

SCOTIA PREMIUM MONEY MARKET FUND

**UNAUDITED
FINANCIAL
STATEMENTS**

**THREE MONTHS ENDED
October 31, 2021**

SCOTIA PREMIUM MONEY MARKET FUND
STATEMENT OF COMPREHENSIVE INCOME
(expressed in Jamaican Dollars)

Unaudited (\$000's)	Three months ended October 31 2021	Three months ended July 31 2021	Three months ended October 31 2020
Revenue			
Interest income	146,201	137,402	148,059
Realized loss on financial assets at amortised cost	-	(2,690)	-
Foreign exchange (loss) gain on financial assets at amortised cost	(5,633)	132	(62)
Total revenue	140,568	134,844	147,997
Expenses			
Management fees	77,425	77,055	77,203
Other	3,611	9,224	19,046
Total expenses	81,036	86,279	96,249
Profit for the period, being increase in net assets attributable to holders of redeemable units	59,532	48,565	51,748

SCOTIA PREMIUM MONEY MARKET FUND
STATEMENT OF FINANCIAL POSITION
(expressed in Jamaican Dollars)

	As of October 31	As of July 31	As of October 31
Unaudited (\$000's)	2021	2021	2020
ASSETS			
Cash	479,663	1,700,731	1,012,806
Financial assets at amortised cost			
Govt & Corporate bonds	13,992,761	12,890,571	14,746,423
Resale agreements	3,469,669	3,332,312	2,606,536
Due from Fund Manager	-	-	16,215
Total assets	17,942,093	17,923,614	18,381,980
LIABILITY			
Other payables, being total liability	60,800	51,050	64,119
Net assets attributable to holders of redeemable units	17,881,293	17,872,564	18,317,861
Represented by:			
Net assets attributable to holders of redeemable units	17,881,293	17,872,564	18,317,861

Issuance approved and signed on December 8, 2021 on behalf of the Board of Scotia Investments Jamaica Limited by:

Adrian Stokes
Adrian Stokes
Director

Audrey Tugwell Henry
Audrey Tugwell Henry
Director

SCOTIA PREMIUM MONEY MARKET FUND
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS
(expressed in Jamaican Dollars)

	Three months ended October 31	Three months ended July 31	Three months ended October 31
Unaudited (\$000's)	2021	2021	2020
Balance at beginning of the period	17,872,564	17,726,607	18,513,866
Profit for the period, being increase in net assets attributable to holders of redeemable units	59,532	48,565	51,748
	<u>17,932,096</u>	<u>17,775,172</u>	<u>18,565,614</u>
Contributions and redemptions by holders of redeemable units:			
Issue of redeemable units during the period	1,011,259	1,063,654	805,074
Reinvestments	38,403	30,578	34,885
Redemption of units during the period	(1,040,918)	(948,275)	(1,035,960)
Distributions	(59,547)	(48,565)	(51,752)
	<u>(50,803)</u>	<u>97,392</u>	<u>(247,753)</u>
Contributions and redemptions by holders of redeemable units, net	<u>(50,803)</u>	<u>97,392</u>	<u>(247,753)</u>
Balance at end of the period	<u><u>17,881,293</u></u>	<u><u>17,872,564</u></u>	<u><u>18,317,861</u></u>

SCOTIA PREMIUM MONEY MARKET FUND
STATEMENT OF CASH FLOWS
(expressed in Jamaican Dollars)

Unaudited (\$000's)	Three months ended October 31 2021	Three months ended July 31 2021	Three months ended October 31 2020
Cash flows from operating activities			
Increase in net assets attributable to holders of redeemable units	59,532	48,565	51,748
Adjustments for:			
Interest income	(146,201)	(137,402)	(148,059)
	(86,669)	(88,837)	(96,311)
Changes in operating assets and liabilities			
Financial assets at amortised cost			
Govt & Corporate bonds	(1,074,482)	451,395	1,353,608
Resale agreements	(145,151)	(469,746)	(236,609)
Due from Fund Manager	-	-	(16,215)
Other payables	9,750	6,681	19,217
Proceeds from new units available for investments	1,011,259	1,063,654	805,074
Payments for units encashed	(1,040,918)	(948,275)	(1,035,960)
Proceeds from income reinvested	38,403	30,578	34,885
Income distribution	(59,547)	(48,565)	(51,752)
	(1,347,355)	(3,115)	775,937
Interest received	126,287	169,393	192,884
	(1,221,068)	166,278	968,821
Net cash (used in) provided by operating activities, being net (decrease) increase in cash	(1,221,068)	166,278	968,821
Cash at beginning of the period	1,700,731	1,534,453	43,985
Cash at end of the period	479,663	1,700,731	1,012,806

