

**SCOTIA US DOLLAR BOND FUND**  
**UNAUDITED FINANCIAL STATEMENTS**  
**PERIOD ENDED JUNE 30, 2023**

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**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>June 30, 2023</u>	<u>December 31, 2022</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 388,559	\$ 284,103
Financial assets at fair value through profit or loss (Cost: \$38,617,715 (December 2022: \$39,086,375))	35,509,651	35,335,810
Receivable from Manager	20,853	10,805
Subscriptions receivable	<u>4,396</u>	<u>21,896</u>
Total assets	<u>35,923,459</u>	<u>35,652,614</u>
<b>LIABILITIES</b>		
Accrued expenses	34,779	48,992
Management fee payable	<u>17,783</u>	<u>18,634</u>
Liabilities (excluding net assets attributable to holders of redeemable participating shares)	<u>52,562</u>	<u>67,626</u>
Management shares	<u>1,000</u>	<u>1,000</u>
<b>Net assets attributable to holders of redeemable participating shares</b>	<u>\$ 35,869,897</u>	<u>\$ 35,583,988</u>
Net asset value per redeemable participating share		
Class A \$28,788,991/11,383,195 shares (December 2022: \$29,002,340/11,594,320 shares)	<u>\$ 2.53</u>	<u>\$ 2.50</u>
Class NU \$1,222,688/519,027 shares (December 2022: \$1,221,274/522,860 shares)	<u>\$ 2.36</u>	<u>\$ 2.34</u>
Class IU \$5,857,685/2,063,519 shares (December 2022: \$5,359,849/1,914,343 shares)	<u>\$ 2.84</u>	<u>\$ 2.80</u>
Class IJ JMC82,116/558 shares (December 2022: JMC79,577/558 shares)	JMC <u>147.16</u>	JMC <u>142.61</u>

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

Farried Sulliman  
Farried Sulliman  
Director

Sarah Hobbs  
Sarah Hobbs  
Director

Date : August 11, 2023

**SCOTIA US DOLLAR BOND FUND**

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME (LOSS)**

**(expressed in United States dollars)**

	For the three month periods ended		For the six month periods ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
<b>Income</b>				
Net realized loss on financial assets at fair value through profit or loss	\$ (41,827)	\$ (192,138)	\$ (68,660)	\$ (89,400)
Net change in unrealized appreciation (depreciation) on financial assets at fair value through profit or loss	(120,131)	(3,127,041)	642,501	(6,909,589)
Total net income (loss)	(161,958)	(3,319,179)	573,841	(6,998,989)
<b>Expenses</b>				
Management fees	54,491	72,037	108,662	153,598
Other expenses	17,216	17,376	36,537	41,604
Custodian and administration fees	15,874	15,945	30,904	31,715
Professional fees	6,876	5,951	12,276	11,837
Total operating expenses	94,457	111,309	188,379	238,754
Less: expenses reimbursed	(10,626)	(3,022)	(20,853)	(3,209)
Net operating expenses	83,831	108,287	167,526	235,545
<b>Operating profit (loss)</b>	(245,789)	(3,427,466)	406,315	(7,234,534)
<b>Increase (decrease) in net assets from operations attributable to holders of redeemable participating shares</b>	\$ (245,789)	\$ (3,427,466)	\$ 406,315	\$ (7,234,534)

**SCOTIA US DOLLAR BOND FUND**

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS**

**(expressed in United States dollars)**

	<b><u>For the six month periods ended</u></b>	
	<b><u>June 30, 2023</u></b>	<b><u>June 30, 2022</u></b>
<b>Shareholders' Equity</b>		
Share Capital	\$ 67,547	\$ 96,290
Share Premium	29,833,678	36,931,309
Retained Earnings	5,562,357	14,020,018
Increase (decrease) in net assets for the period	<u>406,315</u>	<u>(7,234,534)</u>
Net assets attributable to holders of redeemable participating shares	<u>\$ 35,869,897</u>	<u>\$ 43,813,083</u>

**SCOTIA US DOLLAR BOND FUND**

**UNAUDITED STATEMENT OF CASH FLOWS**

**(expressed in United States dollars)**

	<b>For the six month periods ended</b>	
	<b><u>June 30, 2023</u></b>	<b><u>June 30, 2022</u></b>
<b>Cash flows from operating activities</b>		
Operating expenses paid	\$ (203,443)	\$ (247,779)
Reimbursements received from manager	10,805	-
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	1,000,000	6,900,000
	<u>207,362</u>	<u>6,652,221</u>
Net cash provided by operating activities		
<b>Cash flows from financing activities</b>		
Proceeds from subscriptions of redeemable participating shares	1,294,744	1,357,272
Payments for redemption of redeemable participating shares	(1,397,650)	(7,272,852)
	<u>(102,906)</u>	<u>(5,915,580)</u>
Net cash used in financing activities		
<b>Net change in cash and cash equivalents</b>	104,456	736,641
<b>Cash and cash equivalents (bank overdraft) at beginning of period</b>	<u>284,103</u>	<u>(423,035)</u>
<b>Cash and cash equivalents at end of period</b>	<u>\$ 388,559</u>	<u>\$ 313,606</u>

**SCOTIA US DOLLAR BOND FUND**

**UNAUDITED NOTES TO FINANCIAL STATEMENTS**

**PERIOD ENDED JUNE 30, 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, 2<sup>nd</sup> 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 June 30, 2023, the current rate of exchange is:

<u>Share Class Currency</u>	<u>Functional Currency</u>	<u>Exchange Rate</u>
JMC	USD	154.197