

SCOTIA US DOLLAR BOND FUND
UNAUDITED FINANCIAL STATEMENTS
PERIOD ENDED MARCH 31, 2023

SCOTIA US DOLLAR BOND FUND
INDEX TO UNAUDITED FINANCIAL STATEMENTS
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SCOTIA US DOLLAR BOND FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION

(expressed in United States dollars)

	<u>March 31, 2023</u>	<u>December 31, 2022</u>
ASSETS		
Cash and cash equivalents	\$ 159,974	\$ 284,103
Financial assets at fair value through profit or loss (Cost: \$39,259,542 (December 2022: \$39,086,375))	36,271,609	35,335,810
Receivable from Manager	21,032	10,805
Subscriptions receivable	496	21,896
Total assets	<u>36,453,111</u>	<u>35,652,614</u>
LIABILITIES		
Accrued expenses	24,956	48,992
Management fee payable	18,550	18,634
Redemptions payable	1,000	-
Liabilities (excluding net assets attributable to holders of redeemable participating shares)	<u>44,506</u>	<u>67,626</u>
Management shares	<u>1,000</u>	<u>1,000</u>
Net assets attributable to holders of redeemable participating shares	<u>\$ 36,407,605</u>	<u>\$ 35,583,988</u>
Net asset value per redeemable participating share		
Class A \$29,274,011/11,493,365 shares (December 2022: \$29,002,340/11,594,320 shares)	<u>\$ 2.55</u>	<u>\$ 2.50</u>
Class NU \$1,242,010/522,860 shares (December 2022: \$1,221,274/522,860 shares)	<u>\$ 2.38</u>	<u>\$ 2.34</u>
Class IU \$5,891,049/2,063,519 shares (December 2022: \$5,359,849/1,914,343 shares)	<u>\$ 2.85</u>	<u>\$ 2.80</u>
Class IJ JMC80,779/558 shares (December 2022: JMC79,577/558 shares)	<u>JMC 144.80</u>	<u>JMC 142.61</u>

Approved for issuance on behalf of Scotia US Dollar Bond Fund's Board of Directors by:

Faried Sulliman

Faried Sulliman
Director

Sarah Hobbs

Sarah Hobbs
Director

Date : May 12, 2023

SCOTIA US DOLLAR BOND FUND

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME (LOSS)

(expressed in United States dollars)

	<u>For the three month periods ended</u>	
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Income		
Net realized (loss) gain on financial assets at fair value through profit or loss	\$ (26,833)	\$ 102,738
Net change in unrealized appreciation (depreciation) on financial assets at fair value through profit or loss	<u>762,632</u>	<u>(3,782,548)</u>
Total net income (loss)	<u>735,799</u>	<u>(3,679,810)</u>
Expenses		
Management fees	54,171	81,561
Other expenses	19,321	24,228
Custodian and administration fees	15,030	15,770
Professional fees	<u>5,400</u>	<u>5,886</u>
Total operating expenses	<u>93,922</u>	<u>127,445</u>
Less: expenses reimbursed	<u>(10,227)</u>	<u>(187)</u>
Net operating expenses	<u>83,695</u>	<u>127,258</u>
Operating profit (loss)	<u>652,104</u>	<u>(3,807,068)</u>
Increase (decrease) in net assets from operations attributable to holders of redeemable participating shares	<u>\$ 652,104</u>	<u>\$ (3,807,068)</u>

SCOTIA US DOLLAR BOND FUND

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS

(expressed in United States dollars)

	For the three month periods ended	
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Shareholders' Equity		
Share Capital	\$ 68,687	\$ 105,872
Share Premium	30,124,457	39,516,600
Retained Earnings	5,562,357	14,020,018
Increase (decrease) in net assets for the period	<u>652,104</u>	<u>(3,807,068)</u>
Net assets attributable to holders of redeemable participating shares	<u>\$ 36,407,605</u>	<u>\$ 49,835,422</u>

SCOTIA US DOLLAR BOND FUND

UNAUDITED STATEMENT OF CASH FLOWS

(expressed in United States dollars)

	For the three month periods ended	
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Cash flows from operating activities		
Operating expenses paid	\$ (118,042)	\$ (149,243)
Purchase of financial assets at fair value through profit or loss	(600,000)	-
Proceeds from sale and maturity of financial assets at fair value through profit or loss	400,000	3,500,000
	<u>(318,042)</u>	<u>3,350,757</u>
Net cash (used in) provided by operating activities		
Cash flows from financing activities		
Proceeds from subscriptions of redeemable participating shares	754,829	859,032
Payments for redemption of redeemable participating shares	(560,916)	(4,203,087)
	<u>193,913</u>	<u>(3,344,055)</u>
Net cash Provided by (used in) financing activities		
Net change in cash and cash equivalents	(124,129)	6,702
Cash and cash equivalents at beginning of period	<u>284,103</u>	<u>(423,035)</u>
Cash and cash equivalents at end of period	<u>\$ 159,974</u>	<u>\$ (416,333)</u>

SCOTIA US DOLLAR BOND FUND

UNAUDITED NOTES TO FINANCIAL STATEMENTS

PERIOD ENDED MARCH 31, 2023

1. General

Scotia US Dollar Bond Fund (the "Company") was incorporated in the Cayman Islands on December 21, 1992 and registered under the Mutual Fund Law (revised) of the Cayman Islands. The Company is an open ended investment company which may issue and redeem its shares at a price based on the underlying net asset value. The registered office of the Fund is located at Scotia Centre, 18 Forum Lane, 2nd Floor, Camana Bay, Grand Cayman, P.O. Box 501, KY1-1106. The Company has no employees.

2. Significant accounting policies

The financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Security transactions are accounted for on a trade date basis. Realized gains and losses on the sales of portfolio securities are calculated on an average cost basis. Interest is recorded on an accrual basis and dividend income is recognized on the ex-dividend date.

3. Foreign currency share classes

For the classes of shares denominated in currencies other than the functional currency of the Company, the Net Asset Values are calculated by converting the US dollar Net Asset Value per Share to the JMC equivalent using the then current rate of exchange. For the period ended March 31, 2023, the current rate of exchange is:

<u>Share Class Currency</u>	<u>Functional Currency</u>	<u>Exchange Rate</u>
JMC	USD	150.970