SCOTIA PREMIUM MONEY MARKET FUND
Notes to the Financial Statements
October 31, 2021

1. The Scotia Premium Money Market Fund

The Scotia Premium Money Market Fund (“Fund”) is registered in Jamaica as a unit trust scheme under the Unit Trusts Act. Effective December 1, 2016, there was a consolidation of asset management activities within Scotia Investments Jamaica Limited. Fund management services previously conducted by Scotia Asset Management (Jamaica) Limited (SAMJ), were transferred to its parent, Scotia Investments Jamaica Limited (SIJL). The Trustee of the Fund is JCSD Trustee Services Limited. Both companies are incorporated and domiciled in Jamaica. The registered office of the Fund is located at 7 Holborn Road, Kingston 10.

The Fund Manager is a wholly-owned subsidiary of Scotia Group Limited. (“Scotia Group”).

The Scotia Premium Money Market Fund is a fixed income portfolio denominated in Jamaican dollars. The investment objective of this portfolio is to provide unit holders with quarterly income, liquidity and preservation of capital.

The income of the Fund is exempt from income tax, under Section 13(t) of the Income Tax Act.

2. Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and comply with the provisions of the Trust Deed.

The financial statements have been prepared on the historical cost basis, except for financial assets at fair value through profit or loss which are stated at fair value.

New and revised standards that became effective this year did not have any material impact on the financial statements and the accounting policies are consistent with those applied in the audited financial statements for the year ended October 31, 2021.

These financial statements are presented in Jamaican dollars, which is the Fund’s functional currency.

3. Financial assets – classification and measurement

The Fund has classified financial assets and liabilities into the following categories:

Loans and receivables:

Financial assets at amortised cost – bonds and other notes, cash, accounts receivable, due from Fund Manager and resale agreements.

Financial liabilities at amortised cost:

Other liabilities measured at amortised cost - due to Fund Manager and other payables.

Amortised cost measurement

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the amount recognized and the maturity amount, minus any reduction for impairment.

SCOTIA PREMIUM MONEY MARKET FUND
Notes to the Financial Statements (continued)
October 31, 2021

3. Financial assets – classification and measurement (continued)

Fair Value measurement

Fair value amounts represent estimates of the arm's length consideration that would be currently agreed upon between knowledgeable, willing parties who are under no compulsion to act.

When available, the Fund measures the fair value of an instrument using the quoted prices in an active market for that instrument. A market is regarded as active if the quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

If a market for a financial instrument is not active, the Fund establishes fair value using pricing models or discounted cash flow techniques or a generally accepted alternative method. Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate is a market related rate at the reporting date for an instrument with similar terms and conditions. Where pricing models are used, inputs are based on market related measures at the reporting date and incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments.

The fair values of cash, accounts receivable, due to Scotia Investments Jamaica Limited and accounts payable are assumed to approximate to their carrying values, due to their short-term nature. The fair value of resale agreements is assumed to approximate their carrying value as they are subject to repricing in the short-term at market rate.

4. Redeemable Units

The Fund classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. The redeemable units issued by the Fund provide investors with the right to require redemption for cash at a value proportionate to the investor's share in the Fund's net assets at the redemption date and also in the event of the Fund's liquidation. The redeemable units are classified as financial liabilities and are measured at the present value of the redemption amounts. The number of units in issue at October 31, 2021 was 178,813,083 (at July 31, 2021: 178,725,641).

5. Unit price/yield

(a) The yield of the Fund for the period ended October 31, 2021 was 1.44% (July 31, 2021: 1.24%).

The calculation of yield is based on the annualised movement in unit price over the period.

(b) The price per unit as at October 31, 2021 was:

Buying/selling – \$100.00

The price per unit is arrived at by dividing the value of the net deposited property, less sales and fiscal charges, by the number of units in issue.

6. Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents include notes and coins on hand, amounts due from other banks, and highly liquid financial assets with original maturities of less than three months, which are readily convertible to known amounts of cash, and are subject to insignificant risk of changes in their fair value.