

ScotiaFunds®

Semi-Annual Report

June 30, 2013

Cash Equivalent Funds

Scotia T-Bill Fund
Scotia Premium T-Bill Fund
Scotia Money Market Fund
Scotia U.S. \$ Money Market Fund

Income Funds

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Scotia Private Short-Mid Government Bond Pool
Scotia Mortgage Income Fund
Scotia Bond Fund
Scotia Canadian Income Fund
Scotia Private Canadian Corporate Bond Pool
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Balanced Funds

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Scotia U.S. Index Fund
Scotia CanAm Index Fund
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Scotia Portfolios

Scotia Selected® Portfolios

Scotia Selected Income Portfolio
Scotia Selected Income & Modest Growth Portfolio
Scotia Selected Balanced Income & Growth Portfolio
Scotia Selected Moderate Growth Portfolio
Scotia Selected Aggressive Growth Portfolio

Scotia Partners Portfolios®

Scotia Partners Diversified Income Portfolio
Scotia Partners Income & Modest Growth Portfolio
Scotia Partners Balanced Income & Growth Portfolio
Scotia Partners Moderate Growth Portfolio
Scotia Partners Aggressive Growth Portfolio

Scotia Vision® Portfolios

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Scotia Vision Aggressive 2010 Portfolio
Scotia Vision Conservative 2015 Portfolio
Scotia Vision Aggressive 2015 Portfolio
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Scotia INNOVA Portfolios®

Scotia INNOVA Income Portfolio
Scotia INNOVA Balanced Income Portfolio
Scotia INNOVA Balanced Growth Portfolio
Scotia INNOVA Growth Portfolio
Scotia INNOVA Maximum Growth Portfolio

Scotia Corporate Class Funds

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Global Economic Outlook

Aron Gampel

VP and Deputy Chief Economist
Scotiabank

Uneven Growth, Uneven Policy Responses

The global outlook continues to be characterized by uneven and generally subpar growth performances as we enter the fifth year of recovery. The U.S. economy is gaining traction, albeit slowly, with American consumers and businesses in an improving mood to spend and invest. Output growth in China, however, has lost momentum, with comparatively solid domestic demand unable to overcome the drag from increasing credit restraint, reduced exports and a strengthening currency. Other emerging market economies such as India are implementing structural adjustments that are temporarily moderating growth prospects.

Among the other developed nations, Canada is expected to piggyback on improving U.S. conditions, though strained household balance sheets and the slowdown in commodity-related prospects will moderate output gains. Real GDP is expected to improve modestly in Japan and to some extent in the U.K. as pent-up demand is unlocked, though the lingering recession in the euro zone will persist. Output growth in Mexico, Latin America and many countries in the Asia-Pacific region has slowed against the backdrop of reduced international demand.

The U.S. Fed has indicated that its bond-buying program which was needed to kick-start stronger growth and buffer against the tightening in fiscal policy is likely to begin winding down later this year. Nevertheless, even with an eventual end to the latest round of non-conventional monetary accommodation in mid-2014 – conditional on further progress in reducing chronically high unemployment – Fed policy will remain quite easy and pro-growth with short-term interest rates anchored close to zero through next year and probably into 2015.

Policymakers around the world are not in synch with the U.S. shift to a less accommodative monetary posture. A large number of countries have eased monetary conditions in recent months in support of stronger growth in an environment of decreasing inflation pressures and increasing regulatory constraints on financial institutions. This has taken the form of lower interest rates, expanded quantitative easing (e.g. financial asset purchases), and in some cases intervention in

foreign exchange markets to limit export-dampening exchange rate appreciation. A relatively few countries, most notably Brazil, have raised interest rates to counter domestic imbalances, but even here offsetting fiscal adjustments have also been introduced for economic support.

Financial market volatility has increased alongside the shift in Fed policy. U.S. long-term interest rates have gapped higher from emergency-low levels to still historically low levels. The upward tilt in longer-term rates has taken the edge off very buoyant equity markets. Although much of the adjustment to the Fed's announced but yet-to-be-enacted policy shift has already occurred, bond yields and longer-term mortgage rates will move directionally higher as long as economic conditions remain supportive and indicators of financial sector stress are low.

The sharp rise in U.S. longer-term interest rates highlights a number of constructive factors domestically. Increasing U.S. economic momentum appears to be self-sustaining. Continuing job and confidence gains, improving household balance sheets, and rising home values are helping consumers satiate their pent-up demand. The rising trend in capital goods orders points to increased industrial activity and output. And the rapidly improving short-term budgetary outlook underscores the favourable fiscal conditions that are now helping to reinforce investor expectations.

However, a number of potential issues could undermine the progress to date, not only in the United States, but globally as well if bond yields grind even higher. First, housing affordability will become increasingly strained if the current run-up in mortgage rates persists. Second, the renewed strengthening in the U.S. dollar could jeopardize exports if it were to continue in the absence of a sustained improvement in global growth. Third, the back-up in bond yields and increasing credit risks around the world will have a disproportionate impact on countries with less favourable fundamentals. And fourth, the slowdown in China's economic growth, and actions to moderate excessive credit demands, may lead to a softer global growth trajectory.

Scotia T-Bill Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$85,939,534	\$93,876,369
Cash	93,309	15,756
Accrued investment income	7,609	2,839
	<u>86,040,452</u>	<u>93,894,964</u>
LIABILITIES		
Distributions payable	246	188
Accrued expenses	55,450	—
	<u>55,696</u>	<u>188</u>
Net Assets	<u>\$85,984,756</u>	<u>\$93,894,776</u>
NET ASSETS PER SERIES		
Series A Units	\$85,984,756	\$93,894,776
UNITS OUTSTANDING		
Series A Units	<u>8,598,476</u>	<u>9,389,478</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 10.00</u>	<u>\$ 10.00</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Interest	\$ 481,366	\$ 573,239
Securities lending	14,972	14,099
	<u>496,338</u>	<u>587,338</u>
EXPENSES		
Management fees (note 5)	443,761	540,124
Harmonized Sales Tax/Goods and Services Tax	44,477	51,269
Audit fees	1,077	2,617
Independent Review Committee fees	154	607
Custodian fees	1,190	1,284
Filing fees	9,810	10,410
Legal fees	376	767
Unitholder reporting costs	9,614	13,895
Unitholder administration and service fees	70,326	80,808
	<u>580,785</u>	<u>701,781</u>
Absorbed expenses	<u>(216,776)</u>	<u>(277,518)</u>
	<u>364,009</u>	<u>424,263</u>
Net investment income (loss)	132,329	163,075
Increase (decrease) in Net Assets from operations	<u>\$ 132,329</u>	<u>\$ 163,075</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>\$ 132,329</u>	<u>\$ 163,075</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	<u>\$ 0.01</u>	<u>\$ 0.02</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	<u>\$ 93,894,776</u>	<u>\$ 114,360,321</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>132,329</u>	<u>163,075</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series A Units	<u>(132,329)</u>	<u>(163,075)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	9,899,589	14,284,959
Reinvested distributions		
Series A Units	131,711	161,775
Payments on redemption		
Series A Units	<u>(17,941,320)</u>	<u>(26,382,065)</u>
	<u>(7,910,020)</u>	<u>(11,935,331)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	<u>(7,910,020)</u>	<u>(11,935,331)</u>
NET ASSETS – END OF PERIOD		
Series A Units	<u>\$ 85,984,756</u>	<u>\$ 102,424,990</u>

The accompanying notes are an integral part of the financial statements.

Scotia T-Bill Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
MONEY MARKET INSTRUMENTS – 99.9%			
Treasury Bills – 65.6%			
	Government of Canada		
6,170,000	0.00% due Aug. 1, 2013	6,147,244	6,164,501
20,190,000	0.00% due Aug. 15, 2013	20,158,706	20,163,735
23,035,000	0.00% due Sept. 12, 2013	22,945,517	22,988,373
5,130,000	0.00% due May 8, 2014	5,078,854	5,084,261
	Province of Ontario		
2,000,000	0.00% due Dec. 4, 2013	1,977,380	1,990,154
		56,307,701	56,391,024
Short-Term Bonds – 34.3%			
	Alberta Municipal Finance Corporation (Floating Rate)		
5,600,000	1.39% due Oct. 1, 2013	5,604,299	5,622,950
	Financement Quebec (Floating Rate)		
3,000,000	1.25% due Sep. 16, 2013	3,000,659	3,001,895
	Government of Canada (Floating Rate)		
9,900,000	1.64% due Sep. 15, 2014	9,935,710	9,941,456
	Hydro-Quebec (Floating Rate)		
3,700,000	1.83% due Feb. 20, 2014	3,713,887	3,721,043
	Province of Manitoba (Floating Rate)		
800,000	5.05% due Dec. 3, 2013	813,195	815,955
	Province of Quebec (Floating Rate)		
6,300,000	5.25% due Oct. 1, 2013	6,365,687	6,445,211
		29,433,437	29,548,510
	TOTAL INVESTMENT PORTFOLIO	85,741,138	85,939,534
	OTHER ASSETS, LESS LIABILITIES – 0.1%		45,222
	NET ASSETS – 100.0%		85,984,756

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Treasury Bills	65.6	65.5
Short-Term Bonds	34.3	34.5

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of money market instruments.

Money Market Instruments*	June 30, 2013	December 31, 2012
Less than 1 year	\$85,939,534	\$93,876,369
1-3 years	–	–
3-5 years	–	–
5-10 years	–	–
> 10 years	–	–
Total	\$85,939,534	\$93,876,369

* Excludes cash

Credit risk (note 3)

The table below summarizes the credit ratings of the money market instruments, excluding cash, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Money Market Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Money Market Instruments (%)	Percentage of Net Assets (%)
Short-Term Rating				
R1-High	63.3	63.2	62.7	62.7
R1-Middle	2.3	2.3	2.8	2.8
Bond Credit Rating				
AAA	18.1	18.1	17.1	17.1
AA	3.5	3.5	3.2	3.2
A	12.8	12.8	14.2	14.2
Total	100.0	99.9	100.0	100.0

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$55,696	\$188

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Premium T-Bill Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$314,647,566	\$352,747,494
Cash	248,640	61,505
Accrued investment income	27,897	10,735
Receivable for management fees rebate	59,562	72,725
	<u>314,983,665</u>	<u>352,892,459</u>
LIABILITIES		
Distributions payable	6,478	6,724
Accrued expenses	147,146	—
	<u>153,624</u>	<u>6,724</u>
Net Assets	<u>\$314,830,041</u>	<u>\$352,885,735</u>
NET ASSETS PER SERIES		
Series A Units	<u>\$314,830,041</u>	<u>\$352,885,735</u>
UNITS OUTSTANDING		
Series A Units	<u>31,483,004</u>	<u>35,288,573</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 10.00</u>	<u>\$ 10.00</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Interest	\$1,784,177	\$2,168,781
Securities lending	58,120	61,393
	<u>1,842,297</u>	<u>2,230,174</u>
EXPENSES		
Management fees net of rebates (note 5)	477,652	591,131
Harmonized Sales Tax/Goods and Services Tax	89,121	102,984
Audit fees	3,895	5,675
Independent Review Committee fees	572	281
Custodian fees	3,390	4,030
Filing fees	10,587	12,017
Legal fees	1,381	1,748
Unitholder reporting costs	6,095	7,662
Unitholder administration and service fees	27,714	31,282
	<u>620,407</u>	<u>756,810</u>
Absorbed expenses	<u>(42,009)</u>	<u>(50,598)</u>
	<u>578,398</u>	<u>706,212</u>
Net investment income (loss)	<u>1,263,899</u>	<u>1,523,962</u>
Increase (decrease) in Net Assets from operations	<u>\$1,263,899</u>	<u>\$1,523,962</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>\$1,263,899</u>	<u>\$1,523,962</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	<u>\$ 0.04</u>	<u>\$ 0.04</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	<u>\$352,885,735</u>	<u>\$ 430,365,012</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>1,263,899</u>	<u>1,523,962</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series A Units	<u>(1,263,899)</u>	<u>(1,523,962)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	<u>31,896,127</u>	<u>69,752,089</u>
Reinvested distributions		
Series A Units	<u>1,223,194</u>	<u>1,485,230</u>
Payments on redemption		
Series A Units	<u>(71,175,015)</u>	<u>(115,719,877)</u>
	<u>(38,055,694)</u>	<u>(44,482,558)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	<u>(38,055,694)</u>	<u>(44,482,558)</u>
NET ASSETS – END OF PERIOD		
Series A Units	<u>\$314,830,041</u>	<u>\$ 385,882,454</u>

The accompanying notes are an integral part of the financial statements.

Scotia Premium T-Bill Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
MONEY MARKET INSTRUMENTS – 99.9%			
Treasury Bills – 62.9%			
	Government of Canada		
21,645,000	0.00% due Aug. 1, 2013	21,565,828	21,625,714
74,825,000	0.00% due Aug. 15, 2013	74,709,021	74,727,661
83,380,000	0.00% due Sep. 12, 2013	83,057,849	83,211,303
18,760,000	0.00% due May 8, 2014	18,572,963	18,592,735
		197,905,661	198,157,413
Short-Term Bonds – 37.0%			
	Alberta Municipal Finance Corporation (Floating Rate)		
20,600,000	1.39% due Oct. 1, 2013	20,615,836	20,684,438
	Financement Quebec (Floating Rate)		
11,000,000	1.25% due Sep. 16, 2013	11,001,637	11,006,169
	Canada Housing Trust No. 1 (Floating Rate)		
34,680,000	1.64% due Sep. 15, 2014	34,805,093	34,825,225
	Hydro-Quebec (Floating Rate)		
12,500,000	1.83% due Feb. 20, 2014	12,546,914	12,571,090
	Province of Manitoba (Floating Rate)		
13,000,000	5.05% due Dec. 3, 2013	13,214,422	13,259,265
	Province of Quebec (Floating Rate)		
23,600,000	5.25% due Oct. 1, 2013	23,846,065	24,143,966
		116,029,967	116,490,153
		313,935,628	314,647,566
TOTAL INVESTMENT PORTFOLIO			
OTHER ASSETS, LESS LIABILITIES – 0.1%			182,475
NET ASSETS – 100.0%			314,830,041

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Treasury Bills	62.9	63.7
Short-Term Bonds	37.0	36.3

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of money market instruments.

Money Market Instruments*	June 30, 2013	December 31, 2012
Less than 1 year	\$314,647,566	\$352,747,494
1-3 years	–	–
3-5 years	–	–
5-10 years	–	–
> 10 years	–	–
Total	\$314,647,566	\$352,747,494

* Excludes cash

Credit risk (note 3)

The table below summarizes the credit ratings of the money market instruments, excluding cash, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Money Market Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Money Market Instruments (%)	Percentage of Net Assets (%)
Short-Term Rating				
R1-High	63.0	62.9	62.5	62.5
R1-Middle	–	–	1.2	1.2
Bond Credit Rating				
AAA	17.6	17.6	21.9	21.9
AA	3.5	3.5	–	–
A	15.9	15.9	14.4	14.4
Total	100.0	99.9	100.0	100.0

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$34,500	\$6,724

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Money Market Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$1,625,967,528	\$2,065,538,676
Cash	620,262	2,691,255
Accrued investment income	172,808	77,233
	<u>1,626,760,598</u>	<u>2,068,307,164</u>
LIABILITIES		
Distributions payable	3,071	3,628
Accrued expenses	535,506	—
	<u>538,577</u>	<u>3,628</u>
Net Assets	<u><u>\$1,626,222,021</u></u>	<u><u>\$2,068,303,536</u></u>
NET ASSETS PER SERIES		
Series A Units	\$ 516,948,574	\$ 582,051,484
Advisor Series Units	\$ 1,419,907	\$ 1,580,166
Premium Series Units	\$ 205,356,861	\$ 260,879,981
Series I Units	\$ 9,613,262	\$ 10,404,360
Series M Units	\$ 892,883,417	\$ 1,213,387,545
UNITS OUTSTANDING		
Series A Units	51,694,857	58,205,148
Advisor Series Units	141,991	158,017
Premium Series Units	20,535,686	26,087,998
Series I Units	961,326	1,040,436
Series M Units	89,288,342	121,338,755
NET ASSETS PER UNIT		
Series A Units	\$ 10.00	\$ 10.00
Advisor Series Units	\$ 10.00	\$ 10.00
Premium Series Units	\$ 10.00	\$ 10.00
Series I Units	\$ 10.00	\$ 10.00
Series M Units	\$ 10.00	\$ 10.00

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Interest	\$12,539,840	\$14,904,524
Securities lending	595	1,661
	<u>12,540,435</u>	<u>14,906,185</u>
EXPENSES		
Management fees (note 5)	3,178,809	3,980,899
Harmonized Sales Tax/Goods and Services Tax	345,402	405,676
Audit fees	20,549	24,357
Independent Review Committee fees	3,162	2,586
Custodian fees	18,835	20,558
Filing fees	33,817	41,480
Legal fees	7,628	8,309
Unitholder reporting costs	30,823	35,252
Unitholder administration and service fees	311,238	324,705
Overdraft charges	1,708	—
	<u>3,951,971</u>	<u>4,843,822</u>
Absorbed expenses	<u>(498,103)</u>	<u>(617,384)</u>
	<u>3,453,868</u>	<u>4,226,438</u>
Net investment income (loss)	<u>9,086,567</u>	<u>10,679,747</u>
Increase (decrease) in Net Assets from operations	<u><u>\$ 9,086,567</u></u>	<u><u>\$10,679,747</u></u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$ 936,766	\$ 1,178,442
Advisor Series Units	\$ 2,711	\$ 3,701
Premium Series Units	\$ 1,162,312	\$ 1,456,924
Series I Units	\$ 69,005	\$ 76,885
Series M Units	\$ 6,915,773	\$ 7,963,795
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.02	\$ 0.02
Advisor Series Units	\$ 0.02	\$ 0.02
Premium Series Units	\$ 0.05	\$ 0.05
Series I Units	\$ 0.07	\$ 0.07
Series M Units	\$ 0.07	\$ 0.07

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$ 582,051,484	\$ 690,727,895
Advisor Series Units	1,580,166	2,534,401
Premium Series Units	260,879,981	287,387,492
Series I Units	10,404,360	11,916,112
Series M Units	1,213,387,545	1,316,942,943
	<u>2,068,303,536</u>	<u>2,309,508,843</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	936,766	1,178,442
Advisor Series Units	2,711	3,701
Premium Series Units	1,162,312	1,456,924
Series I Units	69,005	76,885
Series M Units	6,915,773	7,963,795
	<u>9,086,567</u>	<u>10,679,747</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series A Units	(936,766)	(1,178,442)
Advisor Series Units	(2,711)	(3,701)
Premium Series Units	(1,162,312)	(1,456,924)
Series I Units	(69,005)	(76,885)
Series M Units	(6,915,773)	(7,963,795)
	<u>(9,086,567)</u>	<u>(10,679,747)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	179,711,351	272,138,869
Advisor Series Units	740,339	411,669
Premium Series Units	108,782,750	134,889,032
Series I Units	30,000	149,701
Series M Units	1,162,616,762	1,304,734,942
Reinvested distributions		
Series A Units	926,833	1,163,338
Advisor Series Units	2,467	3,621
Premium Series Units	1,154,647	1,450,587
Series I Units	69,002	76,885
Series M Units	6,868,856	7,895,525
Payments on redemption		
Series A Units	(245,741,094)	(316,502,729)
Advisor Series Units	(903,065)	(1,151,928)
Premium Series Units	(165,460,517)	(145,422,625)
Series I Units	(890,100)	(1,223,000)
Series M Units	(1,489,989,746)	(1,378,786,842)
	<u>(442,081,515)</u>	<u>(120,172,955)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	(65,102,910)	(43,200,522)
Advisor Series Units	(160,259)	(736,638)
Premium Series Units	(55,523,120)	(9,083,006)
Series I Units	(791,098)	(996,414)
Series M Units	(320,504,128)	(66,156,375)
	<u>(442,081,515)</u>	<u>(120,172,955)</u>
NET ASSETS – END OF PERIOD		
Series A Units	516,948,574	647,527,373
Advisor Series Units	1,419,907	1,797,763
Premium Series Units	205,356,861	278,304,486
Series I Units	9,613,262	10,919,698
Series M Units	892,883,417	1,250,786,568
	<u>\$ 1,626,222,021</u>	<u>\$ 2,189,335,888</u>

The accompanying notes are an integral part of the financial statements.

Scotia Money Market Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
MONEY MARKET INSTRUMENTS – 100.0%				MONEY MARKET INSTRUMENTS (cont'd)			
Treasury Bills – 1.5%				Short-Term Bonds – 67.1%			
24,500,000	Province of Ontario 0.00% due Jun. 11, 2014	24,217,270	24,223,641	32,110,000	Alberta Province (Floating Rate) 1.25% due Jun. 1, 2014	32,103,758	32,131,098
Promissory Notes – 0.1%				78,000,000	Bank of Montreal (Floating Rate) 1.39% due Jun. 20, 2014	78,000,000	78,020,793
1,070,000	Province of Prince Edward Island 0.00% due Aug. 06, 2013	1,068,459	1,068,829	20,000,000	Bank of Nova Scotia, The (Floating Rate) 1.62% due Sep. 19, 2013	20,002,279	20,010,218
Bankers' Acceptances – 6.8%				9,000,000	1.39% due May 28, 2014	9,001,925	9,001,925
27,670,000	Bank of Nova Scotia, The 0.00% due Jul. 08, 2013	27,645,549	27,662,529	2,500,000	1.45% due Oct. 20, 2014	2,500,400	2,507,352
16,000,000	HSBC Bank Canada 0.00% due Aug. 19, 2013	15,953,600	15,973,707	15,028,000	Bank of Nova Scotia, The 4.56% due Oct. 30, 2013	15,193,935	15,304,403
9,500,000	0.00% due Aug. 20, 2013	9,472,735	9,484,070	47,197,000	Bayerische Motoren Werke AG 2.76% due Apr. 1, 2014	47,696,308	48,009,509
20,000,000	0.00% due Sep. 03, 2013	19,940,600	19,957,387	48,337,000	Caisse Centrale Desjardins (Floating Rate) 1.80% due Feb. 11, 2014	48,437,218	48,549,201
1,500,000	Toronto-Dominion Bank, The 0.00% due Sep. 12, 2013	1,496,220	1,496,584	16,700,000	Canadian Imperial Bank of Commerce (Floating Rate) 1.64% due Jul. 19, 2013	16,700,000	16,706,847
5,000,000	0.00% due Sep. 17, 2013	4,986,350	4,987,867	64,000,000	1.47% due Oct. 8, 2014	64,000,000	64,051,551
23,000,000	0.00% due Sep. 18, 2013	22,935,590	22,943,505	27,824,000	Caterpillar Inc. 2.64% due Dec. 3, 2013	27,975,787	28,025,963
2,800,000	0.00% due Sep. 19, 2013	2,792,356	2,793,035	36,755,000	DCI Database for Commerce (Floating Rate) 2.52% due Sep. 16, 2013	36,847,257	36,877,747
5,000,000	0.00% due Sep. 25, 2013	4,985,450	4,986,663	19,761,000	Deere & Company 1.85% due Jan. 24, 2014	19,825,167	19,981,698
		110,208,450	110,285,347	19,064,000	Duke Energy Corporation 8.30% due Dec. 30, 2013	19,715,990	20,498,451
Commercial Paper – 24.5%				44,741,000	Enbridge Inc. (Floating Rate) 2.27% due Nov. 25, 2013	44,900,706	44,909,053
44,000,000	BCE Inc. 0.00% due Jul. 25, 2013	43,952,920	43,963,998	34,738,000	Finning International Inc. 5.16% due Sep. 3, 2013	34,961,691	35,531,582
17,000,000	Caterpillar Inc. 0.00% due Jul. 08, 2013	16,981,810	16,995,323	15,000,000	General Electric Company (Floating Rate) 2.10% due Feb. 10, 2014	15,064,511	15,105,054
10,200,000	Daimler Canada Finance Inc. 0.00% due Aug. 20, 2013	10,168,788	10,182,165	32,287,000	2.15% due Jun. 11, 2014	32,494,168	32,526,549
500,000	Enbridge Inc. 0.00% due Jul. 09, 2013	499,550	499,845	32,233,000	Honda Canada Finance Inc. 5.61% due Sep. 12, 2013	32,515,110	33,046,082
12,700,000	Honda Canada Finance Inc. 0.00% due Nov. 29, 2013	12,621,387	12,633,913	47,151,000	Hydro One Inc. 5.00% due Nov. 12, 2013	47,783,093	48,086,667
17,000,000	Imperial Oil Ltd. 0.00% due Jul. 02, 2013	16,985,550	16,998,452	25,488,000	John Deere Credit Inc. 3.90% due Jul. 29, 2013	25,541,660	25,953,552
19,000,000	0.00% due Jul. 03, 2013	18,984,420	18,997,692	46,000,000	Manulife Bank of Canada (Floating Rate) 1.80% due Dec. 3, 2014	46,070,249	46,127,068
8,000,000	0.00% due Jul. 09, 2013	7,993,200	7,997,571	81,000,000	National Bank of Canada (Floating Rate) 1.40% due Feb. 25, 2014	81,000,000	81,102,770
5,000,000	0.00% due Jul. 11, 2013	4,996,500	4,998,174	2,100,000	Province of New Brunswick 1.35% due Jun. 14, 2014	2,099,396	2,100,481
22,000,000	0.00% due Jul. 18, 2013	21,981,300	21,987,311	37,918,000	Nova Scotia Power Inc. 5.75% due Oct. 1, 2013	38,337,963	38,862,186
20,000,000	Lower Mattagami Energy 0.00% due Aug. 19, 2013	19,944,000	19,968,267	48,100,000	Province of Ontario (Floating Rate) 1.53% due Oct. 28, 2014	48,144,694	48,266,002
24,500,000	0.00% due Aug. 23, 2013	24,452,715	24,458,719	56,300,000	Royal Bank of Canada (Floating Rate) 1.53% due Sep. 26, 2013	56,300,002	56,304,672
17,800,000	Nestle Capital Canada 0.00% due Jul. 08, 2013	17,775,436	17,795,394	25,000,000	1.61% due Jan. 21, 2014	25,007,521	25,081,609
18,300,000	0.00% due Jul. 10, 2013	18,288,471	18,294,236	25,385,000	TransCanada PipeLines Ltd. 5.05% due Aug. 20, 2013	25,511,249	25,964,533
9,300,000	0.00% due Jul. 11, 2013	9,292,574	9,296,797	20,207,000	5.65% due Jan. 15, 2014	20,685,642	21,202,873
6,150,000	Nova Scotia Power Inc. 0.00% due Jul. 08, 2013	6,143,973	6,148,250	10,203,000	Union Gas Ltd. 7.90% due Feb. 24, 2014	10,629,491	10,905,592
20,482,000	Omers Finance Trust 0.00% due Jul. 12, 2013	20,449,808	20,473,929	46,694,000	VW Credit Canada 2.55% due Nov. 18, 2013	46,895,021	47,027,682
15,500,000	0.00% due Jul. 23, 2013	15,483,880	15,488,946	14,766,000	Wells Fargo Financial Canada Corporation 4.33% due Dec. 6, 2013	14,958,090	14,996,521
1,984,000	0.00% due Aug. 02, 2013	1,980,468	1,981,930			1,086,900,281	1,092,777,284
2,000,000	0.00% due Aug. 15, 2013	1,995,620	1,997,101			1,619,766,492	1,625,967,528
5,200,000	0.00% due Aug. 20, 2013	5,186,024	5,191,646				254,493
10,000,000	0.00% due Sep. 03, 2013	9,971,900	9,979,620				1,626,222,021
1,090,000	Province of Quebec 0.00% due Jul. 05, 2013	1,089,237	1,089,817				
25,500,000	Shoppers Drug Mart Corporation 0.00% due Jul. 05, 2013	25,486,995	25,495,410				
20,000,000	0.00% due Jul. 12, 2013	19,984,800	19,991,767				
14,770,000	Toyota Credit Canada Inc. 0.00% due Jul. 05, 2013	14,763,206	14,767,452				
10,000,000	Wells Fargo Financial Canada Corporation 0.00% due Aug. 29, 2013	9,972,700	9,981,497				
13,000,000	0.00% due Sep. 03, 2013	12,964,120	12,973,977				
7,000,000	0.00% due Sep. 16, 2013	6,980,680	6,983,228				
		397,372,032	397,612,427				
					TOTAL INVESTMENT PORTFOLIO		
					OTHER ASSETS, LESS LIABILITIES – 0.0%		
					NET ASSETS – 100.0%		

The accompanying notes are an integral part of the financial statements.

