is also planning to rebrand its True2Form and Cars locations and enhance its company-wide technology infrastructure. This technology infrastructure includes computer hardware, software, systems and the methods by which information will be captured, stored and communicated. The Company believes that expenditures in these areas over the next year may utilize $2.0 - $3.0 million of cash resources in excess of normal budget levels.

In many circumstances, large equipment expenditures including automobiles, shop equipment and computers can be financed using either operating or capital leases. Maintenance capital expenditures as well as the repayment of operating and capital leases, including the interest thereon, form part of the distributable cash calculations.

Non-recurring and Other Adjustments

Non-recurring and other adjustments may include, but are not limited to, post closure environmental liabilities, restructuring costs, acquisition search and transaction costs and repayment of prepaid rebates that are not refinanced. Management is not currently aware of any environmental remediation requirements or prepaid rebate repayment requirements. Acquisition costs are added back to distributable cash as they occur.

Debt Management

In addition to capital lease obligations arranged to finance growth and maintenance expenditures on property and equipment, the Company has historically utilized long-term debt to finance the expansion of its business, usually through the acquisition and start-up of collision and glass repair and replacement businesses. Repayments of this debt have, in part, been refinanced by replacement facilities or by drawing on the Company's operating line and therefore do not form part of distributable cash calculations. Boyd's bank facilities include restrictive covenants, which could limit the Fund's ability to distribute cash. These covenants, based upon current financial results, would not prevent the Fund from paying future distributions at conservative and sustainable levels. These covenants will continue to be monitored in conjunction with any future anticipated distributions.

The following is a standardized and adjusted distributable cash calculation for 2011 and 2010.

Standardized and Adjusted Distributable Cash [1]

	Three Months Ended September 30		Nine Months Ended September 30	
	2011	2010	**2011**	2010
Cash flow from operating activities before changes in non-cash working capital items	**$ 5,012,876**	$ 3,807,576	**$ 12,219,885**	$ 9,351,210
Changes in non-cash working capital items	**728,997**	1,701,558	**(1,174,648)**	2,085,731
Cash flows from operating activities	**5,741,873**	5,509,134	**11,045,237**	11,436,941
Less adjustment for:				
Sustaining expenditures on plant and equipment [2]	**(321,416)**	(275,142)	**(867,615)**	(878,809)
Sustaining expenditures on software [2]	**(122,359)**	(593)	**(178,665)**	(41,840)
Standardized distributable cash	**$ 5,298,098**	$ 5,233,399	**$ 9,998,957**	$ 10,516,292
Standardized distributable cash per average unit and Class A common share				
Per average unit and Class A common share	**$ 0.454**	$ 0.450	**$ 0.866**	$ 0.904
Per diluted unit and Class A common share	**$ 0.444**	$ 0.440	**$ 0.866**	$ 0.887
Standardized distributable cash from above	**$ 5,298,098**	$ 5,233,399	**$ 9,998,957**	$ 10,516,292
Add (deduct) adjustments for:				
Collection of rebates [3]	**475,047**	377,508	**1,183,952**	875,474
Acquisition searches and transaction costs [4]	**150,706**	470,600	**1,611,666**	764,300
Proceeds of sale of equipment	**14,909**	17,337	**63,352**	44,651
Principal repayments of capital leases [5]	**(576,694)**	(436,252)	**(1,580,518)**	(1,184,092)
Adjusted distributable cash	**$ 5,362,066**	$ 5,662,592	**$ 11,277,409**	$ 11,016,625
Adjusted distributable cash per average unit and Class A common share				
Per average unit and Class A common share	**$ 0.459**	$ 0.487	**$ 0.977**	$ 0.947
Per diluted unit and Class A common share	**$ 0.449**	$ 0.476	**$ 0.977**	$ 0.929
Distributions paid				
Unitholders	**$ 1,133,713**	$ 889,459	**$ 3,344,591**	$ 2,533,188
Class A common shareholders	**87,173**	69,808	**259,928**	199,369
Total distributions paid	**$ 1,220,886**	$ 959,267	**$ 3,604,519**	$ 2,732,557
Distributions paid				
Per Unit	**$ 0.1050**	$ 0.0825	**$ 0.2050**	$ 0.2350
Per Class A common share	**$ 0.1050**	$ 0.0825	**$ 0.2050**	$ 0.2350
Payout ratio based on standardized distributable cash	**23.0%**	18.3%	**36.0%**	26.0%
Payout ratio based on adjusted distributable cash	**22.8%**	16.9%	**32.0%**	24.8%

(1) Standardized and adjusted distributable cash are not recognized measures and do not have a standardized meaning under International Financial Reporting Standards (IFRS). Management believes that in addition to net earnings, standardized and adjusted distributable cash are useful supplemental measures as they provide investors with an indication of cash available for distribution. Investors should be cautioned however, that standardized and adjusted distributable cash should not be construed as an alternative to net earnings and cash flows determined in accordance with IFRS as an indicator of the Fund's performance. Boyd's method of calculating adjusted distributable cash may differ from other companies and income trusts and, accordingly, may not be comparable to similar measures used by other companies.

(2) Sustaining expenditures on plant and equipment, information technology hardware and computer software excluding capital expenditures associated with acquisition and development activities. In addition to the maintenance capital expenditures paid with cash, during the third quarter of 2011 the Company acquired a further $550,000 (2010 - $nil) in capital assets which were financed through capital leases and did not affect cash flows in the current period. For the nine month period ending September 30, 2011 this amount was $1,587,000 (2010 - $253,000).

(3) The Company receives prepaid rebates, under its trading partner arrangements, in equal quarterly instalments of $237,500 U.S. for a period of six years ending February 28, 2012. Beginning on August 31, 2010 the Company began receiving additional prepaid rebates in quarterly instalments of $125,000 U.S. for a period of six years ending May 31, 2016 and beginning August 31, 2011 the Company began receiving additional prepaid rebates in quarterly instalments of $120,000 U.S. for a period of six years ending May 31, 2017.

(4) The Company has added back to distributable cash the costs expensed to perform acquisition searches and to complete transactions.

(5) Repayments of these leases represent additional cash requirements to support the productive capacity of the Company and therefore have been deducted when calculating adjusted distributed cash.

RESULTS OF OPERATIONS

	Three months ended			Nine months ended		
($000's, except per unit figures)	Sep 30, 2011	% change	Sep 30, 2010	Sep 30, 2011	% change	Sep 30, 2010
Total Sales	97,333	41.1%	68,999	256,473	45.6%	176,201
Same Store Sales *(excluding foreign exchange)*	59,264	8.7%	54,528	174,108	9.6%	158,896
Sales - Canada	18,029	1.3%	17,802	56,280	5.7%	53,231
Same Store Sales - Canada	17,522	1.3%	17,303	54,629	5.8%	51,655
Sales - U.S.	79,304	54.9%	51,198	200,194	62.8%	122,970
Same Store Sales - U.S. (*excluding foreign exchange*)	41,742	12.1%	37,225	119,479	11.4%	107,241
Gross Margin %	44.7%	(2.1%)	45.7%	44.9%	(1.3%)	45.4%
Operating Expense %	38.3%	(0.2%)	38.3%	38.3%	(1.3%)	38.8%
Adjusted EBITDA	6,380	26.6%	5,041	16,738	42.1%	11,781
Depreciation and Amortization	2,362	58.2%	1,493	5,577	49.8%	3,724
Interest Expense	588	35.5%	434	1,475	43.3%	1,029
Fair Value Adjustments to Exchangeable Shares and Unit Options	(3,962)	n/a	696	1,307	n/a	674
Income Tax Expense	721	n/a	7	1,747	n/a	67
Net Earnings	6,519	236.0%	1,940	5,020	(9.1%)	5,523
Basic Earnings per Unit	0.593	229.4%	0.180	0.462	(9.8%)	0.512
Diluted Earnings per Unit	0.220	22.2%	0.180	0.462	(9.8%)	0.512
Standardized Distributable Cash	5,298	1.2%	5,233	9,999	(4.9%)	10,516
Adjusted Distributable Cash	5,362	(5.3%)	5,663	11,277	2.4%	11,017
Distributions Paid	1,221	27.3%	959	3,605	31.9%	2,733

3rd Quarter Comparison – Three months ended September 30, 2011 vs. 2010

Sales

Sales totalled $97.3 million for the three months ended September 30, 2011, an increase of $28.3 million or 41.1% compared to the same period in 2010. The increase in sales was the result of the following:

- During 2011, $26.3 million of sales were generated from eight new single locations as well as 37 True2Form locations and 28 Cars Collision locations.
- Same-store sales increased $4.7 million or 8.7% excluding foreign exchange, but decreased $2.3 million due to the translation of same-store sales at a lower U.S. dollar exchange rate.
- Sales were affected by the closure of two underperforming facilities which decreased sales by $0.4 million.

Same store sales are calculated by including sales for stores that have been in operation for the full comparative period.

Sales by Geographic Region (000's)

Three Months Ended September 30,	2011	2010
Canada	$ 18,029	$ 17,802
United States	79,304	51,197
Total	$ 97,333	$ 68,999
Canada - % of total	18.5%	25.8%
United States - % of total	81.5%	74.2%

Sales in Canada for the three months ended September 30, 2011 totalled $18.0 million, an increase of $0.2 million or 1.3%. Sales increases in Canada were due to same-store sales increases of $0.2 million. Sales of a further $0.2 million generated from a new location were offset by a sales decrease of $0.2 million from a location closure.

Sales in the U.S. totalled $79.3 million for the three months ended September 30, 2011, an increase from 2010 of $28.1 million or 54.9% when compared to $51.2 million for the prior year. Sales increases in the U.S. were comprised of:

- $2.7 million of sales were generated from new locations in Las Vegas, Nevada; two new locations in the Atlanta, Georgia area; Bellingham, Washington; Yuma, Arizona; Savannah, Georgia and McDonough, Georgia.
- $19.6 million of sales were generated from 37 True2Form locations, compared to $13.4 million of sales generated in August and September of 2010. True2Form achieved a same-store sales increase of 3.5% compared to its three month period ended September 30, 2010.
- $17.2 million of sales were generated from 28 Cars Collision locations. This represents a same-store sales increase of 7.8% for Cars compared to the same period in 2010.
- Excluding the impact of the translation of same-store sales at a lower U.S. dollar exchange rate which resulted in a decrease of $2.3 million, same-store sales increased $4.5 million or 12.1%. A return to more normal conditions in 2011 partially caused this increase but it was further complimented by hail related volumes in Illinois.
- Sales were affected by the closure of an underperforming facility which decreased sales by $0.2 million.

Gross Margin

Gross Margin was $43.5 million or 44.7% of sales for the three months ended September 30, 2011, an increase from $31.5 million or 45.7% of sales for the same period in 2010. Gross margin dollars increased as a result of higher sales from new locations and same store sales increases during the quarter. The gross margin percentage decreased due to the impact of lower gross margins in the True2Form and Cars businesses. Fluctuations in the utilization and pricing of materials have also had a negative impact on the third quarter of 2011.

Operating Expenses

Operating Expenses for the three months ended September 30, 2011 increased $10.7 million to $37.2 million from $26.5 million for the same period of 2010 primarily due to the acquisition of True2Form, Cars Collision and other new locations during 2010 and 2011 as well as increased same-store sales levels.

Operating expenses as a percentage of sales in the second quarter was 38.3% and did not change when compared to the prior year.

Acquisition and Transaction Costs

Acquisition and Transaction Costs for the three months ended September 30, 2011 were $0.2 million compared to $0.5 million recorded for the same period of 2010. The costs in 2010 primarily relate to the acquisition of True2Form.

Adjusted EBITDA

Earnings before interest, income taxes, depreciation and amortization, adjusted for the fair value adjustments related to the exchangeable share liability, unit option liability as well as acquisition and transaction costs ("Adjusted EBITDA") for the third quarter of 2011 totalled $6.4 million or 6.6% of sales compared to Adjusted EBITDA of $5.0 million or 7.3% of sales in the same period of the prior year. The increase of $1.4 million was the result of improvements in same store sales which contributed $0.5 million, combined with $1.5 million of EBITDA contribution from the acquisition of Cars Collision offset by $0.1 million reduction in EBITDA provided from True2Form compared to 2010 as well as another $0.1 million reduction in EBITDA from other new stores. Changes in the U.S. dollar and foreign exchange losses recorded in 2011 negatively impacted Adjusted EBITDA by $0.2 million and locations closed during the period reduced EBITDA by a further $0.2 million. Adjusted EBITDA as a percentage of sales declined primarily due to the impact of the True2Form acquisition and reduced gross margin percentages.

Depreciation and Amortization

Depreciation related to plant and equipment totalled $1.8 million or 1.8% of sales for the three months ended September 30, 2011 compared to $1.2 million or 1.7% of sales in the same period of the prior year. The increase was primarily due to the acquisitions of True2Form and Cars Collision combined with accelerated depreciation on retired assets related to store closures.

Amortization of financing fees and other intangible assets for the third quarter of 2011 totalled $0.6 million or 0.6% of sales compared to $0.3 million or 0.5% of sales expensed for the same period in the prior year. The increase was due additional intangible assets being recorded as part of the True2Form and Cars Collision acquisitions.

