

**SCOTIA PREMIUM SHORT-
TERM INCOME FUND
(USD)**

**UNAUDITED
FINANCIAL
STATEMENTS**

**PERIOD ENDED
JANUARY 31, 2024**

SCOTIA PREMIUM SHORT-TERM INCOME FUND (USD)
STATEMENT OF COMPREHENSIVE INCOME
(expressed in United States Dollars)

Unaudited	Three months ended	
	January 31, 2024	January 31, 2023
Revenue		
Interest		
Financial assets at fair value through profit or loss	309,466	89,169
Financial assets at amortised cost	585,688	350,049
Revaluation gain on financial assets at fair value through profit or loss	133,889	5,791
Total revenue	1,029,043	445,009
Expenses		
Management fees	226,516	120,961
Other	35,188	49,378
Total operating expenses	261,704	170,339
Less: expenses reimbursed	-	(21,719)
Net operating expenses	261,704	148,620
Profit for the period, being increase in net assets attributable to holders of redeemable units	767,339	296,389

SCOTIA PREMIUM SHORT-TERM INCOME FUND (USD)
STATEMENT OF FINANCIAL POSITION
(expressed in United States Dollars)

Unaudited	January 31, 2024	October 31, 2023	January 31, 2023
ASSETS			
Cash	4,879,910	3,551,709	6,115,315
Financial assets at fair value through profit or loss	28,447,859	29,713,481	12,103,926
Financial assets at amortised cost	28,710,494	28,237,963	18,171,793
Receivable for investments sold	2,700,000	-	-
Accounts receivable	72,663	51	507
Due From Fund Manager	18,728	78,852	255,013
Total assets	64,829,654	61,582,056	36,646,554
LIABILITY			
Other payables, being total liability	1,706,743	1,292,106	277,177
Net assets attributable to holders of redeemable units	63,122,911	60,289,950	36,369,377
Represented by:			
Net assets attributable to holders of redeemable units	63,122,911	60,289,950	36,369,377

Issuance approved and signed on March 5, 2024 on behalf of the Board of Scotia Investments Jamaica Limited by:

Audrey Tugwell Henry
Audrey Tugwell Henry
Director

Audrey Richards
Audrey Richards
Director

SCOTIA PREMIUM SHORT-TERM INCOME FUND (USD)
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS
(expressed in United States Dollars)

Unaudited	Three months ended	
	January 31, 2024	January 31, 2023
Balance at beginning of the period	60,289,950	29,970,709
Profit for the period, being increase in net assets attributable to holders of redeemable units	767,339	296,389
	<u>61,057,289</u>	<u>30,267,098</u>
Contributions and redemptions by holders of redeemable units:		
Issue of redeemable units during the period	6,334,836	7,360,029
Reinvestments	349,287	167,764
Redemption of units during the period	(4,138,049)	(1,194,165)
Distributions	(480,452)	(231,349)
	<u>2,065,622</u>	<u>6,102,279</u>
Contributions and redemptions by holders of redeemable units, net		
	<u>2,065,622</u>	<u>6,102,279</u>
Balance at end of the period	<u>63,122,911</u>	<u>36,369,377</u>

SCOTIA PREMIUM SHORT-TERM INCOME FUND (USD)
STATEMENT OF CASH FLOWS
(expressed in United States Dollars)

Unaudited	Three months ended	
	January 31, 2024	January 31, 2023
Cash flows from operating activities		
Increase in net assets attributable to holders of redeemable units	767,339	296,389
Adjustments for:		
Revaluation gain on financial assets at fair value through profit or loss	(133,889)	(5,791)
Interest income	(895,154)	(439,218)
	<u>(261,704)</u>	<u>(148,620)</u>
Changes in operating assets and liabilities		
Financial assets at fair value through profit and loss	1,470,436	(1,238,011)
Financial assets at amortised cost	(341,367)	(287,782)
Receivable for investments sold	(2,700,000)	-
Accounts receivable	(72,612)	443
Due from Fund Manager	60,124	(97,696)
Other payables	414,637	205,193
Proceeds from new units available for investments	6,334,836	7,360,029
Payments for units encashed	(4,138,049)	(1,194,165)
Proceeds from income reinvested	349,287	167,764
Income distribution	(480,452)	(231,349)
	<u>635,136</u>	<u>4,535,806</u>
Interest received	<u>693,065</u>	<u>432,474</u>
Net cash provided by operating activities, being net increase in cash	1,328,201	4,968,280
Cash at beginning of the period	<u>3,551,709</u>	<u>1,147,035</u>
Cash at end of the period	<u>4,879,910</u>	<u>6,115,315</u>

SCOTIA PREMIUM SHORT-TERM INCOME FUND (USD)
Notes to the Financial Statements
January 31, 2024

1. The Scotia Premium Short-Term Income Fund (USD)

The Scotia Premium Short-Term Income Fund (USD) (“the Fund”) is registered in Jamaica as a unit trust scheme under the Unit Trusts Act. The Fund is managed by Scotia Investments Jamaica Limited (“Fund Manager”), and the Trustee is JCSD Trustee Services Limited. Both the Fund Manager and the Trustee are incorporated and domiciled in Jamaica. The registered offices at 3rd Floor, Scotiabank Centre Building, Corner Duke & Port Royal Streets, Kingston, Jamaica, W.I.

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

The Fund is a fixed income portfolio denominated in US dollars. The investment objective of this portfolio is to provide Unit Holders with quarterly income and daily liquidity. The Fund commenced operations on November 15, 2021.

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.

These financial statements are presented in United States 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:

Financial assets at fair value through profit or loss:

Designated as at fair value through profit or loss – bonds and other notes.

Loans and receivables:

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

Financial liabilities measured at cost:

Other liabilities - 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 SHORT-TERM INCOME FUND (USD)
Notes to the Financial Statements (continued)
January 31, 2024

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 incorporate 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. The fair value of Government of Jamaica securities is determined using an alternative pricing method.

All changes in fair value, other than interest and dividend income, are recognised in profit or loss.

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 January 31, 2024 was 6,157,706 (October 31, 2023: 5,908,982).

5. Unit price/yield

(a) The yield of the Fund for the period ended January 31, 2024 was 3.88% (January 31, 2023: 3.80%).

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

(b) The price per unit as at January 31, 2024 was:

Buying/selling – \$10.25 (October 31, 2023: \$10.20)

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.