Scotia Money Market Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Treasury Bills	1.5	–
Promissory Notes	0.1	–
Bankers' Acceptances	6.8	7.8
Bearers' Deposit Notes	–	23
Commercial Paper	24.5	25
Short-Term Bonds	67.1	64.8

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of money market instruments.

Money Market Instruments*	June 30, 2013	December 31, 2012
Less than 1 year	\$1,625,967,528	\$2,065,538,676
1-3 years	–	–
3-5 years	–	–
5-10 years	–	–
> 10 years	–	–
Total	\$1,625,967,528	\$2,065,538,676

* Excludes cash

Credit risk (note 3)

The table below summarizes the credit ratings of the money market instruments, excluding cash, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Money Market Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Money Market Instruments (%)	Percentage of Net Assets (%)
Short-Term Rating				
R1-High	9.3	9.3	18.4	18.4
R1-Middle	9.7	9.7	5.3	5.3
R1-Low	10.4	10.4	11.4	11.4
Unrated	3.4	3.4	–	–
Bond Credit Rating				
AAA	2.0	2.0	13.1	13.1
AA	32.6	32.7	25.5	25.5
A	32.6	32.5	26.3	26.2
Total	100.0	100.0	100.0	99.9

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$538,577	\$3,628

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia U.S. \$ Money Market Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
	U.S. \$	U.S. \$
ASSETS		
Investments at fair value	\$75,864,302	\$94,558,285
Cash	129,510	58,515
Accrued investment income	175,800	176,923
	<u>76,169,612</u>	<u>94,793,723</u>
LIABILITIES		
Distributions payable	26	68
Accrued expenses	11,809	—
	<u>11,835</u>	<u>68</u>
Net Assets	<u>\$76,157,777</u>	<u>\$94,793,655</u>
NET ASSETS PER SERIES		
Series A Units	<u>\$76,157,777</u>	<u>\$94,793,655</u>
UNITS OUTSTANDING		
Series A Units	<u>7,615,778</u>	<u>9,479,365</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 10.00</u>	<u>\$ 10.00</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
	U.S. \$	U.S. \$
INVESTMENT INCOME		
Interest	\$ 125,246	\$ 221,367
EXPENSES		
Management fees (note 5)	495,926	491,971
Harmonized Sales Tax/Goods and Services Tax	12,503	18,225
Audit fees	979	2,186
Independent Review Committee fees	140	131
Custodian fees	2,068	2,001
Filing fees	9,456	10,870
Legal fees	341	738
Unitholder reporting costs	3,751	4,930
Unitholder administration and service fees	15,298	19,976
Overdraft charges	—	11
	<u>540,462</u>	<u>551,039</u>
Absorbed expenses	<u>(435,438)</u>	<u>(354,598)</u>
	<u>105,024</u>	<u>196,441</u>
Net investment income (loss)	<u>20,222</u>	<u>24,926</u>
Increase (decrease) in Net Assets from operations	<u>\$ 20,222</u>	<u>\$ 24,926</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>\$ 20,222</u>	<u>\$ 24,926</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
	<u>\$ 0.00</u>	<u>\$ 0.00</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
	U.S. \$	U.S. \$
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	<u>\$ 94,793,655</u>	<u>\$ 97,971,632</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>20,222</u>	<u>24,926</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series A Units	<u>(20,222)</u>	<u>(24,926)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	<u>27,971,766</u>	<u>35,072,286</u>
Reinvested distributions		
Series A Units	<u>20,117</u>	<u>24,742</u>
Payments on redemption		
Series A Units	<u>(46,627,761)</u>	<u>(38,530,000)</u>
	<u>(18,635,878)</u>	<u>(3,432,972)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	<u>(18,635,878)</u>	<u>(3,432,972)</u>
NET ASSETS – END OF PERIOD		
Series A Units	<u>\$ 76,157,777</u>	<u>\$ 94,538,660</u>

The accompanying notes are an integral part of the financial statements.

Scotia U.S. \$ Money Market Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
U.S. \$		U.S. \$	U.S. \$
MONEY MARKET INSTRUMENTS – 99.6%			
Promissory Notes – 7.2%			
	Province of Quebec		
5,500,000	0.00% due Sep. 10, 2013	5,497,580	5,498,318
Bankers' Acceptances – 0.4%			
	Bank of Montreal		
300,000	0.00% due Aug. 12, 2013	299,757	299,931
Bearers' Deposit Notes – 16.5%			
	Bank of Montreal		
600,000	0.00% due Jul. 09, 2013	599,814	599,976
300,000	0.00% due Aug. 06, 2013	299,919	299,960
1,500,000	0.00% due Sep. 03, 2013	1,499,475	1,499,592
900,000	0.00% due Oct. 07, 2013	899,019	899,452
	Caisse Centrale Desjardins		
2,100,000	0.00% due Sep. 18, 2013	2,099,034	2,099,159
	HSBC Bank Canada		
2,000,000	0.00% due Oct. 30, 2013	1,990,030	1,996,602
	National Bank of Canada		
1,100,000	0.00% due Jul. 05, 2013	1,099,912	1,099,982
2,300,000	0.00% due Apr. 15, 2014	2,292,571	2,294,081
	Royal Bank of Canada		
1,800,000	0.00% due Jan. 29, 2014	1,794,186	1,796,582
		12,573,960	12,585,386
Commercial Paper – 25.3%			
	Canada Pension Plan Investment Board		
3,600,000	0.00% due Jul. 16, 2013	3,599,136	3,599,767
	Canadian Wheat Board		
400,000	0.00% due Jul. 09, 2013	399,960	399,989
1,500,000	0.00% due Jul. 11, 2013	1,499,820	1,499,949
	Caterpillar Inc.		
800,000	0.00% due Jul. 10, 2013	799,880	799,956
	Enbridge Inc.		
2,000,000	0.00% due Sep. 12, 2013	1,998,540	1,998,797
	Finning International Inc.		
1,800,000	0.00% due Jul. 05, 2013	1,799,550	1,799,904
	Hydro-Quebec		
1,750,000	0.00% due Jul. 16, 2013	1,749,598	1,749,891
	Province of Ontario		
1,025,000	0.00% due Jul. 11, 2013	1,024,928	1,024,972
400,000	0.00% due Aug. 13, 2013	399,896	399,939
	Province of Quebec		
1,300,000	0.00% due Aug. 06, 2013	1,299,675	1,299,838
2,000,000	0.00% due Sep. 05, 2013	1,999,120	1,999,430
	Suncor Inc.		
2,000,000	0.00% due Jul. 18, 2013	1,999,620	1,999,759
	TransCanada Keystone		
675,000	0.00% due Aug. 06, 2013	674,669	674,780
		19,244,392	19,246,971
Short-Term Bonds – 50.2%			
	American Honda Finance Corporation (Floating Rate)		
1,000,000	0.41% due Apr. 8, 2014	1,001,212	1,002,125
1,125,000	0.73% due May 8, 2014	1,129,186	1,130,342
	Bank of Nova Scotia, The (Floating Rate)		
3,500,000	0.62% due Sep. 17, 2013	3,501,192	3,501,842
	Caisse Centrale Desjardins		
1,469,000	1.70% due Sep. 16, 2013	1,473,451	1,480,525
	Caterpillar Financial Services Limited		
1,000,000	6.13% due Feb. 17, 2014	1,036,811	1,059,097
	Canadian Imperial Bank of Commerce (Floating Rate)		
2,900,000	0.76% due Jan. 13, 2014	2,900,000	2,904,463
700,000	0.52% due Nov. 5, 2014	700,206	700,744

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
U.S. \$		U.S. \$	U.S. \$
MONEY MARKET INSTRUMENTS (cont'd)			
Short-Term Bonds (cont'd)			
	Dupont (E.I.) de Nemours and Company		
500,000	5.00% due Jul. 15, 2013	501,052	512,371
	General Electric Company (Floating Rate)		
2,000,000	0.53% due Sep. 15, 2014	2,003,950	2,004,298
	IBM Corp		
1,700,000	6.50% due Oct. 15, 2013	1,731,209	1,753,616
	John Deere Capital Corporation (Floating Rate)		
1,300,000	0.43% due Jul. 15, 2013	1,300,109	1,301,235
800,000	0.43% due Apr. 25, 2014	801,258	801,863
	Province of Nova Scotia		
8,020,000	7.25% due Jul. 27, 2013	8,063,341	8,307,228
	Province of Ontario (Floating Rate)		
5,100,000	0.42% due Apr. 1, 2015	5,102,392	5,107,736
	Royal Bank of Canada (Floating Rate)		
1,400,000	0.58% due Apr. 17, 2014	1,403,387	1,405,005
	Toronto-Dominion Bank, The (Floating Rate)		
1,600,000	0.46% due Jul. 26, 2013	1,600,279	1,601,554
1,755,000	0.72% due Nov. 1, 2013	1,757,002	1,759,005
	Toyota Credit Canada Inc. (Floating Rate)		
1,900,000	0.31% due Feb. 19, 2014	1,900,000	1,900,647
		37,906,037	38,233,696
	TOTAL INVESTMENT PORTFOLIO	75,521,726	75,864,302
	OTHER ASSETS, LESS LIABILITIES – 0.4%		293,475
	NET ASSETS – 100.0%		76,157,777

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Treasury Bills	–	0.3
Promissory Notes	7.2	3.5
Bankers' Acceptances	0.4	0.4
Bearers' Deposit Notes	16.5	15.2
Commercial Paper	25.3	26.5
Short-Term Bonds	50.2	53.8

The accompanying notes are an integral part of the financial statements.

Scotia U.S. \$ Money Market Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of money market instruments.

Money Market Instruments*	June 30, 2013 (U.S. \$)	December 31, 2012 (U.S. \$)
Less than 1 year	\$75,864,302	\$94,558,285
1-3 years	–	–
3-5 years	–	–
5-10 years	–	–
> 10 years	–	–
Total	\$75,864,302	\$94,558,285

* Excludes cash

Credit risk (note 3)

The table below summarizes the credit ratings of the money market instruments, excluding cash, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Money Market Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Money Market Instruments (%)	Percentage of Net Assets (%)
Short-Term Rating				
R1-High	17.1	17.1	16.9	16.9
R1-Middle	22.9	22.8	18.5	18.5
R1-Low	9.6	9.6	10.7	10.7
Bond Credit Rating				
AAA	3.8	3.8	3.6	3.6
AA	25.3	25.1	43.3	43.0
A	21.3	21.2	7.0	7.0
Total	100.0	99.6	100.0	99.7

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013 Less than 3 months (U.S. \$)	December 31, 2012 Less than 3 months (U.S. \$)
Accounts payable and accrued liabilities	\$11,835	\$68

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Short Term Bond Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$200,887,177	\$139,358,399
Cash	2,671,921	1,165,528
Accrued investment income	752,273	738,074
Receivable for securities sold	3,059,751	—
	<u>207,371,122</u>	<u>141,262,001</u>
LIABILITIES		
Payable for securities purchased	5,016,645	—
Distributions payable	74,484	—
Accrued expenses	15,856	—
	<u>5,106,985</u>	<u>—</u>
Net Assets	<u>\$202,264,137</u>	<u>\$141,262,001</u>
NET ASSETS PER SERIES		
Series M Units	<u>\$202,264,137</u>	<u>\$141,262,001</u>
UNITS OUTSTANDING		
Series M Units	<u>20,581,003</u>	<u>14,198,785</u>
NET ASSETS PER UNIT		
Series M Units	<u>\$ 9.83</u>	<u>\$ 9.95</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series M Units	<u>\$141,262,001</u>	<u>\$29,160,842</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series M Units	<u>37,865</u>	<u>395,051</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series M Units	<u>(2,571,798)</u>	<u>(659,307)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series M Units	<u>78,409,928</u>	<u>33,761,572</u>
Reinvested distributions		
Series M Units	<u>2,108,213</u>	<u>571,080</u>
Payments on redemption		
Series M Units	<u>(16,982,072)</u>	<u>(6,942,031)</u>
	<u>63,536,069</u>	<u>27,390,621</u>
INCREASE (DECREASE) IN NET ASSETS		
Series M Units	<u>61,002,136</u>	<u>27,126,365</u>
NET ASSETS – END OF PERIOD		
Series M Units	<u>\$202,264,137</u>	<u>\$56,287,207</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Interest	\$ 2,480,365	\$ 644,981
Securities lending	3,191	1,130
	<u>2,483,556</u>	<u>646,111</u>
EXPENSES		
Management fees (note 5)	60,839	13,924
Harmonized Sales Tax/Goods and Services Tax	7,048	2,028
Audit fees	2,088	1,668
Independent Review Committee fees	304	25
Custodian fees	438	556
Filing fees	7,058	6,964
Legal fees	788	882
Unitholder reporting costs	2,797	3,079
Unitholder administration and service fees	9,195	5,079
	<u>90,555</u>	<u>34,205</u>
Absorbed expenses	<u>—</u>	<u>(8,439)</u>
	<u>90,555</u>	<u>25,766</u>
Net investment income (loss)	<u>2,393,001</u>	<u>620,345</u>
Net realized gain (loss) on investments sold	(115,742)	102,850
Change in unrealized appreciation (depreciation) of investments	(2,239,394)	(328,144)
Net gain (loss) on investments	<u>(2,355,136)</u>	<u>(225,294)</u>
Increase (decrease) in Net Assets from operations	<u>\$ 37,865</u>	<u>\$ 395,051</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series M Units	<u>\$ 37,865</u>	<u>\$ 395,051</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series M Units	<u>\$ 0.00</u>	<u>\$ 0.10</u>

The accompanying notes are an integral part of the financial statements.

Scotia Short Term Bond Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBENTURE INSTRUMENTS – 99.3%			
Federal Bonds – 48.9%			
	Canada Housing Trust No. 1		
44,480,000	3.15% due Jun. 15, 2014	45,743,058	45,297,382
41,500,000	1.70% due Dec. 15, 2017	41,686,195	40,926,227
13,000,000	1.75% due Jun. 15, 2018	12,800,710	12,761,871
		<u>100,229,963</u>	<u>98,985,480</u>
Provincial Bonds – 15.0%			
	Financement Quebec		
5,380,000	3.25% due Jun. 1, 2014	5,546,231	5,476,368
	Province of Ontario		
25,080,000	1.90% due Sep. 8, 2017	25,255,560	24,821,086
		<u>30,801,791</u>	<u>30,297,454</u>
Mortgage-backed Securities – 0.0%			
	Schooner Trust		
75,000	4.36% due Sep. 12, 2020	78,305	78,437
Corporate Bonds – 35.4%			
	Anheuser-Busch Companies, Inc.		
3,500,000	2.38% due Jan. 25, 2018	3,483,130	3,456,448
	Bank of Montreal		
2,300,000	3.10% due Mar. 10, 2016	2,356,541	2,361,382
	Bell Canada		
3,680,000	3.60% due Dec. 2, 2015	3,818,309	3,801,383
	BMW Canada Inc.		
3,345,000	2.11% due May 26, 2016	3,344,297	3,339,729
	Canadian Imperial Bank of Commerce		
3,380,000	2.35% due Oct. 18, 2017	3,383,240	3,340,821
	Canadian Natural Resources Limited		
3,620,000	4.95% due Jun. 1, 2015	3,899,457	3,827,056
	General Electric Capital Corporation		
3,875,000	2.42% due May 31, 2018	3,874,806	3,790,582
	Golden Credit Card Trust		
250,000	3.82% due May 15, 2015	258,895	259,424
	Greater Toronto Airports Authority		
2,185,000	4.70% due Feb. 15, 2016	2,376,394	2,336,219
	HSBC Bank of Canada		
3,245,000	2.90% due Jan. 13, 2017	3,330,593	3,296,225
	John Deere Canada Funding Inc.		
3,800,000	1.95% due Jan. 14, 2016	3,794,604	3,793,193
	Kellogg Company		
5,000,000	2.10% due May 22, 2014	5,004,849	5,013,501
	National Bank of Canada		
3,310,000	3.58% due Apr. 26, 2016	3,448,163	3,436,599
	NAV Canada		
3,580,000	4.71% due Feb. 24, 2016	3,899,276	3,832,706
	Rogers Communications Inc.		
3,760,000	3.00% due Jun. 6, 2017	3,837,503	3,792,581
	Royal Bank of Canada		
3,420,000	2.36% due Sep. 21, 2017	3,430,071	3,383,283
	TELUS Corporation		
3,550,000	4.95% due Mar. 15, 2017	3,935,451	3,839,754
	Thomson Reuters Corporation		
3,515,000	6.00% due Mar. 31, 2016	3,952,438	3,854,778
	Toronto-Dominion Bank, The		
3,680,000	2.17% due Apr. 2, 2018	3,680,000	3,600,023
	VW Credit Canada, Inc.		
3,330,000	2.50% due Jun. 1, 2015	3,372,416	3,366,961
	Wells Fargo Financial Canada Corporation		
3,765,000	2.77% due Feb. 9, 2017	3,815,398	3,803,158
		<u>72,295,831</u>	<u>71,525,806</u>
	TOTAL INVESTMENT PORTFOLIO	<u>203,405,890</u>	<u>200,887,177</u>
	OTHER ASSETS, LESS LIABILITIES – 0.7%		<u>1,376,960</u>
	NET ASSETS – 100.0%		<u>202,264,137</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Federal Bonds	48.9	46.6
Provincial Bonds	15.0	17.6
Mortgage-Backed Securities	0.0	0.1
Corporate Bonds	35.4	34.3

The accompanying notes are an integral part of the financial statements.

Scotia Short Term Bond Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of bond and debenture instruments.

Interest Rate Exposure*	June 30, 2013	December 31, 2012
Less than 1 year	\$ 55,787,251	\$ –
1-3 years	34,287,866	56,262,314
3-5 years	110,812,060	83,096,085
5-10 years	–	–
> 10 years	–	–
Total	\$200,887,177	\$139,358,399

* Excludes cash, money market instruments, and preferred shares as applicable.

As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$1,782,145, or approximately 0.9% of total Net Assets (December 31, 2012 – \$978,489, or approximately 0.7% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit ratings of the bond and debenture instruments, excluding cash and money market instruments but including preferred shares, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
AAA	49.5	49.2	47.5	46.8
AA	25.8	25.6	31.9	31.4
A	18.4	18.3	16.6	16.4
BBB	6.3	6.2	4.0	4.0
Total	100.0	99.3	100.0	98.6

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$5,106,985	\$ –

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Private Short-Mid Government Bond Pool (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$1,384,931,219	\$1,217,209,095
Cash	16,086	11,973,530
Accrued investment income	4,562,745	2,839,288
Subscriptions receivable	2,451,492	1,527,999
Receivable for futures contracts	178,061	103,400
	<u>1,392,139,603</u>	<u>1,233,653,312</u>
LIABILITIES		
Distributions payable	200,291	—
Redemptions payable	1,033,489	663,922
Accrued expenses	68,981	—
	<u>1,302,761</u>	<u>663,922</u>
Net Assets	<u>\$1,390,836,842</u>	<u>\$1,232,989,390</u>
NET ASSETS PER SERIES		
Series I Units	\$ 595,437,080	\$ 478,915,573
Series M Units	\$ 795,399,762	\$ 754,073,817
UNITS OUTSTANDING		
Series I Units	57,300,857	45,018,188
Series M Units	76,525,899	70,869,754
NET ASSETS PER UNIT		
Series I Units	\$ 10.39	\$ 10.64
Series M Units	\$ 10.39	\$ 10.64

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Interest	\$ 19,045,472	\$ 16,810,015
Securities lending	22,813	34,485
	<u>19,068,285</u>	<u>16,844,500</u>
EXPENSES		
Management fees (note 5)	266,278	239,648
Harmonized Sales Tax/Goods and Services Tax	36,009	30,188
Audit fees	15,601	11,829
Independent Review Committee fees	2,304	543
Custodian fees	7,158	7,867
Filing fees	8,033	7,902
Legal fees	5,648	4,049
Unitholder reporting costs	8,248	4,040
Unitholder administration and service fees	69,373	38,521
Overdraft charges	—	4
	<u>418,652</u>	<u>344,591</u>
Absorbed expenses	(63)	—
	<u>418,589</u>	<u>344,591</u>
Net investment income (loss)	<u>18,649,696</u>	<u>16,499,909</u>
Net realized gain (loss) on investments sold	1,820,361	36,403,947
Net realized gain (loss) on futures contracts	1,618,728	(71,451)
Transaction costs	(5,541)	(6,519)
Change in unrealized appreciation (depreciation) of investments	(34,623,350)	(36,893,824)
Net gain (loss) on investments and transaction costs	(31,189,802)	(567,847)
Increase (decrease) in Net Assets from operations	<u>\$(12,540,106)</u>	<u>\$ 15,932,062</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series I Units	\$ (5,302,223)	\$ 5,136,828
Series M Units	\$ (7,237,883)	\$ 10,795,234
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series I Units	\$ (0.10)	\$ 0.18
Series M Units	\$ (0.10)	\$ 0.17

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series I Units	\$ 478,915,573	\$ 478,188,970
Series M Units	754,073,817	645,995,359
	<u>1,232,989,390</u>	<u>1,124,184,329</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series I Units	(5,302,223)	5,136,828
Series M Units	(7,237,883)	10,795,234
	<u>(12,540,106)</u>	<u>15,932,062</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series I Units	(8,707,395)	(5,858,530)
Series M Units	(11,592,167)	(12,225,981)
	<u>(20,299,562)</u>	<u>(18,084,511)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series I Units	136,473,899	77,789,087
Series M Units	156,306,513	184,740,427
Reinvested distributions		
Series I Units	8,707,379	5,858,517
Series M Units	10,092,560	10,505,231
Payments on redemption		
Series I Units	(14,650,153)	(265,387,957)
Series M Units	(106,243,078)	(99,174,924)
	<u>190,687,120</u>	<u>(85,669,619)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series I Units	116,521,507	(182,462,055)
Series M Units	41,325,945	94,639,987
	<u>157,847,452</u>	<u>(87,822,068)</u>
NET ASSETS – END OF PERIOD		
Series I Units	595,437,080	295,726,915
Series M Units	795,399,762	740,635,346
	<u>\$1,390,836,842</u>	<u>\$1,036,362,261</u>

The accompanying notes are an integral part of the financial statements.

Scotia Private Short-Mid Government Bond Pool (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBENTURE INSTRUMENTS – 99.6%			
Federal Bonds – 67.0%			
	Canada Housing Trust No. 1		
34,500,000	2.75% due Dec. 15, 2014	35,350,080	35,232,892
198,335,000	2.75% due Dec. 15, 2015	206,440,704	204,359,884
117,440,000	2.75% due Jun. 15, 2016	122,567,618	121,247,813
90,000,000	1.75% due Jun. 15, 2018	88,937,000	88,351,415
135,670,000	4.10% due Dec. 15, 2018	152,776,519	148,465,040
336,550,000	2.65% due Mar. 15, 2022	345,389,680	333,523,308
		<u>951,461,601</u>	<u>931,180,352</u>
Provincial Bonds – 32.6%			
	Financement-Quebec		
95,000,000	2.40% due Dec. 1, 2018	95,871,150	94,403,122
	Province of British Columbia		
50,000,000	3.70% due Dec. 18, 2020	55,484,500	53,054,315
	Province of New Brunswick		
40,000,000	3.35% due Dec. 3, 2021	41,828,800	40,534,510
47,200,000	2.85% due Jun. 2, 2023	46,727,056	45,041,409
	Province of Nova Scotia		
20,000,000	4.10% due Jun. 1, 2021	22,012,600	21,510,630
	Province of Ontario		
130,000,000	1.90% due Sep. 8, 2017	130,918,600	128,657,942
65,000,000	4.20% due Jun. 2, 2020	72,466,437	70,548,939
		<u>465,309,143</u>	<u>453,750,867</u>
	TOTAL INVESTMENT PORTFOLIO	<u>1,416,770,744</u>	<u>1,384,931,219</u>
	Futures Contracts – 0.0%		178,061
	OTHER ASSETS, LESS LIABILITIES – 0.4%		<u>5,727,562</u>
	NET ASSETS – 100.0%		<u><u>1,390,836,842</u></u>

BOND FUTURES CONTRACTS

Number of Contracts	Contract Issuer	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
(265)	Canada 10 Year Bond Future – Sep. 2013	(36,078,317)	(34,797,150)	<u>1,281,167</u>

The above futures contracts are financial agreements to purchase/sell the bonds at a contracted price on a specific future date. However, the Fund does not intend to purchase/sell the bonds on settlement. Rather, it intends to close out each futures contract before settlement by entering into equal, but offsetting futures contracts.

With respect to the above futures contracts, \$500,000 of the June 15, 2016 Canada Housing Trust No.1 2.75% are held on margin.

The futures contracts outstanding at June 30, 2013 are placed with a financial institution with a minimum credit rating of A+ by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Federal Bonds	67.0	61.4
Provincial Bonds	32.6	37.3
Futures Contracts	0.0	0.0

The accompanying notes are an integral part of the financial statements.

Scotia Private Short-Mid Government Bond Pool (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of bond and debenture instruments.

Interest Rate Exposure*	June 30, 2013	December 31, 2012
Less than 1 year	\$ –	\$ –
1-3 years	360,840,589	199,655,550
3-5 years	217,009,358	183,436,959
5-10 years	807,081,272	834,116,586
> 10 years	–	–
Total	\$1,384,931,219	\$1,217,209,095

* Excludes cash, money market instruments, and preferred shares as applicable.