Interest Expense

Interest Expense, which under IFRS includes dividends declared on exchangeable class A shares of BGHI in the amount of $0.1 million, totalled $0.6 million or 0.6% of sales for the third quarter of 2011 compared to $0.4 million or 0.6% of sales in the same period of the prior year. Interest expense has increased as the Company continues to use U.S. senior term bank debt, seller notes and capital leases to finance acquisitions and start-ups.

Fair Value Adjustment to Exchangeable Shares

Fair Value Adjustment to Exchangeable Shares resulted in non-cash income related to the decrease in the associated liability of $3.3 million for the third quarter of 2011 compared to an expense of $0.6 million in the same period of the prior year. The class A exchangeable shares of BGHI are exchangeable into units of the Fund. This exchangeable feature results in the shares being presented as financial liabilities of the Fund. The liability represents the value of the Fund attributable to these shareholders. Exchangeable Class A shares are measured at the market price of the units of the Fund as of the statement of financial position date. The decrease in the liability and the related income is the result of a decrease in the value of the Fund's unit price during the quarter.

Fair Value Adjustment to Unit Options

Fair Value Adjustment to Unit Options was non-cash income related to a decrease in the associated liability of $0.7 million for the third quarter of 2011 compared to an expense of $0.1 million in the same period of the prior year. Similar to the exchangeable share liability, the unit option liability is impacted by changes in the value of the Fund's unit price. The cost of cash-settled unit-based transactions is measured at fair value using a black-scholes model and expensed over the vesting period with the recognition of a corresponding liability. The decrease in the liability and the related income is primarily the result of a decrease in the value of the Fund's unit price during the quarter.

Income Taxes

Current and Deferred Income Tax Expense was $0.7 million for the third quarter of 2011, compared to $7 thousand for the same period in 2010. Prior to the fourth quarter of 2010, income tax provisions and recoveries in both Canada and the U.S. were impacted by the existence of unrecognized tax losses and other tax assets. In the fourth quarter of 2010, the Fund evaluated the unrecognized tax losses and other tax assets to be more likely than not of being realized and therefore recorded these tax assets. Now that these balances have been recorded on the balance sheet, deferred tax expense will be charged to earnings in relation to reported income.

Net Earnings and Earnings Per Unit

Net Earnings, for the three months ended September 30, 2011 was $6.5 million or 6.7% of sales, compared to earnings of $1.9 million or 2.8% of sales last year. The increase for the third quarter of 2011 was primarily the result of recording fair value adjustments for exchangeable shares in the amount of $3.3 million and unit options in the amount of $0.7 million. The variability of acquisition and transaction costs during the quarter and the recording of an income tax expense of $0.7 million also impacted net earnings. Excluding the impact of these adjustments, net earnings would have increased to $3.4 million or 3.5% of sales, compared to adjusted earnings of $3.1 million or 4.5% of sales for the same period in 2010. This increase is the result of the contribution of new acquisitions and new location growth as well as increases in same-store sales.

Basic Earnings Per Unit was $0.593 for the three months ended September 30, 2011, an increase when compared to basic earnings of $0.180 per unit in the same period in 2010. *Diluted Earnings Per Unit* was $0.220 for the third quarter of 2011 compared to diluted earnings of $0.180 per unit for the same period in the prior year. The increase to the basic and diluted earnings per unit amounts is attributed to the impact of the fair value adjustments for exchangeable shares and unit options as well as the acquisition and transaction costs as described previously. The diluted earnings amount of $2.6 million is lower than the basic as it excludes the earnings related to the fair value adjustments which would not have been recorded if the exchangeable shares were converted.

Year-to-date Comparison – Nine months ended September 30, 2011 vs. 2010

Sales

Sales increased $80.3 million or 45.6% to $256.5 million for the nine months ended September 30, 2011 when compared to the same period in 2010. The increase in sales was the result of the following:

- During 2011, $72.3 million of sales were generated from 11 new single locations as well as 37 True2Form locations and 28 Cars Collision locations.
- Same-store sales excluding foreign exchange increased $15.2 million or 9.6%, but decreased $6.6 million due to the translation of same-store sales at a lower U.S. dollar exchange rate.
- Sales were affected by the closure of two underperforming facilities which decreased sales by $0.6 million.

Same-store sales are calculated by including sales for stores that have been in operation for the full comparative period.

The following chart provides comparative sales by geographic region:

Sales by Geographic Region (000's) *Nine Months Ended September 30,*	2011	2010
Canada	$ 56,279	$ 53,231
United States	200,194	122,970
Total	$ 256,473	$ 176,201
Canada - % of total	21.9%	30.2%
United States - % of total	78.1%	69.8%

Sales in Canada for the nine months ended September 30, 2011 totalled $56.3 million, an increase of $3.0 million or 5.7%. Sales increases in Canada were primarily due to same-store sales increases as a result of a return to more normal conditions in 2011. Sales of $0.2 million generated from a new location were partially offset by a sales decrease of $0.1 million from a location closure.

Sales in the U.S. totalled $200.2 million for the nine months ended September 30, 2011, an increase from 2010 of $77.2 million, or 62.8% when compared to $123.0 million for the prior year. Sales increases in the U.S. were comprised of:

- $8.7 million of sales were generated from new locations in Cartersville, Georgia; Owasso, Oklahoma; Evanston, Illinois; Las Vegas, Nevada; two new locations in the Atlanta, Georgia area; Bellingham, Washington; Yuma, Arizona; Savannah, Georgia and McDonough, Georgia.
- $59.6 million of sales were generated from 37 True2Form locations, compared to $13.4 million of sales generated in August and September of 2010. True2Form achieved a same-store sales increase of 5.8% compared to its nine month period ended September 30, 2010.
- $17.2 million of sales were generated from 28 Cars Collision locations.
- Excluding the impact of the translation of same-store sales at a lower U.S. dollar exchange rate which resulted in a decrease of $6.6 million, same-store sales increased $12.2 million or 11.4%.
- Sales were affected by the closure of an underperforming facility which decreased sales by $0.5 million.

Gross Margin

Gross Margin was $115.0 million or 44.9% of sales for the nine months ended September 30, 2011, an increase from $80.0 million or 45.4% of sales for the same period in 2010. Gross margin dollars increased as a result of higher sales from new locations and same-store sales increases during the current period. The gross margin percentage decreased due to the inclusion of lower margins in the True2Form and Cars businesses. Material margins were also lower due the continuing integration of new paint and waterborne technology into True2Form as well as general price increases for the supply of paint and related products in both Canada and the U.S.

Operating Expenses

Operating Expenses for the nine months ended September 30, 2011 increased $30.0 million to $98.3 million from $68.3 million for the same period of 2010 primarily due to the acquisition of True2Form, Cars Collision and other new locations.

Operating expenses as a percentage of sales decreased to 38.3% of sales from 38.8% last year. The decrease of 0.5% resulted primarily from the fixed component of operating expenses decreasing in percentage due to higher same-store sales levels.

Acquisition and Transaction Costs

Acquisition and Transaction Costs for the nine months ended September 30, 2011 were $1.6 million compared to $0.8 million recorded for the same period of 2010. The costs in 2011 primarily relate to the acquisition of Cars which includes a broker fee of approximately $0.4 million. The 2010 comparative period amount primarily relate to True2Form. In addition to the acquisition costs, other one-time corporate development costs of approximately $0.4 million were incurred during the nine months ended September 30, 2011.

Adjusted EBITDA

Earnings before interest, income taxes, depreciation and amortization, adjusted for the fair value adjustments related to the exchangeable share liability and unit option liability as well as acquisition and transaction costs ("Adjusted EBITDA") for the first nine months of 2011 totalled $16.7 million or 6.5% of sales compared to Adjusted EBITDA of $11.8 million or 6.7% of sales in the same period of the prior year. The increase of $4.9 million was the result of improvements in same store sales which contributed $2.3 million, combined with $1.8 million of incremental EBITDA contribution from the True2Form compared to 2010 and $1.5 million of EBITDA contribution from the acquisition of Cars Collision. In addition, other new stores contributed another $0.1 million and locations closed during the period increased EBITDA by $0.1 million. Changes in the U.S. dollar and foreign exchange losses recorded in 2011 negatively impacted Adjusted EBITDA by $0.9 million.

Depreciation and Amortization

Depreciation and Amortization Expense related to plant and equipment totalled $4.2 million or 1.7% of sales for the nine months ended September 30, 2011 compared to $2.9 million or 1.7% of sales recorded in the same period of the prior year. The increase was primarily due to the acquisitions of True2Form and Cars.

Amortization of financing fees and other intangible assets for the first nine months of 2011 totalled $1.3 million or 0.5% of sales compared to $0.8 million or 0.5% of sales recorded in the same period of the prior year.

Interest Expense

Interest Expense of $1.5 million or 0.6% of sales for the first nine months of 2011 compared to $1.0 million or 0.6% of sales in the same period of the prior year. Interest expense has increased as the Company continues to use U.S. senior term bank debt, seller notes and capital leases to finance acquisitions and start-ups.

Fair Value Adjustment to Exchangeable Shares

Fair Value Adjustment to Exchangeable Shares resulted in a non-cash expense related to the increase in the associated liability of $0.9 million for the first nine months of 2011 compared to $0.6 million in the same period of the prior year. The class A exchangeable shares of BGHI are exchangeable into units of the Fund. This exchangeable feature results in the shares being presented as financial liabilities of the Fund. The liability represents the value of the Fund attributable to these shareholders. Exchangeable Class A shares are measured at the market price of the units of the Fund as of the statement of financial position date. The year-to-date increase in the liability and the related expense is the result of an increase in the value of the Fund's unit price.

Fair Value Adjustment to Unit Options

Fair Value Adjustment to Unit Options was a non-cash expense related to an increase in the associated liability of $0.4 million for the first nine months of 2011 compared to $0.1 million in the same period of the prior year. Similar to the exchangeable share liability, the unit option liability is impacted by changes in the value of the Fund's unit price. The cost of cash-settled unit-based transactions is measured at fair value using a black-scholes model and expensed over the vesting period with the recognition of a corresponding liability. The year-to-date increase in the liability and the related expense is primarily the result of an increase in the value of the Fund's unit price.

Income Taxes

Current and Deferred Income Tax Expense of $1.7 million for the first nine months of 2011 increased from $0.1 million for the same period in 2010. Prior to the fourth quarter of 2010, income tax provisions and recoveries in both Canada and the U.S. were impacted by the existence of unrecognized tax losses and other tax assets. In the fourth quarter of 2010, the Fund evaluated the unrecognized tax losses and other tax assets to be more likely than not of being realized and therefore recorded these tax assets. Now that these balances have been recorded on the balance sheet, deferred tax expense will be charged to earnings in relation to reported income.

Net Earnings and Earnings Per Unit

Net Earnings for the nine months ended September 30, 2011 was $5.0 million or 2.0% of sales compared to earnings of $5.5 million or 3.1% of sales last year. The earnings in 2011 were impacted by recording fair value adjustments for exchangeable shares in the amount of $0.9 million and unit options in the amount of $0.4 million, as well as the recording of acquisition and transaction costs of $1.6 million and income tax expense of $1.7 million. Excluding the impact of these adjustments, net earnings would have increased to $9.4 million or 3.7% of sales, compared to adjusted earnings of $7.0 million or 4.0% of sales for the same period in 2010. This increase is the result of the contribution of new acquisitions and new location growth as well as increases in same-store sales.

Basic and Diluted Earnings Per Unit was $0.462 per unit for the nine months ended September 30, 2011 compared to basic and diluted earnings of $0.512 per unit in the same period in 2010. The decrease to the basic and diluted earnings per unit amounts is attributed to the impact of the fair value adjustments for exchangeable shares and unit options as well as the acquisition and transaction costs as described previously.

Summary of Quarterly Results

($000's, except per unit data)

	2011			2010				2009
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
	IFRS	*IFRS*	*IFRS*	*IFRS*	*IFRS*	*IFRS*	*IFRS*	*Previous GAAP*
Sales	97,333	77,567	81,573	80,808	68,999	52,288	54,914	53,043
Earnings from continuing operations	6,519	(2,387)	888	7,950	1,940	1,652	1,931	2,593
Basic earnings per unit from continuing operations	0.593	(0.221)	0.082	0.738	0.180	0.153	0.179	0.222
Diluted earnings per unit from continuing operations	0.220	(0.221)	0.082	0.756	0.180	0.153	0.160	0.219
Net earnings	6,519	(2,387)	888	7,950	1,940	1,652	1,931	2,537
Basic earnings per unit	0.593	(0.221)	0.082	0.738	0.180	0.153	0.179	0.217
Diluted earnings per unit	0.220	(0.221)	0.082	0.756	0.180	0.153	0.160	0.214

Sales have increased in recent quarters due to the acquisition of True2Form, Cars Collision and other new locations as well as same store sales increases. Earnings had been consistent until the fourth quarter of 2010 which benefited from a hail storm in Arizona and a return to same-store sales growth. The growth in earnings in the fourth quarter was also impacted by the recognition of non-capital loss carryforward amounts and other tax assets that had previously been offset with a valuation allowance, offset by the impact of writing down $1.1 million in goodwill related to an individual glass business in B.C. The decrease in earnings in the first and second quarters of 2011 is primarily due to the fair value adjustments for exchangeable class A shares and unit options which reduced net earnings as well as expensing acquisition and transaction costs that under previous GAAP would have been recorded as part of the purchase price and the recording of deferred income tax expense. The third quarter of 2011 benefitted from the reversal of much of the fair value adjustments experienced during the first two quarters of the year.

