

SCOTIA US EQUITY FUND
UNAUDITED FINANCIAL STATEMENTS
QUARTER ENDED JUNE 30, 2021

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INDEX TO UNAUDITED FINANCIAL STATEMENTS
QUARTER ENDED JUNE 30, 2021

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SCOTIA US EQUITY FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION

AS OF JUNE 30, 2021

(expressed in United States dollars)

	<u>30-Jun-21</u>	<u>31-Mar-21</u>	<u>30-Jun-20</u>
ASSETS			
Cash and cash equivalents	\$ 462,465	\$ 1,256,455	\$ 122,759
Financial assets at fair value through profit or loss (Cost: \$41,455,838 (March 2021: \$38,400,543; June 2020: \$39,656,881))	50,000,685	45,550,245	37,452,109
Subscriptions receivable	<u>50,038</u>	<u>496</u>	<u>23,606</u>
Total assets	<u>50,513,188</u>	<u>46,807,196</u>	<u>37,598,474</u>
LIABILITIES			
Management fee payable	53,395	49,765	40,708
Accrued expenses	29,420	14,066	27,714
Redemptions payable	10,000	99,200	-
Payable for investments purchased	-	680,183	-
Liabilities (excluding net assets attributable to holders of redeemable participating shares)	<u>92,815</u>	<u>843,214</u>	<u>68,422</u>
Management shares	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Net assets attributable to holders of redeemable participating shares	\$ <u>50,419,373</u>	\$ <u>45,962,982</u>	\$ <u>37,529,052</u>
Net asset value per redeemable participating share			
Class A \$40,834,078/1,917,729 shares (March 2021: \$37,197,187/1,844,719 shares; June 2020: \$30,528,925/1,858,219 shares)	\$ <u>21.29</u>	\$ <u>20.16</u>	\$ <u>16.43</u>
Class NU \$449,593/21,222 shares (March 2021: \$434,993/21,658 shares; June 2020: \$368,986/22,472 shares)	\$ <u>21.19</u>	\$ <u>20.08</u>	\$ <u>16.42</u>
Class IU \$9,134,782/376,460 shares (March 2021: \$8,329,935/363,940 shares; June 2020: \$6,630,444/359,777 shares)	\$ <u>24.26</u>	\$ <u>22.89</u>	\$ <u>18.43</u>
Class IJ JMC137,795/558 shares (March 2021: JMC126,360/558 shares; June 2020: JMC97,472/558 shares)	JMC <u>246.94</u>	JMC <u>226.45</u>	JMC <u>174.68</u>

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

Farried Sulliman
Farried Sulliman
Director

Adrian Stokes
Adrian Stokes
Director

Date : August 12, 2021

SCOTIA US EQUITY FUND

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

QUARTER ENDED JUNE 30, 2021

(expressed in United States dollars)

	<u>30-Jun-21</u>	<u>31-Mar-21</u>	<u>30-Jun-20</u>
Income			
Dividend income	\$ 176,434	\$ 164,801	\$ 192,547
Net realized gain (loss) on financial assets at fair value through profit or loss and foreign currencies	1,321,795	44,285	(30,322)
Net change in unrealized appreciation on financial assets at fair value through profit or loss and foreign currencies	<u>1,395,145</u>	<u>1,980,511</u>	<u>4,922,963</u>
Total net income	<u>2,893,374</u>	<u>2,189,597</u>	<u>5,085,188</u>
Expenses			
Management fees	158,429	143,023	117,692
Other expenses	18,075	18,059	17,092
Custodian and administration fees	16,935	16,719	17,241
Professional fees	<u>6,147</u>	<u>6,412</u>	<u>6,643</u>
Total operating expenses	<u>199,586</u>	<u>184,213</u>	<u>158,668</u>
Less: expenses reimbursed	<u>-</u>	<u>-</u>	<u>(567)</u>
Net operating expenses	<u>199,586</u>	<u>184,213</u>	<u>158,101</u>
Operating gain	<u>2,693,788</u>	<u>2,005,384</u>	<u>4,927,087</u>
Withholding taxes on dividend income	<u>(52,931)</u>	<u>(49,440)</u>	<u>(56,598)</u>
Increase in net assets from operations attributable to holders of redeemable participating shares	<u>\$ 2,640,857</u>	<u>\$ 1,955,944</u>	<u>\$ 4,870,489</u>

SCOTIA US EQUITY FUND

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS

QUARTER ENDED JUNE 30, 2021

(expressed in United States dollars)

	<u>30-Jun-21</u>	<u>31-Mar-21</u>	<u>30-Jun-20</u>
Shareholders' Equity			
Share Capital	\$ 13,150	\$ 12,299	\$ 12,400
Share Premium	18,394,402	16,579,719	16,590,099
Retained Earnings	29,370,964	27,415,020	16,056,064
Increase in net assets for the quarter	<u>2,640,857</u>	<u>1,955,944</u>	<u>4,870,489</u>
Net assets attributable to holders of redeemable participating shares	<u>\$ 50,419,373</u>	<u>\$ 45,962,982</u>	<u>\$ 37,529,052</u>

SCOTIA US EQUITY FUND
UNAUDITED STATEMENT OF CASH FLOWS
QUARTER ENDED JUNE 30, 2021
(expressed in United States dollars)

	<u>30-Jun-21</u>	<u>31-Mar-21</u>	<u>30-Jun-20</u>
Cash flows from operating activities			
Dividend received	\$ 123,503	\$ 115,361	\$ 135,949
Operating expenses paid	(180,602)	(201,649)	(164,794)
Reimbursements received from manager	-	-	567
Purchase of financial assets at fair value through profit or loss	(13,027,254)	(844,613)	-
Proceeds from sale of financial assets at fair value through profit or loss	<u>10,613,571</u>	<u>300,381</u>	<u>366,369</u>
Net cash (used in) provided by operating activities	<u>(2,470,782)</u>	<u>(630,520)</u>	<u>338,091</u>
Cash flows from financing activities			
Proceeds from subscriptions of redeemable participating shares	2,404,211	2,558,120	305,295
Payments for redemptions of redeemable participating shares	<u>(727,419)</u>	<u>(1,290,352)</u>	<u>(1,008,772)</u>
Net cash provided by (used in) financing activities	<u>1,676,792</u>	<u>1,267,768</u>	<u>(703,477)</u>
Net change in cash and cash equivalents	(793,990)	637,248	(365,386)
Cash and cash equivalents at beginning of period	<u>1,256,455</u>	<u>619,207</u>	<u>488,145</u>
Cash and cash equivalents at end of period	<u>\$ 462,465</u>	<u>\$ 1,256,455</u>	<u>\$ 122,759</u>
Supplemental cash flow disclosures			
Tax withheld	<u>\$ 52,931</u>	<u>\$ 49,440</u>	<u>\$ 56,598</u>

SCOTIA US EQUITY FUND

UNAUDITED NOTES TO FINANCIAL STATEMENTS

QUARTER ENDED JUNE 30, 2021

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 quarter ended June 30, 2021, the current rate of exchange is:

<u>Share Class</u>	<u>Currency</u>	<u>Functional Currency</u>	<u>Exchange Rate</u>
JMC		USD	149.782