As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$20,009,110, or approximately 1.4% of total Net Assets (December 31, 2012 – \$16,217,565, or approximately 1.3% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit ratings of the bond and debenture instruments, excluding cash and money market instruments but including preferred shares, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
AAA	67.3	67.0	62.2	61.4
AA	18.2	18.1	24.6	24.3
A	14.5	14.5	13.2	13.0
Total	100.0	99.6	100.0	98.7

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$1,302,761	\$663,922

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Mortgage Income Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$280,129,077	\$290,387,261
Cash	21,567,390	29,231,291
Accrued investment income	135,458	422,312
Subscriptions receivable	10,112	42,050
Mortgage payments receivable	483,167	755,314
	<u>302,325,204</u>	<u>320,838,228</u>
LIABILITIES		
Distributions payable	10,536	116
Redemptions payable	141,569	102,293
Accrued expenses	194,985	—
	<u>347,090</u>	<u>102,409</u>
Net Assets	<u>\$301,978,114</u>	<u>\$320,735,819</u>
NET ASSETS PER SERIES		
Series A Units	\$170,781,981	\$195,837,906
Series F Units	\$ 1,114,660	\$ 1,555,088
Series I Units	\$130,081,473	\$123,342,825
UNITS OUTSTANDING		
Series A Units	15,862,439	18,130,071
Series F Units	103,808	144,342
Series I Units	12,168,987	11,492,364
NET ASSETS PER UNIT		
Series A Units	\$ 10.77	\$ 10.80
Series F Units	\$ 10.74	\$ 10.77
Series I Units	\$ 10.69	\$ 10.73

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Interest	\$5,184,780	\$7,659,679
Securities lending	—	2,276
Other income	1,721	855
	<u>5,186,501</u>	<u>7,662,810</u>
EXPENSES		
Management fees (note 5)	1,124,262	1,389,620
Harmonized Sales Tax/Goods and Services Tax	210,863	256,793
Audit fees	3,676	6,003
Independent Review Committee fees	536	747
Custodian fees	33	822
Filing fees	10,799	13,460
Legal fees	1,323	2,018
Unitholder reporting costs	11,051	15,124
Unitholder administration and service fees	82,150	93,894
Mortgage service fees	624,547	775,685
Overdraft charges	229	—
	<u>2,069,469</u>	<u>2,554,166</u>
Absorbed expenses	<u>(149,654)</u>	<u>(92,735)</u>
	<u>1,919,815</u>	<u>2,461,431</u>
Net investment income (loss)	<u>3,266,686</u>	<u>5,201,379</u>
Net realized gain (loss) on investments sold	76,306	13,926
Change in unrealized appreciation (depreciation) of investments	(765,489)	89,848
Net gain (loss) on investments	<u>(689,183)</u>	<u>103,774</u>
Increase (decrease) in Net Assets from operations	<u>\$2,577,503</u>	<u>\$5,305,153</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$ 954,427	\$2,109,370
Series F Units	\$ 11,339	\$ 26,272
Series I Units	<u>\$1,611,737</u>	<u>\$3,169,511</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.06	\$ 0.10
Series F Units	\$ 0.09	\$ 0.14
Series I Units	<u>\$ 0.14</u>	<u>\$ 0.17</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$195,837,906	\$234,381,130
Series F Units	1,555,088	2,353,019
Series I Units	<u>123,342,825</u>	<u>221,444,188</u>
	<u>320,735,819</u>	<u>458,178,337</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	954,427	2,109,370
Series F Units	11,339	26,272
Series I Units	<u>1,611,737</u>	<u>3,169,511</u>
	<u>2,577,503</u>	<u>5,305,153</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series A Units	(1,552,855)	(2,539,142)
Series F Units	(15,771)	(30,580)
Series I Units	<u>(2,116,903)</u>	<u>(3,867,378)</u>
	<u>(3,685,529)</u>	<u>(6,437,100)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	5,032,729	8,349,620
Series F Units	47,000	57,727
Series I Units	<u>5,126,916</u>	<u>4,375,157</u>
Reinvested distributions		
Series A Units	1,480,298	2,422,500
Series F Units	14,931	26,195
Series I Units	<u>2,116,898</u>	<u>3,867,378</u>
Payments on redemption		
Series A Units	(30,970,524)	(28,414,641)
Series F Units	(497,927)	(591,816)
Series I Units	<u>—</u>	<u>(27,949,996)</u>
	<u>(17,649,679)</u>	<u>(37,857,876)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	(25,055,925)	(18,072,293)
Series F Units	(440,428)	(512,202)
Series I Units	<u>6,738,648</u>	<u>(20,405,328)</u>
	<u>(18,757,705)</u>	<u>(38,989,823)</u>
NET ASSETS – END OF PERIOD		
Series A Units	170,781,981	216,308,837
Series F Units	1,114,660	1,840,817
Series I Units	<u>130,081,473</u>	<u>201,038,860</u>
	<u>\$301,978,114</u>	<u>\$419,188,514</u>

The accompanying notes are an integral part of the financial statements.

Scotia Mortgage Income Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Interest Rate (%)	Number	Principal Balance (\$)	Amortized Cost (\$)	Market Value (\$)
CONVENTIONAL MORTGAGES – 92.8%				
2.25 – 2.49	170	13,791,297	13,716,826	13,707,431
2.50 – 2.74	99	11,501,083	11,481,581	11,400,964
2.75 – 2.99	301	43,190,978	43,082,138	42,841,189
3.00 – 3.24	40	6,656,336	6,647,145	6,611,143
3.25 – 3.49	283	49,762,752	49,880,873	50,337,735
3.50 – 3.74	344	48,316,572	48,472,995	49,188,802
3.75 – 3.99	462	41,599,773	41,783,003	42,452,709
4.00 – 4.24	181	9,592,807	9,627,258	9,745,661
4.25 – 4.49	224	18,180,937	18,205,699	18,425,172
4.50 – 4.74	135	11,399,428	11,415,140	11,493,682
4.75 – 4.99	113	8,447,138	8,468,776	8,503,990
5.00 – 5.24	14	1,634,901	1,629,646	1,696,874
5.25 – 5.49	30	2,787,029	2,789,685	2,871,237
5.50 – 5.74	47	4,325,576	4,343,545	4,452,668
5.75 – 5.99	31	3,663,885	3,685,127	3,784,083
6.50 – 6.74	32	2,423,282	2,440,561	2,449,857
6.75 – 6.99	2	24,697	25,155	25,455
7.00 – 7.24	2	125,579	133,108	140,425
TOTAL	2,510	277,424,050	277,828,261	280,129,077
TOTAL INVESTMENT PORTFOLIO				277,828,261
OTHER ASSETS, LESS LIABILITIES – 7.2%				21,849,037
NET ASSETS – 100.0%				301,978,114

Mortgages by Type of Property

As at June 30, 2013

	Number of Mortgages	Principal Balance (\$)	Market Value (\$)
Single Family Dwelling	2,353	261,987,074	264,745,834
Condominiums	98	9,366,953	9,325,151
Multi-Unit Dwelling of up to 8 Units	59	6,070,023	6,058,092
TOTAL	2,510	277,424,050	280,129,077

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Conventional Mortgages	92.8	90.5

Mortgages by Geographic Location

As at June 30, 2013

Province	Number of Mortgages	Principal Balance (\$)	Market Value (\$)
Ontario	970	108,304,687	109,214,815
Alberta	353	45,068,437	45,474,414
Quebec	306	31,265,075	31,714,854
British Columbia	300	51,006,824	51,536,144
Nova Scotia	163	11,373,120	11,458,084
Newfoundland and Labrador	121	7,570,898	7,635,063
New Brunswick	106	6,779,331	6,866,155
Saskatchewan	91	9,935,662	10,044,430
Manitoba	66	4,066,684	4,115,966
Prince Edward Island	21	787,396	792,138
Northwest Territories	9	759,708	768,420
Yukon Territories	4	506,228	508,594
TOTAL	2,510	277,424,050	280,129,077

The accompanying notes are an integral part of the financial statements.

Scotia Mortgage Income Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of bond and debenture instruments.

	June 30, 2013	December 31, 2012
	Percentage of Net Assets (%)	Percentage of Net Assets (%)
Mortgages of more than 7 years to 10 years	0.1	0.1
Mortgages of more than 6 years to 7 years	0.1	0.1
Mortgages of more than 5 years to 6 years	–	0.1
Mortgages of more than 4 years to 5 years	2.9	6.9
Mortgages of more than 3 years to 4 years	23.1	16.6
Mortgages of more than 2 years to 3 years	10.5	18.0
Mortgages of more than 1 years to 2 years	15.4	19.6
Mortgages of more than 6 months to 1 year	16.0	7.0
Mortgages of 6 months or less	24.7	22.1
Total	92.8	90.5

As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$1,251,004, or approximately 0.4% of total Net Assets (December 31, 2012 – \$1,283,111, or approximately 0.4% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

As the Fund invests primarily in mortgages, this represents the main concentration of credit risk. The market value of debt instruments includes consideration of the creditworthiness of the issuer and accordingly, represents the maximum credit risk exposure to the Fund. The Bank of Nova Scotia ("BNS") will buy any mortgage that is in default if it was purchased from Scotia Mortgage Corporation or from BNS.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$347,090	\$102,409

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Bond Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$359,019,070	\$365,849,183
Cash	251,115	2,048,366
Accrued investment income	2,062,044	2,198,938
Receivable for securities sold	—	7,757,709
Subscriptions receivable	173,484	446,084
Receivable for futures contracts	41,091	29,481
	<u>361,546,804</u>	<u>378,329,761</u>
LIABILITIES		
Payable for securities purchased	—	7,827,312
Distributions payable	8,588	107
Redemptions payable	386,418	254,875
Accrued expenses	182,425	—
	<u>577,431</u>	<u>8,082,294</u>
Net Assets	<u>\$360,969,373</u>	<u>\$370,247,467</u>
NET ASSETS PER SERIES		
Series A Units	\$172,975,367	\$197,653,999
Series I Units	\$187,994,006	\$172,593,468
UNITS OUTSTANDING		
Series A Units	16,703,436	18,425,540
Series I Units	18,158,315	16,083,470
NET ASSETS PER UNIT		
Series A Units	\$ 10.36	\$ 10.73
Series I Units	\$ 10.35	\$ 10.73

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Interest	\$ 6,789,513	\$ 8,565,479
Securities lending	10,214	21,827
Other income	5,708	7,263
	<u>6,805,435</u>	<u>8,594,569</u>
EXPENSES		
Management fees (note 5)	1,026,945	819,449
Harmonized Sales Tax/Goods and Services Tax	119,264	87,633
Audit fees	4,394	6,413
Independent Review Committee fees	644	420
Custodian fees	4,129	4,322
Filing fees	12,303	10,211
Legal fees	1,567	2,014
Unitholder reporting costs	8,265	8,164
Unitholder administration and service fees	47,364	41,018
	<u>1,224,875</u>	<u>979,644</u>
Absorbed expenses	(7)	—
	<u>1,224,868</u>	<u>979,644</u>
Net investment income (loss)	<u>5,580,567</u>	<u>7,614,925</u>
Net realized gain (loss) on investments sold	428,128	10,384,622
Net realized gain (loss) on futures contracts	1,001,758	(396,084)
Net gain (loss) foreign exchange	(159)	—
Transaction costs	(11,194)	(4,605)
Change in unrealized appreciation (depreciation) of investments	(14,117,318)	(5,999,349)
Net gain (loss) on investments and transaction costs	<u>(12,698,785)</u>	<u>3,984,584</u>
Increase (decrease) in Net Assets from operations	<u>\$ (7,118,218)</u>	<u>\$11,599,509</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$ (3,945,736)	\$ 3,351,294
Series I Units	\$ (3,172,482)	\$ 8,248,215
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ (0.22)	\$ 0.24
Series I Units	\$ (0.18)	\$ 0.29

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$197,653,999	\$121,262,944
Series I Units	172,593,468	303,434,592
	<u>370,247,467</u>	<u>424,697,536</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	(3,945,736)	3,351,294
Series I Units	(3,172,482)	8,248,215
	<u>(7,118,218)</u>	<u>11,599,509</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series A Units	(2,431,077)	(2,022,996)
Series I Units	(3,638,066)	(6,195,896)
	<u>(6,069,143)</u>	<u>(8,218,892)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	23,500,043	62,209,307
Series I Units	18,573,021	13,895,541
Reinvested distributions		
Series A Units	2,359,026	1,962,704
Series I Units	3,638,065	6,195,865
Payments on redemption		
Series A Units	(44,160,888)	(21,326,161)
Series I Units	—	(13,749,104)
	<u>3,909,267</u>	<u>49,188,152</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	(24,678,632)	44,174,148
Series I Units	15,400,538	8,394,621
	<u>(9,278,094)</u>	<u>52,568,769</u>
NET ASSETS – END OF PERIOD		
Series A Units	172,975,367	165,437,092
Series I Units	187,994,006	311,829,213
	<u>\$360,969,373</u>	<u>\$477,266,305</u>

The accompanying notes are an integral part of the financial statements.

Scotia Bond Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBT INSTRUMENTS – 99.6%				BOND AND DEBT INSTRUMENTS (cont'd)			
Federal Bonds – 43.7%				Corporate Bonds (cont'd)			
	Canada Housing Trust No. 1				Great-West Lifeco Inc.		
5,190,000	4.10% due Dec. 15, 2018	5,869,041	5,679,469	2,500,000	6.67% due Mar. 21, 2033	2,656,234	3,168,771
67,715,000	3.80% due Jun. 15, 2021	75,117,775	73,174,781		Greater Toronto Airports Authority		
56,125,000	2.40% due Dec. 15, 2022	55,934,315	53,987,519	2,000,000	3.04% due Sep. 21, 2022	1,999,820	1,942,143
9,920,000	2.35% due Sep. 15, 2023	9,491,388	9,411,403	3,240,000	7.10% due Jun. 4, 2031	3,785,189	4,351,744
	Government of Canada				HSBC Bank of Canada		
10,000,000	3.00% due Jun. 1, 2014	10,173,850	10,167,146	2,500,000	2.94% due Jan. 14, 2020	2,500,000	2,453,106
4,270,000	2.00% due Dec. 1, 2014	4,327,206	4,318,058		John Deere Credit Inc.		
660,000	5.75% due Jun. 1, 2029	957,157	913,958	2,400,000	2.30% due Jul. 5, 2016	2,399,448	2,411,615
		161,870,732	157,652,334		Manulife Financial Corporation		
Provincial Bonds – 26.3%				2,500,000	4.90% due Jun. 2, 2014	2,612,175	2,570,647
	Hydro-Quebec				NAV Canada		
3,250,000	11.00% due Aug. 15, 2020	5,075,751	4,924,588	2,500,000	5.30% due Apr. 17, 2019	2,677,893	2,829,173
	Province of British Columbia			2,500,000	Rogers Communications Inc.		
10,750,000	4.65% due Dec. 18, 2018	12,253,848	12,027,954		4.00% due Jun. 6, 2022	2,490,000	2,477,866
5,940,000	5.70% due Jun. 18, 2029	7,503,915	7,394,370		Royal Bank of Canada		
	Province of Ontario			3,000,000	2.36% due Sep. 21, 2017	3,000,000	2,967,792
5,320,000	4.40% due Jun. 2, 2019	5,980,102	5,838,878		Sun Life Financial Inc. (callable)		
48,785,000	6.50% due Mar. 8, 2029	67,345,642	64,684,624	2,500,000	4.95% due Jun. 1, 2036(2016)	2,550,408	2,645,575
		98,159,258	94,870,414		Suncor Energy, Inc.		
Municipal Bonds – 2.3%				2,500,000	5.80% due May 22, 2018	2,634,295	2,822,618
	Municipal Finance Authority of British Columbia				TELUS Corporation (callable)		
7,500,000	4.60% due Apr. 23, 2018	8,378,775	8,220,668	2,500,000	3.35% due Apr. 1, 2024(Jan. 2, 2024)	2,485,875	2,321,179
Mortgage-backed Securities – 3.5%				3,440,000	5.75% due Dec. 17, 2040	3,440,000	3,685,467
	Merrill Lynch Financial Assets Inc.				Toronto Hydro Corporation		
2,820,000	4.83% due Feb. 12, 2016	2,480,414	2,981,525	2,000,000	3.54% due Nov. 18, 2021	1,999,000	2,028,316
3,010,000	4.98% due Jun. 12, 2016	2,655,834	3,216,218		Toronto-Dominion Bank, The (callable)		
	Real Estate Asset Liquidity Trust			2,700,000	4.78% due Dec. 14, 2105-(2016)	2,636,421	2,901,998
3,350,000	4.78% due Mar. 12, 2017	2,864,573	3,604,599		VW Credit Canada, Inc.		
	Schooner Trust			3,000,000	2.20% due Oct. 11, 2016	2,996,910	2,987,890
2,500,000	5.19% due Jun. 12, 2022	2,157,983	2,733,418		Wells Fargo Financial Canada Corporation		
		10,158,804	12,535,760	2,500,000	2.94% due Jul. 25, 2019	2,500,000	2,469,799
Corporate Bonds – 23.8%						82,497,298	85,739,894
	407 International Inc.				TOTAL INVESTMENT PORTFOLIO	361,064,867	359,019,070
2,500,000	4.30% due May 26, 2021	2,499,150	2,676,584		Futures Contracts – 0.0%		41,091
	Bank of Montreal				OTHER ASSETS, LESS LIABILITIES – 0.4%		1,909,212
3,000,000	6.02% due May 2, 2018	3,406,170	3,434,850		NET ASSETS – 100.0%		360,969,373
	Bank of Nova Scotia, The (callable)						
3,000,000	3.04% due Oct. 18, 2024-(2019)	3,000,000	2,953,151				
	Bell Canada						
2,500,000	3.35% due Jun. 18, 2019	2,520,650	2,496,596				
	BMW Canada Inc.						
2,500,000	2.11% due May 26, 2016	2,499,250	2,496,061				
	BRP Finance ULC						
2,500,000	5.14% due Oct. 13, 2020	2,499,025	2,675,254				
	Canadian Natural Resources Limited						
2,500,000	3.05% due Jun. 19, 2019	2,498,425	2,483,326				
	Caterpillar Financial Services Limited						
2,500,000	2.63% due Jun. 1, 2017	2,499,425	2,508,696				
	CIBC Capital Trust (callable)						
1,700,000	9.98% due Jun. 30, 2108-(2019)	2,272,781	2,246,483				
	CU Inc.						
2,500,000	4.80% due Nov. 22, 2021	2,490,715	2,773,941				
	Daimler Canada Finance Inc.						
2,500,000	2.33% due Sep. 14, 2015	2,499,925	2,517,840				
	EnCana Corporation						
3,010,000	5.80% due Jan. 18, 2018	3,272,773	3,348,650				
	GE Capital Canada Funding Company						
3,000,000	5.73% due Oct. 22, 2037	2,675,341	3,498,523				
	Golden Credit Card Trust						
2,500,000	3.82% due May 15, 2015	2,500,000	2,594,240				

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Federal Bonds	43.7	44.4
Provincial Bonds	26.3	26.3
Municipal Bonds	2.3	–
Mortgage-Backed Securities	3.5	3.4
Corporate Bonds	23.8	24.7
Future Contracts	0.0	0.0

The accompanying notes are an integral part of the financial statements.

Scotia Bond Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of bond and debenture instruments.

Interest Rate Exposure*	June 30, 2013	December 31, 2012
Less than 1 year	\$ 12,737,793	\$ –
1-3 years	20,769,517	30,199,249
3-5 years	37,942,793	34,339,725
5-10 years	188,138,928	208,835,430
> 10 years	99,430,039	92,474,779
Total	\$359,019,070	\$365,849,183

* Excludes cash, money market instruments, and preferred shares as applicable.

As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$7,806,896, or approximately 2.2% of total Net Assets (December 31, 2012 – \$6,679,207, or approximately 1.8% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit ratings of the bond and debenture instruments, excluding cash and money market instruments but including preferred shares, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
AAA	50.4	50.3	49.1	48.5
AA	31.5	31.3	32.5	32.1
A	14.0	13.9	14.3	14.1
BBB	4.1	4.1	4.1	4.1
Total	100.0	99.6	100.0	98.8

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$577,431	\$8,082,294

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Canadian Income Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$6,281,497,843	\$5,919,666,015
Cash	4,944,668	19,411,925
Accrued investment income	36,215,145	37,885,742
Receivable for securities sold	169,948,456	89,695,045
Subscriptions receivable	14,018,943	3,348,816
Receivable for futures contracts	2,421,634	428,901
	<u>6,509,046,689</u>	<u>6,070,436,444</u>
LIABILITIES		
Payable for securities purchased	176,867,565	90,499,796
Distributions payable	345,149	437
Redemptions payable	4,973,593	1,743,816
Accrued expenses	1,933,722	—
Payable for futures contracts	919,039	—
	<u>185,039,068</u>	<u>92,244,049</u>
Net Assets	<u>\$6,324,007,621</u>	<u>\$5,978,192,395</u>
NET ASSETS PER SERIES		
Series A Units	\$1,556,361,718	\$1,697,788,074
Advisor Series Units	\$19,982,390	\$25,259,657
Series F Units	\$2,322,675	\$2,493,918
Series I Units	\$4,061,777,769	\$3,640,679,718
Series M Units	\$683,563,069	\$611,971,028
UNITS OUTSTANDING		
Series A Units	115,006,013	121,198,425
Advisor Series Units	1,480,613	1,808,368
Series F Units	172,217	178,593
Series I Units	301,732,546	261,105,204
Series M Units	50,762,823	43,876,719
NET ASSETS PER UNIT		
Series A Units	\$13.53	\$14.01
Advisor Series Units	\$13.50	\$13.97
Series F Units	\$13.49	\$13.96
Series I Units	\$13.46	\$13.94
Series M Units	\$13.47	\$13.95

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Interest	\$111,163,761	\$90,231,051
Securities lending	169,896	61,181
Other income	23,839	31,024
	<u>111,357,496</u>	<u>90,323,256</u>
EXPENSES		
Management fees (note 5)	10,599,752	9,374,170
Harmonized Sales Tax/Goods and Services Tax	1,264,852	1,069,782
Audit fees	73,333	51,052
Independent Review Committee fees	10,841	5,440
Custodian fees	36,739	22,861
Filing fees	60,896	43,931
Legal fees	26,347	18,062
Unitholder reporting costs	81,757	62,305
Unitholder administration and service fees	639,468	479,197
Overdraft charges	50	521
	<u>12,794,035</u>	<u>11,127,321</u>
Absorbed expenses	(394)	(14,194)
	<u>12,793,641</u>	<u>11,113,127</u>
Net investment income (loss)	<u>98,563,855</u>	<u>79,210,129</u>
Net realized gain (loss) on investments sold	14,425,808	64,692,576
Net realized gain (loss) on futures contracts	16,882,302	(7,446,484)
Net gain (loss) foreign exchange	10,405	—
Transaction costs	(391,486)	(54,099)
Change in unrealized appreciation (depreciation) of investments	(246,141,234)	2,521,074
Net gain (loss) on investments and transaction costs	<u>(215,214,205)</u>	<u>59,713,067</u>
Increase (decrease) in Net Assets from operations	<u>\$(116,650,350)</u>	<u>\$138,923,196</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$(36,486,737)	\$31,771,758
Advisor Series Units	\$(493,277)	\$541,844
Series F Units	\$(48,966)	\$48,189
Series I Units	\$(68,055,635)	\$92,186,022
Series M Units	\$(11,565,735)	\$14,375,383
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$(0.31)	\$0.30
Advisor Series Units	\$(0.30)	\$0.30
Series F Units	\$(0.27)	\$0.34
Series I Units	\$(0.24)	\$0.44
Series M Units	\$(0.24)	\$0.39

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$1,697,788,074	\$1,314,758,834
Advisor Series Units	25,259,657	24,104,218
Series F Units	2,493,918	1,422,038
Series I Units	3,640,679,718	1,771,956,231
Series M Units	611,971,028	443,086,926
	<u>5,978,192,395</u>	<u>3,555,328,247</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	(36,486,737)	31,771,758
Advisor Series Units	(493,277)	541,844
Series F Units	(48,966)	48,189
Series I Units	(68,055,635)	92,186,022
Series M Units	(11,565,735)	14,375,383
	<u>(116,650,350)</u>	<u>138,923,196</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series A Units	(18,750,625)	(17,160,296)
Advisor Series Units	(245,765)	(287,161)
Series F Units	(35,624)	(29,000)
Series I Units	(75,489,518)	(57,080,659)
Series M Units	(12,464,586)	(9,616,778)
	<u>(106,986,118)</u>	<u>(84,173,894)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	158,803,050	331,878,296
Advisor Series Units	327,682	4,020,209
Series F Units	122,223	1,098,541
Series I Units	618,590,435	1,863,246,910
Series M Units	182,792,851	180,945,919
Reinvested distributions		
Series A Units	18,260,278	16,662,339
Advisor Series Units	167,255	193,422
Series F Units	34,055	26,896
Series I Units	75,489,518	57,080,659
Series M Units	10,739,339	8,069,280
Payments on redemption		
Series A Units	(263,252,322)	(125,984,733)
Advisor Series Units	(5,033,162)	(2,035,438)
Series F Units	(242,931)	(248,925)
Series I Units	(129,436,749)	(259,588,473)
Series M Units	(97,909,828)	(67,794,893)
	<u>569,451,694</u>	<u>2,007,570,009</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	(141,426,356)	237,167,364
Advisor Series Units	(5,277,267)	2,432,876
Series F Units	(171,243)	895,701
Series I Units	421,098,051	1,695,844,459
Series M Units	71,592,041	125,978,911
	<u>345,815,226</u>	<u>2,062,319,311</u>
NET ASSETS – END OF PERIOD		
Series A Units	1,556,361,718	1,551,926,198
Advisor Series Units	19,982,390	26,537,094
Series F Units	2,322,675	2,317,739
Series I Units	4,061,777,769	3,467,800,690
Series M Units	683,563,069	569,065,837
	<u>\$6,324,007,621</u>	<u>\$5,617,647,558</u>