Not apparent from the table due to the acquisitions completed during the period is the seasonal nature of the business with higher sales levels reported during the winter months of each year and lower levels during the summer months.

STATUS AS A SPECIFIED INVESTMENT FLOW-THROUGH AND TAXATION

Under the previous taxation regime for income trusts, the Fund had been exempt from tax on its income to the extent that its income was distributed to unitholders. This exemption did not apply to the Company or its subsidiaries, which are corporations that are subject to income tax. Under the new tax regime for trusts, certain distributions from a "specified investment flow-through" trust or partnership ("SIFT") are no longer deductible in computing a SIFT's taxable income, and a SIFT is subject to tax on such distributions at a rate that is substantially equivalent to the general tax rate applicable to a Canadian corporation. Foreign investment income from non-porfolio investments is not subject to the SIFT tax.

The Fund investigated and evaluated its structuring alternatives in connection with the SIFT rules with a view of preserving and maximizing unitholder value. Based upon its investigation, analysis and due diligence and given its size and circumstances, the Fund determined that a change to a share corporation structure would not be advantageous to the Fund or its unitholders at this time. This determination has been made based on several reasons. First, the Fund does not believe it will achieve any net tax savings by converting. Second, the Fund believes that the cost of conversion is not a prudent use of cash and is not justified by any perceived benefits from conversion for a fund of our size. Third, to the extent that the Fund pays SIFT tax, it believes that its taxable unitholders will benefit from the lower tax rate on distributions received, as it expects to be able to maintain distributions, despite any trust tax that the Fund will incur. In addition, the Fund's current distribution level to unitholders is being funded almost entirely by its U.S. operations and since distributions that are sourced from U.S. business earnings are not subject to the SIFT tax, the Fund benefits from a tax deduction at the U.S. corporate entity level for interest paid to the Fund which is distributed to unitholders.

Even though the Company is carrying tax loss-carryforward balances in both Canada and the U.S. that enable it to shelter taxes payable, the Fund is required to record income tax expense at its effective tax rate. The Fund's effective tax rate varies due to the fixed level of interest that is deducted from the U.S. operations and paid to the trust unitholders as distributions. This amount of interest was $1,128,600 and $3,386,000 for the three and nine month periods ending September 30, 2011. The Fund estimates that its basic Canadian provincial and federal tax rate is approximately 27% and its U.S. federal and state tax rate is approximately 38%. In forecasting future tax obligations, the Fund deducts the interest amount above from the U.S. taxable income to estimate the U.S. tax expense. As a result of the fixed nature of the interest deduction, it is not possible to provide a reliable estimate of the effective tax rate for the Fund. The following illustration demonstrates the differences in the effective tax rate depending on the level of net income and a fixed interest deduction.

Effective tax rate (illustration only)			
Example blended tax rate (U.S. and Canada)	35.0%	35.0%	35.0%
Net income level	$ 10,000	$ 15,000	$ 20,000
U.S. interest deduction re: distributions	(5,000)	(5,000)	(5,000)
	5,000	10,000	15,000
Computed tax	1,750	3,500	5,250
Effective tax rate - % of total	17.5%	23.33%	26.25%

While the Fund intends on remaining in its current structure for the foreseeable future, it will continue to evaluate this decision in the context of changing circumstances.

LIQUIDITY AND CAPITAL RESOURCES

Cash flow from operations, together with cash on hand and unutilized credit available on existing credit facilities are expected to be sufficient to meet operating requirements, capital expenditures and distributions. At September 30, 2011, the Fund had cash, net of outstanding deposits and cheques, held on deposit in U.S. bank accounts totalling $17.0 million (December 31, 2010 - $9.6 million). Offsetting this balance was $nil (December 31, 2010 - $0.2 million) outstanding under its operating line of credit, resulting in a cash position, net of bank indebtedness, of $17.0 million at September 30, 2011 (December 31, 2010 - $9.4 million). The net working capital ratio (current assets divided by current liabilities) was 1.14:1 at September 30, 2011 (December 31, 2010 - 1:1). The increase in the net working capital ratio is the result of the Fund completing a bought deal public offering on September 27, 2011 which significantly increased its cash on hand.

At September 30, 2011, the Fund had total debt outstanding, net of cash, of $19.2 million compared to $31.2 million at June 30, 2011, $14.4 million at March 31, 2011, $16.0 million at December 31, 2010 and $19.4 million at September 30, 2010. The decrease in cash and increase in total debt in the second quarter of 2011 was due to the Company incurring approximately $6.4 million in new U.S. senior term debt, a $2.9 million seller loan and using approximately $4.9 million in cash as part of the Cars acquisition. The subsequent decrease in total debt was due to the Fund issuing 1,300,000 units from treasury during the quarter as part of a bought deal public offering. The reduction of debt during the fourth quarter of 2010 and first quarter of 2011 was due to the generation of cash from operations as well as continued repayments of U.S. debt.

The following table reports the debt position, net of cash, of the Fund for the last five quarters.

Total Debt, Net of Cash ($ Millions)	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010
Bank indebtedness	$ -	$ 3.5	$ 1.5	$ 0.2	$ 1.4
U.S. senior bank debt	24.3	23.0	17.0	17.8	18.8
Seller loans	5.9	5.7	2.8	3.0	3.1
Obligations under capital lease	6.0	5.4	4.8	4.6	4.7
	$ 36.2	$ 37.6	$ 26.1	$ 25.6	$ 28.0
Cash	17.0	6.4	11.7	9.6	8.6
Total Debt, Net of Cash	$ 19.2	$ 31.2	$ 14.4	$ 16.0	$ 19.4

The increase in total debt, net of cash that occurred at June 30, 2011 was the result of the acquisition of Cars on June 30, 2011. On September 27, 2011 the Fund completed a bought deal public offering that added approximately $12.2 million in cash to the balance sheet for the quarter, a portion of which was used to pay down bank indebtedness.

Operating Activities

For the three months ended September 30, 2011, cash flow generated before considering working capital changes was $5.0 million, up $1.2 million from the $3.8 million reported last year.

For the first nine months of 2011, cash flow generated before considering working capital changes was $12.2 million, up $2.8 million from the $9.4 million reported last year.

For the third quarter of 2011, working capital provided cash of $0.7 million compared to $1.7 million in cash for the same period in 2010.

For the first nine months of 2011, working capital changes used cash of $1.2 million compared to providing $2.1 million of cash in the same period a year ago. Increases and decreases in accounts receivable, inventory, prepaid expenses, income taxes, accounts payable and accrued liabilities are significantly influenced by timing of collections and expenditures as well as changes in the foreign exchange translation of U.S. working capital items.

Financing Activities

For the third quarter of 2011, cash provided by financing activities totalled $7.2 million, primarily as a result of the bought deal public offering. This compares to cash provided of $13.0 million for the same period in the prior year which was impacted by the financing for the True2Form transaction. During the three months ended September 30, 2011, cash was provided from the bought deal public offering in the amount of $13.975 million, increases in unearned rebates of $0.2 million as well as the proceeds from a sale-leaseback of $0.3 million and the collection of rebates receivable for $0.5 million. Uses of cash included the payment of issue costs of $1.7 million, the repayment of long-term debt totalling $0.6 million, repayment of obligations under capital lease of $0.6 million and distributions paid to unitholders and dividends to Class A common shareholders totalling $1.2 million. For the comparative period in 2010 cash was provided by increases in long-term debt of $7.3 million, increases in bank indebtedness of $1.0 million, an increase in unearned rebates in the amount of $6.4 million and the collection of rebates receivable of $0.4 million. Uses of cash for 2010 included the repayment of long-term debt totalling $0.6 million, the repayment of capital leases of $0.4 million and distributions paid to unitholders and dividends to Class A common shareholders totalling $1.0 million.

Cash provided by financing totalled $20.1 million for the nine months ended September 30, 2011 compared to cash provided of $9.4 million in the prior year. During 2011, cash was provided from the bought deal public offering in the amount of $13.875 million, increases in long-term debt in the amount of $6.5 million, unearned rebates of $6.3 million as well as the collection of rebates receivable of $1.2 million and proceeds received from the leasing of assets of $1.2 million. Uses of cash included the payment of issue costs of $1.7 million, the repayment of long-term debt totalling $1.7 million, the repayment of obligations under capital lease of $1.6 million, a decrease in bank indebtedness in the amount of $0.2 million and distributions paid to unitholders and dividends to Class A common shareholders totalling $3.6 million. Cash provided by financing during the first nine months of 2010 included increases in long-term debt in the amount of $7.3 million, unearned rebates of $6.6 million as well as the collection of rebates receivable of $0.9 million and proceeds received from the leasing of assets of $1.1 million. Cash used during this period included the repayment of long-term debt totalling $1.5 million, a reduction in bank indebtedness in the amount of $0.7 million, distributions paid to unitholders and dividends to Class A common shareholders totalling $2.7 million.

Trading Partner Funding – Prepaid Rebates and Loans

During the first nine months of 2011, the Company received its regularly scheduled rebates from its trading partners, in the aggregate amount of $1,082,500 U.S. (2010 - $837,500 U.S.). These additional rebates are receivable in quarterly instalments of $482,500 U.S. until February 28, 2012, reducing to $245,000 U.S. from May 31, 2012 to May 31, 2016 and then reducing to $120,000 U.S. from August 31, 2016 until May 31, 2017.

In addition to the regularly scheduled quarterly rebates, prepaid rebates are also available for new acquisitions and start-ups. Regular testing of the criteria used to determine these additional rebates is applied after a certain start up period, with any under-funded (or over-funded) amounts being collected (or repaid) by the Company at that time. During the first nine months of 2011, the Company received $0.7 million of new rebates and repaid $0.1 million as over-funded adjustments to rebates previously received.

On June 30, 2011, in connection with a new acquisition and under a new addendum to its existing supply agreement, the Company received a one-time enhanced prepaid rebate from its trading partners of approximately $5.6 million U.S. This prepaid rebate and the additional quarterly rebates noted above will be deferred as unearned rebates and amortized to earnings, as a reduction of cost of sales, over a period of 15 years. The enhanced prepaid rebate will be tested after three years, with any over funding being adjusted against the additional quarterly rebates. The Company's new operations are obligated to purchase the suppliers' products on an exclusive basis over the term of the addendum. In exchange for this exclusive arrangement, and subject to certain conditions, the trading partners are required to continue to price their products competitively. Termination of the addendum would require the Company to repay all un-amortized balances and any other amounts as determined under the addendum.

Debt Financing

On June 30, 2011, the Company obtained, and fully drew, a new tranche of U.S. senior term debt with its U.S. bank for approximately $6.7 million U.S. This additional tranche is supported by an initial three year, interest only, promissory note due July 31, 2014 unless extended. Subject to certain conditions, the Company has the option to renew the facility at the then market terms for an additional 12 years providing quarterly principle repayments are made beginning on October 31, 2014 and continuing thereafter on the last day of January, April, July and October for each year in annual U.S amounts as follows:

Year 4	August 1, 2014	to	July 31, 2015	$770,000
Year 5	August 1, 2015	to	July 31, 2016	$770,000
Year 6	August 1, 2016	to	July 31, 2017	$770,000
Year 7	August 1, 2017	to	July 31, 2018	$770,000
Year 8	August 1, 2018	to	July 31, 2019	$670,000
Year 9	August 1, 2019	to	July 31, 2020	$514,000
Year 10	August 1, 2020	to	July 31, 2021	$463,000
Year 11	August 1, 2021	to	July 31, 2022	$412,000
Year 12	August 1, 2022	to	July 31, 2023	$412,000
Year 13	August 1, 2023	to	July 31, 2024	$412,000
Year 14	August 1, 2024	to	July 31, 2025	$412,000
Year 15	August 1, 2025	to	July 31, 2026	$310,000

The interest rate for a floating rate loan is based on LIBOR plus 3.75% for a LIBOR loan or for a prime rate loan, the greater of (i) the U.S. prime rate plus 1.0%, or (ii) the sum of Fed Funds Open Rate plus 1.75%, or (iii) LIBOR plus 2.75%. At Boyd's option, a fixed rate loan is also available for the initial term of the loan at the U.S. Bank's cost of funds plus 3.75%. The facility is secured by a pledge of the shares and assets, excluding cash and receivables, of a newly acquired business as well as a guarantee by the Company and a third party guarantee. Other terms and conditions of the loan are similar to those contained in the Company's U.S. senior bank debt facility.

The Fund has supplemented its debt financing in the past by negotiating with sellers in certain acquisitions to provide financing to the Company in the form of term notes. The notes payable to sellers are typically at favourable interest rates and for terms of 5-10 years. This source of financing is another means of supporting the Fund's growth, at a relatively low cost. On June 30, 2011, as part of the acquisition of Cars, the Company issued a 6.5% seller note in the amount of $3.0 million U.S. repayable in quarterly payments over eight years.

The Fund has traditionally used capital leases to finance a portion of its maintenance capital expenditures as well as a portion of its start-up and acquisition growth. At September 30, 2011, the Fund owed $5.9 million ($4.6 million at December 31, 2010) in capital lease obligations.

