

**SCOTIABANK US GROWTH FUND**  
**UNAUDITED FINANCIAL STATEMENTS**  
**QUARTER ENDED JUNE 30, 2019**

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**INDEX TO UNAUDITED FINANCIAL STATEMENTS**  
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**SCOTIABANK US GROWTH FUND**

**UNAUDITED STATEMENT OF FINANCIAL POSITION**

**AS OF JUNE 30, 2019**

**(expressed in United States dollars)**

	<u>30-Jun-19</u>	<u>31-Mar-19</u>	<u>30-Jun-18</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,953,400	\$ 1,138,441	\$ 1,122,516
Financial assets at fair value through profit or loss (Cost: \$31,326,666 (March 2019: \$32,852,201; June 2018: \$33,906,424))	41,027,730	40,830,875	46,120,460
Dividends receivable	10,521	21,201	32,020
Subscriptions receivable	9,846	496	10,480
Receivable for investments sold	-	-	85,035
	<hr/>	<hr/>	<hr/>
Total assets	<u>43,001,497</u>	<u>41,991,013</u>	<u>47,370,511</u>
<b>LIABILITIES</b>			
Management fee payable	50,710	52,337	56,162
Accrued expenses	17,813	30,360	24,634
Tax withholding liability	2,117	4,399	6,861
Redemptions payable	788	39,729	-
Payable for investments purchased	-	-	18,004
Liabilities (excluding net assets attributable to holders of redeemable participating shares)	<hr/>	<hr/>	<hr/>
	<u>71,428</u>	<u>126,825</u>	<u>105,661</u>
Management shares	<hr/>	<hr/>	<hr/>
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
<b>Net assets attributable to holders of redeemable participating shares</b>	<hr/> <b>\$ 42,929,069</b> <hr/>	<hr/> <b>\$ 41,863,188</b> <hr/>	<hr/> <b>\$ 47,263,850</b> <hr/>
Net asset value per redeemable participating share			
Class A			
\$34,353,508/2,061,525 shares (March 2019: \$33,439,589/2,089,364 shares; June 2018: \$36,390,175/2,160,025 shares)	<hr/> <u>\$ 16.66</u> <hr/>	<hr/> <u>\$ 16.00</u> <hr/>	<hr/> <u>\$ 16.85</u> <hr/>
Class NU			
\$431,078/25,766 shares (March 2019: \$441,537/27,447 shares; June 2018: \$495,010/29,134 shares)	<hr/> <u>\$ 16.73</u> <hr/>	<hr/> <u>\$ 16.09</u> <hr/>	<hr/> <u>\$ 16.99</u> <hr/>
Class IU			
\$7,749,880/421,433 shares (March 2019: \$7,604,724/432,462 shares; June 2018: \$10,198,266/558,233 shares)	<hr/> <u>\$ 18.39</u> <hr/>	<hr/> <u>\$ 17.58</u> <hr/>	<hr/> <u>\$ 18.27</u> <hr/>
Class J			
JMC51,510,497/288,406 shares (March 2019: JMC47,580,810/288,406 shares; June 2018: JMC23,400,711/132,720 shares)	<hr/> <u>JMC 178.60</u> <hr/>	<hr/> <u>JMC 164.98</u> <hr/>	<hr/> <u>JMC 176.31</u> <hr/>

Approved for issuance on behalf of Scotiabank US Growth Fund's Board of Directors by:

Farried Sulliman  
Farried Sulliman  
Director

Dwight Burrows  
Dwight Burrows  
Director

Date : August 14, 2019

**SCOTIABANK US GROWTH FUND**

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME**

**QUARTER ENDED JUNE 30, 2019**

**(expressed in United States dollars)**

	<u>30-Jun-19</u>	<u>31-Mar-19</u>	<u>30-Jun-18</u>
<b>Income</b>			
Dividend income	\$ 151,207	\$ 197,623	\$ 155,287
Net realized gain on financial assets at fair value through profit or loss and foreign currencies	118,794	4,926	1,450,262
Net change in unrealized appreciation on financial assets at fair value through profit or loss and foreign currencies	<u>1,722,390</u>	<u>4,399,977</u>	<u>594,497</u>
Total net income	<u>1,992,391</u>	<u>4,602,526</u>	<u>2,200,046</u>
<b>Expenses</b>			
Management fees	151,738	146,198	164,251
Other expenses	17,286	16,952	17,253
Custodian and administration fees	17,030	16,961	18,675
Professional fees	<u>7,410</u>	<u>7,299</u>	<u>5,981</u>
Total operating expenses	<u>193,464</u>	<u>187,410</u>	<u>206,160</u>
<b>Operating gain</b>	<u>1,798,927</u>	<u>4,415,116</u>	<u>1,993,886</u>
Withholding taxes on dividend income	<u>(44,311)</u>	<u>(66,573)</u>	<u>(43,310)</u>
<b>Increase in net assets from operations attributable to holders of redeemable participating shares</b>	<u>\$ 1,754,616</u>	<u>\$ 4,348,543</u>	<u>\$ 1,950,576</u>

**SCOTIABANK US GROWTH FUND**

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS**

**QUARTER ENDED JUNE 30, 2019**

**(expressed in United States dollars)**

	<b><u>30-Jun-19</u></b>	<b><u>31-Mar-19</u></b>	<b><u>30-Jun-18</u></b>
<b>Shareholders' Equity</b>			
Share Capital	\$ 17,961	\$ 18,366	\$ 18,791
Share Premium	21,514,295	22,202,625	25,489,126
Retained Earnings	19,642,197	15,293,654	19,805,357
Increase in net assets for the quarter	<u>1,754,616</u>	<u>4,348,543</u>	<u>1,950,576</u>
Net assets attributable to holders of redeemable participating shares	<u>\$ 42,929,069</u>	<u>\$ 41,863,188</u>	<u>\$ 47,263,850</u>

**SCOTIABANK US GROWTH FUND**  
**UNAUDITED STATEMENT OF CASH FLOWS**  
**QUARTER ENDED JUNE 30, 2019**  
**(expressed in United States dollars)**

	<b><u>30-Jun-19</u></b>	<b><u>31-Mar-19</u></b>	<b><u>30-Jun-18</u></b>
<b>Cash flows from operating activities</b>			
Dividend received	\$ 115,294	\$ 132,394	\$ 105,077
Operating expenses paid	(207,638)	(179,471)	(199,324)
Purchase of financial assets at fair value through profit or loss	(1,221,485)	(1,158,065)	(3,422,243)
Proceeds from sale of financial assets at fair value through profit or loss	<u>2,865,814</u>	<u>1,119,655</u>	<u>3,536,444</u>
Net cash provided by (used in) operating activities	<u>1,551,985</u>	<u>(85,487)</u>	<u>19,954</u>
<b>Cash flows from financing activities</b>			
Proceeds from subscriptions of redeemable participating shares	500,047	1,478,746	1,856,375
Payments for redemptions of redeemable participating shares	<u>(1,237,073)</u>	<u>(2,250,622)</u>	<u>(3,385,641)</u>
Net cash used in financing activities	<u>(737,026)</u>	<u>(771,876)</u>	<u>(1,529,266)</u>
<b>Net change in cash and cash equivalents</b>	814,959	(857,363)	(1,509,312)
<b>Cash and cash equivalents at beginning of period</b>	<u>1,138,441</u>	<u>1,995,804</u>	<u>2,631,828</u>
<b>Cash and cash equivalents at end of period</b>	<u>\$ 1,953,400</u>	<u>\$ 1,138,441</u>	<u>\$ 1,122,516</u>
<b>Supplemental cash flow disclosures</b>			
Tax withheld	<u>\$ 46,593</u>	<u>\$ 67,148</u>	<u>\$ 41,575</u>

**SCOTIABANK US GROWTH FUND**

**UNAUDITED NOTES TO FINANCIAL STATEMENTS**

**QUARTER ENDED JUNE 30, 2019**

**1. General**

Scotiabank US Growth Fund (the "Company") was incorporated in the Cayman Islands on October 27, 1999 and registered under the Mutual Fund Law 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 the offices of Scotiabank & Trust (Cayman) Ltd., 18 Forum Lane, Camana Bay, P.O. Box 501, Grand Cayman, 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 quarter ended June 30, 2019, the current rate of exchange is:

<u>Share Class</u>	<u>Currency</u>	<u>Functional Currency</u>	<u>Exchange Rate</u>
JMC		USD	130.537