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Income Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BONDS AND DEBENTURES – 99.4%				BONDS AND DEBENTURES (cont'd)			
Federal Bonds – 46.4%				Corporate Bonds (cont'd)			
	Canada Housing Trust No. 1				Finning International Inc.		
56,985,000	3.35% due Dec. 15, 2020	62,432,766	59,938,966	20,000,000	6.02% due Jun. 1, 2018	23,251,491	22,741,350
907,960,000	3.80% due Jun. 15, 2021	1,019,466,290	981,167,743		GE Capital Canada Funding Company		
1,305,360,000	2.40% due Dec. 15, 2022	1,302,104,152	1,255,646,294	66,915,000	5.73% due Oct. 22, 2037	70,647,171	78,034,555
461,530,000	2.35% due Sep. 15, 2023	437,483,417	437,867,412		Golden Credit Card Trust		
	Government of Canada			42,000,000	3.82% due May 15, 2015	43,406,010	43,583,237
94,245,000	3.00% due Jun. 1, 2014	96,053,247	95,820,271		Great-West Lifeco Inc.		
76,456,580	5.75% due Jun. 1, 2029	111,769,902	105,875,913	38,790,000	6.67% due Mar. 21, 2033	42,165,238	49,166,645
		<u>3,029,309,774</u>	<u>2,936,316,599</u>	23,000,000	Greater Toronto Airports Authority	22,997,930	22,334,649
Provincial Bonds – 20.3%				31,435,000	7.10% due Jun. 4, 2031	35,312,870	42,221,314
	Hydro-Quebec				HSBC Bank of Canada		
69,350,000	11.00% due Aug. 15, 2020	110,228,464	105,083,137	44,000,000	2.94% due Jan. 14, 2020	44,000,000	43,174,674
	Province of British Columbia				Husky Energy Inc.		
151,810,000	5.70% due Jun. 18, 2029	197,684,536	188,979,683	36,300,000	5.00% due Mar. 12, 2020	37,811,915	39,764,462
	Province of Ontario				Hydro One Inc.		
25,365,000	4.40% due Jun. 2, 2019	27,037,926	27,838,937	30,000,000	3.20% due Jan. 13, 2022	30,415,500	29,780,917
723,750,000	6.50% due Mar. 8, 2029	996,537,220	959,628,919	38,000,000	International Business Machines Corporation	37,916,797	38,019,257
		<u>1,331,488,146</u>	<u>1,281,530,676</u>		John Deere Canada Funding Inc.		
Municipal Bonds – 1.1%				20,000,000	1.95% due Apr. 12, 2017	19,986,200	19,679,021
	Municipal Finance Authority of British Columbia			3,000,000	2.25% due Oct. 18, 2017	3,004,170	2,956,253
61,575,000	4.60% due Apr. 23, 2018	63,945,583	67,491,686		John Deere Credit Inc.		
Mortgage-backed Securities – 3.3%				24,000,000	2.30% due Jul. 5, 2016	23,994,480	24,116,147
	Merrill Lynch Financial Assets Inc.				Manulife Financial Corporation		
39,875,000	4.83% due Feb. 12, 2039	40,231,911	42,158,973	39,115,000	4.90% due Jun. 2, 2014	39,645,471	40,220,335
31,040,000	4.98% due Jun. 12, 2039	31,147,673	33,166,584		Master Credit Card Trust		
33,685,000	4.81% due Oct. 12, 2039	33,369,364	35,969,541	21,000,000	2.63% due Jan. 21, 2017	21,132,090	21,250,235
	Real Estate Asset Liquidity Trust				NAV Canada		
35,845,000	4.78% due Mar. 12, 2017	36,680,249	38,569,214	54,000,000	5.30% due Apr. 17, 2019	58,145,760	61,110,143
	Schooner Trust			6,000,000	4.40% due Feb. 18, 2021	6,607,820	6,504,569
10,910,000	4.36% due Sep. 12, 2020	11,075,655	11,409,971		Rogers Communications Inc.		
38,640,000	5.19% due Jun. 12, 2022	39,554,825	42,247,702	55,000,000	4.00% due Jun. 6, 2022	54,780,000	54,513,070
		<u>192,059,677</u>	<u>203,521,985</u>		Royal Bank of Canada		
Corporate Bonds – 28.3%				59,600,000	2.36% due Sep. 21, 2017	59,600,000	58,960,131
	407 International Inc.			19,290,000	3.77% due Mar. 30, 2018	19,883,722	20,231,189
48,000,000	4.30% due May 26, 2021	49,386,496	51,390,406		Royal Bank of Canada (callable)		
	Anheuser-Busch Companies, Inc.			11,000,000	2.99% due Dec. 6, 2024-(2019)	11,004,950	10,799,896
45,000,000	2.38% due Jan. 25, 2018	44,783,100	44,440,043	38,060,000	Sun Life Financial Inc. (callable)	38,361,281	40,276,230
	Bank of Montreal				Suncor Energy, Inc.		
34,000,000	6.02% due May 2, 2018	38,456,448	38,928,295	39,785,000	5.80% due May 22, 2018	41,963,644	44,919,148
	Bank of Nova Scotia, The (callable)				TELLUS Corporation		
60,680,000	3.04% due Oct. 18, 2024-(2019)	60,680,000	59,732,408	28,000,000	5.05% due Jul. 23, 2020	29,416,415	30,620,465
	Bell Canada				TELLUS Corporation (callable)		
55,500,000	3.35% due Jun. 18, 2019	55,855,910	55,424,422	31,465,000	3.35% due Apr. 1, 2024 - (Jan. 2, 2024)	31,287,223	29,214,364
20,000,000	3.35% due Mar. 22, 2023	19,966,200	18,756,543		Teranet Holdings LP		
	BMW Canada Inc.			45,500,000	5.75% due Dec. 17, 2040	46,170,815	48,746,732
32,000,000	2.11% due May 26, 2016	31,990,400	31,949,574		Thomson Reuters Corporation		
	BRP Finance ULC			24,600,000	4.35% due Sep. 30, 2020	24,518,430	25,968,899
44,000,000	5.14% due Oct. 13, 2020	44,687,049	47,084,473		Toronto Hydro Corporation		
	Canadian Imperial Bank of Commerce			22,000,000	3.54% due Nov. 18, 2021	22,062,673	22,311,473
23,060,000	2.35% due Oct. 18, 2017	23,030,714	22,792,702		Toronto-Dominion Bank, The (callable)		
	Canadian Natural Resources Limited			46,210,000	4.78% due Dec. 14, 2105-(2016)	46,429,402	49,667,161
61,320,000	3.05% due Jun. 19, 2019	61,281,368	60,911,028		VW Credit Canada, Inc.		
	Caterpillar Financial Services Limited			35,695,000	2.50% due Jun. 1, 2015	35,690,003	36,091,190
55,455,000	2.63% due Jun. 1, 2017	55,442,245	55,647,887	27,000,000	2.20% due Oct. 11, 2016	26,972,190	26,891,010
	CIBC Capital Trust (callable)				Wells Fargo Financial Canada Corporation		
29,630,000	9.98% due Jun. 30, 2108-(2019)	38,694,080	39,154,879	49,280,000	2.94% due Jul. 25, 2019	49,280,000	48,684,680
	CU Inc.					<u>1,753,050,223</u>	<u>1,792,636,897</u>
32,100,000	4.80% due Nov. 22, 2021	33,389,686	35,617,403		TOTAL INVESTMENT PORTFOLIO	<u>6,369,853,403</u>	<u>6,281,497,843</u>
	Daimler Canada Finance Inc.				Futures Contracts – 0.0%		1,502,595
60,000,000	2.33% due Sep. 14, 2015	59,998,200	60,428,156		OTHER ASSETS, LESS LIABILITIES – 0.6%		41,007,183
	EnCana Corporation				NET ASSETS – 100.0%		<u>6,324,007,621</u>
34,000,000	5.80% due Jan. 18, 2018	37,546,666	37,825,277				

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Income Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO BOND FUTURES CONTRACTS

Number of Contracts	Contract Issuer	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
(583)	U.S. 10 Year Treasury Note – Sep. 2013	(78,070,124)	(77,488,311)	581,813
1,170	Canada 10 Year Bond Future – Sep. 2013	154,846,731	153,609,300	(1,237,431)
				<u>(655,618)</u>

The above futures contracts are financial agreements to purchase/sell the bonds at a contracted price on a specific future date. However, the Fund does not intend to purchase the bonds on settlement. Rather, it intends to close out each futures contract before settlement by entering into equal, but offsetting futures contracts.

With respect to the above futures contracts, \$6,000,000 of the June 1, 2014 Government of Canada Bond 3.00% are held on margin.

The futures contracts outstanding at June 30, 2013 are placed with a financial institution with a minimum credit rating of A+ by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Federal Bonds	46.4	35.3
Provincial Bonds	20.3	29.3
Municipal Bonds	1.1	1.2
Mortgage-Backed Securities	3.3	3.4
Corporate Bonds	28.3	29.8
Futures Contracts	0.0	0.0

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of bond and debenture instruments.

Interest Rate Exposure*	June 30, 2013	December 31, 2012
Less than 1 year	\$ 136,040,606	\$ –
1-3 years	299,063,916	603,863,598
3-5 years	713,343,249	626,735,002
5-10 years	3,193,314,535	3,193,313,737
> 10 years	1,939,735,537	1,495,753,678
Total	\$6,281,497,843	\$5,919,666,015

* Excludes cash, money market instruments, and preferred shares as applicable.

As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$141,751,089, or approximately 2.2% of total Net Assets (December 31, 2012 – \$107,284,067, or approximately 1.8% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit ratings of the bond and debenture instruments, excluding cash and money market instruments but including preferred shares, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
AAA	52.4	52.2	41.7	41.4
AA	26.5	26.3	36.5	36.1
A	17.1	17.0	17.4	17.2
BBB	4.0	3.9	4.4	4.3
Total	100.0	99.4	100.0	99.0

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$184,120,029	\$92,244,049
Payable for futures contracts	919,039	–
	<u>\$185,039,068</u>	<u>\$92,244,049</u>

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Private Canadian Corporate Bond Pool (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$3,247,127,656	\$2,914,232,315
Cash	1,648,189	14,910,307
Accrued investment income	31,174,159	20,224,406
Receivable for securities sold	91,994,990	—
Subscriptions receivable	5,377,785	1,927,140
Receivable for futures contracts	—	219,000
	<u>3,377,322,779</u>	<u>2,951,513,168</u>
LIABILITIES		
Payable for securities purchased	85,757,091	—
Distributions payable	983,042	—
Redemptions payable	1,785,201	2,523,169
Accrued expenses	165,877	—
	<u>88,691,211</u>	<u>2,523,169</u>
Net Assets	<u>\$3,288,631,568</u>	<u>\$2,948,989,999</u>
NET ASSETS PER SERIES		
Series I Units	\$1,336,123,879	\$1,160,091,477
Series M Units	\$1,952,507,689	\$1,788,898,522
UNITS OUTSTANDING		
Series I Units	126,771,944	107,605,307
Series M Units	185,200,826	165,886,994
NET ASSETS PER UNIT		
Series I Units	\$ 10.54	\$ 10.78
Series M Units	\$ 10.54	\$ 10.78

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Interest	\$ 61,166,848	\$ 59,231,175
Securities lending	7,832	2,217
	<u>61,174,680</u>	<u>59,233,392</u>
EXPENSES		
Management fees (note 5)	657,399	641,431
Harmonized Sales Tax/Goods and Services Tax	85,589	77,132
Audit fees	37,300	28,105
Independent Review Committee fees	5,518	1,527
Custodian fees	19,227	17,958
Filing fees	8,561	8,421
Legal fees	13,445	9,792
Unitholder reporting costs	16,854	5,570
Unitholder administration and service fees	165,171	99,349
Overdraft charges	—	58
	<u>1,009,064</u>	<u>889,343</u>
Absorbed expenses	(254)	(10,120)
	<u>1,008,810</u>	<u>879,223</u>
Net investment income (loss)	60,165,870	58,354,169
Net realized gain (loss) on investments sold	25,163,049	24,980,974
Net realized gain (loss) on futures contracts	1,778,800	903,968
Transaction costs	(11,700)	(21,450)
Change in unrealized appreciation (depreciation) of investments	(99,309,391)	19,237,948
Net gain (loss) on investments and transaction costs	<u>(72,379,242)</u>	<u>45,101,440</u>
Increase (decrease) in Net Assets from operations	<u>\$(12,213,372)</u>	<u>\$103,455,609</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series I Units	\$ (4,943,964)	\$ 33,139,773
Series M Units	\$ (7,269,408)	\$ 70,315,836
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series I Units	\$ (0.04)	\$ 0.42
Series M Units	\$ (0.04)	\$ 0.40

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series I Units	\$1,160,091,477	\$ 851,676,055
Series M Units	1,788,898,522	1,739,044,619
	<u>2,948,989,999</u>	<u>2,590,720,674</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series I Units	(4,943,964)	33,139,773
Series M Units	(7,269,408)	70,315,836
	<u>(12,213,372)</u>	<u>103,455,609</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series I Units	(26,602,295)	(20,279,280)
Series M Units	(38,674,880)	(43,233,776)
	<u>(65,277,175)</u>	<u>(63,513,056)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series I Units	195,176,896	227,682,602
Series M Units	380,318,542	345,497,458
Reinvested distributions		
Series I Units	26,602,240	20,279,305
Series M Units	32,029,657	36,099,134
Payments on redemption		
Series I Units	(14,200,475)	(186,186,811)
Series M Units	(202,794,744)	(200,989,271)
	<u>417,132,116</u>	<u>242,382,417</u>
INCREASE (DECREASE) IN NET ASSETS		
Series I Units	176,032,402	74,635,589
Series M Units	163,609,167	207,689,381
	<u>339,641,569</u>	<u>282,324,970</u>
NET ASSETS – END OF PERIOD		
Series I Units	1,336,123,879	926,311,644
Series M Units	1,952,507,689	1,946,734,000
	<u>\$3,288,631,568</u>	<u>\$2,873,045,644</u>

The accompanying notes are an integral part of the financial statements.

Scotia Private Canadian Corporate Bond Pool (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBT INSTRUMENTS – 98.7%				BOND AND DEBT INSTRUMENTS (cont'd)			
Federal Bonds – 6.0%				Corporate Bonds (cont'd)			
139,000,000	Canada Housing Trust No. 1	156,909,004	150,207,404	75,000,000	Greater Toronto Airports Authority	85,879,750	87,969,822
50,000,000	3.80% due Jun. 15, 2021	47,389,400	47,436,507		5.96% due Nov. 20, 2019		
	2.35% due Sep. 15, 2023			30,000,000	Honda Canada Finance Inc.	30,000,000	29,507,156
	TOTAL FEDERAL BONDS	204,298,404	197,643,911		2.28% due Dec. 11, 2017		
Mortgage-Backed Securities – 5.1%				56,000,000	HSBC Bank of Canada	56,000,000	54,949,585
25,000,000	Institutional Mortgage Securities Canada Inc.	25,000,000	24,448,402		2.94% due Jan. 14, 2020		
	3.33% due Dec. 12, 2022			60,000,000	Husky Energy Inc.	63,508,639	65,726,384
29,080,000	Merrill Lynch Financial Assets Inc.	29,014,058	30,745,653		5.00% due Mar. 12, 2020		
29,580,000	4.83% due Feb. 12, 2039	30,232,605	31,606,558	65,000,000	Hydro One Inc.	73,693,950	72,121,730
25,000,000	4.98% due Jun. 12, 2039	24,679,276	26,695,518		5.18% due Oct. 18, 2017		
	Real Estate Asset Liquidity Trust			70,000,000	International Business Machines Corporation	70,355,695	70,035,474
22,600,000	4.78% due Mar. 12, 2023	22,315,481	24,317,596		2.20% due Feb. 10, 2017		
29,100,000	Schooner Trust	28,845,645	31,816,981	20,000,000	John Deere Canada Funding Inc.	19,971,600	19,964,176
	5.19% due Jun. 12, 2022	160,087,065	169,630,708	20,000,000	1.95% due Jan. 14, 2016	19,986,200	19,679,021
Corporate Bonds – 87.6%				35,000,000	John Deere Credit Inc.	35,340,550	35,169,381
18,000,000	407 International Inc.	18,459,187	19,271,402	54,000,000	2.30% due Jul. 5, 2016		
	4.30% due May 26, 2021				Master Credit Card Trust	54,333,600	54,643,461
60,000,000	Anheuser-Busch Companies, Inc.	59,710,800	59,253,391		2.63% due Jan. 21, 2017		
59,000,000	Bank of Montreal	60,960,994	61,579,644	52,000,000	National Australia Bank Limited	52,564,592	54,130,858
	3.98% due Jul. 8, 2016				4.19% due Jul. 20, 2015		
52,300,000	Bank of Montreal Capital Trust II (callable)	70,211,017	69,860,593	37,000,000	National Bank of Canada	37,000,000	38,415,153
	10.22% due Dec. 31, 2018-(2017)			55,000,000	3.58% due Apr. 26, 2016	55,812,000	55,129,731
80,000,000	Bank of Nova Scotia, The (callable)	80,000,000	78,750,702		2.69% due Aug. 21, 2017		
	3.04% due Oct. 18, 2024-(2019)			32,000,000	NAV Canada	35,325,437	36,213,418
30,000,000	Bell Canada	31,012,800	29,959,148	28,000,000	5.30% due Apr. 17, 2019	28,483,383	30,354,653
60,000,000	3.35% due Jun. 18, 2019	59,947,050	58,672,669		4.40% due Feb. 18, 2021		
20,000,000	BRP Finance ULC	19,358,400	18,756,543	52,000,000	Rogers Communications Inc.	53,109,620	56,887,406
36,000,000	BMW Canada Inc.	35,989,200	35,943,271	22,500,000	5.34% due Mar. 22, 2021	22,508,000	22,300,801
54,000,000	5.14% due Oct. 13, 2020	54,063,421	57,785,490		4.00% due Jun. 6, 2022		
50,000,000	Canadian Imperial Bank of Commerce	49,986,000	49,420,429	55,000,000	Royal Bank of Canada	55,000,000	54,409,517
60,000,000	2.35% due Oct. 18, 2017	59,962,200	59,599,832	80,000,000	2.36% due Sep. 21, 2017	80,040,000	78,544,699
22,000,000	Canadian Natural Resources Limited	21,882,571	25,196,973		Royal Bank of Canada (callable)		
36,000,000	3.05% due Jun. 19, 2019	35,991,720	36,125,218	40,000,000	2.99% due Dec. 6, 2024-(2019)	42,304,431	48,313,614
	Caterpillar Financial Services Limited				Scotiabank Tier I Trust (callable)		
65,000,000	2.63% due Jun. 1, 2017	75,666,317	85,894,941	41,500,000	7.80% due Jun. 30, 2108-(2019)	46,270,484	50,907,962
18,000,000	CIBC Capital Trust (callable)	17,018,129	18,319,370		Shaw Communications Inc.	50,173,826	55,470,939
27,000,000	9.98% due Jun. 30, 2108-(2019)	26,960,000	26,056,177	8,500,000	5.65% due Oct. 1, 2019	8,498,300	8,450,479
50,000,000	Citigroup Inc. (callable)	50,312,900	50,356,798		2.01% due May 24, 2016		
29,000,000	4.65% due Oct. 11, 2022-(2017)	28,809,176	30,716,775	30,600,000	Sun Life Financial Inc. (callable)	30,462,495	32,381,835
41,000,000	Corus Entertainment Inc.	46,269,830	44,384,443	65,000,000	4.95% due Jun. 1, 2036-(2016)	68,186,075	73,388,077
44,000,000	4.25% due Feb. 11, 2020	48,586,398	48,950,359		Suncor Energy, Inc.		
46,000,000	Daimler Canada Finance Inc.	47,960,776	52,305,104		5.80% due May 22, 2018		
50,000,000	2.33% due Sep. 14, 2015	50,597,000	46,990,128	40,000,000	TD Capital Trust III (callable)	42,304,431	48,313,614
	Enbridge Inc.				7.24% due Dec. 31, 2049-(2018)		
55,000,000	4.04% due Nov. 23, 2020	54,774,650	53,801,810	40,000,000	TELLUS Corporation (callable) (callable)	39,953,200	37,836,496
55,056,000	Enbridge Pipelines Inc.	56,215,145	58,543,971	50,000,000	3.35% due Dec. 15, 2023-(2022)	49,717,500	46,423,588
	4.45% due Apr. 6, 2020				3.35% due Apr. 1, 2024-(Jan. 2, 2024)		
30,000,000	EnCana Corporation	31,163,400	31,214,115	50,000,000	Teranet Holdings LP	49,942,593	53,451,325
	5.80% due Jan. 18, 2018				4.81% due Dec. 16, 2020		
48,000,000	Fanning International Inc.	50,168,150	51,988,154		Thomson Reuters Corporation	20,472,000	21,112,926
	6.02% due Jun. 1, 2018				4.35% due Sep. 30, 2020		
	First Capital Realty Inc.				Toronto Hydro Corporation	48,927,880	49,186,657
	3.90% due Oct. 30, 2023				3.54% due Nov. 18, 2021		
	General Electric Capital Corporation				Toronto-Dominion Bank, The (callable)	59,615,631	64,488,848
	2.42% due May 31, 2018				4.78% due Dec. 14, 2105-(2016)		
	4.60% due Jan. 26, 2022				Toronto-Dominion Bank, The	20,000,000	19,565,340
	Golden Credit Card Trust				2.17% due Apr. 2, 2018	24,358,980	23,871,143
	3.51% due May 15, 2016				5.83% due Jul. 9, 2018		
	Great-West Lifeco Inc.				VW Credit Canada, Inc.	45,018,400	44,818,351
	4.65% due Aug. 13, 2020				2.20% due Oct. 11, 2016		
					Wells Fargo Financial Canada Corporation	54,949,600	54,335,581
					2.94% due Jul. 25, 2019		
						2,829,801,642	2,879,853,037
						3,194,187,111	3,247,127,656
					TOTAL INVESTMENT PORTFOLIO		
					OTHER ASSETS, LESS LIABILITIES – 1.3%		41,503,912
					NET ASSETS – 100.0%		3,288,631,568

The accompanying notes are an integral part of the financial statements.

Scotia Private Canadian Corporate Bond Pool (Unaudited – Continued)

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Federal Bonds	6.0	3.2
Mortgage-Backed Securities	5.1	4.6
Corporate Bonds	87.6	91.0
Future Contracts	–	0.0

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of bond and debenture instruments.

Interest Rate Exposure*	June 30, 2013	December 31, 2012
Less than 1 year	\$ –	\$ –
1-3 years	333,208,896	178,862,025
3-5 years	1,080,738,476	1,075,765,592
5-10 years	1,692,330,062	1,659,604,698
> 10 years	140,850,222	–
Total	\$3,247,127,656	\$2,914,232,315

* Excludes cash, money market instruments, and preferred shares as applicable.

As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$46,995,909, or approximately 1.4% of total Net Assets (December 31, 2012 – \$35,782,291, or approximately 1.2% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit ratings of the bond and debenture instruments, excluding cash and money market instruments but including preferred shares, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
AAA	14.2	14.0	10.9	10.8
AA	27.0	26.6	26.5	26.1
A	44.9	44.3	47.6	47.1
BBB	13.9	13.8	15.0	14.8
Total	100.0	98.7	100.0	98.8

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$88,691,211	\$2,523,169

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia U.S. \$ Bond Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
	U.S.\$	U.S.\$
ASSETS		
Investments at fair value	\$147,510,785	\$172,852,840
Cash	342,879	2,439,512
Accrued investment income	1,028,480	1,274,104
Receivable for securities sold	6,305,646	5,656,601
Subscriptions receivable	100,083	141,321
	<u>155,287,873</u>	<u>182,364,378</u>
LIABILITIES		
Payable for securities purchased	6,006,831	5,660,143
Distributions payable	16,171	167
Redemptions payable	227,642	382,080
Accrued expenses	204,643	–
	<u>6,455,287</u>	<u>6,042,390</u>
Net Assets	<u>\$148,832,586</u>	<u>\$176,321,988</u>
NET ASSETS PER SERIES		
Series A Units	\$148,261,677	\$176,035,793
Series F Units	\$ 570,909	\$ 286,195
UNITS OUTSTANDING		
Series A Units	13,410,010	15,122,211
Series F Units	51,781	24,642
NET ASSETS PER UNIT		
Series A Units	\$ 11.06	\$ 11.64
Series F Units	\$ 11.03	\$ 11.61

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
	U.S.\$	U.S.\$
INVESTMENT INCOME		
Interest	\$ 2,424,130	\$2,061,279
Securities lending	1,931	6,719
Other income	1,851	357
	<u>2,427,912</u>	<u>2,068,355</u>
EXPENSES		
Management fees (note 5)	1,221,737	1,052,100
Harmonized Sales Tax/Goods and Services Tax	146,750	114,922
Audit fees	1,980	2,653
Independent Review Committee fees	287	194
Custodian fees	1,715	1,439
Filing fees	11,083	12,045
Legal fees	699	932
Unitholder reporting costs	5,266	5,761
Unitholder administration and service fees	24,811	22,932
Overdraft charges	218	89
	<u>1,414,546</u>	<u>1,213,067</u>
Absorbed expenses	(444)	(1,142)
	<u>1,414,102</u>	<u>1,211,925</u>
Net investment income (loss)	1,013,810	856,430
Net realized gain (loss) on investments sold	(2,602,379)	2,649,603
Change in unrealized appreciation (depreciation) of investments	(5,539,454)	(834,020)
Net gain (loss) on investments	(8,141,833)	1,815,583
Increase (decrease) in Net Assets from operations	<u>\$(7,128,023)</u>	<u>\$2,672,013</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$(7,105,230)	\$2,667,498
Series F Units	\$ (22,793)	\$ 4,515
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ (0.49)	\$ 0.22
Series F Units	\$ (0.58)	\$ 0.23

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
	U.S.\$	U.S.\$
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$176,035,793	\$125,341,410
Series F Units	286,195	200,831
	<u>176,321,988</u>	<u>125,542,241</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	(7,105,230)	2,667,498
Series F Units	(22,793)	4,515
	<u>(7,128,023)</u>	<u>2,672,013</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series A Units	(1,102,923)	(920,655)
Series F Units	(4,022)	(1,731)
	<u>(1,106,945)</u>	<u>(922,386)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	15,789,226	40,910,828
Series F Units	402,763	40,000
Reinvested distributions		
Series A Units	1,005,067	854,444
Series F Units	3,823	851
Payments on redemption		
Series A Units	(36,360,256)	(15,023,991)
Series F Units	(95,057)	(10)
	<u>(19,254,434)</u>	<u>26,782,122</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	(27,774,116)	28,488,124
Series F Units	284,714	43,625
	<u>(27,489,402)</u>	<u>28,531,749</u>
NET ASSETS – END OF PERIOD		
Series A Units	148,261,677	153,829,534
Series F Units	570,909	244,456
	<u>\$148,832,586</u>	<u>\$154,073,990</u>

The accompanying notes are an integral part of the financial statements.

Scotia U.S. \$ Bond Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
U.S. \$		U.S. \$	U.S. \$
BOND AND DEBT INSTRUMENTS – 99.1%			
Federal Bonds – 38.8%			
	Government of Canada		
58,030,000	0.88% due Feb. 14, 2017	58,222,688	57,796,826
Provincial Bonds – 2.7%			
	Province of British Columbia		
3,100,000	6.50% due Jan. 15, 2026	4,355,192	4,008,869
Corporate Bonds – 40.5%			
	Anheuser-Busch InBev NV		
3,000,000	2.63% due Jan. 17, 2023	2,994,990	2,798,850
	Bank of Montreal		
3,000,000	2.55% due Nov. 6, 2022	2,985,570	2,801,996
	Bank of Nova Scotia, The		
3,000,000	4.38% due Jan. 13, 2021	3,463,260	3,270,446
	Canadian Natural Resources Limited (callable)		
2,700,000	3.45% due Nov. 15, 2021 (Aug. 15, 2021)	2,915,406	2,694,723
	Canadian Pacific Railway Company		
700,000	6.50% due May 15, 2018	732,067	833,140
	Caterpillar Inc. (callable)		
3,000,000	2.60% due Jun. 26, 2022 (Mar. 26, 2022)	3,051,090	2,812,170
	Deere & Company (callable)		
3,000,000	2.60% due Jun. 08, 2022 (Mar. 08, 2022)	3,075,870	2,857,320
	EnCana Corporation		
3,000,000	3.90% due Nov. 15, 2021	3,233,970	3,029,827
	General Electric Company		
3,000,000	3.10% due Jan. 9, 2023	3,013,050	2,826,180
	Husky Energy Inc.		
3,091,000	7.25% due Dec. 15, 2019	4,051,303	3,797,294
	International Business Machines Corporation		
3,000,000	1.88% due Aug. 1, 2022	2,888,610	2,675,039
	JPMorgan Chase & Co.		
3,000,000	4.50% due Jan. 24, 2022	3,401,880	3,133,680
	Petro-Canada		
3,000,000	6.05% due May 15, 2018	3,670,080	3,508,800
	Rogers Communications Inc. (callable)		
3,000,000	3.00% due Mar. 15, 2023 (Dec. 15, 2022)	3,073,110	2,811,750
	Shell International Finance		
3,000,000	2.25% due Jan. 6, 2023	2,926,740	2,737,650
	Thomson Reuters Corporation		
3,000,000	6.50% due Jul. 15, 2018	3,755,370	3,549,870
	Total Capital SA		
3,000,000	2.70% due Jan. 25, 2023	3,065,550	2,797,560
	Toyota Motor Credit Corp		
3,000,000	2.63% due Jan. 10, 2023	2,970,000	2,769,930
	Trans-Canada Pipelines Limited		
3,000,000	2.50% due Aug. 1, 2022	3,057,840	2,818,267
	Wal-Mart Stores Inc. (callable)		
3,000,000	2.55% due Apr. 11, 2023 (Jan. 11, 2023)	3,010,980	2,804,940
	Wells Fargo & Company		
3,000,000	3.50% due Mar. 8, 2022	3,188,130	2,992,770
		64,524,866	60,322,202
United States Treasury Notes – 17.1%			
	United States Treasury Note		
12,800,000	0.25% due Dec. 15, 2014	12,809,859	12,802,944
14,600,000	2.75% due Aug. 15, 2042	13,397,905	12,579,944
		26,207,764	25,382,888
TOTAL INVESTMENT PORTFOLIO		153,310,510	147,510,785
OTHER ASSETS, LESS LIABILITIES – 0.9%			1,321,801
NET ASSETS – 100.0%			148,832,586

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Federal Bonds	38.8	4.7
Provincial Bonds	2.7	37.5
Corporate Bonds	40.5	33.5
United States Treasury Notes	17.1	18.2
Money Market Instruments	–	4.1

The accompanying notes are an integral part of the financial statements.