Investing Activities

Cash used in investing activities totalled $23.1 million for the nine months ended September 30, 2011, compared to $17.0 million used in the prior year. The use of cash for 2011 was primarily related to the acquisition of Cars with the balance of the expenditures made for maintaining or replacing existing equipment, maintaining or upgrading existing facilities as well as the development of new facilities. Similarly, in 2010 the most significant use of funds was related to the acquisition of True2Form.

Acquisitions and Start-Ups

On June 30, 2011, the Company acquired Cars, a private company operating 14 locations in Illinois, eight locations in northern Indiana, and six locations in Colorado. This business generated sales of approximately US$65 million in the 12 months ended April 30, 2011. The total consideration for the transaction of approximately US$20.5 million was funded with a combination of cash, U.S. bank debt, third-party financing, and a seller take-back note. No new equity was issued related to the transaction.

Also during 2011, the Company spent $3.5 million on the development and start-up costs associated with new locations in Evanston, Illinois; Yuma, Arizona; Savannah, Georgia; McDonough, Georgia; Everett, Washington; Seattle, Washington; Grove City, Ohio; Edmonton, Alberta; and additional development costs related to the True2Form business.

During the first nine months of 2010, the Company spent $2.8 million on the development and start-up costs associated with new locations in Evanston, Illinois; Cartersville, Georgia; Anthem Arizona; Tucson, Arizona; Owasso, Oklahoma; Las Vegas, Nevada; and Atlanta, Georgia.

Sustaining Capital Expenditures

The Fund spent approximately $1.0 million or 0.4% of sales on the purchase of software, equipment and facility upgrades during the first nine months of 2011, compared to $0.9 million or 0.5% of sales during the same period in 2010. For the third quarter of 2011, the Company spent approximately $0.4 million or 0.5% of sales on maintenance capital expenditures compared to $0.3 million or 0.4% of sales for the third quarter for 2010.

RELATED PARTY TRANSACTIONS

The Fund has not entered into any new related party transactions beyond the items disclosed in the 2010 annual report other than the following:

In certain circumstances the Company has entered into property lease arrangements where an employee of the Company is the landlord. The property leases for these locations do not contain any significant non-standard terms and conditions that would not normally exist in an arm's length relationship, and the Fund has determined that the terms and conditions of the leases are representative of fair market value. During the first quarter of 2011, Farelane Properties, an entity controlled by Terry Smith, previously the Executive Chairman of the Fund, purchased a building in Winnipeg, Manitoba which the Fund leases as its corporate head office. The then existing lease will expire on March 14, 2014 and contains annual lease payments of approximately $0.1 million.

CHANGES IN ACCOUNTING POLICIES

Adoption of International Financial Reporting Standards

The first quarter of 2011 was the Fund's first reporting period under IFRS. Boyd adopted IFRS with a transition date of January 1, 2010 and retrospective restatement of the 2010 comparative period. The most significant changes as a result of adopting IFRS are with respect to the recording of liabilities for the exchangeable class A shares of Boyd Group Holdings Inc. and the unit options issued by the Fund. Under IFRS, both the exchangeable class A shares and the unit options are now recorded as liabilities on the balance sheet. Under previous GAAP, they were treated as equity. Increases in the Fund's unit price result in revaluations upward to these liabilities with a corresponding expense being recorded. Decreases in the Fund's unit price, result in revaluations downward and corresponding income. These fair value adjustments for the third quarter of 2011 resulted in a $4.0 million non-cash income amount primarily based upon the decrease in the underlying price of the Fund's unit value. Going forward, these quarterly adjustments will be recorded as either expense or income on the Fund's Consolidated Statements of Earnings.

In addition to fair value adjustments, another significant change is the treatment of acquisition search and transaction costs, which will now be expensed as incurred as opposed to being capitalized to the acquired business under previous GAAP. These costs in the third quarter resulted in additional expense of $0.2 million.

For a more detailed evaluation of the transition to IFRS and the impact on the Fund's accounting policies, readers should refer to the notes to the unaudited interim condensed consolidated financial statements for the three and nine months ended September 30, 2011.

FINANCIAL INSTRUMENTS AND HEDGES

In order to limit the variability of earnings due to the foreign exchange translation exposure on the income and expenses of the U.S. operations, the Company enters into foreign exchange contracts. In accordance with IFRS, these contracts are marked to market monthly with unrealized gains and losses included in earnings. At September 30, 2011 there were no contracts outstanding.

For the nine month period ending September 30, 2011 the Fund has recorded to earnings unrealized losses related to these contracts in the amount of $64,000 (2010 – $304,700). During the first nine months of 2011, the Fund realized foreign exchange gains in the amount of $84,340 (2010 – $398,770).

Transactional foreign currency risk also exists in limited circumstances where U.S. denominated cash is received in Canada. The Company monitors U.S. denominated cash flows to be received in Canada and evaluates whether to use forward foreign exchange contracts. During 2010, $8,000,000 U.S. was lent to the Canadian operations on a short-term basis and exchanged into Canadian dollars. In the first nine months of 2011, the Company recorded a foreign exchange gain of $198,000 on this loan. These funds were repaid in June 2011. The Company had also entered into a $8,000,000 forward foreign exchange contract to purchase U.S. funds to protect against foreign exchange exposure during the loan term and which also was settled in June 2011. During the nine months ending September 30, 2011 the Company recorded to earnings a loss related to this contract in the amount of $217,700. In June 2011, the Company made a new short-term loan for $8,000,000 and entered into a new forward foreign exchange contract. The unrealized loss on this loan at September 30, 2011 was $607,200 and the unrealized gain and fair value receivable related to the forward foreign exchange contract was $639,300.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements that present fairly the financial position, financial condition and results of operations in accordance with Canadian generally accepted accounting principles requires that the Fund make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the balance sheet date and reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from these estimates.

The critical accounting estimates are substantially unchanged from those identified in the 2010 annual MD&A.

INTERNAL CONTROL OVER FINANCIAL REPORTING

The Fund's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. During the third quarter of 2011, there have been no changes in the Fund's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Fund's internal control over financial reporting. The design of internal controls at Cars has been considered and based on the pre-existing controls in place and oversight controls implemented, we have not identified any areas of immediate concern with respect to disclosure controls and procedures or internal controls, however, a full assessment has not yet been completed. As a result, we have noted this limitation in the certificates and provide the following summary information with respect to Cars. During the three month period ending September 30, 2011 Cars reported sales of $17.2 million and net earnings of $0.9 million. As at September 30, 2011, Cars reported current assets of $2.5 million, current liabilities of $6.0 million and $25.2 million of long-term assets.

BUSINESS RISKS AND UNCERTAINTIES

Risks and uncertainties affecting the business remain substantially unchanged from those identified in the 2010 annual MD&A.

ADDITIONAL INFORMATION

The Fund's units trade on the Toronto Stock Exchange under the symbol TSX: BYD.UN. Additional information relating to the Boyd Group Income Fund is available on SEDAR (www.sedar.com) and our website (www.boydgroup.com).

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

These unaudited condensed consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards. Management is responsible for their integrity, objectivity and reliability, and for the maintenance of financial and operating systems, which include effective controls, to provide reasonable assurance that the Fund's assets are safeguarded and that reliable financial information is produced.

The Board of Trustees is responsible for ensuring that management fulfills its responsibilities for financial reporting, disclosure control and internal control. The Board exercises these responsibilities through its Audit Committee, all members of which are not involved in the daily activities of the Fund. The Audit Committee meets with management and, as necessary, with the independent auditors, Deloitte & Touche LLP, to satisfy itself that management's responsibilities are properly discharged and to review and report to the Board on the interim condensed consolidated financial statements.

These interim condensed consolidated financial statements and related notes and other interim filings have not been reviewed by the Fund's auditors.

FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

I, **Brock Bulbuck, Chief Executive Officer of the Boyd Group Income Fund**, certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of the **Boyd Group Income Fund**, (the "issuer") for the interim period ended **September 30, 2011**.
2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
4. ***Responsibility:*** The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, for the issuer.
5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the end of the period covered by the interim filings

   (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

      (i.) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and

      (ii.) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

   (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

5.1 ***Control framework:*** The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is the Committee of Sponsor Organizations of the Treadway Commission ("COSO") framework in Internal Control – Integrated Framework.

5.2 ***ICFR – material weakness relating to design:*** N/A

5.3 ***Limitation on scope of design:*** The issuer has disclosed in its interim MD&A

   (a) the fact that the issuer's other certifying officer(s) and I have limited the scope of our design of DC&P and ICFR to exclude controls, policies and procedures of

      (i.) N/A

      (ii.) N/A

(iii.) A business that the issuer acquired not more than 365 days before the last day of the period covered by the interim filings; and

(b) summary financial information about the proportionately consolidated entity, special purpose entity or business that the issuer acquired that has been proportionately consolidated or consolidated in the issuer's financial statements.

6. ***Reporting Changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on July 1, 2011 and ended on September 30, 2011 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: November 9, 2011

(signed)

Brock Bulbuck
Chief Executive Officer

FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

I, **Dan Dott, Chief Financial Officer of the Boyd Group Income Fund**, certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of the **Boyd Group Income Fund**, (the "issuer") for the interim period ended **September 30, 2011**.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim report do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

4. ***Responsibility:*** The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, for the issuer.

5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the end of the period covered by the interim filings

   (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

      (i.) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and

      (ii.) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

   (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

5.1 ***Control framework:*** The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is the Committee of Sponsor Organizations of the Treadway Commission ("COSO") framework in Internal Control – Integrated Framework.

5.2 ***ICFR – material weakness relating to design:*** N/A

5.3 ***Limitation on scope of design:*** The issuer has disclosed in its interim MD&A

   (a) the fact that the issuer's other certifying officer(s) and I have limited the scope of our design of DC&P and ICFR to exclude controls, policies and procedures of

      (i.) N/A

(ii.) N/A

(iii.) A business that the issuer acquired not more than 365 days before the last day of the period covered by the interim filings; and

(b) summary financial information about the proportionately consolidated entity, special purpose entity or business that the issuer acquired that has been proportionately consolidated or consolidated in the issuer's financial statements.

6. ***Reporting Changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on July 1, 2011 and ended on September 30, 2011 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: November 9, 2011

(signed)

Dan Dott, C.A.
Vice President & Chief Financial Officer

BOYD GROUP INCOME FUND

Interim Condensed Consolidated Financial Statements

Three and Nine Months Ended September 30, 2011

Notice: These interim condensed consolidated financial statements have not been audited or reviewed by the Fund's independent external auditors, Deloitte & Touche LLP.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Unaudited)
(Canadian dollars)

	September 30, 2011	December 31, 2010	January 1, 2010
Assets			
Current assets:			
Cash	**$ 16,966,785**	$ 9,593,773	$ 5,085,548
Accounts receivable	**22,460,407**	18,704,749	15,471,712
Income taxes recoverable	**-**	-	102,021
Inventory	**6,712,568**	5,779,603	3,611,341
Prepaid expenses	**2,521,337**	1,866,785	1,465,989
Derivative contracts *(Note 14)*	**639,300**	64,000	329,400
	49,300,397	36,008,910	26,066,011
Property, plant and equipment	**34,273,016**	26,129,675	19,744,350
Deferred income tax asset	**10,080,753**	10,761,194	1,063,482
Intangible assets *(Note 6)*	**27,745,208**	18,963,657	13,848,185
Goodwill *(Note 5)*	**28,470,746**	16,956,764	16,812,650
	$ 149,870,120	$ 108,820,200	$ 77,534,678
Liabilities and Equity			
Current liabilities:			
Bank indebtedness	**$ -**	$ 223,715	$ 2,099,999
Accounts payable and accrued liabilities	**38,107,449**	31,259,210	20,800,281
Income taxes payable	**13,112**	16,409	-
Distributions payable *(Note 10)*	**438,428**	323,463	269,390
Dividends payable *(Note 14)*	**14,033**	25,361	21,397
Derivative contracts *(Note 14)*	**-**	382,500	269,600
Current portion of long-term debt *(Note 7)*	**2,245,032**	1,753,768	1,911,478
Current portion of obligations under capital leases	**2,368,677**	1,751,050	1,437,702
	43,186,731	35,735,476	26,809,847
Long-term debt *(Note 7)*	**27,989,844**	19,003,741	12,704,760
Obligations under capital leases	**3,559,594**	2,844,121	3,164,735
Convertible exchange note	**-**	-	523,300
Unearned rebates *(Note 8)*	**24,723,307**	18,606,489	12,744,410
Exchangeable class A shares *(Note 14)*	**3,195,726**	6,535,017	4,526,023
Unit based payment obligation *(Note 15)*	**1,092,847**	731,492	347,054
	103,748,049	83,456,336	60,820,129
Equity			
Accumulated other comprehensive gain (loss)	**875,320**	(1,357,080)	-
Deficit	**(33,704,840)**	(35,264,805)	(45,220,254)
Unitholders' capital *(Note 9)*	**74,949,520**	57,983,678	57,932,732
Contributed surplus	**4,002,071**	4,002,071	4,002,071
	46,122,071	25,363,864	16,714,549
	$ 149,870,120	$ 108,820,200	$ 77,534,678

The accompanying notes are an integral part of these interim condensed consolidated financial statements

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (Unaudited)
(Canadian dollars)

