

SCOTIA CARIBBEAN INCOME FUND INC.

UNAUDITED FINANCIAL STATEMENTS

PERIOD ENDED JUNE 30, 2024

SCOTIA CARIBBEAN INCOME FUND INC.
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SCOTIA CARIBBEAN INCOME FUND INC.
UNAUDITED STATEMENT OF FINANCIAL POSITION
(expressed in United States Dollars)

<u>Assets</u>	<u>June 30, 2024</u>	<u>March 31, 2024</u>
Cash and cash equivalents	\$ 3,234,443	\$ 1,210,575
Securities purchased under resale agreements	13,209,913	14,739,165
Financial assets at fair value through profit or loss	100,853,732	101,443,331
Receivable for investments sold	3,520,431	-
Interest receivable	122,140	-
Other receivables	<u>7,815</u>	<u>98,820</u>
Total assets	<u>\$ 120,948,474</u>	<u>\$ 117,491,891</u>
<u>Equity</u>		
Share Capital	\$ 1,000	\$ 1,000
<u>Liabilities</u>		
Balance due to brokers	\$ 3,034,294	\$ 394,013
Due to related parties	464,636	904,578
Other payables	90,375	151,043
Redemptions payable	50,725	-
Tax withholding liability	<u>36,776</u>	<u>17,406</u>
Total Liabilities (excluding net assets attributable to holders of investment shares)	<u>\$ 3,676,806</u>	<u>\$ 1,467,040</u>
Net assets attributable to holders of investment shares	<u>\$ 117,270,668</u>	<u>\$ 116,023,851</u>
Value per investment share based on number of shares		
Class A shares issued and outstanding as at June 30, 2024 34,913,541 (March 2024: 34,512,542)	<u>\$ 3.3587</u>	<u>\$ 3.3616</u>
Class I shares issued and outstanding as at June 30, 2024 1,647 (March 2024: 1,627)	<u>\$ 4.6039</u>	<u>\$ 4.6082</u>

Issuance approved on behalf of Scotia Caribbean Income Fund Inc.'s Board of Directors by:



Carol McKeever

Director



Lisl Lewis

Director

Date : July 22, 2024

SCOTIA CARIBBEAN INCOME FUND INC.

UNAUDITED STATEMENT OF COMPREHENSIVE (LOSS) INCOME

(expressed in United States dollars)

	For the three month periods ended	
	June 30, 2024	June 30, 2023
<u>Investment income</u>		
Interest income	\$ 1,510,002	\$ 1,814,477
Other income	8,645	104
Net realized loss on financial assets at fair value through profit or loss and foreign currencies	(204,354)	(1,022)
Net change in unrealized gain on financial assets at fair value through profit or loss and foreign currencies	115,863	658,133
Net investment income	\$ 1,430,156	\$ 2,471,692
<u>Expenses</u>		
Management fees	\$ (464,636)	\$ (467,253)
Trailer fees	(108,896)	(109,213)
Custodian & Administrator fees	(53,665)	(57,428)
Professional fees	(12,391)	(7,826)
Other expenses	(36,475)	(46,808)
Total operating expenses	\$ (676,063)	\$ (688,528)
Operating gain before finance costs	\$ 754,093	\$ 1,783,164
Finance costs		
Dividends to holders of investment shares	\$ (853,974)	\$ (686,310)
Total finance costs	\$ (853,974)	\$ (686,310)
Net comprehensive (loss) income for the period	\$ (99,881)	\$ 1,096,854

SCOTIA CARIBBEAN INCOME FUND INC.