Scotia U.S. \$ Bond Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of bond and debenture instruments.

Interest Rate Exposure*	June 30, 2013 (U.S. \$)	December 31, 2012 (U.S. \$)
Less than 1 year	\$ –	\$ 13,669,329
1-3 years	12,802,944	41,584,338
3-5 years	62,138,765	33,899,519
5-10 years	55,980,263	41,528,987
> 10 years	16,588,813	34,951,404
Total	\$147,510,785	\$165,633,577

* Excludes cash, money market instruments, and preferred shares as applicable.

As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$2,457,931, or approximately 1.7% of total Net Assets (December 31, 2012 – \$2,682,606, or approximately 1.5% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit ratings of the bond and debenture instruments, excluding cash and money market instruments but including preferred shares, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
AAA	39.2	38.9	32.3	30.4
AA	37.3	37.0	40.2	37.7
A	14.6	14.4	21.6	20.3
BBB	8.9	8.8	5.9	5.5
Total	100.0	99.1	100.0	93.9

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013 Less than 3 months (U.S. \$)	December 31, 2012 Less than 3 months (U.S. \$)
Accounts payable and accrued liabilities	\$6,455,287	\$6,042,390

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Global Bond Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$29,057,373	\$32,639,095
Cash	1,121,053	438,869
Accrued investment income	228,695	203,317
Subscriptions receivable	562	16,284
Receivable for currency forward contracts	133,249	2,422
	<u>30,540,932</u>	<u>33,299,987</u>
LIABILITIES		
Distributions payable	—	3
Redemptions payable	74,251	4,299
Accrued expenses	26,854	—
Payable for currency forward contracts	141,095	130,712
	<u>242,200</u>	<u>135,014</u>
Net Assets	<u><u>\$30,298,732</u></u>	<u><u>\$33,164,973</u></u>
NET ASSETS PER SERIES		
Series A Units	\$15,742,609	\$17,749,803
Series I Units	\$14,556,123	\$15,415,170
UNITS OUTSTANDING		
Series A Units	1,877,775	2,062,383
Series I Units	1,746,308	1,802,444
NET ASSETS PER UNIT		
Series A Units	\$ 8.38	\$ 8.61
Series I Units	\$ 8.34	\$ 8.55

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Interest	\$ 441,868	\$ 524,685
Securities lending	1	895
Other income	2,304	315
	<u>444,173</u>	<u>525,895</u>
EXPENSES		
Management fees (note 5)	122,520	144,353
Harmonized Sales Tax/Goods and Services Tax	16,888	19,467
Audit fees	406	1,587
Independent Review Committee fees	55	197
Custodian fees	500	746
Filing fees	7,916	8,029
Legal fees	141	570
Unitholder reporting costs	4,878	6,782
Unitholder administration and service fees	22,922	28,421
Overdraft charges	—	44
	<u>176,226</u>	<u>210,196</u>
Net investment income (loss)	<u>267,947</u>	<u>315,699</u>
Net realized gain (loss) on investments sold	<u>308,950</u>	<u>(653,703)</u>
Net realized gain (loss) on currency forwards	<u>(588,818)</u>	<u>(338,267)</u>
Net gain (loss) foreign exchange	<u>(53,792)</u>	<u>(63,961)</u>
Change in unrealized appreciation (depreciation) of investments	<u>(635,460)</u>	<u>1,354,176</u>
Change in unrealized appreciation (depreciation) of currency forwards	<u>120,444</u>	<u>(212,903)</u>
Net gain (loss) on investments	<u>(848,676)</u>	<u>85,342</u>
Increase (decrease) in Net Assets from operations	<u><u>\$(580,729)</u></u>	<u><u>\$ 401,041</u></u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$(394,439)	\$ 126,889
Series I Units	\$(186,290)	\$ 274,152
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ (0.20)	\$ 0.06
Series I Units	\$ (0.10)	\$ 0.14

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$17,749,803	\$19,840,722
Series I Units	15,415,170	17,438,888
	<u>33,164,973</u>	<u>37,279,610</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	(394,439)	126,889
Series I Units	(186,290)	274,152
	<u>(580,729)</u>	<u>401,041</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series A Units	(61,069)	(87,955)
Series I Units	(199,179)	(259,552)
	<u>(260,248)</u>	<u>(347,507)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	1,082,871	3,422,190
Series I Units	293,993	496,014
Reinvested distributions		
Series A Units	59,696	87,029
Series I Units	199,179	259,550
Payments on redemption		
Series A Units	(2,694,253)	(2,178,858)
Series I Units	(966,750)	(2,006,040)
	<u>(2,025,264)</u>	<u>79,885</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	(2,007,194)	1,369,295
Series I Units	(859,047)	(1,235,876)
	<u>(2,866,241)</u>	<u>133,419</u>
NET ASSETS – END OF PERIOD		
Series A Units	15,742,609	21,210,017
Series I Units	14,556,123	16,203,012
	<u><u>\$30,298,732</u></u>	<u><u>\$37,413,029</u></u>

The accompanying notes are an integral part of the financial statements.

Scotia Global Bond Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBT INSTRUMENTS – 95.9%			
Australian Dollar – 23.7%			
	Australian Government		
3,325,000	4.75% due Jun. 15, 2016	3,396,164	3,365,694
3,500,000	5.50% due Apr. 21, 2023	4,039,595	3,817,870
		<u>7,435,759</u>	<u>7,183,564</u>
British Pound – 15.5%			
	United Kingdom Treasury Gilt		
900,000	5.00% due Mar. 7, 2018	1,768,872	1,681,406
800,000	5.00% due Mar. 7, 2025	1,580,967	1,573,515
800,000	4.25% due Dec. 7, 2049	1,481,089	1,451,520
		<u>4,830,928</u>	<u>4,706,441</u>
United States Dollar – 56.7%			
	Province of Nova Scotia		
1,340,000	8.88% due Jul. 1, 2019	2,080,860	1,875,460
	Province of Saskatchewan		
900,000	7.38% due Jul. 15, 2013	1,286,994	947,894
	United States Treasury Note		
9,600,000	0.25% due Dec. 15, 2014	9,576,877	10,089,002
4,700,000	2.75% due Aug. 15, 2042	4,438,473	4,255,012
		<u>17,383,204</u>	<u>17,167,368</u>
	TOTAL INVESTMENT PORTFOLIO	<u>29,649,891</u>	<u>29,057,373</u>
	Currency Forward Contracts – 0.0%		(7,846)
	OTHER ASSETS, LESS LIABILITIES – 4.1%		<u>1,249,205</u>
	NET ASSETS – 100.0%		<u>30,298,732</u>

CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Aug. 30, 2013	Canadian Dollar	420,000	U.S. Dollar	398,879	420,222	(222)
Aug. 30, 2013	European Euro	6,100,000	U.S. Dollar	7,982,460	8,386,041	(44,731)
Aug. 30, 2013	Japanese Yen	658,252,735	U.S. Dollar	6,726,680	7,068,531	(96,142)
Aug. 30, 2013	Mexican Peso	2,600,000	U.S. Dollar	195,020	206,347	4,546
Aug. 30, 2013	South Korean Won	560,000,003	U.S. Dollar	482,779	510,376	4,673
Aug. 30, 2013	U.S. Dollar	6,615,159	Australian Dollar	7,190,000	6,875,107	75,415
Aug. 30, 2013	U.S. Dollar	3,472,593	British Pound	2,256,000	3,602,222	46,418
Aug. 30, 2013	U.S. Dollar	203,608	Japanese Yen	20,000,000	211,733	2,197
						<u>(7,846)</u>

The currency forward contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A+ by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Australian Dollar Bonds	23.7	14.7
British Pound Bonds	15.5	15.2
United States Dollar Bonds	56.7	67.9
Money Market Instruments	–	0.6
Currency Forward Contracts	(0.0)	(0.4)

The accompanying notes are an integral part of the financial statements.

Scotia Global Bond Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of bond and debenture instruments.

Interest Rate Exposure*	June 30, 2013	December 31, 2012
Less than 1 year	\$ 947,894	\$ 5,025,003
1-3 years	13,454,696	9,170,939
3-5 years	1,681,406	3,659,114
5-10 years	5,693,330	3,636,793
> 10 years	7,280,047	10,958,488
Total	\$29,057,373	\$32,450,337

* Excludes cash, money market instruments, and preferred shares as applicable.

As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$549,120, or approximately 1.8% of total Net Assets (December 31, 2012 – \$565,429, or approximately 1.7% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	12,092,334	39.9	16,320,462	49.2
European Euro	8,386,041	27.7	2,232,731	6.7
Japanese Yen	6,856,798	22.6	10,155,694	30.6
British Pound	1,104,218	3.6	2,520,720	7.6
Australian Dollar	570,913	1.9	479,301	1.4
South Korean Won	510,376	1.7	523,031	1.6
Mexican Peso	206,347	0.7	198,719	0.6
Total	29,727,027	98.1	32,430,658	97.7

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$2,972,703, or approximately 9.8% of total Net Assets, (December 31, 2012 – \$3,243,066, or approximately 9.8% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit ratings of the bond and debenture instruments, excluding cash and money market instruments but including preferred shares, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
AAA	40.9	39.2	78.7	77.0
AA	52.6	50.5	8.4	8.2
A	6.5	6.2	12.9	12.6
Total	100.0	95.9	100.0	97.8

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$101,105	\$ 4,302
Payable for currency forward contracts	141,095	130,712
	\$242,200	\$135,014

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Private Advantaged Income Pool (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$21,867,612	\$32,852,055
Cash*	2,235,002	2,239,397
Accrued investment income	66,971	122,214
Receivable for securities sold	233,745	6,418
Receivable for currency forward contracts	28,744	2,206
Receivable for swap contracts	15,908	—
	<u>24,447,982</u>	<u>35,222,290</u>
LIABILITIES		
Distributions payable	101,565	274,278
Redemptions payable	76,711	379,057
Accrued expenses	4,789	—
Payable for currency forward contracts	126,147	18,644
	<u>309,212</u>	<u>671,979</u>
Net Assets	<u>\$24,138,770</u>	<u>\$34,550,311</u>
NET ASSETS PER SERIES		
Series M Units	<u>\$24,138,770</u>	<u>\$34,550,311</u>
UNITS OUTSTANDING		
Series M Units	<u>3,173,909</u>	<u>4,571,299</u>
NET ASSETS PER UNIT		
Series M Units	<u>\$ 7.61</u>	<u>\$ 7.56</u>

* \$485,049 (December 31, 2012 – \$104,765) held by brokers as collateral for written options.

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series M Units	<u>\$ 34,550,311</u>	<u>\$ 53,647,558</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series M Units	<u>1,035,512</u>	<u>1,997,899</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series M Units	<u>(686,401)</u>	<u>(2,215,061)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series M Units	<u>3,283,902</u>	<u>3,196,684</u>
Payments on redemption		
Series M Units	<u>(14,044,554)</u>	<u>(13,315,826)</u>
	<u>(10,760,652)</u>	<u>(10,119,142)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series M Units	<u>(10,411,541)</u>	<u>(10,336,304)</u>
NET ASSETS – END OF PERIOD		
Series M Units	<u>\$ 24,138,770</u>	<u>\$ 43,311,254</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 417,324	\$ 441,308
Interest	48,147	550,644
Capital gains distributions received	12,818	183
Securities lending	1,798	1,854
Foreign withholding taxes/tax reclaims	(6,423)	(14,515)
	<u>473,664</u>	<u>979,474</u>
EXPENSES		
Management fees (note 5)	13,969	23,949
Harmonized Sales Tax/Goods and Services Tax	2,075	3,763
Audit fees	369	1,716
Independent Review Committee fees	49	24
Custodian fees	3,735	6,689
Filing fees	7,059	6,999
Legal fees	163	899
Unitholder reporting costs	2,399	3,078
Unitholder administration and service fees	1,450	5,373
Overdraft charges	1,049	720
	<u>32,317</u>	<u>53,210</u>
Net investment income (loss)	<u>441,347</u>	<u>926,264</u>
Net realized gain (loss) on investments sold	<u>984,871</u>	<u>1,591,305</u>
Net realized gain (loss) on futures contracts	—	(65,589)
Net realized gain (loss) on currency forwards	(67,495)	89,062
Net realized gain (loss) on swap contracts	23,416	—
Net gain (loss) foreign exchange	20,017	(22,356)
Transaction costs	(17,614)	(95,273)
Change in unrealized appreciation (depreciation) of investments	(283,973)	(454,828)
Change in unrealized appreciation (depreciation) of currency forwards	(80,965)	29,314
Change in unrealized appreciation (depreciation) of swap contracts	15,908	—
Net gain (loss) on investments and transaction costs	<u>594,165</u>	<u>1,071,635</u>
Increase (decrease) in Net Assets from operations	<u>\$1,035,512</u>	<u>\$1,997,899</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series M Units	<u>\$1,035,512</u>	<u>\$1,997,899</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series M Units	<u>\$ 0.28</u>	<u>\$ 0.32</u>

The accompanying notes are an integral part of the financial statements.

Scotia Private Advantaged Income Pool (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares/ Number of Contracts/ Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 58.6%				EQUITIES (cont'd)			
CANADIAN EQUITIES – 40.3%				UNITED STATES EQUITIES – 18.3%			
Energy – 18.0%				Energy – 0.4%			
6,702	Baytex Energy Corporation	339,270	252,598	3,100	Williams Companies Inc., The	113,783	105,792
19,616	Crescent Point Energy Corp.	847,432	699,310	Materials – 2.5%			
17,192	Enbridge Inc.	607,804	757,308	8,600	LyondellBasell Industries NV, Class A	524,228	600,893
15,290	Gibson Energy Inc.	322,798	371,088	Industrials – 4.8%			
21,204	Inter Pipeline Fund, Class A	414,043	458,855	3,500	Honeywell International Inc.	243,877	291,768
16,822	Pembina Pipeline Corporation	493,782	540,659	1,800	Union Pacific Corporation	243,148	291,783
52,327	Pengrowth Energy Corp.	400,394	266,868	6,300	United Parcel Service, Inc., Class B	497,414	572,577
12,000	TransCanada Corporation	513,149	543,000	Consumer Discretionary – 5.1%			
22,614	Veresen Inc.	334,316	281,997	21,800	Comcast Corporation, Class A	641,964	955,833
3,577	Vermilion Energy, Inc.	173,411	183,607	3,400	Home Depot Inc., The	168,455	275,322
		4,446,399	4,355,290	Financials – 3.2%			
Materials – 1.2%				(6)	BlackRock, Inc., Written Put Option \$270.00 Jul. 20, 2013	(3,489)	(9,519)
31,000	Canexus Corp.	242,268	284,890	(54)	JPMorgan Chase & Co., Written Put Option \$52.50 Jul. 20, 2013	(10,335)	(6,809)
Financials – 12.2%				3,900	Prudential Financial, Inc.	281,561	299,010
8,400	Atrium Mortgage Investment Corporation	89,628	87,528	11,400	Wells Fargo & Company	349,779	494,329
13,000	Bank of Nova Scotia, The	703,101	730,600	Information Technology – 1.1%			
2,200	Canadian Imperial Bank of Commerce	171,122	164,208	(11)	Accenture PLC, Written Put Option \$77.50 Jul 20, 2013	(1,347)	(6,472)
3,330	Cominar Real Estate Investment Trust	72,130	69,098	1,300	International Business Machines Corporation	268,595	261,038
14,500	Crombie Real Estate Investment Trust	195,113	197,635	Telecommunication Services – 1.2%			
8,411	Dundee Real Estate Investment Trust	293,676	273,862	5,400	Verizon Communications Inc.	276,039	285,617
3,400	Great-West Lifeco Inc.	92,536	96,560	TOTAL UNITED STATES EQUITIES			
2,200	Great-West Lifeco Inc. Subscription Receipts	56,540	62,700	TOTAL EQUITIES			
5,287	H&R Real Estate Investment Trust	121,545	116,103	FIXED INCOME FUND – 32.0%			
20,351	Killam Properties Inc.	260,450	214,296	731,443	Scotia Private Canadian Corporate Bond Pool Series I	7,562,462	7,725,058
6,680	RioCan Real Estate Investment Trust	171,578	168,670	TOTAL INVESTMENT PORTFOLIO			
9,000	Toronto-Dominion Bank, The	702,486	760,050	Currency Forward Contracts – (0.4)%			
		2,929,905	2,941,310	Swap Contracts – 0.1%			
Telecommunication Services – 2.0%				OTHER ASSETS, LESS LIABILITIES – 9.7%			
5,800	BCE Inc.	223,757	250,096	NET ASSETS – 100.0%			
5,800	Rogers Communications, Inc., Class B	206,716	238,844				
		430,473	488,940				
Utilities – 6.9%							
13,340	Brookfield Infrastructure Partners LP	410,235	508,921				
6,300	Brookfield Renew Energy Partners LP	177,528	182,763				
7,850	Fortis, Inc.	246,490	252,613				
48,001	Innervex Renewable Energy Inc	460,137	419,049				
17,600	Northland Power Inc.	299,200	297,616				
		1,593,590	1,660,962				
TOTAL CANADIAN EQUITIES							
		9,642,635	9,731,392				

CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jul. 11, 2013	Canadian Dollar	2,798,987	U.S. Dollar	2,771,000	2,913,775	(114,789)
Jul. 11, 2013	Canadian Dollar	128,360	U.S. Dollar	127,000	133,544	(5,183)
Jul. 11, 2013	U.S. Dollar	98,000	Canadian Dollar	101,390	101,309	1,659
Aug. 22, 2013	Canadian Dollar	184,472	U.S. Dollar	181,000	190,647	(6,175)
Aug. 22, 2013	U.S. Dollar	780,000	Canadian Dollar	794,414	792,458	27,085
						(97,403)

The currency forward contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A by Standard & Poor's.

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Private Advantaged Income Pool (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO EQUITY SWAP CONTRACTS

Description	Number of Units	Contract Issuer	Underlying Security	Termination Date	Notional Amount (\$)	Variable Rate%	Appreciation/ (Depreciation) (\$)
Swap variable, 1 month USD – LIBOR	2,800	Toronto-Dominion Bank, The	Ares Capital Corp.	Dec. 5, 2013	48,006	0.54%	1,262
Swap variable, 1 month USD – LIBOR	4,700	Toronto-Dominion Bank, The	Ares Capital Corp.	Dec. 6, 2013	80,582	0.54%	2,119
Swap variable, 1 month USD – LIBOR	4,400	Toronto-Dominion Bank, The	Ares Capital Corp.	Dec. 9, 2013	75,438	0.59%	1,981
Swap variable, 1 month USD – LIBOR	700	Toronto-Dominion Bank, The	Enterprise Products Partners	Dec. 6, 2013	41,573	0.54%	2,015
Swap variable, 1 month USD – LIBOR	500	Toronto-Dominion Bank, The	Enterprise Products Partners	Dec. 9, 2013	29,695	0.54%	1,439
Swap variable, 1 month USD – LIBOR	300	Toronto-Dominion Bank, The	Enterprise Products Partners	Dec. 9, 2013	17,817	0.54%	863
Swap variable, 1 month USD – LIBOR	600	Toronto-Dominion Bank, The	Enterprise Products Partners	Dec. 10, 2013	35,634	0.54%	1,727
Swap variable, 1 month USD – LIBOR	2,300	Toronto-Dominion Bank, The	Enterprise Products Partners	Dec. 12, 2013	136,597	0.54%	6,620
Swap variable, 1 month USD – LIBOR	1,200	Toronto-Dominion Bank, The	Enterprise Products Partners	Dec. 13, 2013	71,268	0.54%	3,454
Swap variable, 1 month USD – LIBOR	100	Toronto-Dominion Bank, The	Enterprise Products Partners	May. 2, 2014	5,939	0.59%	288
Swap variable, 1 month USD – LIBOR	100	Toronto-Dominion Bank, The	Enterprise Products Partners	May. 7, 2014	5,939	0.59%	288
Swap variable, 1 month USD – LIBOR	100	Toronto-Dominion Bank, The	Enterprise Products Partners	May. 29, 2014	6,113	0.59%	104
Swap variable, 1 month USD – LIBOR	100	Toronto-Dominion Bank, The	Enterprise Products Partners	May. 30, 2014	6,088	0.59%	131
Swap variable, 1 month USD – LIBOR	1,600	Toronto-Dominion Bank, The	Plains All American Pipeline LP	Nov. 15, 2013	89,888	0.59%	(658)
Swap variable, 1 month USD – LIBOR	255	Toronto-Dominion Bank, The	Plains All American Pipeline LP	Dec. 16, 2013	14,326	0.54%	(104)
Swap variable, 1 month USD – LIBOR	175	Toronto-Dominion Bank, The	Plains All American Pipeline LP	Dec. 19, 2013	9,802	0.54%	(38)
Swap variable, 1 month USD – LIBOR	180	Toronto-Dominion Bank, The	Plains All American Pipeline LP	Dec. 20, 2013	10,082	0.54%	(39)
Swap variable, 1 month USD – LIBOR	300	Toronto-Dominion Bank, The	Plains All American Pipeline LP	May. 23, 2014	17,469	0.59%	(771)
Swap variable, 1 month USD – LIBOR	300	Toronto-Dominion Bank, The	Plains All American Pipeline LP	May. 27, 2014	17,504	4.19%	(861)
Swap variable, 1 month USD – LIBOR	700	Toronto-Dominion Bank, The	Plains All American Pipeline LP	May. 28, 2014	41,163	0.59%	(2,222)
Swap variable, 1 month USD – LIBOR	600	Toronto-Dominion Bank, The	Plains All American Pipeline LP	May. 29, 2014	34,786	0.59%	(1,381)
Swap variable, 1 month USD – LIBOR	300	Toronto-Dominion Bank, The	Plains All American Pipeline LP	May. 30, 2014	17,028	0.59%	(307)
							15,908

The swap contracts outstanding at June 30, 2013 are placed with a financial institution with a minimum credit rating of AA- by Standard & Poor's.

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equities	40.3	50.4
United States Equities	18.3	12.0
Fixed Income Fund	32.0	32.6
Currency Forward Contracts	(0.4)	0.0
Swap Contracts	0.1	–

The accompanying notes are an integral part of the financial statements.

Scotia Private Advantaged Income Pool (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$123,220, or approximately 0.5% of total Net Assets (December 31, 2012 – \$138,959, or approximately 0.4% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The table below indicates the currency to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	2,330,140	9.7	2,220,179	6.4

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$233,014, or approximately 1.0% of total Net Assets, (December 31, 2012 – \$222,018, or approximately 0.6% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying fund invests in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 62.0% (December 31, 2012 – 62.4%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$1,497,120 (December 31, 2012 – \$2,156,817). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$183,065	\$653,335
Payable for currency forward contracts	126,147	18,644
	\$309,212	\$671,979

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Diversified Monthly Income Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$2,273,309,746	\$2,154,301,881
Cash*	214,709,022	230,024,652
Accrued investment income	5,533,520	5,255,085
Receivable for securities sold	31,047,763	655,972
Subscriptions receivable	2,202,648	3,054,122
Receivable for futures contracts	646,850	—
Receivable for currency forward contracts	140,964	—
	<u>2,527,590,513</u>	<u>2,393,291,712</u>
LIABILITIES		
Distributions payable	608,562	579,315
Redemptions payable	2,298,727	1,589,905
Accrued expenses	2,825,677	—
Payable for swap contracts	572,674	—
Payable for currency forward contracts	6,593,032	623,792
	<u>12,898,672</u>	<u>2,793,012</u>
Net Assets	<u>\$2,514,691,841</u>	<u>\$2,390,498,700</u>
NET ASSETS PER SERIES		
Series A Units	\$2,510,447,128	\$2,385,615,028
Advisor Series Units	\$ 3,484,572	\$ 4,033,116
Series F Units	\$ 760,141	\$ 850,556
UNITS OUTSTANDING		
Series A Units	251,964,773	238,857,780
Advisor Series Units	357,683	411,343
Series F Units	73,415	82,086
NET ASSETS PER UNIT		
Series A Units	\$ 9.96	\$ 9.99
Advisor Series Units	\$ 9.74	\$ 9.80
Series F Units	\$ 10.35	\$ 10.36

* \$16,396,174 (2012 – \$6,324,443) held by brokers as collaterals for written options.

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$23,490,707	\$ 20,945,244
Interest	21,738,108	22,532,483
Capital gains distributions received	829,998	27,385
Securities lending	18,216	54,019
Foreign withholding taxes/tax reclaims	(517,293)	(467,662)
Other income	27,869	20,563
	<u>45,587,605</u>	<u>43,112,032</u>
EXPENSES		
Management fees (note 5)	15,447,671	13,489,328
Harmonized Sales Tax/Goods and Services Tax	1,838,881	1,590,904
Audit fees	29,316	23,456
Independent Review Committee fees	4,335	4,240
Custodian fees	16,493	16,937
Filing fees	60,781	59,640
Legal fees	10,509	7,892
Unitholder reporting costs	64,323	68,183
Unitholder administration and service fees	507,007	428,672
Overdraft charges	21	3,754
	<u>17,979,337</u>	<u>15,693,006</u>
Absorbed expenses	<u>(3,269)</u>	<u>(730)</u>
	<u>17,976,068</u>	<u>15,692,276</u>
Net investment income (loss)	<u>27,611,537</u>	<u>27,419,756</u>
Net realized gain (loss) on investments sold	23,440,528	(11,205,737)
Net realized gain (loss) on futures contracts	461,275	—
Net realized gain (loss) on currency forwards	(3,921,191)	(1,630,636)
Net realized gain (loss) on swap contracts	673,844	—
Net gain (loss) foreign exchange	470,602	(267,499)
Transaction costs	(651,417)	(1,460,907)
Change in unrealized appreciation (depreciation) of investments	(5,505,561)	18,983,626
Change in unrealized appreciation (depreciation) of currency forwards	(5,828,276)	800,636
Change in unrealized appreciation (depreciation) of swap contracts	(572,674)	—
Net gain (loss) on investments and transaction costs	<u>8,567,130</u>	<u>5,219,483</u>
Increase (decrease) in Net Assets from operations	<u>\$36,178,667</u>	<u>\$ 32,639,239</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$36,102,946	\$ 32,516,534
Advisor Series Units	\$ 60,981	\$ 106,183
Series F Units	\$ 14,740	\$ 16,522
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.15	\$ 0.15
Advisor Series Units	\$ 0.15	\$ 0.15
Series F Units	\$ 0.19	\$ 0.22

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$2,385,615,028	\$2,040,292,693
Advisor Series Units	4,033,116	7,648,188
Series F Units	850,556	732,654
	<u>2,390,498,700</u>	<u>2,048,673,535</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	36,102,946	32,516,534
Advisor Series Units	60,981	106,183
Series F Units	14,740	16,522
	<u>36,178,667</u>	<u>32,639,239</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series A Units	(44,557,988)	(39,698,086)
Advisor Series Units	(70,108)	(125,430)
Series F Units	(13,514)	(13,784)
	<u>(44,641,610)</u>	<u>(39,837,300)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	327,928,701	351,129,713
Advisor Series Units	291,400	782,486
Series F Units	30,851	296,324
Reinvested distributions		
Series A Units	40,995,746	36,528,930
Advisor Series Units	39,129	90,767
Series F Units	6,742	9,921
Payments on redemption		
Series A Units	(235,637,305)	(178,996,206)
Advisor Series Units	(869,946)	(3,394,553)
Series F Units	(129,234)	(70,693)
	<u>132,656,084</u>	<u>206,376,689</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	124,832,100	201,480,885
Advisor Series Units	(548,544)	(2,540,547)
Series F Units	(90,415)	238,290
	<u>124,193,141</u>	<u>199,178,628</u>
NET ASSETS – END OF PERIOD		
Series A Units	2,510,447,128	2,241,773,578
Advisor Series Units	3,484,572	5,107,641
Series F Units	760,141	970,944
	<u>\$2,514,691,841</u>	<u>\$2,247,852,163</u>

The accompanying notes are an integral part of the financial statements.