	Unitholders' Capital Units	Unitholders' Capital Amount	Contributed Surplus	Accumulated Other Comprehensive Gain (Loss)	Deficit	Total Equity
Balances - January 1, 2010	10,771,591	$ 57,932,732	$ 4,002,071	$ -	$ (45,220,254)	$ 16,714,549
Issue costs	-	(6,653)				(6,653)
Retractions	10,511	57,599				57,599
Other comprehensive loss				(1,357,080)		(1,357,080)
Net earnings					13,472,612	13,472,612
Comprehensive earnings				(1,357,080)	13,472,612	12,115,532
Distributions to unitholders					(3,517,163)	(3,517,163)
Balances - December 31, 2010	10,782,102	$ 57,983,678	$ 4,002,071	$ (1,357,080)	$ (35,264,805)	$ 25,363,864
Issue costs	-	(1,293,967)				(1,293,967)
Units issued from treasury *(Note 9)*	1,300,000	13,975,000				13,975,000
Retractions	444,426	4,284,809				4,284,809
Other comprehensive earnings				2,232,400		2,232,400
Net earnings					5,019,521	5,019,521
Comprehensive earnings				2,232,400	5,019,521	7,251,921
Distributions to unitholders					(3,459,556)	(3,459,556)
Balances - September 30, 2011	12,526,528	$ 74,949,520	$ 4,002,071	$ 875,320	$ (33,704,840)	$ 46,122,071
Balances - January 1, 2010	10,771,591	$ 57,932,732	$ 4,002,071	$ -	$ (45,220,254)	$ 16,714,549
Issue costs	-	(6,653)				(6,653)
Retractions	9,843	53,497				53,497
Other comprehensive loss				(288,576)		(288,576)
Net earnings					5,523,441	5,523,441
Comprehensive earnings				(288,576)	5,523,441	5,234,865
Distributions to unitholders					(2,573,764)	(2,573,764)
Balances - September 30, 2010	10,781,434	$ 57,979,576	$ 4,002,071	$ (288,576)	$ (42,270,577)	$ 19,422,494

The accompanying notes are an integral part of these interim condensed consolidated financial statements

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS (Unaudited)
Nine Months Ended September 30,
(Canadian dollars)

		2011		2010
Sales	**$**	**256,473,274**	$	176,201,037
Cost of sales		**141,440,509**		96,157,345
Gross margin		**115,032,765**		80,043,692
Operating expenses		**98,342,164**		68,329,409
Foreign exchange gains		**(46,177)**		(67,123)
Acquisition and transaction costs		**1,611,666**		764,300
Depreciation		**4,247,735**		2,911,129
Amortization of financing fees and intangible assets		**1,329,358**		812,764
Fair value adjustment to exchangeable shares *(Note 14)*		**945,517**		566,080
Fair value adjustment to unit options *(Note 15)*		**361,355**		107,678
Interest expense		**1,474,789**		1,029,438
		108,266,407		74,453,675
Earnings before income taxes		**6,766,358**		5,590,017
Income tax expense				
Current		**80,556**		36,327
Deferred		**1,666,281**		30,249
		1,746,837		66,576
Net earnings	**$**	**5,019,521**	$	5,523,441

The accompanying notes are an integral part of these interim condensed consolidated financial statements

Basic earnings per unit *(Note 13)*	**$**	**0.462**	$	0.512
Diluted earnings per unit *(Note 13)*	**$**	**0.462**	$	0.512
Weighted average number of units outstanding		**10,854,139**		10,780,093

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS (Unaudited)
Nine Months Ended September 30,

		2011		2010
Net earnings	**$**	**5,019,521**	$	5,523,441
Other comprehensive earnings (loss),				
Change in unrealized earnings (loss) on translating financial statements of foreign operations		**2,232,400**		(288,576)
Other comprehensive earnings (loss), net of income taxes		**2,232,400**		(288,576)
Comprehensive earnings	**$**	**7,251,921**	$	5,234,865

The accompanying notes are an integral part of these interim condensed consolidated financial statements

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
Nine Months Ended September 30,
(Canadian dollars)

		2011		2010
Cash flows from operating activities				
Net earnings	**$**	**5,019,521**	$	5,523,441
Items not affecting cash				
Deferred income taxes		**1,666,281**		30,249
Amortization of financing fees and intangible assets		**1,329,358**		812,764
Depreciation		**4,247,735**		2,911,129
Amortization of unearned rebates		**(1,615,336)**		(1,115,608)
Gain on disposal of equipment		**(4,246)**		(15,319)
Adjustment in liability for exchangeable class A shares		**945,517**		566,080
Interest accrued on class A exchangeable shares		**248,600**		202,296
Unit option compensation expense		**361,355**		107,678
Unrealized foreign exchange loss (gain) on internal loans		**409,200**		(130,500)
Unrealized (gain) loss on derivative contracts		**(441,940)**		82,330
Cash realized on settlement of internal loan		**569,700**		296,500
Realized (loss) gain on derivative contracts		**(515,860)**		80,170
		12,219,885		9,351,210
Changes in non-cash working capital items		**(1,174,648)**		2,085,731
		11,045,237		11,436,941
Cash flows provided by financing activities				
Fund units issued from treasury		**13,975,000**		-
Issue costs		**(1,743,186)**		(6,653)
Increase in obligations under long-term debt		**6,529,908**		7,261,363
Repayment of long-term debt		**(1,713,668)**		(1,532,392)
Decrease in bank indebtedness		**(235,381)**		(684,198)
Repayment of obligations under capital leases		**(1,580,518)**		(1,184,092)
Proceeds on sale-leaseback agreement		**1,154,521**		1,116,222
Dividends paid on Class A common shares		**(259,928)**		(199,369)
Distributions paid to unitholders		**(3,344,591)**		(2,533,188)
Increase in unearned rebates		**6,301,448**		6,574,006
Repayment of unearned rebates		**(144,460)**		(65,251)
Increase in financing costs		**(4,938)**		(97,420)
Collection of rebates receivable		**1,183,952**		875,474
Repayment of convertible debt		**-**		(79,135)
		20,118,159		9,445,367
Cash flows used in investing activities				
Proceeds on sale of equipment		**63,352**		44,651
Equipment purchases and facility improvements		**(867,615)**		(878,809)
Acquisition and development of businesses		**(22,081,447)**		(16,133,247)
Software purchases		**(178,665)**		(41,840)
		(23,064,375)		(17,009,245)
Foreign exchange		**(726,009)**		(331,646)
Net increase in cash position		**7,373,012**		3,541,417
Cash, beginning of period		**9,593,773**		5,085,548
Cash, end of period	**$**	**16,966,785**	$	8,626,965
Income taxes paid	**$**	**279,248**	$	42,773
Interest paid	**$**	**1,553,739**	$	784,403

The accompanying notes are an integral part of these interim condensed consolidated financial statements

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS (Unaudited)
Three Months Ended September 30,
(Canadian dollars)

		2011		2010
Sales	**$**	**97,333,007**	$	68,999,455
Cost of sales		**53,812,320**		37,485,240
Gross margin		**43,520,687**		31,514,215
Operating expenses		**37,248,660**		26,457,977
Foreign exchange (gains) losses		**(106,967)**		15,187
Acquisition and transaction costs		**150,706**		470,600
Depreciation		**1,789,699**		1,153,812
Amortization of financing fees and intangible assets		**571,866**		339,161
Fair value adjustment to exchangeable shares *(Note 14)*		**(3,285,284)**		590,846
Fair value adjustment to unit options *(Note 15)*		**(676,328)**		104,823
Interest expense		**588,394**		434,153
		36,280,746		29,566,559
Earnings before income taxes		**7,239,941**		1,947,656
Income tax expense				
Current		**(2,745)**		-
Deferred		**723,823**		7,440
		721,078		7,440
Net earnings	**$**	**6,518,863**	$	1,940,216

The accompanying notes are an integral part of these interim condensed consolidated financial statements

Basic earnings per unit *(Note 13)*	**$**	**0.593**	$	0.180
Diluted earnings per unit *(Note 13)*	**$**	**0.220**	$	0.180
Weighted average number of units outstanding		**10,986,438**		10,781,358

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS (Unaudited)
Three Months Ended September 30,

		2011		2010
Net earnings	**$**	**6,518,863**	$	1,940,216
Other comprehensive earnings (loss)				
Change in unrealized earnings (loss) on translating financial statements of foreign operations		**3,260,861**		(582,344)
Other comprehensive earnings (loss)		**3,260,861**		(582,344)
Comprehensive earnings	**$**	**9,779,724**	$	1,357,872

The accompanying notes are an integral part of these interim condensed consolidated financial statements

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
Three Months Ended September 30,
(Canadian dollars)

		2011		2010
Cash flows from operating activities				
Net earnings	**$**	**6,518,863**	$	1,940,216
Items not affecting cash				
Deferred income taxes		**723,823**		7,440
Amortization of financing fees and intangible assets		**571,866**		339,161
Depreciation		**1,789,699**		1,153,812
Amortization of unearned rebates		**(638,181)**		(444,441)
Gain on disposal of equipment		**(8,449)**		(2,944)
Adjustment in liability for exchangeable class A shares		**(3,285,284)**		590,846
Interest accrued on class A exchangeable shares		**72,067**		70,863
Unit option compensation expense		**(676,328)**		104,823
Unrealized foreign exchange loss (gain) on internal loans		**596,800**		(154,000)
Unrealized (gain) loss on derivative contracts		**(652,000)**		169,630
Cash realized on settlement of derivative contracts		**-**		32,170
		5,012,876		3,807,576
Changes in non-cash working capital items		**728,997**		1,701,558
		5,741,873		5,509,134
Cash flows provided by financing activities				
Fund units issued from treasury		**13,975,000**		-
Issue costs		**(1,733,529)**		-
Increase in obligations under long-term debt		**-**		7,261,363
Repayment of long-term debt		**(635,365)**		(567,355)
(Decrease) increase in bank indebtedness		**(3,516,134)**		1,028,523
Repayment of obligations under capital leases		**(576,694)**		(436,252)
Proceeds on sale-leaseback agreement		**303,342**		81,221
Dividends paid on Class A common shares		**(87,173)**		(69,808)
Distributions paid to unitholders		**(1,133,713)**		(889,459)
Increase in unearned rebates		**203,027**		6,355,588
Repayment of unearned rebates		**(79,929)**		-
Increase in financing costs		**-**		(97,420)
Collection of rebates receivable		**475,047**		377,508
		7,193,879		13,043,909
Cash flows used in investing activities				
Proceeds on sale of equipment		**14,909**		17,337
Equipment purchases and facility improvements		**(321,416)**		(275,142)
Acquisition and development of businesses (net of cash acquired)		**(1,738,309)**		(15,466,517)
Software Purchases		**(122,359)**		(593)
		(2,167,175)		(15,724,915)
Foreign exchange		**(205,507)**		(144,656)
Net increase in cash position		**10,563,070**		2,683,472
Cash, beginning of period		**6,403,715**		5,943,493
Cash, end of period	**$**	**16,966,785**	$	8,626,965
Income taxes recovered	**$**	**(1,433)**	$	-
Interest paid	**$**	**653,250**	$	311,731

The accompanying notes are an integral part of these interim condensed consolidated financial statements

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(UNAUDITED)*

1. ORGANIZATION AND DESCRIPTION OF THE BUSINESS

Boyd Group Income Fund (the "Fund") is an unincorporated, open-ended mutual fund trust established under the laws of the Province of Manitoba on December 16, 2002. It was established for the purposes of acquiring and holding a majority interest in The Boyd Group Inc. (the "Company"). A minority interest in the Company is held by Boyd Group Holdings Inc. ("BGHI"), which is controlled by the Fund. These financial statements reflect the activities of the Fund, the Company and all its subsidiaries including BGHI. The Company's business consists of the ownership and operation of autobody/autoglass repair facilities acquired either through the acquisition of existing businesses, or through site development resulting in new locations. The units of the Fund are listed on the Toronto Stock Exchange and trade under the symbol "BYD.UN". The head office and principal address of the Fund are located at 3570 Portage Avenue, Winnipeg, Manitoba, R3K 0Z8.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of presentation

The Fund prepares its financial statements in accordance with Canadian generally accepted accounting principles as set out in the Handbook of the Canadian Institute of Chartered Accountants ("CICA Handbook"). In 2010, the CICA Handbook was revised to incorporate International Financial Reporting Standards ("IFRS"), and require publicly accountable enterprises to apply such standards effective for years beginning on or after January 1, 2011. Accordingly, the Fund has commenced reporting on this basis in these interim condensed consolidated financial statements. In these financial statements, the term "Canadian GAAP" refers to Canadian GAAP before the adoption of IFRS.

These are the third interim condensed consolidated financial statements that the Fund has prepared in accordance with IFRS applicable to the preparation of interim financial statements, including IAS 34 and IFRS 1. Subject to certain transition elections disclosed in Note 3, the Fund has consistently applied the same accounting policies in its opening IFRS statement of financial position at January 1, 2010 and throughout all periods presented, as if these policies had always been in effect. Note 3 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 consolidated financial statements for the year ended December 31, 2010.

The policies applied in these interim condensed consolidated financial statements are based on IFRS issued and outstanding as of November 8, 2011, the date the Board of Trustees approved the statements. Any subsequent changes to IFRS that are given effect in the Fund's annual consolidated financial statements for the year ending December 31, 2011 could result in restatement of these interim condensed consolidated financial statements, including the transition adjustments recognized on change-over to IFRS as disclosed in Note 3.

