

SCOTIA US EQUITY FUND
UNAUDITED FINANCIAL STATEMENTS
PERIOD ENDED SEPTEMBER 30, 2022

SCOTIA US EQUITY FUND
INDEX TO UNAUDITED FINANCIAL STATEMENTS
PERIOD ENDED SEPTEMBER 30, 2022

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SCOTIA US EQUITY FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION

(expressed in United States dollars)

	<u>September 30, 2022</u>	<u>December 31, 2021</u>
ASSETS		
Cash and cash equivalents	\$ -	\$ 1,021,439
Financial assets at fair value through profit or loss (Cost: \$53,251,364 (December 2021: \$49,694,101))	51,400,804	62,776,921
Subscriptions receivable	23,305	164,044
Receivable from Manager	<u>1,088</u>	<u>-</u>
Total assets	<u>51,425,197</u>	<u>63,962,404</u>
LIABILITIES		
Bank overdraft	16,011	-
Management fee payable	57,454	63,939
Accrued expenses	51,009	42,481
Redemptions payable	<u>-</u>	<u>3,762</u>
Liabilities (excluding net assets attributable to holders of redeemable participating shares)	<u>124,474</u>	<u>110,182</u>
Management shares	<u>1,000</u>	<u>1,000</u>
Net assets attributable to holders of redeemable participating shares	\$ <u>51,299,723</u>	\$ <u>63,851,222</u>
Net asset value per redeemable participating share		
Class A \$39,668,395/2,235,087 shares (December 2021: \$48,114,443/2,099,370 shares)	\$ <u>17.75</u>	\$ <u>22.92</u>
Class NU \$429,305/24,449 shares (December 2021: \$479,082/21,057 shares)	\$ <u>17.56</u>	\$ <u>22.75</u>
Class IU \$11,201,239/542,906 shares (December 2021: \$15,256,698/579,485 shares)	\$ <u>20.63</u>	\$ <u>26.33</u>
Class IJ JMC119,263/558 shares (December 2021: JMC153,922/558 shares)	JMC <u>213.73</u>	JMC <u>275.85</u>

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

Farried Sulliman
Farried Sulliman
Director

Sarah Hobbs
Sarah Hobbs
Director

Date : November 9, 2022

SCOTIA US EQUITY FUND

UNAUDITED STATEMENT OF COMPREHENSIVE (LOSS) INCOME

(expressed in United States dollars)

	For the three month periods ended		For the nine month periods ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Income				
Dividend income	\$ 322,196	\$ 227,600	\$ 796,467	\$ 568,835
Other Income	-	-	1,297	-
Net realized gain on financial assets at fair value through profit or loss and foreign currencies	58,901	-	130,609	1,366,080
Net change in unrealized (depreciation) appreciation on financial assets at fair value through profit or loss and foreign currencies	(3,262,124)	(624,446)	(14,933,380)	2,751,210
Total net (loss) income	(2,881,027)	(396,846)	(14,005,007)	4,686,125
Expenses				
Management fees	182,249	172,993	557,448	474,445
Other expenses	21,602	18,260	64,399	54,394
Custodian and administration fees	24,799	17,126	59,166	50,780
Professional fees	(1,530)	6,231	10,729	18,790
Total operating expenses	227,120	214,610	691,742	598,409
Less: expenses reimbursed	(1,088)	-	(1,088)	-
Net operating expenses	226,032	214,610	690,654	598,409
Operating (loss) gain	(3,107,059)	(611,456)	(14,695,661)	4,087,716
Withholding taxes on dividend income	(96,659)	(68,279)	(238,940)	(170,650)
(Decrease) increase in net assets from operations attributable to holders of redeemable participating shares	\$ (3,203,718)	\$ (679,735)	\$ (14,934,601)	\$ 3,917,066

SCOTIA US EQUITY FUND

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS

(expressed in United States dollars)

	For the nine month periods ended	
	<u>September 30, 2022</u>	<u>September 30, 2021</u>
Shareholders' Equity		
Share Capital	\$ 18,020	\$ 15,555
Share Premium	29,756,050	24,094,814
Retained Earnings	36,460,254	27,415,020
(Decrease) increase in net assets for the period	<u>(14,934,601)</u>	<u>3,917,066</u>
Net assets attributable to holders of redeemable participating shares	<u>\$ 51,299,723</u>	<u>\$ 55,442,455</u>

SCOTIA US EQUITY FUND

UNAUDITED STATEMENT OF CASH FLOWS

(expressed in United States dollars)

	For the nine month periods ended	
	September 30, 2022	September 30, 2021
Cash flows from operating activities		
Dividend received	\$ 557,527	\$ 398,185
Other income received	1,297	-
Operating expenses paid	(689,699)	(579,853)
Purchase of financial assets at fair value through profit or loss	(5,977,157)	(19,283,852)
Proceeds from sale of financial assets at fair value through profit or loss	2,550,503	10,913,952
	<u>(3,557,529)</u>	<u>(8,551,568)</u>
Net cash used in operating activities		
	<u>(3,557,529)</u>	<u>(8,551,568)</u>
Cash flows from financing activities		
Proceeds from subscriptions of redeemable participating shares	7,923,439	11,523,026
Payments for redemptions of redeemable participating shares	(5,403,360)	(2,836,482)
	<u>2,520,079</u>	<u>8,686,544</u>
Net cash provided by financing activities		
	<u>2,520,079</u>	<u>8,686,544</u>
Net change in cash and cash equivalents	(1,037,450)	134,976
Cash and cash equivalents at beginning of period	<u>1,021,439</u>	<u>619,207</u>
(Bank overdraft) cash and cash equivalents at end of period	<u>\$ (16,011)</u>	<u>\$ 754,183</u>
Supplemental cash flow disclosures		
Tax withheld	<u>\$ 238,940</u>	<u>\$ 170,650</u>

SCOTIA US EQUITY FUND

UNAUDITED NOTES TO FINANCIAL STATEMENTS

PERIOD ENDED SEPTEMBER 30, 2022

1. General

Scotia US Equity Fund (the "Company") was incorporated in the Cayman Islands on October 27, 1999 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 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 September 30, 2022, the current rate of exchange is:

<u>Share Class Currency</u>	<u>Functional Currency</u>	<u>Exchange Rate</u>
JMC	USD	152.065