Scotia Diversified Monthly Income Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares/ Number of Contracts/ Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 50.4%				EQUITIES (cont'd)			
CANADIAN EQUITIES – 33.6%				UNITED STATES EQUITIES (cont'd)			
Energy – 17.1%				Materials – 1.7%			
580,948	Baytex Energy Corporation	26,929,714	21,895,930	614,300	LyondellBasell Industries NV, Class A	37,441,763	42,921,933
1,945,896	Crescent Point Energy Corp.	82,907,119	69,371,192	Industrials – 4.5%			
1,873,395	Enbridge Inc.	64,302,147	82,523,050	355,000	Honeywell International Inc.	24,735,957	29,593,591
1,627,952	Gibson Energy Inc.	31,452,979	39,510,395	185,000	Union Pacific Corporation	24,986,764	29,988,758
1,709,700	Inter Pipeline Fund, Class A	40,572,940	36,997,908	580,000	United Parcel Service, Inc., Class B	47,038,983	52,713,423
1,678,663	Pembina Pipeline Corporation	46,051,838	53,952,229	Consumer Discretionary – 4.3%			
6,043,861	Pengrowth Energy Corp.	58,348,368	30,823,691	1,869,900	Comcast Corporation, Class A	48,743,352	81,986,790
1,120,000	TransCanada Corporation	45,451,947	50,680,000	330,697	Home Depot Inc., The	17,258,894	26,778,900
2,035,926	Veresen Inc.	30,175,899	25,387,997	Health Care – 1.0%			
361,996	Vermilion Energy, Inc.	17,640,764	18,581,255	886,000	Pfizer Inc.	22,551,610	26,140,142
		443,833,715	429,723,647	Financials – 2.8%			
Materials – 0.6%				(504)	BlackRock, Inc., Written Put Option \$270.00 Jul. 20, 2013	(293,044)	(799,622)
1,632,968	Canexus Corp.	10,482,887	15,006,976	(4,854)	JPMorgan Chase & Co., Written Put Option \$52.50 Jul. 20, 2013	(928,994)	(612,009)
Financials – 10.1%				365,000	Prudential Financial, Inc.	26,351,866	27,984,292
1,328,900	Bank of Nova Scotia, The	71,943,832	74,684,180	1,028,000	Wells Fargo & Company	34,735,139	44,576,370
195,600	Canadian Imperial Bank of Commerce	15,358,266	14,599,584	Information Technology – 1.0%			
271,270	Cominar Real Estate Investment Trust	5,329,667	5,628,853	(1,077)	Accenture PLC, Written Put Option \$77.50 Jul. 20, 2013	(131,930)	(633,696)
838,912	Dundee Real Estate Investment Trust	27,439,397	27,314,975	133,000	International Business Machines Corporation	27,479,346	26,706,204
598,178	First Capital Realty, Inc.	7,873,293	10,611,678	Telecommunication Services – 1.1%			
289,000	Great-West Lifeco Inc.	7,864,739	8,207,600	510,000	Verizon Communications Inc.	26,073,500	26,974,941
189,700	Great-West Lifeco Inc. Subscription Receipts	4,875,290	5,406,450	TOTAL UNITED STATES EQUITIES			
521,760	H&R Real Estate Investment Trust	11,451,628	11,457,850	TOTAL EQUITIES			
663,471	RioCan Real Estate Investment Trust	17,805,104	16,752,643	FIXED INCOME FUNDS – 40.0%			
926,400	Toronto-Dominion Bank, The	70,608,948	78,234,480	35,833,451	Scotia Canadian Income Fund Series I	486,053,037	482,891,587
		240,550,164	252,898,293	4,894,650	Scotia Mortgage Income Fund Series I	52,700,670	52,321,852
Telecommunication Services – 2.9%				44,525,519	Scotia Private Canadian Corporate Bond Pool Series I	461,293,525	470,251,813
545,000	BCE Inc.	18,865,324	23,500,400	TOTAL INVESTMENT PORTFOLIO			
600,910	Rogers Communications, Inc., Class B	21,454,624	24,745,474	Currency Forward Contracts – (0.3)%			
814,988	TELUS Corporation	24,483,356	25,020,132	Futures Contracts – 0.0%			
		64,803,304	73,266,006	Swap Contracts – 0.0%			
Utilities – 2.9%				OTHER ASSETS, LESS LIABILITIES – 9.9%			
1,046,273	Brookfield Infrastructure Partners LP	27,043,370	39,915,313	NET ASSETS – 100.0%			
152,593	Brookfield Renew Energy Partners LP	3,200,307	4,426,721				
161,183	Emera Inc.	3,675,526	5,322,262				
700,422	Fortis, Inc.	21,729,703	22,539,580				
		55,648,906	72,203,876				
TOTAL CANADIAN EQUITIES							
		815,318,976	843,098,798				
UNITED STATES EQUITIES – 16.8%							
Energy – 0.4%							
305,500	Williams Companies Inc., The	11,214,192	10,425,679				

BOND FUTURES CONTRACTS

Number of Contracts	Contract Issuer	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
240	Canadian 10 Year Bond Future – Sep. 2013	31,812,150	31,509,600	(302,550)

The above futures contracts are financial agreements to purchase/sell the bond at a contracted price on a specific future date. However, the Fund does not intend to purchase/sell the bond on settlement. Rather, it intends to close out each futures contracts before settlement by entering into equal, but offsetting futures contracts.

The futures contracts outstanding at June 30, 2013 are placed with a financial institution with a minimum credit rating of A+ by Standard & Poor's.

Scotia Diversified Monthly Income Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jul. 11, 2013	Canadian Dollar	39,409,604	U.S. Dollar	38,992,000	41,001,052	(1,591,447)
Jul. 11, 2013	U.S. Dollar	8,328,000	Canadian Dollar	8,616,066	8,609,233	140,964
Aug. 22, 2013	Canadian Dollar	141,338,544	U.S. Dollar	138,774,000	146,170,213	(4,831,669)
Aug. 22, 2013	Canadian Dollar	4,991,238	U.S. Dollar	4,900,000	5,161,154	(169,916)
						<u>(6,452,068)</u>

The currency forward contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A+ by Standard & Poor's.

EQUITY SWAP CONTRACTS

Description	Number of Units	Contract Issuer	Underlying Security	Termination Date	Notional Amount (\$)	Variable Rate %	Appreciation/ (Depreciation) (\$)
Swap variable, 1 month USD – LIBOR	23,400	Toronto-Dominion Bank, The	Plains All American Pipeline	Nov. 13, 2013	1,314,612	0.59%	(9,621)
Swap variable, 1 month USD – LIBOR	25,500	Toronto-Dominion Bank, The	Plains All American Pipeline	Nov. 14, 2013	1,432,590	0.59%	(10,485)
Swap variable, 1 month USD – LIBOR	1,300	Toronto-Dominion Bank, The	Plains All American Pipeline	Nov. 15, 2013	73,034	0.59%	(535)
Swap variable, 1 month USD – LIBOR	7,600	Toronto-Dominion Bank, The	Plains All American Pipeline	Nov. 26, 2013	426,968	0.54%	(3,110)
Swap variable, 1 month USD – LIBOR	15,500	Toronto-Dominion Bank, The	Plains All American Pipeline	Nov. 29, 2013	870,790	0.54%	(6,344)
Swap variable, 1 month USD – LIBOR	6,000	Toronto-Dominion Bank, The	Plains All American Pipeline	Nov. 29, 2013	337,080	0.54%	(2,456)
Swap variable, 1 month USD – LIBOR	31,500	Toronto-Dominion Bank, The	Plains All American Pipeline	Dec. 2, 2013	1,769,670	0.54%	(12,892)
Swap variable, 1 month USD – LIBOR	2,152	Toronto-Dominion Bank, The	Plains All American Pipeline	Dec. 9, 2013	120,899	0.54%	(881)
Swap variable, 1 month USD – LIBOR	5,900	Toronto-Dominion Bank, The	Plains All American Pipeline	Dec. 10, 2013	331,462	0.54%	(2,415)
Swap variable, 1 month USD – LIBOR	36,873	Toronto-Dominion Bank, The	Plains All American Pipeline	Dec. 16, 2013	2,071,525	0.54%	(15,091)
Swap variable, 1 month USD – LIBOR	12,425	Toronto-Dominion Bank, The	Plains All American Pipeline	Dec. 19, 2013	695,924	0.54%	(2,699)
Swap variable, 1 month USD – LIBOR	12,600	Toronto-Dominion Bank, The	Plains All American Pipeline	Dec. 20, 2013	705,726	0.54%	(2,737)
Swap variable, 1 month USD – LIBOR	51,550	Toronto-Dominion Bank, The	Plains All American Pipeline	Dec. 23, 2013	2,887,316	0.54%	(11,198)
Swap variable, 1 month USD – LIBOR	24,500	Toronto-Dominion Bank, The	Plains All American Pipeline	May. 23, 2014	1,426,596	0.59%	(62,996)
Swap variable, 1 month USD – LIBOR	39,700	Toronto-Dominion Bank, The	Plains All American Pipeline	May. 27, 2014	2,316,316	0.59%	(106,924)
Swap variable, 1 month USD – LIBOR	56,500	Toronto-Dominion Bank, The	Plains All American Pipeline	May. 28, 2014	3,322,432	0.59%	(179,354)
Swap variable, 1 month USD – LIBOR	50,100	Toronto-Dominion Bank, The	Plains All American Pipeline	May. 29, 2014	2,904,623	0.59%	(115,302)
Swap variable, 1 month USD – LIBOR	27,000	Toronto-Dominion Bank, The	Plains All American Pipeline	May. 30, 2014	1,532,563	0.59%	(27,634)
							<u>(572,674)</u>

The swap contracts outstanding at June 30, 2013 are placed with a financial institution with a minimum credit rating of AA- by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equities	33.6	39.4
Foreign Equities	16.8	8.3
Fixed Income Funds	40.0	42.4
Currency Forward Contracts	(0.3)	0.0
Futures Contracts	0.0	0.0
Swap Contracts	0.0	–

The accompanying notes are an integral part of the financial statements.

Scotia Diversified Monthly Income Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund invests in underlying funds and swap contracts, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$18,481,401, or approximately 0.7% of total Net Assets (December 31, 2012 – \$14,946,477, or approximately 0.6% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The table below indicates the currency to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	241,281,434	9.6	146,803,904	16.3

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$24,128,143, or approximately 1.0% of total Net Assets, (December 31, 2012 – \$14,608,390, or approximately 1.6% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 51.4% (December 31, 2012 – 47.7%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$129,181,195 (December 31, 2012 – \$114,041,628). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit ratings of the bond and debenture instruments, excluding cash and money market instruments but including preferred shares, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Preferred Shares and Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Preferred Shares and Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
AAA	–	–	57.0	0.7
AA	–	–	43.0	0.5
Unrated	–	–	–	–
Total	–	–	100.0	1.2

The Fund could also be exposed to indirect credit risk to the extent that the underlying funds invest in debt instruments and derivatives.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$ 5,732,966	\$2,169,220
Payable for swap contracts	572,674	–
Payable for currency forward contracts	6,593,032	623,792
	\$12,898,672	\$2,793,012

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Income Advantage Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$132,600,400	\$ 94,647,309
Cash*	22,773,267	14,081,183
Accrued investment income	850,171	665,096
Receivable for securities sold	627,819	15,781
Subscriptions receivable	292,449	408,004
Receivable for futures contracts	342,095	65,887
Receivable for currency forward contracts	101,502	—
Receivable for swap contracts	103,345	—
	<u>157,691,048</u>	<u>109,883,260</u>
LIABILITIES		
Payable for securities purchased	27,120	—
Distributions payable	47,245	34,321
Redemptions payable	111,249	28,135
Accrued expenses	251,856	—
Payable for currency forward contracts	919,682	66,894
	<u>1,357,152</u>	<u>129,350</u>
Net Assets	<u>\$156,333,896</u>	<u>\$109,753,910</u>
NET ASSETS PER SERIES		
Series A Units	<u>\$156,333,896</u>	<u>\$109,753,910</u>
UNITS OUTSTANDING		
Series A Units	<u>15,395,219</u>	<u>10,781,572</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 10.15</u>	<u>\$ 10.18</u>

* \$1,256,939 held by brokers as collateral for written options (December 31, 2012 – \$315,505).

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$1,296,332	\$ 555,643
Interest	1,524,668	746,767
Capital gains distributions received	39,801	434
Securities lending	7,215	2,396
Foreign withholding taxes/tax reclaims	(26,195)	(15,346)
Other income	5,301	1,033
	<u>2,847,122</u>	<u>1,290,927</u>
EXPENSES		
Management fees (note 5)	1,271,188	496,819
Harmonized Sales Tax/Goods and Services Tax	136,592	55,363
Audit fees	1,656	1,671
Independent Review Committee fees	240	89
Custodian fees	3,103	723
Filing fees	9,722	7,069
Legal fees	588	564
Unitholder reporting costs	5,184	4,111
Unitholder administration and service fees	23,917	12,193
Overdraft charges	120	134
	<u>1,452,310</u>	<u>578,736</u>
Absorbed expenses	—	(8)
	<u>1,452,310</u>	<u>578,728</u>
Net investment income (loss)	<u>1,394,812</u>	<u>712,199</u>
Net realized gain (loss) on investments sold	549,375	(382,065)
Net realized gain (loss) on futures contracts	130,110	(103,723)
Net realized gain (loss) on currency forwards	(223,319)	(133,984)
Net realized gain (loss) on swap contracts	98,899	—
Net gain (loss) foreign exchange	21,417	4,814
Transaction costs	(51,704)	(46,118)
Change in unrealized appreciation (depreciation) of investments	221,854	285,585
Change in unrealized appreciation (depreciation) of currency forwards	(751,286)	70,529
Change in unrealized appreciation (depreciation) of swap contracts	103,345	—
Net gain (loss) on investments and transaction costs	<u>98,691</u>	<u>(304,962)</u>
Increase (decrease) in Net Assets from operations	<u>\$1,493,503</u>	<u>\$ 407,237</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>\$1,493,503</u>	<u>\$ 407,237</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	<u>\$ 0.11</u>	<u>\$ 0.08</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	<u>\$109,753,910</u>	<u>\$30,558,447</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>1,493,503</u>	<u>407,237</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series A Units	<u>(2,909,722)</u>	<u>(1,205,530)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	<u>56,761,294</u>	<u>44,418,089</u>
Reinvested distributions		
Series A Units	<u>2,658,728</u>	<u>1,071,162</u>
Payments on redemption		
Series A Units	<u>(11,423,817)</u>	<u>(3,575,544)</u>
	<u>47,996,205</u>	<u>41,913,707</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	<u>46,579,986</u>	<u>41,115,414</u>
NET ASSETS – END OF PERIOD		
Series A Units	<u>\$156,333,896</u>	<u>\$71,673,861</u>

The accompanying notes are an integral part of the financial statements.

Scotia Income Advantage Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares/ Number of Contracts/ Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 52.1%				EQUITIES (cont'd)			
CANADIAN EQUITIES – 36.2%				UNITED STATES EQUITIES (cont'd)			
Energy – 15.5%				Industrials (cont'd)			
31,268	Baytex Energy Corporation	1,507,773	1,178,491	35,000	United Parcel Service, Inc., Class B	2,893,437	3,180,982
107,854	Crescent Point Energy Corp.	4,474,290	3,844,995			6,806,829	7,717,348
105,383	Enbridge Inc.	4,218,497	4,642,121				
17,630	Enbridge Income Fund Holdings Inc.	350,160	418,007		Consumer Discretionary – 4.3%		
83,013	Gibson Energy Inc.	1,880,511	2,014,726	114,800	Comcast Corporation, Class A	3,741,241	5,033,469
116,073	Inter Pipeline Fund, Class A	2,413,911	2,511,820	20,095	Home Depot Inc., The	1,270,872	1,627,236
101,720	Pembina Pipeline Corporation	2,956,958	3,269,281			5,012,113	6,660,705
204,626	Pengrowth Energy Corp.	1,742,072	1,043,593		Health Care – 0.9%		
71,233	TransCanada Corporation	3,193,757	3,223,293	45,200	Pfizer Inc.	1,165,097	1,333,560
86,975	Veresen Inc.	1,239,499	1,084,578		Financials – 2.0%		
18,426	Vermilion Energy, Inc.	847,917	945,807	(31)	BlackRock, Inc., Written Put Option \$270.00 Jul. 20, 2013	(18,025)	(49,183)
		24,825,345	24,176,712	(293)	JPMorgan Chase & Co., Written Put Option \$52.50 Jul. 20, 2013	(56,076)	(36,942)
Materials – 0.7%				22,200	Prudential Financial, Inc.	1,602,771	1,702,058
125,099	Canexus Corp.	945,416	1,149,660	35,700	Wells Fargo & Company	1,208,852	1,548,032
Industrials – 1.0%						2,737,522	3,163,965
115,000	Morneau Shepell, Inc.	1,397,354	1,600,800		Information Technology – 1.0%		
Consumer Discretionary – 0.2%				(66)	Accenture PLC, Written Put Option \$77.50 Jul. 20, 2013	(8,085)	(38,834)
6,400	Cineplex, Inc.	180,558	235,456	7,800	International Business Machines Corporation	1,611,571	1,566,229
Financials – 10.6%						1,603,486	1,527,395
22,500	Atrium Mortgage Investment Corporation	240,075	234,450		Telecommunication Services – 1.0%		
81,800	Bank of Nova Scotia, The	4,439,633	4,597,160	31,000	Verizon Communications Inc.	1,584,862	1,639,653
39,378	Calloway Real Estate Investment Trust	1,061,671	1,012,408		TOTAL UNITED STATES EQUITIES	21,500,292	24,872,148
11,000	Canadian Imperial Bank of Commerce	868,042	821,040		TOTAL EQUITIES	77,560,189	81,373,197
12,243	Cominar Real Estate Investment Trust	242,688	254,042		BOND AND DEBENTURE INSTRUMENTS – 24.4%		
69,800	Crombie Real Estate Investment Trust	917,420	951,374		Corporate Bonds – 24.4%		
45,445	Dundee Real Estate Investment Trust	1,569,561	1,479,689		Alliance Pipeline LP		
14,700	Great-West Lifeco Inc.	400,049	417,480	80,000	4.93% due Dec. 16, 2019	88,560	85,511
9,600	Great-West Lifeco Inc. Subscription Receipts	246,720	273,600		AltaGas Income Trust		
24,878	H&R Real Estate Investment Trust	573,306	546,321	300,000	7.42% due Apr. 29, 2014	330,999	311,980
29,121	Killam Properties Inc.	366,100	306,644	350,000	5.49% due Mar. 27, 2017	389,200	383,598
32,210	RioCan Real Estate Investment Trust	836,229	813,303	410,000	4.60% due Jan. 15, 2018	424,458	438,270
57,000	Toronto-Dominion Bank, The	4,540,634	4,813,650		AltaGas Ltd.		
		16,302,128	16,521,161	200,000	6.94% due Jun. 29, 2016	229,430	225,369
Telecommunication Services – 2.5%				400,000	3.72% due Sep. 28, 2021	399,880	398,939
23,000	BCE Inc.	935,478	991,760		Altria Group, Inc.		
34,400	Rogers Communications, Inc., Class B	1,355,228	1,416,592	744,000	9.70% due Nov. 10, 2018	1,045,316	1,039,647
50,500	TELUS Corporation	1,597,573	1,550,350	700,000	9.25% due Aug. 6, 2019	975,348	972,241
		3,888,279	3,958,702	700,000	2.85% due Aug. 9, 2022	691,999	678,671
Utilities – 5.7%					American Tower Corp.		
60,700	Brookfield Infrastructure Partners LP	2,020,977	2,315,705	300,000	4.50% due Jan. 15, 2018	325,841	333,330
46,866	Brookfield Renew Energy Partners LP	1,360,071	1,359,583	200,000	3.50% due Jan. 31, 2023	197,134	192,050
60,000	Canadian Utilities Limited, Class A	1,984,813	2,204,400		Anheuser-Busch Companies, Inc.		
21,700	Fortis, Inc.	681,380	698,306	510,000	1.50% due Jul. 14, 2014	517,825	541,546
111,013	Innervex Renewable Energy Inc.	1,111,306	969,143	292,000	3.38% due Jan. 25, 2023	289,892	283,433
77,553	Northland Power Inc.	1,362,270	1,311,421		B.A.T. International Finance p.l.c.		
		8,520,817	8,858,558	473,000	9.50% due Nov. 15, 2018	658,294	664,968
TOTAL CANADIAN EQUITIES					Ball Corporation		
		56,059,897	56,501,049	235,697	5.00% due Mar. 15, 2022	252,385	243,931
UNITED STATES EQUITIES – 15.9%					Ball Corporation (callable)		
Energy – 0.4%				80,000	5.75% due May 15, 2021 (Nov. 15, 2015)	85,691	88,258
17,600	Williams Companies Inc., The	646,066	600,628		Baytex Energy Corporation (callable)		
Materials – 1.4%				100,000	6.75% due Feb. 17, 2021 (2016)	105,284	109,290
31,900	LyondellBasell Industries NV, Class A	1,944,317	2,228,894		bdIMC Realty Corporation		
Industrials – 4.9%				210,000	3.51% due Jun. 29, 2022	211,786	208,935
37,500	Honeywell International Inc.	2,738,360	3,126,084		Bell Canada		
8,700	Union Pacific Corporation	1,175,032	1,410,282	165,000	3.65% due May 19, 2016	171,194	170,887
				350,000	5.00% due Feb. 15, 2017	386,481	378,445

For equities, all common shares unless otherwise noted.

The accompanying notes are an integral part of the financial statements.

Scotia Income Advantage Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBENTURE INSTRUMENTS (cont'd)				BOND AND DEBENTURE INSTRUMENTS (cont'd)			
Corporate Bonds (cont'd)				Corporate Bonds (cont'd)			
135,000	4.40% due Mar. 16, 2018	145,530	143,174		Linn Energy LLC/ Linn Energy Finance Corporation (callable)		
700,000	3.35% due Jun. 18, 2019	706,039	699,047	149,000	6.25% due Nov. 1, 2019-(2015)	147,302	148,530
300,000	4.95% due May 19, 2021	343,620	322,741	100,000	7.75% due Feb. 1, 2021-(Sep. 15, 2015)	103,906	104,807
550,000	Boston Properties LP (callable)				Loillard Tobacco Company		
	3.85% due Feb. 1, 2023-(Nov. 1, 2022)	577,491	569,105	350,000	8.13% due Jun. 23, 2019	445,252	447,982
	Brookfield Asset Management Inc.				MEG Energy Corp.		
450,000	3.95% due Apr. 9, 2019	471,195	457,380	300,000	6.50% due Mar. 15, 2021	316,537	312,451
255,000	5.30% due Mar. 1, 2021	278,567	274,701		OMERS Realty CTT Holdings Inc.		
638,000	4.54% due Mar. 31, 2023	655,526	642,292	180,000	4.75% due May 5, 2016	199,080	192,868
	Brookfield Infrastructure Partners LP				Pembina Pipeline Corporation		
350,000	3.46% due Oct. 10, 2017	354,701	351,393	203,000	4.89% due Mar. 29, 2021	223,446	219,347
	Brookfield Renewable Power Inc.			721,000	3.77% due Oct. 24, 2022	726,204	710,746
420,000	6.13% due Nov. 30, 2016	467,291	464,287		Pernod Ricard SA		
	BRP Finance ULC			400,000	5.75% due Apr. 7, 2021	467,529	467,816
375,000	5.14% due Oct. 13, 2020	394,031	401,288	600,000	4.25% due Jul. 15, 2022	617,826	632,340
188,000	4.79% due Feb. 7, 2022	189,851	195,026		Retail Properties, Inc.		
	Calloway Real Estate Investment Trust			500,000	7.88% due Mar. 15, 2016	611,927	609,866
400,000	5.37% due Oct. 12, 2016	424,112	430,178		Rogers Communications Inc.		
206,000	4.05% due Jul. 27, 2020	207,158	205,167	200,000	3.00% due Jun. 6, 2017	203,980	201,733
47,000	3.99% due May 30, 2023	47,108	45,009	505,000	4.70% due Sep. 29, 2020	553,918	535,482
	Canadian Oil Sands Ltd.			1,344,000	5.34% due Mar. 22, 2021	1,525,096	1,470,320
340,000	7.75% due May 15, 2019	434,836	431,678	108,000	4.00% due Jun. 6, 2022	111,512	107,044
	Comcast Cable Communications Holdings, Inc.				SABMiller PLC		
400,000	9.46% due Nov. 15, 2022	594,700	595,652	600,000	3.75% due Jan. 15, 2022	630,664	636,331
	Comcast Corporation				Shaw Communications Inc.		
275,000	5.15% due Mar. 1, 2020	320,102	329,084	360,000	6.50% due Jun. 2, 2014	392,998	373,709
300,000	2.85% due Jan. 15, 2023	295,568	295,905	128,000	5.65% due Oct. 1, 2019	144,019	142,006
	Constellation Brands Inc.			301,000	5.50% due Dec. 7, 2020	340,732	331,297
160,000	4.25% due May 1, 2023	166,883	160,336		Sherritt International Corporation		
	Corus Entertainment Inc.			150,000	7.50% due Sep. 24, 2020-(2019)	150,000	148,998
125,000	4.25% due Feb. 11, 2020	125,000	120,630		Simon Property Group LP (callable)		
	Denbury Resources Inc. (callable)			375,000	5.65% due Feb. 1, 2020 -(Nov. 1, 2019)	435,369	448,562
250,000	4.63% due Jul. 15, 2023-(Jan. 15, 2018)	248,231	242,973	500,000	2.75% due Dec. 1, 2022-(Nov. 1, 2022)	490,568	481,524
	Duke Energy Corporation				Suncor Energy, Inc.		
350,000	8.75% due Aug. 3, 2018	457,345	443,206	370,000	5.80% due May 22, 2018	424,605	417,748
	Emera Inc.				TELUS Corporation		
285,000	4.83% due Dec. 2, 2019	314,439	306,838	200,000	5.05% due Dec. 4, 2019	224,860	219,058
	Enbridge Inc.			440,000	5.05% due Jul. 23, 2020	476,762	481,179
200,000	4.53% due Mar. 9, 2020	223,460	214,937		TELUS Corporation (callable)		
200,000	3.19% due Dec. 5, 2022	199,864	190,647	208,000	3.35% due Mar. 15, 2023-(Dec. 15, 2022)	212,618	196,750
	Enbridge Income Fund				Time Warner Cable Inc.		
367,000	4.10% due Feb. 22, 2019	366,295	381,303	195,000	8.25% due Apr. 1, 2019	251,944	252,972
	Enbridge Income Fund Holdings Inc.			600,000	8.38% due Mar. 15, 2023	842,305	800,309
500,000	3.94% due Jan. 13, 2023	503,683	489,169		Veresen Inc.		
	First Capital Realty Inc.			390,000	5.60% due Jul. 28, 2014	417,320	403,237
200,000	4.95% due Nov. 30, 2018	217,200	213,959		Videotron Ltee (callable)		
440,000	5.48% due Jul. 30, 2019	460,262	482,652	422,000	9.13% due Apr. 15, 2018-(2013)	474,808	465,120
500,000	5.60% due Apr. 30, 2020	577,468	549,852	300,000	7.13% due Jan. 15, 2020-(2015)	330,750	322,643
300,000	4.50% due Mar. 1, 2021	300,252	307,369	383,000	5.63% due Jun. 15, 2025-(2025)	382,055	365,664
560,000	4.43% due Jan. 31, 2022	572,181	562,121		Videotron Ltee		
375,000	3.95% due Dec. 5, 2022	372,293	359,335	353,000	6.88% due Jul. 15, 2021	391,851	382,564
	Gibson Energy Inc. (callable)			100,000	5.00% due Jul. 15, 2022	103,338	103,130
65,000	7.00% due Jul. 15, 2020-(2016)	64,111	64,106		Viterra Inc.		
	Greater Toronto Airports Authority			400,000	5.95% due Aug. 1, 2020	423,894	440,141
130,000	4.85% due Jun. 1, 2017	146,185	141,776		WEA Finance LLC		
	H&R Real Estate Investment Trust			400,000	7.13% due Apr. 15, 2018	472,875	506,641
74,000	4.78% due Jul. 27, 2016	78,688	77,739		WEA Finance LLC/ WIT Finance Aust Pty. Ltd.		
126,000	3.34% due Jun. 20, 2018	126,115	123,970	600,000	6.75% due Sep. 2, 2019	744,601	747,751
698,000	4.45% due Mar. 2, 2020	702,935	706,524		Westcoast Energy Inc.		
	Inter Pipeline Fund			362,000	5.60% due Jan. 16, 2019	418,421	409,285
556,000	3.84% due Jul. 30, 2018	577,825	577,202	250,000	4.57% due Jul. 2, 2020	280,125	269,063
400,000	4.90% due Feb. 3, 2020	451,084	436,571	300,000	3.12% due Dec. 5, 2022	299,898	286,269
400,000	4.97% due Feb. 2, 2021	435,400	436,138				
141,000	3.78% due May 30, 2022	141,619	140,169		TOTAL BOND AND DEBENTURE INSTRUMENTS	38,524,136	38,125,210

The accompanying notes are an integral part of the financial statements.