The interim condensed consolidated financial statements should be read in conjunction with the Fund's Canadian GAAP annual consolidated financial statements for the year ended December 31, 2010 as well as the interim condensed consolidated financial statements for the three months ended March 31, 2011 which discloses IFRS information for the year ended December 31, 2010 that is material to an understanding of these condensed consolidated interim financial statements.

b) Revenue recognition

The Fund recognizes revenue to the extent that it is probable that the economic benefits will flow to the Fund, the sales price is fixed or determinable and collectability is reasonably assured. Revenue is measured at the fair value of the consideration received. Revenue from the operation of autobody/autoglass facilities is recognized when the profitability of the repair can be measured reliably. As the majority of repairs are of short duration, revenue is recognized when the repair is complete or substantially complete.

c) *Inventory*

Inventory is valued at the lower of cost and net realizable value. Cost is determined on the first-in, first-out basis. Net realizable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

d) Property, plant and equipment

Property, plant and equipment assets are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is calculated using the declining balance and straight line rates as disclosed in the property, plant and equipment note. Leasehold improvements are amortized on the straight-line basis over the period of estimated benefit.

An item of property, plant and equipment is derecognized upon disposal, when held for sale or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the consolidated statement of earnings.

The Fund conducts an annual assessment of the residual balances, useful lives and depreciation methods being used for property, plant and equipment and any changes arising from the assessment are applied by the Fund prospectively.

e) Consolidation

The financial statements of the Fund consolidate the accounts of the Fund and its subsidiaries. All intercompany transactions, balances and unrealized gains and losses from intercompany transactions are eliminated on consolidation.

Subsidiaries are those entities which the Fund controls by having the power to govern the financial and operating policies. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Fund controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Fund and are de-consolidated from the date that control ceases.

f) Business combinations, goodwill and other intangible assets

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method of accounting. The cost of the acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Fund in exchange for control of the acquired company. Acquisition costs are expensed as incurred. The acquired company's identifiable assets (including previously unrecognized intangible assets), liabilities and contingent liabilities are recognized at their fair values at the acquisition date.

Goodwill represents the excess of the cost of an acquisition over the fair value of the Fund's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is carried at cost less accumulated impairment losses.

Intangible assets are recognized only when it is probable that the expected future economic benefits attributable to the assets will accrue to the Fund and the cost can be reliably measured. Intangible assets acquired in a business combination are recorded at fair value. Intangible assets that do not have indefinite lives are amortized over their useful lives using an amortization method which reflects the economic benefit of the intangible asset. Customer relationships are amortized on a straight-line basis over the expected period of benefit of 20 years. Contractual rights are amortized on a straight-line basis over the term of the contract. Computer software is amortized on a straight-line basis over periods of three and five years.

g) Impairment of non-financial assets

Property, plant and equipment and intangible assets are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Brand names are considered to have indefinite lives and are tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating unit or “CGU”). The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant asset or CGU). An impairment loss is recognized for the amount by which the asset’s carrying amount exceeds its recoverable amount.

Goodwill is reviewed for impairment annually or at any time if an indicator of impairment exists. As well, newly acquired goodwill is reviewed for impairment at the end of the year in which it was acquired.

Goodwill acquired through a business combination is allocated to each CGU, or group of CGUs, that are expected to benefit from the related business combination. A group of CGUs represents the lowest level within the entity at which the goodwill is monitored for internal management purposes, which is not higher than an operating segment. Impairment losses on goodwill are not reversed.

The Fund evaluates impairment losses, other than goodwill impairment, for potential reversals when events or circumstances warrant such consideration.

h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

i) Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in the statement of earnings except to the extent that it relates to items recognized directly in equity, in which case the income tax is recognized directly in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

In general, deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries except, in the case of subsidiaries, where the timing of the reversal of the temporary difference is controlled by the Fund and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are presented as current or non-current, depending on expected period of realization.

Tax on income in interim periods is accrued using the tax rate that would be applicable to expected total annual earnings.

j) Unearned rebates

Pre-paid purchase rebates are recorded as unearned rebates on the statement of financial position and amortized, as a reduction of the cost of purchases, on a straight-line basis over the term of the contract.

k) Unitholders' Capital

Under IAS 32, a financial instrument that gives the holder the right to put the instrument back to the issuer for cash or another financial asset (a 'puttable instrument') is a financial liability, except for those instruments that meet the exceptions to be classified as equity instruments. The trust units of the Fund meet the puttable equity exceptions and therefore are classified as equity.

The Fund's declaration of trust allows a unitholder to tender their units for cash redemption. This cash redemption right is restricted, at the Fund's option, to an aggregate cash amount of $25,000. Historically, the Fund has not been asked to redeem units for cash. As a result, the Fund does not have policies or processes for managing the potential redemption of units for cash.

l) Unit-Based Compensation

The Fund issues unit-based awards to certain employees in the form of unit options. The unit options are financial liabilities since the units are ultimately puttable back to the Fund in exchange for cash. The cost of cash-settled unit-based transactions is measured at fair value using a black-scholes model and expensed over the vesting period with the recognition of a corresponding liability. The liability is re-measured at each reporting date with changes in fair value recognized in earnings.

m) Earnings per unit

Basic earnings per unit is calculated by dividing the net earnings for the period attributable to equity owners of the Fund by the weighted average number of units outstanding during the period.

Diluted EPS is calculated by adjusting the weighted average number of units outstanding and corresponding earnings impact for dilutive instruments. The number of shares included with respect to options is computed using the treasury stock method. The exchangeable Class A shares are evaluated as to whether or not they are dilutive based on the affect on earnings per unit of eliminating the liability adjustment for the period and increasing the weighted average number of units outstanding for the units that would be exchanged for the Class A shares.

n) Foreign currency translation

Items included in the financial statements of each subsidiary are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Canadian dollars, which is the Fund's functional currency. The financial statements of entities that have a functional currency different from that of the Fund are translated into Canadian dollars. Assets and liabilities are translated into Canadian dollars at the noon rate of exchange prevailing at the statement of financial position dates and income and expense items are translated at the average exchange rate during the period (as this is considered a reasonable approximation to actual rates). The adjustment arising from the translation of these accounts is recognized in other comprehensive earnings as cumulative translation adjustments.

When an entity disposes of its entire interest in a foreign operation, or loses control, joint control, or significant influence over a foreign operation, the foreign currency gains or losses accumulated in other comprehensive earnings related to the foreign operation are recognized in earnings. If an entity disposes of part of an interest in a foreign operation which remains a subsidiary, a proportionate amount of foreign currency gains or losses accumulated in other comprehensive earnings related to the subsidiary are reallocated between controlling and non-controlling interests.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Generally, foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in currencies other than an operation's functional currency are recognized in earnings.

o) Financial instruments

Financial assets and liabilities are recognized when the Fund becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

At initial recognition, the Fund classifies its financial instruments in the following categories depending on the purpose for which the instruments were acquired:

Cash is classified as "Financial Assets at Fair Value Through Profit or Loss". This financial asset is marked-to-market through net earnings at each period end.

Derivative contracts are classified as "Financial Assets or Financial Liabilities at Fair Value Through Profit or Loss" with marked-to-market adjustments being recorded to net earnings at each period end.

Accounts receivable are classified as "Loans and Receivables". After their initial fair value measurement, they are measured at amortized cost using the effective interest rate method, as reduced by appropriate allowances for estimated unrecoverable amounts.

Bank indebtedness, accounts payable and accrued liabilities, dividends payable, distributions payable and long-term debt are classified as "at Amortized Cost" and are net of any related financing fees or issue costs. After their initial fair value measurement, they are measured at amortized cost using the effective interest rate method.

As a result of the Fund's units being redeemable for cash, unit options and the exchangeable Class A shares of the Fund's subsidiary BGHI, are presented as financial liabilities and classified as "at Amortized Cost". The cost of cash-settled unit-based transactions is measured at fair value using a black-scholes model and expensed over the vesting period. The liability is re-measured at each reporting date with changes in fair value recognized in earnings. Exchangeable Class A shares are measured at the market price of the units of Fund as of the statement of financial position date. The market price is based on the ten day trading average for the units after such date.

Foreign exchange contracts entered into have not been designated as hedges. The unrealized portions of these derivatives are marked-to-market each period and recorded on the statement of financial position with unrealized gains/losses recognized in earnings each period.

For net investment hedging relationships, foreign exchange gains and losses are recognized in other comprehensive earnings. Amounts recorded in AOCI are recognized in net earnings when there is a disposition of the foreign subsidiary.

p) *Pensions and other post-retirement benefits*

The Company contributes to defined contribution pension plans of employees. Contributions are recognized within operating earnings at an amount equal to contributions payable for the period. Any outstanding contributions are recognized as liabilities within accruals.

q) *Provisions*

Provisions are recognized when the Fund has a present legal or constructive obligation that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period, and are discounted to present value where the effect is material. The increase in the provision due to the passage of time is recognized as interest expense.

r) *Use of estimates*

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the statement of financial position date and reported amounts of revenues and expenses during the reporting period. The nature of estimation means that actual outcomes could differ from those estimates. The estimates and underlying assumptions are based on historical experience and are reviewed on an ongoing basis. The valuation of accounts receivable, property, plant and equipment, goodwill and intangible assets, and the benefit of deferred income tax assets are the most significant components of the Fund's financial statements subject to management estimates.

s) *Accounting standards issued but not yet applied*

Certain new or revised standards or interpretations have been issued but are not required to be adopted in the current period. The Fund has not early adopted these standards or interpretations.

IFRS 9 *Financial Instruments*, effective for annual periods beginning on or after January 1, 2013, is part of the International Accounting Standards Board's project to replace IAS 39 *Financial Instruments: Recognition and Measurement*. The Fund is evaluating the potential effect of this new standard.

There are no other standards or interpretations that have been issued, but are not yet effective, that the Fund anticipates will have a material effect on the consolidated financial statements once adopted.

3. TRANSITION TO IFRS

The Fund has adopted IFRS effective January 1, 2010 ("the Transition Date") and has prepared its opening IFRS statement of financial position as at that date. Prior to the adoption of IFRS the Fund prepared its financial statements in accordance with Canadian GAAP. The Fund's consolidated financial statements for the year ending December 31, 2011 will be the first annual financial statements that comply with IFRS. The Fund will ultimately prepare its opening IFRS statement of financial position by applying existing IFRS with an effective date of December 31, 2011 or prior. Accordingly, the opening IFRS statement of financial position and the December 31, 2010 comparative statement of financial position presented in the consolidated financial statements for the period ending December 31, 2011 may differ from those presented at this time.

(a) Elected exemptions from full retrospective application
In preparing these consolidated financial statements in accordance with IFRS 1, First‐time Adoption of International Financial Reporting Standards, the Fund has applied certain of the optional exemptions from full retrospective application of IFRS. The optional exemptions applied are described below.

(i) Business combinations
The Fund has applied the business combinations exemption in IFRS 1 such that IFRS 3, "Business Combinations" will not apply retrospectively to past business combinations. Accordingly, the Fund has not restated business combinations that took place prior to the Transition Date.

(ii) Cumulative translation differences
The Fund has elected to set the previously accumulated cumulative translation account, which was included in accumulated other comprehensive earnings, to zero at January 1, 2010.

(iii) Share‐based payment transactions
The Fund has elected to apply IFRS 2, Share‐based Payments to equity instruments that have not vested by the transition date.

(b) Mandatory exceptions to retrospective application
In preparing these condensed consolidated financial statements in accordance with IFRS 1 the Fund has applied a mandatory exception from full retrospective application of IFRS. The mandatory exception applied from full retrospective application of IFRS is described below.

(i) Estimates
Hindsight was not used to create or revise estimates and accordingly the estimates previously made by the Fund under Canadian GAAP are consistent with their application under IFRS.

(c) Reconciliation of equity as reported under Canadian GAAP and IFRS

The following is a reconciliation of the Fund's total equity reported in accordance with Canadian GAAP to its total equity in accordance with IFRS at the transition date:

Equity		**December 31, 2010**	**September 30, 2010**	**January 1, 2010**
Equity as reported under Canadian GAAP		$ 33,923,869	$ 25,547,317	$ 21,448,449
IFRS adjustments increase (decrease):				
Reset cumulative translation account	(i)	-	-	-
Liability treatment for exchangeable class A shares	(ii)	(6,535,017)	(5,038,607)	(4,526,023)
Liability treatment for unit options	(iii)	(742,690)	(454,732)	(347,054)
Deferred gain on sale-leaseback transaction	(iv)	95,016	132,816	139,177
Business combinations acquisition costs	(v)	(1,246,449)	(764,300)	-
Impairment of goodwill	(vi)	(130,865)	-	-
Equity as reported under IFRS		$ 25,363,864	$ 19,422,494	$ 16,714,549

(i) Cumulative Translation Differences

The Fund elected to set the cumulative translation amount of approximately $12 million under Canadian GAAP to zero upon transition to IFRS. This has been reflected as a reclassification between accumulated other comprehensive loss and retained earnings and thus does not affect reported equity.