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS

(expressed in United States dollars)

	For the three month periods ended	
	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Beginning Balance	\$ 116,023,851	\$ 117,247,158
Net comprehensive (loss) income for the period	(99,881)	1,096,854
Subscriptions	2,364,991	1,137,614
Reinvestments	665,495	582,029
Redemptions	<u>(1,683,788)</u>	<u>(3,423,114)</u>
Ending Balance	<u>\$ 117,270,668</u>	<u>\$ 116,640,541</u>

SCOTIA CARIBBEAN INCOME FUND INC.
UNAUDITED STATEMENT OF CASH FLOWS
(expressed in United States dollars)

	For the three month periods ended	
	June 30, 2024	June 30, 2023
Cash flows from operating activities		
(Decrease)/increase in net assets attributable to holders of investment shares after income tax	\$ (99,881)	\$ 1,096,854
Adjustments for:		
Dividends paid to holders of investment shares	853,974	686,310
Net realized loss on financial assets at fair value through profit or loss and foreign currencies	204,354	1,022
Net change in unrealized gain on financial assets at fair value through profit or loss	(115,863)	(658,138)
Net change in unrealized gain on foreign currencies	8	-
	<u>842,592</u>	<u>1,126,048</u>
Interest received	249,362	312,166
Proceeds from sale of investments	1,972,970	3,655,221
Purchase of investments	(2,723,522)	(3,477,500)
Net non-interest payments for purchase and resale agreements	1,529,252	978,118
Decrease/(increase) in other receivables	91,005	(73,816)
Decrease in due to related parties	(439,942)	(1,106)
Decrease in other payables	(60,668)	(9,126)
Increase in tax withholding liability	19,370	13,361
Net cash provided by operating activities	<u>1,480,419</u>	<u>2,523,366</u>
Cash flows from financing activities		
Proceeds from issue of investment shares	2,364,991	1,137,614
Proceeds from reinvested investment shares	665,495	582,029
Payments on redemption of investment shares	(1,633,063)	(3,514,971)
Dividends paid to holders of investment shares	(853,974)	(686,310)
Net cash provided by/(used in) by financing activities	<u>543,449</u>	<u>(2,481,638)</u>
Net increase in cash and cash equivalents	2,023,868	41,728
Cash and cash equivalents at beginning of period	<u>1,210,575</u>	<u>627,139</u>
Cash and cash equivalents at end of period	<u>\$ 3,234,443</u>	<u>\$ 668,867</u>

SCOTIA CARIBBEAN INCOME FUND INC.
UNAUDITED NOTES TO FINANCIAL STATEMENTS
PERIOD ENDED JUNE 30, 2024

1. General

Scotia Caribbean Income Fund Inc. (the "Fund") was incorporated on March 29, 2006 in Saint Lucia. The Fund was also licensed under the Saint Lucia International Mutual Fund Act as a public international mutual fund. On November 27, 2006 and on January 11, 2007; the Fund was registered under the Companies Act of Jamaica and Trinidad and Tobago, respectively. The Fund is registered under the Trinidad and Tobago Securities & Exchange Commission (SEC) as a reporting issuer. On September 7, 2009, the Fund was registered under the Companies Law of the Cayman Islands and on September 17, 2009, the Fund was registered under the Mutual Funds Law of the Cayman Islands.

Effective June 11, 2021, the Fund was re-domiciled and transitioned from a corporation under the laws of Saint Lucia to a company continued in and licensed as a mutual fund under the laws of Barbados. The transition did not affect the assets of the Fund or the value of the investments.

The registered office of the Fund is located at 1st Floor CGI Tower, Warrens, St. Michael, Barbados.

Effective January 11, 2022, the Fund de-registered with the Cayman regulator as a registered mutual fund.

The Fund's investment objective is to provide a regular stream of income and modest capital gains by investing primarily in US dollar denominated fixed income securities issued or guaranteed by governments or government sponsored agencies of a country in the Caribbean region, as well as money market and longer term fixed income securities issued by non-government issuers in accordance with the Investment Policy below. The Fund may also invest in other income generating securities, which may include dividend paying shares.

The investment activities of the Fund are managed by Scotia Asset Management (Barbados) Inc. (the "Fund Administrator"), a company incorporated in Barbados. The custodian activities are performed by State Street Bank and Trust Company Ltd (the "Custodian"), which is an independent entity and is not a related party to the Fund Administrator or the Fund Manager. The Fund Administrator has appointed State Street Cayman Trust Company Ltd., a trust company duly organised under the laws of the Cayman Islands as Fund Sub-Administrator. The Fund has no employees.

2. Significant accounting policies

These statements are prepared using the International Accounting Standards. 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.