Scotia Income Advantage Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 8.4%			
585,728	Dynamic Alternative Yield Fund Series O	5,987,613	6,056,430
377,031	Dynamic Dividend Income Fund Series O	1,997,806	2,081,211
1,345,353	Dynamic High Yield Bond Fund Series O	5,327,528	4,964,352
		<u>13,312,947</u>	<u>13,101,993</u>
	TOTAL INVESTMENT PORTFOLIO	<u>129,397,272</u>	<u>132,600,400</u>
	Currency Forward Contracts – (0.5)%		(818,180)
	Futures Contracts – 0.2%		342,095
	Swaps Contracts – 0.0%		103,345
	OTHER ASSETS, LESS LIABILITIES – 15.4%		<u>24,106,236</u>
	NET ASSETS – 100.0%		<u>156,333,896</u>

BOND FUTURES CONTRACTS

Number of Contracts	Contract Issuer	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
(3)	Canadian 10 Year Bond Future – Sep. 2013	(408,330)	(393,930)	<u>14,400</u>

The above futures contracts are financial agreements to purchase/sell the bond at a contracted price on a specific future date. However, the Fund does not intend to purchase/sell the bond on settlement. Rather, it intends to close out each futures contracts before settlement by entering into equal, but offsetting futures contracts.

The futures contracts outstanding at June 30, 2013 are placed with a financial institution with a minimum credit rating of A by Standard & Poor's.

CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jul. 11, 2013	Canadian Dollar	6,241,336	U.S. Dollar	6,175,200	6,493,375	(252,039)
Jul. 11, 2013	Canadian Dollar	4,627,470	U.S. Dollar	4,581,200	4,817,245	(189,775)
Jul. 11, 2013	Canadian Dollar	2,158,406	U.S. Dollar	2,134,922	2,244,923	(86,517)
Jul. 11, 2013	Canadian Dollar	735,903	U.S. Dollar	700,000	736,067	(164)
Jul. 11, 2013	Canadian Dollar	733,289	U.S. Dollar	700,000	736,067	(2,779)
Jul. 11, 2013	Canadian Dollar	728,446	U.S. Dollar	700,000	736,067	(7,621)
Jul. 11, 2013	U.S. Dollar	805,000	Canadian Dollar	810,619	809,976	35,835
Jul. 11, 2013	U.S. Dollar	374,000	Canadian Dollar	386,937	386,630	6,331
Aug. 22, 2013	Canadian Dollar	4,959,670	U.S. Dollar	4,869,678	5,129,216	(169,547)
Aug. 22, 2013	Canadian Dollar	2,579,561	U.S. Dollar	2,534,000	2,669,054	(89,493)
Aug. 22, 2013	Canadian Dollar	1,595,754	U.S. Dollar	1,566,000	1,649,463	(53,709)
Aug. 22, 2013	Canadian Dollar	1,445,682	U.S. Dollar	1,400,000	1,474,616	(28,934)
Aug. 22, 2013	Canadian Dollar	1,131,109	U.S. Dollar	1,111,000	1,170,213	(39,104)
Aug. 22, 2013	U.S. Dollar	1,650,000	Canadian Dollar	1,678,446	1,674,313	<u>59,336</u>
						<u>(818,180)</u>

The currency forward contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A by Standard & Poor's.

Scotia Income Advantage Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO EQUITY SWAP CONTRACTS

Description	Number of Units	Contract Issuer	Underlying Security	Termination Date	Notional Amount (\$)	Variable Rate %	Appreciation/ (Depreciation) (\$)
Swap variable, 1 month USD – LIBOR	2,286	Toronto-Dominion Bank, The	Ares Capital Corp.	Nov. 1, 2013	39,193	0.59%	1,029
Swap variable, 1 month USD – LIBOR	12,000	Toronto-Dominion Bank, The	Ares Capital Corp.	Dec. 3, 2013	205,740	0.54%	5,409
Swap variable, 1 month USD – LIBOR	11,900	Toronto-Dominion Bank, The	Ares Capital Corp.	Dec. 5, 2013	204,026	0.54%	5,365
Swap variable, 1 month USD – LIBOR	12,000	Toronto-Dominion Bank, The	Ares Capital Corp.	Dec. 6, 2013	205,740	0.54%	5,409
Swap variable, 1 month USD – LIBOR	11,300	Toronto-Dominion Bank, The	Ares Capital Corp.	Dec. 9, 2013	193,739	0.59%	5,087
Swap variable, 1 month USD – LIBOR	6,583	Toronto-Dominion Bank, The	Ares Capital Corp.	Jun. 6, 2014	110,481	0.59%	5,482
Swap variable, 1 month USD – LIBOR	6,707	Toronto-Dominion Bank, The	Ares Capital Corp.	Jun. 9, 2014	114,211	0.59%	3,853
Swap variable, 1 month USD – LIBOR	6,782	Toronto-Dominion Bank, The	Ares Capital Corp.	Jun. 10, 2014	115,354	0.59%	4,040
Swap variable, 1 month USD – LIBOR	6,758	Toronto-Dominion Bank, The	Ares Capital Corp.	Jun. 11, 2014	114,251	0.59%	4,758
Swap variable, 1 month USD – LIBOR	4,784	Toronto-Dominion Bank, The	Ares Capital Corp.	Jun. 12, 2014	78,878	0.59%	3,564
Swap variable, 1 month USD – LIBOR	2,200	Toronto-Dominion Bank, The	Enterprise Products Partners	Dec. 6, 2013	130,658	0.54%	6,332
Swap variable, 1 month USD – LIBOR	1,700	Toronto-Dominion Bank, The	Enterprise Products Partners	Dec. 9, 2013	100,963	0.54%	4,893
Swap variable, 1 month USD – LIBOR	900	Toronto-Dominion Bank, The	Enterprise Products Partners	Dec. 9, 2013	53,451	0.54%	2,590
Swap variable, 1 month USD – LIBOR	2,300	Toronto-Dominion Bank, The	Enterprise Products Partners	Dec. 10, 2013	136,597	0.54%	6,620
Swap variable, 1 month USD – LIBOR	8,500	Toronto-Dominion Bank, The	Enterprise Products Partners	Dec. 12, 2013	504,815	0.54%	24,466
Swap variable, 1 month USD – LIBOR	4,300	Toronto-Dominion Bank, The	Enterprise Products Partners	Dec. 13, 2013	255,377	0.54%	12,376
Swap variable, 1 month USD – LIBOR	1,200	Toronto-Dominion Bank, The	Enterprise Products Partners	Dec. 18, 2013	71,268	0.54%	3,454
Swap variable, 1 month USD – LIBOR	4,300	Toronto-Dominion Bank, The	Enterprise Products Partners	Dec. 18, 2013	255,377	0.54%	12,377
Swap variable, 1 month USD – LIBOR	2,800	Toronto-Dominion Bank, The	Enterprise Products Partners	May 2, 2014	166,292	0.59%	8,054
Swap variable, 1 month USD – LIBOR	200	Toronto-Dominion Bank, The	Enterprise Products Partners	May 6, 2014	11,878	0.59%	575
Swap variable, 1 month USD – LIBOR	2,900	Toronto-Dominion Bank, The	Enterprise Products Partners	May 7, 2014	172,231	0.59%	8,341
Swap variable, 1 month USD – LIBOR	500	Toronto-Dominion Bank, The	Enterprise Products Partners	May 8, 2014	29,695	0.59%	1,438
Swap variable, 1 month USD – LIBOR	800	Toronto-Dominion Bank, The	Enterprise Products Partners	May 16, 2014	47,512	0.59%	2,301
Swap variable, 1 month USD – LIBOR	2,700	Toronto-Dominion Bank, The	Plains All American Pipeline LP	May 24, 2014	157,533	0.59%	(7,272)
Swap variable, 1 month USD – LIBOR	1,900	Toronto-Dominion Bank, The	Enterprise Products Partners	May 29, 2014	116,155	0.59%	1,978
Swap variable, 1 month USD – LIBOR	900	Toronto-Dominion Bank, The	Enterprise Products Partners	May 30, 2014	54,791	0.59%	1,180
Swap variable, 1 month USD – LIBOR	1,186	Toronto-Dominion Bank, The	Plains All American Pipeline LP	Nov. 13, 2013	66,629	0.59%	(495)
Swap variable, 1 month USD – LIBOR	1,292	Toronto-Dominion Bank, The	Plains All American Pipeline LP	Nov. 14, 2013	72,585	0.59%	(539)
Swap variable, 1 month USD – LIBOR	1,000	Toronto-Dominion Bank, The	Plains All American Pipeline LP	Nov. 15, 2013	56,180	0.59%	(417)
Swap variable, 1 month USD – LIBOR	385	Toronto-Dominion Bank, The	Plains All American Pipeline LP	Nov. 26, 2013	21,629	0.54%	(160)
Swap variable, 1 month USD – LIBOR	785	Toronto-Dominion Bank, The	Plains All American Pipeline LP	Nov. 29, 2013	44,101	0.54%	(326)
Swap variable, 1 month USD – LIBOR	305	Toronto-Dominion Bank, The	Plains All American Pipeline LP	Nov. 29, 2013	17,135	0.54%	(126)
Swap variable, 1 month USD – LIBOR	1,593	Toronto-Dominion Bank, The	Plains All American Pipeline LP	Dec. 5, 2013	89,495	0.54%	(660)
Swap variable, 1 month USD – LIBOR	109	Toronto-Dominion Bank, The	Plains All American Pipeline LP	Dec. 9, 2013	6,124	0.54%	(45)
Swap variable, 1 month USD – LIBOR	300	Toronto-Dominion Bank, The	Plains All American Pipeline LP	Dec. 10, 2013	16,854	0.54%	(124)
Swap variable, 1 month USD – LIBOR	1,868	Toronto-Dominion Bank, The	Plains All American Pipeline LP	Dec. 16, 2013	104,944	0.54%	(775)
Swap variable, 1 month USD – LIBOR	629	Toronto-Dominion Bank, The	Plains All American Pipeline LP	Dec. 19, 2013	35,230	0.54%	(137)
Swap variable, 1 month USD – LIBOR	638	Toronto-Dominion Bank, The	Plains All American Pipeline LP	Dec. 20, 2013	35,734	0.54%	(139)
Swap variable, 1 month USD – LIBOR	2,610	Toronto-Dominion Bank, The	Plains All American Pipeline LP	Dec. 23, 2013	146,186	0.54%	(567)
Swap variable, 1 month USD – LIBOR	1,600	Toronto-Dominion Bank, The	Plains All American Pipeline LP	May 23, 2014	93,165	0.59%	(4,114)
Swap variable, 1 month USD – LIBOR	3,800	Toronto-Dominion Bank, The	Plains All American Pipeline LP	May 28, 2014	223,456	0.59%	(12,063)
Swap variable, 1 month USD – LIBOR	3,400	Toronto-Dominion Bank, The	Plains All American Pipeline LP	May 29, 2014	197,120	0.59%	(7,825)
Swap variable, 1 month USD – LIBOR	1,800	Toronto-Dominion Bank, The	Plains All American Pipeline LP	May 30, 2014	102,171	0.59%	(1,842)
							<u>103,345</u>

The swap contracts outstanding at June 30, 2013 are placed with a financial institution with a minimum credit rating of AA- by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equities	36.2	42.6
Foreign Equities	15.9	8.8
Bond and Debenture Instruments	24.4	25.4
Fixed Income Funds	8.4	9.4
Currency Forward Contracts	(0.5)	(0.1)
Futures Contracts	0.2	0.1
Swap Contracts	0.0	–

The accompanying notes are an integral part of the financial statements.

Scotia Income Advantage Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of bond and debenture instruments.

Interest Rate Exposure*	June 30, 2013	December 31, 2012
Less than 1 year	\$ –	\$ 862,346
1-3 years	–	2,335,115
3-5 years	–	3,526,702
5-10 years	–	20,720,905
> 10 years	–	504,573
Total	\$ –	\$27,949,641

* Excludes cash, money market instruments, and holdings of the Dynamic Alternative Yield Fund, Dynamic Dividend Income Fund, Dynamic High Yield Bond Fund and preferred shares as applicable.

As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$729,646, or approximately 0.5% of total Net Assets (December 31, 2012 – \$442,409, or approximately 0.4% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The table below indicates the currency to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	15,381,571	9.8	9,698,247	8.8

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$1,538,157, or approximately 1.0% of total Net Assets, (December 31, 2012 – \$969,825, or approximately 0.9% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 55.3% (December 31, 2012 – 51.4%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$8,645,149 (December 31, 2012 – \$5,641,697). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit ratings of the bond and debenture instruments, excluding cash and money market instruments but including preferred shares, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
AAA	0.5	0.1	0.7	0.2
AA	0.5	0.1	0.8	0.2
A	28.2	6.9	28.8	7.3
BBB	62.2	15.1	60.8	15.4
BB	6.8	1.7	6.5	1.7
B	1.8	0.4	2.4	0.6
Total	100.0	24.3	100.0	25.4

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$ 437,470	\$ 62,456
Payable for currency forward contracts	919,682	66,894
	\$1,357,152	\$129,350

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Canadian Balanced Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$2,025,719,356	\$2,215,285,786
Cash	76,572,868	82,718,346
Accrued investment income	2,713,960	2,451,841
Receivable for securities sold	65,361,446	—
Subscriptions receivable	753,756	2,333,658
Receivable for futures contracts	573,315	—
	<u>2,171,694,701</u>	<u>2,302,789,631</u>
LIABILITIES		
Payable for securities purchased	3,850,878	—
Distributions payable	3,900	301
Redemptions payable	1,909,560	1,298,647
Accrued expenses	3,432,570	—
Payable for swap contracts	1,797,281	—
Payable for currency forward contracts	6,106,838	1,891,349
	<u>17,101,027</u>	<u>3,190,297</u>
Net Assets	<u>\$2,154,593,674</u>	<u>\$2,299,599,334</u>
NET ASSETS PER SERIES		
Series A Units	\$2,154,523,750	\$2,299,528,743
Series F Units	\$ 69,924	\$ 70,591
UNITS OUTSTANDING		
Series A Units	105,905,189	114,491,245
Series F Units	3,500	3,577
NET ASSETS PER UNIT		
Series A Units	\$ 20.34	\$ 20.08
Series F Units	\$ 19.98	\$ 19.73

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 13,329,733	\$ 14,335,786
Interest	17,100,174	21,265,557
Capital gains distributions received	447,725	454
Securities lending	17,542	36,029
Foreign withholding taxes/tax reclaims	(428,148)	(377,622)
Other income	27,194	25,199
	<u>30,494,220</u>	<u>35,285,403</u>
EXPENSES		
Management fees (note 5)	19,345,564	20,539,684
Harmonized Sales Tax/Goods and Services Tax	2,285,879	2,385,109
Audit fees	26,269	24,930
Independent Review Committee fees	3,886	7,489
Custodian fees	42,704	28,635
Filing fees	49,286	57,806
Legal fees	9,377	8,333
Unitholder reporting costs	100,739	130,380
Unitholder administration and service fees	797,680	815,082
Overdraft charges	615	—
	<u>22,661,999</u>	<u>23,997,448</u>
Absorbed expenses	(1,755)	(1,713)
	<u>22,660,244</u>	<u>23,995,735</u>
Net investment income (loss)	<u>7,833,976</u>	<u>11,289,668</u>
Net realized gain (loss) on investments sold	(38,529,617)	52,852,713
Net realized gain (loss) on futures contracts	698,055	394,002
Net realized gain (loss) on currency forwards	(9,601,109)	802,308
Net realized gain (loss) on swap contracts	9,065,335	—
Net gain (loss) foreign exchange	1,347,178	(1,877,479)
Transaction costs	(810,979)	(2,894,500)
Change in unrealized appreciation (depreciation) of investments	74,613,367	(23,676,061)
Change in unrealized appreciation (depreciation) of currency forwards	(4,215,489)	1,291,181
Change in unrealized appreciation (depreciation) of swap contracts	(1,797,281)	—
Net gain (loss) on investments and transaction costs	<u>30,769,460</u>	<u>26,892,164</u>
Increase (decrease) in Net Assets from operations	<u>\$ 38,603,436</u>	<u>\$ 38,181,832</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$ 38,602,127	\$ 38,179,909
Series F Units	\$ 1,309	\$ 1,923
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.35	\$ 0.32
Series F Units	\$ 0.37	\$ 0.46

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$2,299,528,743	\$2,363,404,272
Series F Units	70,591	93,841
	<u>2,299,599,334</u>	<u>2,363,498,113</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	38,602,127	38,179,909
Series F Units	1,309	1,923
	<u>38,603,436</u>	<u>38,181,832</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series A Units	(7,397,644)	(11,207,662)
Series F Units	(480)	(498)
	<u>(7,398,124)</u>	<u>(11,208,160)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	112,611,537	143,390,615
Series F Units	6,060	4,802
Reinvested distributions		
Series A Units	7,385,125	11,188,166
Series F Units	428	403
Payments on redemption		
Series A Units	(296,206,138)	(220,275,401)
Series F Units	(7,984)	(30,083)
	<u>(176,210,972)</u>	<u>(65,721,498)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	(145,004,993)	(38,724,373)
Series F Units	(667)	(23,453)
	<u>(145,005,660)</u>	<u>(38,747,826)</u>
NET ASSETS – END OF PERIOD		
Series A Units	2,154,523,750	2,324,679,899
Series F Units	69,924	70,388
	<u>\$2,154,593,674</u>	<u>\$2,324,750,287</u>

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Balanced Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares/ Number of Units/ Ounces	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 55.7%				FOREIGN EQUITIES (cont'd)			
CANADIAN EQUITIES – 30.0%				UNITED STATES EQUITIES (cont'd)			
Energy – 8.5%				Consumer Discretionary – 4.0%			
1,126,500	Canadian Energy Services & Technology Corporation	17,195,305	18,305,625	286,800	Home Depot Inc., The	15,378,881	23,224,246
697,600	Cenovus Energy Inc.	24,193,070	20,900,096	311,700	Starwood Hotels & Resorts Worldwide, Inc.	16,570,377	20,694,849
768,200	Crescent Point Energy Corp.	32,492,980	27,386,330	645,500	Walt Disney Company, The	32,943,899	42,829,866
742,170	Enbridge Inc.	23,297,023	32,692,589			64,893,157	86,748,961
720,700	Paramount Resources Ltd.	21,692,508	25,628,092	Consumer Staples – 7.4%			
841,140	TransCanada Corporation	34,339,181	38,061,585	1,005,400	Coca-Cola Company, The	35,323,591	42,360,431
662,700	Trilogy Energy Corporation	17,978,074	20,543,700	276,900	Costco Wholesale Corporation	27,727,753	32,168,987
		171,188,141	183,518,017	504,600	Estee Lauder Companies Inc., The	30,254,191	34,870,020
Materials – 0.2%				605,900	Procter & Gamble Company, The	43,192,555	49,013,124
592,100	Allied Nevada Gold Corporation	17,401,978	3,978,912			136,498,090	158,412,562
Industrials – 1.6%				Health Care – 2.5%			
346,900	Canadian National Railway Company	26,026,515	35,401,145	245,900	Laboratory Corporation of America Holdings	21,938,995	25,849,535
Consumer Discretionary – 2.7%				382,400	Varian Medical Systems, Inc.	25,538,904	27,100,478
482,200	Dollarama Inc.	26,968,051	35,441,700			47,477,899	52,950,013
292,558	Magna International Inc.	12,409,466	21,874,562	Financials – 3.0%			
		39,377,517	57,316,262	295,500	American International Group, Inc.	13,676,211	13,887,801
Consumer Staples – 3.1%				1,009,900	Citigroup Inc.	40,485,983	50,900,870
215,500	Alimentation Couche-Tard Inc., Class B	10,194,118	13,274,800			54,162,194	64,788,671
90,000	Jean Coutu Group (PJC) Inc., The, Class A	1,573,531	1,589,400	Information Technology – 4.8%			
1,068,300	Shoppers Drug Mart Corporation	44,909,161	51,716,403	34,000	Google Inc.	22,250,486	31,431,468
		56,676,810	66,580,603	1,996,600	Microsoft Corporation	56,788,461	72,437,718
Financials – 11.1%						79,038,947	103,869,186
771,900	Bank of Nova Scotia, The	40,502,061	43,380,780	TOTAL UNITED STATES EQUITIES			
848,100	Brookfield Asset Management Inc., Class A	25,662,269	32,058,180			431,836,926	523,736,864
738,000	Dundee Real Estate Investment Trust	25,850,105	24,029,280	Switzerland – 1.4%			
1,112,700	Royal Bank of Canada	53,673,204	68,175,129	1,355,600	ABB Limited	25,342,354	30,739,735
848,200	Toronto-Dominion Bank, The	62,896,376	71,630,490				
		208,584,015	239,273,859	TOTAL FOREIGN EQUITIES			
Information Technology – 0.6%						457,179,280	554,476,599
425,300	CGI Group Inc., Class A	9,019,748	13,056,710	TOTAL EQUITIES			
Telecommunication Services – 2.2%						1,032,796,894	1,200,830,141
430,600	BCE Inc.	16,490,184	18,567,472	FIXED INCOME FUND – 37.1%			
199,400	Rogers Communications, Inc., Class B	7,230,879	8,211,292	59,278,257	Scotia Canadian Income Fund Series I	814,967,297	798,833,796
666,100	TELUS Corporation	23,621,827	20,449,270	COMMODITIES – 1.2%			
		47,342,890	47,228,034	20,111	Gold Bullion	32,814,206	26,055,419
TOTAL CANADIAN EQUITIES						1,880,578,397	2,025,719,356
		575,617,614	646,353,542	TOTAL INVESTMENT PORTFOLIO			
FOREIGN EQUITIES – 25.7%							(6,106,838)
UNITED STATES EQUITIES – 24.3%							573,315
Industrials – 2.6%							(1,797,281)
559,600	Danaher Corporation	29,931,572	37,218,471				136,205,122
323,900	Hertz Global Holdings, Inc.	8,406,613	8,392,303				2,154,593,674
163,200	Pall Corporation	11,428,454	11,356,697				
		49,766,639	56,967,471				

BOND FUTURES CONTRACTS

Number of Contracts	Contract Issuer	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
210	Canada 10 Year Bond Future – Sep. 2013	27,897,060	27,570,900	(326,160)

The above futures contracts are financial agreements to purchase/sell the bonds at a contracted price on a specific future date. However, the Fund does not intend to purchase the bonds on settlement. Rather, it intends to close out each futures contract before settlement by entering into equal, but offsetting futures contracts.

The futures contracts outstanding at June 30, 2013 are placed with a financial institution with a minimum credit rating of A+ by Standard & Poor's.

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Canadian Balanced Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation / (Depreciation)
Jul. 11, 2013	Canadian Dollar	41,087,383	U.S. Dollar	40,652,000	42,746,583	(1,659,200)
Jul. 11, 2013	Canadian Dollar	31,312,090	U.S. Dollar	30,999,000	32,596,215	(1,284,125)
Aug. 22, 2013	Canadian Dollar	61,078,800	U.S. Dollar	60,000,000	63,197,809	(2,119,009)
Aug. 22, 2013	Canadian Dollar	30,554,400	U.S. Dollar	30,000,000	31,598,905	(1,044,504)
						<u>(6,106,838)</u>

The currency forward contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A by Standard & Poor's.