(ii) Exchangeable Class A Shares

The Fund's units are puttable - meaning that holders of units may request that their units be redeemed for cash. This feature can result in units being classified as a liability. A "puttable exemption" exists that permits units to be classified as equity instead of a liability, despite this obligation to redeem units for cash. The Fund's units meet the conditions for the puttables exemption resulting in the units continuing to be presented as equity.

The "puttable exemption" does not apply to the exchangeable class A shares of Boyd Group Holdings Inc. and therefore these shares are reflected as a liability on the consolidated statement of financial position of the Fund.

(iii) Unit Options

The puttable feature of the units impacts the valuation and accounting for the unit options. The "puttable exemption" as described in item (ii) does not transfer to the classification of other instruments such as these options. Therefore, the commitment to deliver units in the future is recognized as a liability and valued at fair value at each statement of financial position date with changes in valuation recorded in earnings.

(iv) Sale-leaseback Transaction

During 2001, the Fund entered into a sale-leaseback transaction on property previously owned. Under Canadian GAAP, the gain on the transaction had been deferred and was being amortized into earnings over the term of the subsequent lease. IFRS permits the recognition of the gain on sale unless the transaction is not at fair value, in which case the difference between the transaction amount and fair value is reflected in the future lease payments. The sale was completed at fair value and the gain was immediately recognized in earnings under IFRS.

(v) Business combinations acquisition costs

A significant difference between previous Canadian GAAP and IFRS is the treatment of acquisition costs. Under previous Canadian GAAP, all acquisition related costs were included as part of the purchase price. IFRS requires all acquisition related costs to be expensed when incurred.

(vi) Impairment measurement difference

IFRS measures impairment by considering the higher of the selling price (measured as the fair value less selling costs) or the value in use. Applying IFRS to goodwill impairment has required the re-evaluation of many elements such as future cash flows, volatility, discount rate, treatment of taxes and overhead allocations. The impact has been to further write-down the goodwill for a business which was partially impaired under Canadian GAAP.

(d) Reconciliation of Net Earnings as Reported Under Canadian GAAP and IFRS

The following is a reconciliation of the Fund's net earnings reported in accordance with Canadian GAAP to its net earnings in accordance with IFRS for the year ended December 31, 2010, three months ended September 30, 2010 and nine months ended September 30, 2010.

Net earnings		**Year ended December 31, 2010**	**Three months ended September 30, 2010**	**Nine months ended September 30, 2010**
Net earnings as reported under Canadian GAAP		$ 17,591,598	$ 3,169,213	$ 7,139,390
IFRS adjustments increase (decrease):				
Adjustment in liability for exchangeable class A shares	(i)	(2,066,592)	(590,846)	(566,080)
Exchangeable class A share dividends treated as interest	(ii)	(276,304)	(70,863)	(202,296)
Adjustment in liability for unit options	(iii)	(354,616)	(94,568)	(76,913)
Deferred gain on sale-leaseback transaction	(iv)	(44,160)	(2,120)	(6,360)
Business combinations acquisition costs	(v)	(1,246,449)	(470,600)	(764,300)
Impairment of goodwill measurement difference	(vi)	(130,865)	-	-
Net earnings as reported under IFRS		$ 13,472,612	$ 1,940,216	$ 5,523,441

(i) Exchangeable Class A Shares

The exchangeable class A shares are treated as financial liabilities as described in 3(c)(ii). Period to period changes in this liability as a result of changes to the market price for the Fund's units are recognized in earnings. The impact of this treatment is that unit price increases the exchangeable class A share liability with an expense being recorded to earnings.

(ii) Dividends on Class A Shares

As a result of the exchangeable class A shares being treated as liabilities, dividends are recorded to net earnings rather than directly to equity.

(iii) Unit Options

As described in 3(c)(iii), changes in the valuation of the unit options are recorded in earnings.

(iv) Sale-leaseback Transaction

As a result of eliminating the deferred gain related to the sale-leaseback transaction, the amortization of the gain which had been recorded to earnings is also eliminated.

(v) Business combinations acquisition costs

As described in 3(c)(v), acquisition costs pertaining to 2010 acquisitions are expensed as incurred under IFRS.

(vi) Impairment measurement difference

As described in 3(c)(vi), a measurement difference resulted from the application of the IFRS impairment standard.

(e) Reconciliation of Comprehensive Earnings as Reported Under Canadian GAAP to IFRS

The following is a reconciliation of the Fund's comprehensive earnings reported in accordance with Canadian GAAP to its comprehensive earnings in accordance with IFRS for the year ended December 31, 2010, three months ended June 30, 2010 and six months ended June 30, 2010.

Comprehensive Earnings		**Year ended December 31, 2010**	**Three months ended September 30, 2010**	**Nine months ended September 30, 2010**
Comprehensive earnings as reported under Canadian GAAP		$ 16,234,518	$ 2,586,869	$ 6,850,814
IFRS adjustments (decrease) increase:				
Adjustments to net earnings	(i)	(4,118,986)	(1,228,997)	(1,615,949)
Comprehensive earnings as reported under IFRS		$ 12,115,532	$ 1,357,872	$ 5,234,865

(i) Adjustments to Net Earnings

Reflects the differences in net earnings under Canadian GAAP and IFRS as described in 3(d) for the respective periods.

(f) Adjustments to the Statement of Cash Flows
The transition from Canadian GAAP to IFRS had no significant impact on cash flows generated by the Fund. The IFRS adjustments as described in 3(d)(iv) did result in the reclassification of cash flows related to acquisition costs from investing activities to operating activities.

4. ACQUISITIONS

On June 30, 2011, the Company completed a transaction acquiring Cars Collision Center of Colorado, LLC and Cars Collision Center, LLC (together, "Cars"). Cars operates a total of 28 collision repair centers in the U.S. states of Illinois, Indiana, and Colorado. Funding for the transaction was a combination of cash, U.S. senior term bank debt, third-party financing and a seller take-back note.

The Fund also completed one other acquisition during the year. On May 1, 2011, the Company acquired the business and assets of McDonough Collision. located in McDonough, Georgia.

The Fund has accounted for the acquisitions using the purchase method as follows:

		2011	
Identifiable net assets acquired at fair value:	Cars	Other Acquisitions	**Total**
Current assets	$ 3,060,437	$ -	**$ 3,060,437**
Property, plant and equipment	5,284,677	554,933	**5,839,610**
Identified intangible assets			
Customer relationships	7,115,000	-	**7,115,000**
Brand name	445,000	-	**445,000**
Non-compete agreements	445,000	-	**445,000**
Computer software	270,000	-	**270,000**
Liabilities assumed	(7,210,450)	-	**(7,210,450)**
Identifiable net assets acquired	9,409,664	554,933	**10,713,293**
Goodwill	10,300,003	-	**10,300,003**
Total purchase consideration	$ 19,709,667	$ 554,933	**$ 20,264,600**
Consideration provided			
Cash	$ 16,816,767	$ 288,513	**$ 17,105,280**
Vendor exchange notes	2,892,900	266,420	**3,159,320**
Total consideration provided	$ 19,709,667	$ 554,933	**$ 20,264,600**

U.S. acquisition transactions are initially recognized and shown as above in Canadian dollars at the rates of exchange in effect on the transaction dates. Subsequently, the assets and liabilities are translated at the rate in effect at the balance sheet date. The results of operations reflect the revenues and expenses of acquired operations from the date of acquisition.

The preliminary purchase price for acquisitions as disclosed above may be revised as additional information becomes available. Further adjustments may be recorded in future periods as purchase price adjustments are finalized.

5. GOODWILL

	September 30, 2011	December 31, 2010
Goodwill	**$ 28,470,746**	$ 16,956,764

During 2011, $10,300,003 (2010 - $3,214,419) in goodwill was recorded on current year acquisitions. The change in goodwill for the period is also impacted by the translating of the U.S. goodwill into Canadian dollars at different period end exchange rates.

6. INTANGIBLE ASSETS

	September 30, 2011		December 31, 2010	
	Cost	**Accumulated Amortization**	Cost	Accumulated Amortization
Customer relationships	**$ 27,360,565**	**$ (5,563,370)**	$ 18,856,712	$ (4,512,666)
Brand name	**4,262,607**	**-**	3,620,344	-
Computer software	**2,354,446**	**(1,624,619)**	1,844,983	(1,471,711)
Non-compete agreements	**1,483,549**	**(538,590)**	849,388	(237,342)
Zoned property rights	**52,669**	**(42,049)**	50,423	(36,474)
	$ 35,513,836	**$ (7,768,628)**	$ 25,221,850	$ (6,258,193)
Net Book Value	**$ 27,745,208**		$ 18,963,657	

As a result of the acquisition of Cars, $7,115,000 was recorded to customer relationships, $445,000 was recorded to non-compete agreements, $445,000 was recorded to brand name and $270,000 was recorded to computer software. These additions are only preliminary and may change as additional information becomes available. Further adjustments may be recorded in future periods as purchase price adjustments are finalized. The change in intangible assets is also impacted by the translating of the U.S. denominated intangible assets into Canadian dollars at different period end exchange rates.

7. LONG-TERM DEBT

Long-term debt is comprised of the following:	September 30, 2011	December 31, 2010
2006 U.S. senior term facility	**$ 10,296,923**	$ 10,965,450
2010 U.S. senior term facility	**7,079,713**	6,769,770
2011 U.S. senior term facility	**6,945,047**	-
Seller notes	**5,913,193**	3,022,289
	30,234,876	20,757,509
Current portion	**2,245,032**	1,753,768
	$ 27,989,844	$ 19,003,741

2006 U.S. senior term facility, with a U.S. bank secured by the shares and assets, excluding receivables, of The Gerber Group, Inc. (a subsidiary of the Company) as well as a guarantee by The Boyd Group, Inc. and a third party guarantee with terms and conditions customary for an income trust. The facility was supported by an initial five year promissory note due January 31, 2011 with six quarterly principal repayments, in the amount of $375,000 U.S., beginning October 31, 2009 and continuing thereafter on the last day of January, April, July and October 2010 as well as January 31, 2011. On July 30, 2010 the facility was extended with a new three year promissory note due July 31, 2013 with quarterly repayments of $375,000 U.S. and then on June 30, 2011 the facility was further extended with a new three year promissory note due July 31, 2014 with quarterly payments of $375,000 U.S. The final quarterly installment shall also include the remaining principal amount of the term loan unless the facility is further extended. Subject to certain conditions, the Company has the option to renew the facility, on terms not less favourable, for up to an additional seven years with continuing quarterly repayments. Interest rates are based on LIBOR plus 2.5% for LIBOR loans or for a prime rate loan, the greater of (i) the U.S. prime rate less 0.25%, or (ii) the sum of Fed Funds Open Rate plus 0.5%, or (iii) LIBOR plus 1.5%. At Boyd's option, a fixed rate loan is also available for the extended term of the loan at the U.S. Bank's cost of funds plus 2.5%. The balance is net of financing fees of $92,077 (2010 - $99,475).

2010 U.S. senior term facility, with a U.S. bank secured by the shares and assets, excluding receivables, of True2Form (a subsidiary of the Company) as well as a guarantee by The Boyd Group, Inc. and a third party guarantee with terms and conditions similar to the initial U.S. senior term facility. The facility was supported by an initial three year, interest only, promissory note due July 31, 2013. On June 30, 2011 the facility was extended with a new three year promissory note due July 31, 2014 with quarterly repayments of $201,000 U.S. commencing on October 31, 2013 and continuing thereafter on the last day of each of January, April, July 2014. The final quarterly instalment also includes the remaining principle amount of the term loan unless the facility is further extended. Subject to certain conditions, the Company has the option to renew the facility, at the then current market terms, for an additional eleven years with quarterly principle repayments. Interest rates are based on LIBOR plus 3.75% for LIBOR loans or for a prime rate loan, the greater of (i) the U.S. prime rate plus 1.0%, or (ii) the sum of Fed Funds Open Rate plus 1.75%, or (iii) LIBOR plus 2.75%. At Boyd's option, a fixed rate loan is also available for the initial term of the loan at the U.S. Bank's cost of funds plus 3.75%. The balance is net of financing fees of $155,187 (2010 - $156,625).

2011 U.S. senior term facility, with a U.S. bank secured by the shares and assets, excluding receivables, of Cars (a subsidiary of the Company) as well as a guarantee by The Boyd Group, Inc. and a third party guarantee with terms and conditions similar to the existing U.S. senior term facilities. The facility is supported by an initial three year, interest only, promissory note due July 31, 2014 unless extended. Subject to certain conditions, the Company has the option to renew the facility, at the then current market terms, for up to an additional twelve years with quarterly principle repayments beginning on October 31, 2014. Interest rates are based on LIBOR plus 3.75% for LIBOR loans or for a prime rate loan, the greater of (i) the U.S. prime rate plus 1.0%, or (ii) the sum of Fed Funds Open Rate plus 1.75%, or (iii) LIBOR plus 2.75%. At Boyd's option, a fixed rate loan is also available for the initial term of the loan at the U.S. Bank's cost of funds plus 3.75%.

Seller notes payable of $5,959,366 U.S. on the financing of certain acquisitions, unsecured, at interest rates ranging from 5.0% to 8.0%. The notes are repayable from October 2011 to October 2025 in the same currency as the related note.

The following schedule of expected principal payments over the next five years has been prepared assuming the renewal of the U.S. senior term facilities, the renewal and repayment of which are guaranteed by a third party.

2012	$ 2,245,035
2013	2,223,488
2014	2,745,296
2015	4,863,388
2016	3,154,825

8. UNEARNED REBATES

During the second quarter of 2011, in connection with a new acquisition and under a new addendum to its existing supply agreement, the Company received a one-time enhanced prepaid rebate from its trading partners of $5,573,075. Beginning on September 30, 2011 additional regularly scheduled rebates are collectible in quarterly instalments of $120,000 U.S. for a period of six years ending on May 31, 2017. The prepaid rebate and the additional quarterly rebates are deferred as unearned rebates and amortized to earnings, as a reduction of cost of sales, over a period of 15 years. The enhanced prepaid rebate will be tested after three years, with any over funding being adjusted against the additional quarterly rebates.

The Company has an agreement with strategic trading partners providing it prepaid rebate funding. Rebates received are deferred as unearned rebates and amortized to earnings, as a reduction of cost of sales, over the initial 15 year term of the agreement or any addendums to the agreement. The Company is obliged to purchase the suppliers' products on an exclusive basis over this term. In exchange for this exclusive arrangement, and subject to certain conditions, the trading partners are required to continue to price their products competitively to the Company. Additional prepaid rebates are available for new acquisitions and start-ups and regular testing of the criteria used to determine additional rebates will apply, with any under-funded (or over-funded) amounts to be collected (or repaid) by the Company at that time. Termination of the arrangement by the Company, the occurrence of an event of default or a change in control, as defined by the agreement, would require the Company to repay all un-amortized balances and all other amounts as outlined within the agreement. Including the rebates described above, aggregate quarterly rebates of $482,500 U.S. are collectible by the Company until February 28, 2012, reducing to quarterly rebates of $245,000 U.S. collectible from May 31, 2012 until May 31, 2016 and then reducing to $120,000 U.S. collectible from August 31, 2016 to May 31, 2017. Other amounts received or receivable to reimburse specific costs are applied against the identified cost in the period the cost is incurred, with the balance deferred as unearned rebates and amortized to earnings, as a reduction of cost of sales, over the remaining term of the agreement.

9. CAPITAL

Unitholders' Capital

Authorized:
Unlimited number of trust units

On September 27, 2011 the Fund completed a bought deal public offering where it sold to an underwriting syndicate 1,963,231 trust units, of which 1,300,000 units were issued out of treasury, 463,231 units were sold by Terry Smith who at the time was the Executive Chairman of the Fund and 200,000 units were sold by Eddie Cheskis, an officer of one of the Company's subsidiaries. The price of the offering was $10.75 per unit, resulting in gross proceeds to the Fund of $13,975,000. The cost, net of tax, to issue the units was $1,284,310 (tax of $449,219) and was netted against the proceeds.

10. DISTRIBUTIONS

The Fund's Trustees have discretion in declaring distributions. The Fund's distribution policy is to make distributions of its available cash from operations taking into account current and future performance, amounts necessary for principal and interest payments on debt obligations, amounts required for maintenance capital expenditures and amounts allocated to reserves.

Distributions to unitholders were declared and paid as follows:

Record Date	Payment Date	Distribution per Unit	Distribution Amount
January 31, 2011	February 24, 2011	$ 0.035	**$ 377,391**
February 28, 2011	March 29, 2011	0.035	**377,397**
March 31, 2011	April 27, 2011	0.035	**377,397**
April 30, 2011	May 27, 2011	0.035	**377,413**
May 31, 2011	June 28, 2011	0.035	**377,817**
June 30, 2011	July 27, 2011	0.035	**377,823**
July 31, 2011	August 29, 2011	0.035	**377,918**
August 31, 2011	September 28, 2011	0.035	**377,972**
September 30, 2011	October 27, 2011	0.035	**438,428**
		$ 0.315	**$ 3,459,556**

11. SEGMENTED REPORTING

The Company has one reportable line of business, being automotive collision repair and related services, with all revenues relating to a group of similar services. In this circumstance, IFRS requires the Fund to provide geographical disclosure of segments. For the periods reported, all of the Fund's revenues were derived within Canada or the United States of America. Reportable assets include property, plant and equipment, goodwill and intangible assets which are all located within these two geographic areas.

	Revenues		Reportable Assets	
	September 30, 2011	September 30, 2010	**September 30, 2011**	December 31, 2010
Canada	**$ 56,279,605**	$ 53,230,713	**$ 15,905,172**	$ 15,634,215
United States	**200,193,669**	122,970,324	**74,583,798**	46,415,881
Total	**$ 256,473,274**	$ 176,201,037	**$ 90,488,970**	$ 62,050,096

12. SEASONALITY

The Fund's financial results for any individual quarter are not necessarily indicative of results to be expected for the full year. Interim period revenues and earnings are typically sensitive to regional and local weather, market conditions, and in particular, to cyclical variations in economic activity.

13. EARNINGS PER UNIT

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010	**2011**	2010
a) Earnings:				
Net earnings	**$ 6,518,863**	$ 1,940,216	**$ 5,019,521**	$ 5,523,441
Add:				
Net after tax interest on 2005 Vendor exchange note	-	-	-	1,621
Less:				
Dilutive impact of exchange of class A exchangeable shares	**(3,213,218)**	-	-	-
Dilutive impact of calculated unit option conversion	**(676,328)**	-	-	-
Net earnings – diluted basis	**$ 2,629,317**	$ 1,940,216	**$ 5,019,521**	$ 5,525,062
b) Number of units and Class A common shares:				
Average number of units and Class A common shares outstanding	**10,986,438**	10,781,358	**10,854,139**	10,780,093
Add:				
Dilutive impact of exchange of class A exchangeable shares	**689,457**	-	-	-
Calculated unit option conversion	**268,143**	-	-	-
Potential conversion of 2005 Vendor exchange note	-	-	-	4,404
Average number of units and Class A common shares outstanding – diluted basis	**11,944,036**	10,781,358	**10,854,139**	10,784,497
Earnings per unit (a) divided by (b)				
Basic	**$ 0.593**	$ 0.180	**$ 0.462**	$ 0.512
Diluted	**$ 0.220**	$ 0.180	**$ 0.462**	$ 0.512

14. FINANCIAL INSTRUMENTS

Derivative Contracts

In order to limit the variability of earnings due to the foreign exchange translation exposure on the income and expenses of the U.S. operations, the Company enters into foreign exchange contracts. In accordance with IFRS, these contracts are marked to market monthly with unrealized gains and losses included in earnings. At September 30, 2011 there were no contracts outstanding.

For the nine month period ending September 30, 2011 the Fund has recorded to earnings unrealized losses related to these contracts in the amount of $64,000 (2010 – $304,700). During the first nine months of 2011, the Fund realized foreign exchange gains in the amount of $84,340 (2010 – $398,770).

Transactional foreign currency risk also exists in limited circumstances where U.S. denominated cash is received in Canada. The Company monitors U.S. denominated cash flows to be received in Canada and evaluates whether to use forward foreign exchange contracts. During 2010, $8,000,000 U.S. was lent to the Canadian operations on a short-term basis and exchanged into Canadian dollars. In the first nine months of 2011, the Company recorded a foreign exchange gain of $198,000 on this loan. These funds were repaid in June 2011. The Company had also entered into a $8,000,000 forward foreign exchange contract to purchase U.S. funds to protect against foreign exchange exposure during the loan term which was also settled in June 2011. During the nine months ending September 30, 2011 the Company recorded to earnings a loss related to this contract in the amount of $217,700. In June 2011, the Company made a new short-term loan for $8,000,000 and entered into a new forward foreign exchange contract. The unrealized loss on this loan at September 30, 2011 was $607,200 and the unrealized gain and fair value receivable related to the forward foreign exchange contract was $639,300.

Exchangeable Class A Shares

The Class A common shares of BGHI are exchangeable into units of the Fund. To facilitate the exchange, BGHI issues one Class B common share to the Fund for each Class A common share that has been retracted. The Fund in turn issues a trust unit to the Class A common shareholder. The exchangeable feature results in the Class A common shares of BGHI being presented as financial liabilities of the Fund. Exchangeable Class A shares are measured at the market price of the units of the Fund as of the statement of financial position date. The market price is based on a ten day trading average for the units at such date. Exchanges are recorded at carrying value. At September 30, 2011 there were 375,526 (December 31, 2010 – 819,952) shares outstanding with a carrying value of $3,195,726 (December 31, 2010 - $6,535,017). During the quarter, Terry Smith, who at the time was the Executive Chairman of the Fund, retracted 427,766 Class A common shares which were later sold as part of the bought deal public offering as described in Note 9. The retraction was recorded at a carrying value of $4,121,666.

Dividends on the exchangeable class A shares are recorded as interest expense and were declared and paid as follows:

Record Date	Payment Date	Dividend per Share	Dividend Amount
January 31, 2011	February 24, 2011	$ 0.035	$ 29,572
February 28, 2011	March 29, 2011	0.035	29,565
March 31, 2011	April 27, 2011	0.035	29,565
April 30, 2011	May 27, 2011	0.035	29,548
May 31, 2011	June 28, 2011	0.035	29,144
June 30, 2011	July 27, 2011	0.035	29,139
July 31, 2011	August 29, 2011	0.035	29,044
August 31, 2011	September 28, 2011	0.035	28,990
September 30, 2011	October 27, 2011	0.035	14,033
		$ 0.315	$ 248,600

During the three and nine month periods ending September 30, 2011, income in the amount of $3,285,284 (2010 – expense of $590,846) and an expense of $945,517 (2010 – $566,080) was recorded to earnings related to these exchangeable shares.

15. UNIT BASED PAYMENT OBLIGATION

Pursuant to the Fund's Option Agreement and Confirmation, the Fund has granted options to purchase units of the Fund to certain key executives. The following options are outstanding at September 30, 2011:

Date Granted	Issue Date	Number of Units	Exercise Price	Expiry Date	Fair Value
January 11, 2006	January 11, 2006	200,000	$1.91	January 11, 2016	$ 554,697
November 8, 2007	January 2, 2008	150,000	$2.70	January 2, 2018	$ 226,386
November 8, 2007	January 2, 2009	150,000	$3.14	January 2, 2019	$ 184,770
November 8, 2007	January 2, 2010	150,000	$5.41	January 2, 2020	$ 126,993
		650,000			$ 1,092,847

On January 11, 2006, the Fund granted options which permit the purchase of in the aggregate up to 200,000 units of the Fund at any time after the expiration of 9 years and 255 days after the date the options were granted up to and including the expiration of 9 years and 345 days after the date the options were granted. The units may be purchased, to the extent validly exercised, on the 10^{th} anniversary of the grant date subject to the condition that the option is not exercisable if the grantee is not an officer or employee on September 23, 2015. The exercise price, which was set at the time of granting, is the weighted average trading price on the Toronto Stock Exchange for the first 15 trading days in the month of January 2006, being $1.91 per unit. The weighted-average fair value of the options at issuance was estimated at $66,000 or $0.33 per option. The fair value of each option was estimated using a binomial option pricing model with the following weighted average assumptions used for the options granted: dividend yield 8.0%, expected volatility 39.57%, risk free interest rate 4.16%, term 9 years and 255 days.

On November 8, 2007, the Fund granted additional options to certain key employees allowing them to purchase in the aggregate up to 450,000 units of the Fund, such options to be issued to purchase up to 150,000 units on each of January 2, 2008, 2009 and 2010 exercisable on, but not before, the 10^{th} anniversary of the respective issue date. The purchase price per Fund unit under the options issued on each issue date shall be the greater of the closing price for Fund units on the Toronto Stock Exchange on the option grant date (being $2.70 per unit) and the weighted average trading price of the Fund units on the Toronto Stock Exchange for the first 15 trading days in the month of January in which each issue date falls. Such options shall not be exercisable if, for any reason, other than dismissal "without cause", the grantee is not an officer or employee of the Fund, or any of its subsidiaries 9 years, 255 days after each of the option issue dates in question. However, the grantee has the right to exercise the option to purchase the Fund units if there is a "takeover bid" for Fund units. The weighted-average fair value of the options is estimated at $344,000 or $0.76 per option. The fair value of each option was estimated using a binomial option pricing model with the following weighted average assumptions used for the options granted: dividend yield 8.0%, expected volatility 68.30%, risk free interest rate 4.38%, term 10, 11 and 12 years respectively.

During the three and nine month periods ending September 30, 2011, income in the amount of $676,328 (2010 – expense of $104,823) and an expense of $361,355 (2010 –$107,678) was recorded to earnings related to these unit options.

16. SUBSEQUENT EVENT

Effective October 15, 2011, the Fund announced the retirement of Terry Smith from both his position as Executive Chairman of the Fund and as a member of the Fund's Board of Trustees. The Company is obligated to continue with the payment of Mr. Smith's salary and benefits until January 31, 2014, being the date upon which his employment agreement would have ended, but for this agreement. Mr. Smith will receive no other material compensation in respect of the end of his employment, although his right to payment under his retirement compensation agreement will continue. Although there is no acceleration of any of these payments, approximately $3,000,000 will be accrued in the fourth quarter of 2011 related to these obligations. Mr. Smith is subject to a non-compete agreement in effect until January 31, 2016, under which he will not compete with Boyd and its subsidiaries in the auto glass and vehicle collision repair businesses anywhere in North America.