EQUITY SWAP CONTRACTS

Description	Number of Units	Contract Issuer	Underlying Security	Termination Date	Notional Amount (\$)	Variable Rate %	Appreciation/ (Depreciation) (\$)
Swap variable, 1 month USD – LIBOR	812,260	Toronto-Dominion Bank, The	Blackstone Group	Dec. 3, 2013	17,780,371	0.54%	(714,847)
Swap variable, 1 month USD – LIBOR	929,300	Toronto-Dominion Bank, The	Blackstone Group	Dec. 4, 2013	20,342,377	0.54%	(817,849)
Swap variable, 1 month USD – LIBOR	300,640	Toronto-Dominion Bank, The	Blackstone Group	Dec. 5, 2013	6,581,010	0.54%	(264,585)
							<u>(1,797,281)</u>

The swap contracts outstanding at June 30, 2013 are placed with a financial institution with a minimum credit rating of AA- by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equities	30.0	34.4
Foreign Equities	25.7	20.2
Fixed Income Funds	37.1	40.3
Commodities	1.2	1.5
Currency Forward Contracts	(0.3)	(0.1)
Futures Contracts	0.0	–
Swap Contracts	(0.1)	–

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Balanced Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund invests in underlying funds and swap contracts, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$19,010,831, or approximately 0.9% of total Net Assets (December 31, 2012 – \$16,778,455, or approximately 0.7% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	378,027,711	17.5	164,562,638	7.2
Swiss Franc	30,739,735	1.4	20,809,326	0.9
Total	408,767,446	18.9	185,371,964	8.1

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$40,876,745, or approximately 1.9% of total Net Assets, (December 31, 2012 – \$18,537,196, or approximately 0.8% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 58.9% (December 31, 2012 – 54.6%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$126,979,204 (December 31, 2012 – \$125,327,783). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying fund invests in debt instruments and derivatives.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$ 9,196,908	\$1,298,948
Payable for swap contracts	1,797,281	–
Payable for currency forward contracts	6,106,838	1,891,349
	\$17,101,027	\$3,190,297

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Canadian Dividend Income Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$148,996,110	\$ 93,552,419
Cash	6,363,817	7,661,829
Accrued investment income	453,651	272,904
Receivable for securities sold	2,370,662	—
Subscriptions receivable	349,011	392,038
	<u>158,533,251</u>	<u>101,879,190</u>
LIABILITIES		
Payable for securities purchased	5,341,836	—
Distributions payable	837	53,234
Redemptions payable	34,519	—
Accrued expenses	220,614	—
	<u>5,597,806</u>	<u>53,234</u>
Net Assets	<u>\$152,935,445</u>	<u>\$101,825,956</u>
NET ASSETS PER SERIES		
Series A Units	<u>\$152,935,445</u>	<u>\$101,825,956</u>
UNITS OUTSTANDING		
Series A Units	<u>13,142,080</u>	<u>9,369,785</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 11.64</u>	<u>\$ 10.87</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	<u>\$101,825,956</u>	<u>\$79,292,464</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>8,227,572</u>	<u>3,920,050</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series A Units	<u>(541,558)</u>	<u>(308,022)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	<u>52,747,664</u>	<u>13,788,219</u>
Reinvested distributions		
Series A Units	<u>533,867</u>	<u>301,203</u>
Payments on redemption		
Series A Units	<u>(9,858,056)</u>	<u>(8,172,960)</u>
	<u>43,423,475</u>	<u>5,916,462</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	<u>51,109,489</u>	<u>9,528,490</u>
NET ASSETS – END OF PERIOD		
Series A Units	<u>\$152,935,445</u>	<u>\$88,820,954</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$1,571,515	\$ 928,414
Interest	563,214	489,714
Capital gains distributions received	104,007	2,630
Securities lending	7,184	15,848
Foreign withholding taxes/tax reclaims	(33,205)	(2,676)
Other income	3,688	1,281
	<u>2,216,403</u>	<u>1,435,211</u>
EXPENSES		
Management fees (note 5)	1,053,581	695,811
Harmonized Sales Tax/Goods and Services Tax	117,608	77,115
Audit fees	1,529	2,053
Independent Review Committee fees	223	231
Custodian fees	2,565	5,931
Filing fees	7,865	8,281
Legal fees	552	696
Unitholder reporting costs	5,904	6,766
Unitholder administration and service fees	30,813	27,107
Overdraft charges	106	—
	<u>1,220,746</u>	<u>823,991</u>
Net investment income (loss)	<u>995,657</u>	<u>611,220</u>
Net realized gain (loss) on investments sold	<u>7,755,963</u>	<u>874,662</u>
Net gain (loss) foreign exchange	<u>223,824</u>	<u>9,227</u>
Transaction costs	<u>(269,810)</u>	<u>(158,282)</u>
Change in unrealized appreciation (depreciation) of investments	<u>(478,062)</u>	<u>2,583,223</u>
Net gain (loss) on investments and transaction costs	<u>7,231,915</u>	<u>3,308,830</u>
Increase (decrease) in Net Assets from operations	<u>\$8,227,572</u>	<u>\$3,920,050</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>\$8,227,572</u>	<u>\$3,920,050</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	<u>\$ 0.73</u>	<u>\$ 0.47</u>

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Dividend Income Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares/Numbers of Units	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 79.4%				EQUITIES (cont'd)			
CANADIAN EQUITIES – 66.1%				CANADIAN EQUITIES (cont'd)			
Energy – 17.9%				Telecommunication Services – 8.3%			
62,400	AltaGas Ltd.	2,186,599	2,297,568	109,000	BCE Inc.	4,914,625	4,700,080
98,000	Canadian Energy Services & Technology Corporation	1,096,221	1,592,500	82,916	Rogers Communications, Inc., Class B	3,657,490	3,414,481
71,200	Canyon Services Group Inc.	835,257	848,704	148,100	TELUS Corporation	5,198,774	4,546,670
78,496	Cenovus Energy Inc.	2,625,368	2,351,740			13,770,889	12,661,231
130,400	EnCana Corporation	2,407,836	2,318,512	Utilities – 2.2%			
152,603	Inter Pipeline Fund, Class A	3,366,440	3,302,329	86,991	Brookfield Infrastructure Partners LP	3,153,461	3,318,707
16,700	Keyera Corp.	722,833	931,192				
39,600	MEG Engery Corporation	1,435,130	1,137,312	TOTAL CANADIAN EQUITIES			
39,500	Paramount Resources Ltd.	1,236,969	1,404,620			100,000,055	100,973,305
39,900	Pembina Pipeline Corporation	1,220,741	1,282,386	UNITED STATES EQUITIES – 13.3%			
72,400	Peyto Exploration & Development Corporation	1,750,719	2,192,272	Consumer Discretionary – 5.3%			
86,600	Secure Energy Services Inc.	734,811	1,164,770	68,300	Foot Locker, Inc.	2,322,162	2,521,018
256,300	Talisman Energy Inc.	3,097,093	3,075,599	25,300	Mattel, Inc.	979,886	1,204,458
75,300	Trilogy Energy Corporation	1,909,643	2,334,300	15,000	PVH Corporation	1,611,585	1,973,995
141,800	Western Energy Services Corp.	1,011,539	1,089,024	19,100	Starwood Hotels & Resorts Worldwide, Inc.	1,281,034	1,268,116
		25,637,199	27,322,828	21,400	Wyndham Worldwide Corporation	1,285,136	1,286,811
						7,479,803	8,254,398
Materials – 9.6%				Health Care – 5.9%			
7,000	Agrium Inc.	766,242	638,260	35,000	Baxter International Inc.	2,475,075	2,547,360
489,088	Canexus Corp.	3,738,261	4,494,719	92,800	Hologic, Inc.	2,014,146	1,880,864
134,700	Canfor Pulp Products, Inc.	1,210,416	1,144,950	22,161	McKesson Corporation	2,271,417	2,666,073
25,400	Domtar Corporation	1,969,095	1,775,460	58,000	PerkinElmer, Inc.	1,901,523	1,978,125
46,774	Goldcorp, Inc.	1,838,956	1,214,253			8,662,161	9,072,422
103,100	Silver Wheaton Corporation	2,909,706	2,124,891	Financials – 1.2%			
31,500	Teck Resources Ltd., Class B	997,959	707,175	85,100	E*Trade Financial Corporation	964,517	1,131,984
32,930	West Fraser Timber Co., Ltd.	2,254,700	2,614,642	18,400	Lazard Ltd.	633,203	620,583
		15,685,335	14,714,350			1,597,720	1,752,567
Industrials – 3.2%				Information Technology – 0.9%			
100,900	Black Diamond Group Ltd.	2,067,415	2,240,989	7,400	International Business Machines Corporation	1,465,651	1,485,909
29,900	Stantec Inc.	1,188,212	1,321,580			19,205,335	20,565,296
63,200	TransForce, Inc.	1,263,111	1,296,232				
		4,518,738	4,858,801	TOTAL UNITED STATES EQUITIES			
Consumer Discretionary – 3.0%						119,205,390	121,538,601
54,000	Cineplex, Inc.	1,465,968	1,986,660	FIXED INCOME FUNDS – 18.0%			
295,400	EnerCare Inc.	2,724,920	2,661,554	1,556,636	Scotia Canadian Income Fund Series I	20,927,532	20,977,223
		4,190,888	4,648,214	613,582	Scotia Private Canadian Corporate Bond Pool Series I	6,385,983	6,480,286
Health Care – 2.1%						27,313,515	27,457,509
221,400	Amica Mature Lifestyles Inc.	1,933,517	1,859,760			146,518,905	148,996,110
25,300	Catamaran Corporation	1,267,641	1,292,830				
		3,201,158	3,152,590	TOTAL INVESTMENT PORTFOLIO			
Financials – 19.4%							3,939,335
194,200	AGF Management Limited, Class B	2,128,295	2,173,098				152,935,445
29,600	Bank of Nova Scotia, The	1,653,906	1,663,520	OTHER ASSETS, LESS LIABILITIES – 2.6%			
45,888	Brookfield Asset Management Inc., Class A	1,487,917	1,734,566				
147,000	Brookfield Properties Corporation, Inc.	2,448,355	2,565,150	NET ASSETS – 100.0%			
711,100	Canaccord Financial Inc.	4,060,477	4,053,270				
71,360	Dundee Real Estate Investment Trust	2,619,821	2,323,482	SUMMARY OF INVESTMENT PORTFOLIO			
95,800	FirstService Corporation	2,870,443	3,149,904				
82,600	Gluskin Sheff + Associates Inc.	1,542,509	1,560,314				Percentage of Net Assets (%)
68,800	H&R Real Estate Investment Trust	1,639,238	1,510,848	Investment Category	June 30, 2013	December 31, 2012	
42,900	IGM Financial, Inc.	1,864,039	1,927,068	Canadian Equities			
34,300	Intact Financial Corporation	2,030,141	2,024,729	Energy	17.9	16.0	
92,996	RioCan Real Estate Investment Trust	2,404,470	2,348,149	Materials	9.6	6.4	
42,700	Royal Bank of Canada	2,581,260	2,616,229	Industrials	3.2	3.5	
		29,330,871	29,650,327	Consumer Discretionary	3.0	4.4	
Information Technology – 0.4%				Health Care	2.1	3.5	
9,300	MacDonald, Dettwiler and Associates Ltd.	511,516	646,257	Financials	19.4	18.1	
				Information Technologies	0.4	3.3	
				Telecommunication Services	8.3	3.8	
				Utilities	2.2	–	
				Foreign Equities	13.3	13.0	
				Fixed Income Funds	18.0	19.9	

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Canadian Dividend Income Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$572,945, or approximately 0.4% of total Net Assets (December 31, 2012 – \$331,523, or approximately 0.3% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The table below indicates the currency to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	26,585,665	17.4	13,273,572	13.0

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$2,658,567, or approximately 1.7% of total Net Assets, (December 31, 2012 – \$1,327,357, or approximately 1.3% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invest in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 79.4% (December 31, 2012 – 72.0%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$12,153,860 (December 31, 2012 – \$7,330,777). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$5,597,806	\$53,234

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Canadian Tactical Asset Allocation Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$622,594,188	\$586,055,290
Cash	2,115,442	913,605
Accrued investment income	2,241,412	2,157,990
Receivable for securities sold	8,310,249	2,311,061
Subscriptions receivable	415,178	677,601
Receivable for index futures and bond futures contracts	282,564	131,741
Receivable for currency spot contracts	3,454	8,082
Receivable for currency forward contracts	559	4,222
	<u>635,963,046</u>	<u>592,259,592</u>
LIABILITIES		
Payable for securities purchased	9,160,438	849,963
Distributions payable	4,203	24
Redemptions payable	432,233	327,453
Accrued expenses	1,000,804	—
Payable for index futures and bond futures contracts	580,125	263,503
Payable for currency spot contracts	781	739
Payable for currency forward contracts	225,204	85,718
	<u>11,403,788</u>	<u>1,527,400</u>
Net Assets	<u>\$624,559,258</u>	<u>\$590,732,192</u>
NET ASSETS PER SERIES		
Series A Units	\$622,561,921	\$588,922,766
Advisor Series Units	\$ 1,981,136	\$ 1,781,195
Series F Units	\$ 16,201	\$ 28,231
UNITS OUTSTANDING		
Series A Units	34,000,900	32,915,045
Advisor Series Units	110,531	101,272
Series F Units	874	1,560
NET ASSETS PER UNIT		
Series A Units	\$ 18.31	\$ 17.89
Advisor Series Units	\$ 17.92	\$ 17.59
Series F Units	\$ 18.54	\$ 18.10

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 6,893,249	\$ 5,760,724
Interest	2,839,585	2,983,242
Capital gains distributions received	32,216	2,742
Securities lending	54,190	60,615
Foreign withholding taxes/tax reclaims	(330,488)	(274,158)
Other income	6,419	4,001
	<u>9,495,171</u>	<u>8,537,166</u>
EXPENSES		
Management fees (note 5)	5,352,906	4,847,932
Harmonized Sales Tax/Goods and Services Tax	614,070	560,298
Audit fees	7,297	7,444
Independent Review Committee fees	1,074	1,801
Custodian fees	121,046	111,463
Filing fees	23,145	24,478
Legal fees	2,607	2,431
Unitholder reporting	27,431	33,889
Unitholder administration and service fees	206,170	198,589
Overdraft charges	1,904	4,343
	<u>6,357,650</u>	<u>5,792,668</u>
Absorbed expenses	<u>(4,738)</u>	<u>(4,958)</u>
	<u>6,352,912</u>	<u>5,787,710</u>
Net investment income (loss)	<u>3,142,259</u>	<u>2,749,456</u>
Net realized gain (loss) on investments sold	15,398,621	6,485,887
Net realized gain (loss) on futures contracts	2,544,511	35,554
Net realized gain (loss) on currency forwards	(305,351)	125,477
Net gain (loss) foreign exchange	35,085	(29,245)
Transaction costs	(327,125)	(325,202)
Change in unrealized appreciation (depreciation) of investments	(4,410,530)	(1,319,661)
Change in unrealized appreciation (depreciation) of currency forwards	(143,149)	(161,357)
Change in unrealized appreciation (depreciation) of currency spot contracts	(4,670)	2,132
Change in unrealized appreciation (depreciation) of currency futures	—	84,338
Net gain (loss) on investments and transaction costs	<u>12,787,392</u>	<u>4,897,923</u>
Increase (decrease) in Net Assets from operations	<u>\$15,929,651</u>	<u>\$ 7,647,379</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$15,883,923	\$ 7,622,898
Advisor Series Units	\$ 45,165	\$ 24,046
Series F Units	\$ 563	\$ 435
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.47	\$ 0.24
Advisor Series Units	\$ 0.43	\$ 0.22
Series F Units	\$ 0.63	\$ 0.29

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$588,922,766	\$534,848,530
Advisor Series Units	1,781,195	1,831,795
Series F Units	28,231	25,806
	<u>590,732,192</u>	<u>536,706,131</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	15,883,923	7,622,898
Advisor Series Units	45,165	24,046
Series F Units	563	435
	<u>15,929,651</u>	<u>7,647,379</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series A Units	(2,327,276)	(2,501,560)
Advisor Series Units	(9,704)	(2,189)
Series F Units	(99)	(215)
	<u>(2,337,079)</u>	<u>(2,503,964)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	67,270,666	50,998,236
Advisor Series Units	429,926	69,150
Series F Units	315	275
Reinvested distributions		
Series A Units	2,321,302	2,494,907
Advisor Series Units	7,964	1,928
Series F Units	99	215
Payments on redemption		
Series A Units	(49,509,460)	(37,166,657)
Advisor Series Units	(273,410)	(241,808)
Series F Units	(12,908)	(175)
	<u>20,234,494</u>	<u>16,156,071</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	33,639,155	21,447,824
Advisor Series Units	199,941	(148,873)
Series F Units	(12,030)	535
	<u>33,827,066</u>	<u>21,299,486</u>
NET ASSETS – END OF PERIOD		
Series A Units	622,561,921	556,296,354
Advisor Series Units	1,981,136	1,682,922
Series F Units	16,201	26,341
	<u>\$624,559,258</u>	<u>\$558,005,617</u>

The accompanying notes are an integral part of the financial statements.

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES (cont'd)			
CANADIAN EQUITIES (cont'd)			
Materials (cont'd)			
59,800	Luna Gold Corporation	186,455	62,790
357,800	Lundin Mining Corporation	1,631,081	1,427,622
40,300	Major Drilling Group International Inc.	300,345	285,727
58,200	New Gold Inc.	567,832	391,104
15,608	Norbord Inc.	384,327	474,951
180,150	Potash Corporation of Saskatchewan Inc.	7,682,581	7,224,015
75,700	Rio Alto Mining Limited	304,814	146,858
493,420	Sheritt International Corporation	3,101,671	1,919,404
177,000	Teck Resources Ltd., Class B	6,282,606	3,973,650
93,900	Timmins Gold Corporation	247,275	215,970
26,983	West Fraser Timber Co., Ltd.	1,584,084	2,142,450
30,200	Winpak Ltd.	562,813	537,560
161,500	Yamana Gold Inc.	2,181,944	1,613,385
		<u>57,500,147</u>	<u>44,743,734</u>
Industrials – 3.3%			
68,400	Aecon Group Inc.	758,362	735,984
61,500	Air Canada, Class B	188,864	148,215
90,300	ATS Automation Tooling Systems Inc.	800,865	1,000,524
93,100	Canadian National Railway Company	6,434,284	9,500,855
7,400	Genivar, Inc.	174,331	177,008
3,400	GLV Inc., Class A	10,480	10,846
54,752	Heroux-Devtek Inc.	397,660	454,442
66,967	Progressive Waste Solutions Ltd.	1,400,502	1,516,802
35,400	Russel Metals Inc.	937,261	840,750
41,400	SNC-Lavalin Group Inc.	1,904,221	1,837,332
29,400	Stantec Inc.	1,220,188	1,299,480
18,900	TransForce, Inc.	347,651	387,639
12,181	Wajax Corporation	389,418	384,676
90,300	WestJet Airlines Ltd.	1,951,273	2,063,355
		<u>16,915,360</u>	<u>20,357,908</u>
Consumer Discretionary – 4.0%			
53,700	Aimia Inc.	742,613	832,887
23,300	AutoCanada Inc.	568,265	668,710
25,200	Boyd Group Income Fund	453,746	603,540
104,600	Brookfield Residential Properties Inc.	1,875,963	2,398,478
11,530	BRP Inc.	269,299	282,485
6,700	Canadian Tire Corporation, Limited, Class A	393,482	527,290
30,400	Dollarama Inc.	2,094,941	2,234,400
75,300	Gildan Activewear Inc.	2,127,036	3,158,082
51,300	Harwoods Distribution Inc.	380,448	393,984
91,360	Hudson's Bay Company	1,553,857	1,474,550
26,300	IMAX Corporation	606,064	681,696
42,977	Linamar Corporation	748,806	1,265,243
87,000	Magna International Inc.	3,898,495	6,504,990
91,631	Martinrea International Inc.	787,548	994,196
14,700	Quebecor Inc., Class B	577,022	678,699
43,400	RONA Inc.	581,299	471,324
48,700	SunOpta Inc.	375,633	375,477
41,600	Thomson Reuters Corporation	1,416,848	1,424,384
9,384	Zungui Haixi Corporation*	30,498	–
		<u>19,481,863</u>	<u>24,970,415</u>
Consumer Staples – 1.0%			
60,500	Alimentation Couche-Tard Inc., Class B	2,929,084	3,726,800
42,259	Cott Corporation	399,374	342,298
3,761	Empire Company Limited, Class A	282,483	299,940
127,349	Maple Leaf Foods Inc.	1,491,372	1,847,834
		<u>5,102,313</u>	<u>6,216,872</u>
Health Care – 0.8%			
6,500	Amica Mature Lifestyles Inc.	59,835	54,600
25,300	Cataramon Corporation	1,238,253	1,292,830

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Tactical Asset Allocation Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
CANADIAN EQUITIES (cont'd)				CANADIAN EQUITIES (cont'd)			
Health Care (cont'd)				Telecommunication Services – 1.9%			
84,000	Cipher Pharmaceuticals Inc.	336,000	396,480	17,541	BCE Inc.	629,780	756,368
7,600	Nordion, Inc.	56,306	56,012	23,400	Bell Aliant, Inc.	630,097	660,114
11,700	Patheon Inc.	64,998	67,860	67,100	Canadian Satellite Radio Holdings Inc.	415,421	461,648
32,800	Valeant Pharmaceuticals International, Inc.	2,015,657	2,965,120	60,000	Rogers Communications, Inc., Class B	2,069,363	2,470,800
		<u>3,771,049</u>	<u>4,832,902</u>	245,400	TELUS Corporation	<u>6,118,922</u>	<u>7,533,780</u>
Financials – 17.1%						<u>9,863,583</u>	<u>11,882,710</u>
24,574	Altus Group Ltd.	214,171	199,787	Utilities – 0.7%			
48,200	Artis Real Estate Investment Trust	738,564	723,000	28,611	Algonquin Power & Utilities Corp.	136,466	207,430
339,811	Bank of Nova Scotia, The	17,408,893	19,097,376	53,100	Brookfield Infrastructure Partners LP	1,127,050	2,025,765
20,000	Boardwalk Real Estate Investment Trust	1,217,453	1,165,400	64,725	Brookfield Renew Energy Partners LP	1,734,073	1,877,672
66,800	Brookfield Asset Management Inc., Class A	2,077,813	2,525,040	10,710	Canadian Utilities Limited, Class A	374,685	393,485
110,900	Brookfield Properties Corporation, Inc.	1,821,612	1,935,205			<u>3,372,274</u>	<u>4,504,352</u>
39,800	Calloway Real Estate Investment Trust	1,072,617	1,023,258	Index Units – 0.3%			
33,100	Canadian Apartment Properties Real Estate Investment Trust	630,420	740,116	91,700	iShares S&P/TSX 60 Index Fund	1,649,472	1,599,248
92,390	Canadian Imperial Bank of Commerce	6,551,256	6,895,990		TOTAL CANADIAN EQUITIES	<u>291,897,258</u>	<u>304,786,092</u>
24,300	Canadian Western Bank	641,492	672,867	FOREIGN EQUITIES – 23.9%			
64,093	Chartwell Seniors Housing Real Estate Investment Trust	419,291	624,907	United States – 15.2%			
6,100	CI Financial Corporation	145,227	184,220	Energy – 0.7%			
33,872	Cominar Real Estate Investment Trust	698,527	702,844	8,100	Chevron Corporation	892,469	1,005,957
19,700	Dundee Corporation, Class A	343,946	415,867	12,600	ConocoPhillips	707,649	800,548
12,100	Dundee Industrial REIT Unit	127,862	109,505	12,500	Exxon Mobil Corporation	1,087,777	1,182,164
25,100	Dundee Real Estate Investment Trust	877,977	817,256	2,500	Marathon Petroleum Corporation	188,729	186,026
731	E-L Financial Corporation Limited	356,918	457,511	12,600	Phillips 66 Company	808,423	779,896
158,100	Element Financial Corp.	1,290,947	1,892,457	3,300	Tesoro Corporation	166,847	181,305
43,009	Element Financial Corporation, Restricted Special Warrants*	436,541	482,880	11,800	Valero Energy Corporation	369,831	431,086
19,400	Genworth MI Canada Inc.	452,917	475,300			<u>4,221,725</u>	<u>4,566,982</u>
14,162	Gluskin Sheff + Associates Inc.	230,544	267,520	Materials – 0.1%			
21,500	Granite Real Estate Investment Trust	750,738	775,075	4,400	LyondellBasell Industries NV, Class A	213,377	307,434
47,600	Great-West Lifeco Inc.	1,164,349	1,351,840	Industrials – 0.7%			
55,200	Guardian Capital Group Ltd., Class A	458,429	723,120	1,700	Ashlands Inc.	144,253	149,146
27,100	H&R Real Estate Investment Trust	584,085	595,116	9,300	AZZ Incorporated	354,185	376,788
26,301	IGM Financial, Inc.	1,116,836	1,181,441	3,600	CSX Corporation	77,210	87,603
31,200	Industrial Alliance Insurance and Financial Services Inc.	1,095,583	1,295,424	8,700	Delta Air Lines, Inc.	163,134	170,938
77,952	Intact Financial Corporation	4,488,693	4,601,507	1,200	Dover Corporation	87,818	97,916
94,175	Killam Properties Inc.	983,201	991,663	8,100	First Solar, Inc.	315,700	380,681
481,190	Manulife Financial Corporation	8,001,014	8,088,804	39,800	General Electric Company	857,414	969,753
19,400	National Bank of Canada	1,464,741	1,453,060	3,500	Northrop Grumman Corporation	230,689	304,492
9,600	Onex Corporation	483,292	457,248	10,900	Raytheon Company	608,159	757,245
304,150	Royal Bank of Canada	15,570,927	18,635,270	43,500	Republic Airways Holdings Inc.	315,868	517,384
51,600	Sun Life Financial Inc.	1,565,427	1,599,600	9,400	SkyWest, Inc.	109,487	133,728
32,834	TMX Group Inc.	1,442,561	1,508,394	2,700	Union Pacific Corporation	388,986	437,674
256,680	Toronto-Dominion Bank, The	18,193,903	21,676,624			<u>3,652,903</u>	<u>4,383,348</u>
123,800	Tricon Capital Group Inc.	765,058	778,702	Consumer Discretionary – 2.3%			
		<u>95,883,825</u>	<u>107,121,194</u>	2,700	AMC Networks Inc, Class A	161,977	185,475
Information Technology – 1.7%				11,300	Avis Budget Group Inc.	333,309	341,107
28,700	Avigilon Corporation	209,591	459,200	11,600	Best Buy Co., Inc.	322,783	332,978
75,400	Celestica Inc.	602,767	738,920	3,900	Big Lots, Inc.	129,473	129,324
85,000	CGI Group Inc., Class A	2,093,493	2,609,500	3,862	British American Tobacco	433,672	417,100
14,281	Computer Modelling Group Ltd.	281,823	330,605	36,400	Career Education Corporation	147,621	110,529
4,842	Constellation Software Inc.	498,534	701,799	5,800	CBS Corporation, Class B	220,491	297,816
12,300	Enghouse Systems Limited	241,795	294,831	21,000	Comcast Corporation Special Class A	827,506	875,303
27,700	Halogen Software Inc.	333,157	431,289	40,300	Comcast Corporation, Class A	1,373,695	1,766,976
5,600	MacDonald, Dettwiler and Associates Ltd.	397,911	389,144	3,000	Conn's, Inc.	77,851	163,152
34,774	Open Text Corporation	1,815,092	2,496,773	84,300	Corinthian Colleges, Inc.	254,402	198,405
60,000	Redknee Solutions Inc.	191,037	192,600	33,500	CTC Media Inc.	397,939	390,349
93,000	Research In Motion Limited	2,326,835	1,021,140	6,400	Deckers Outdoor Corporation	356,561	339,585
163,050	Sandvine Corporation	306,687	332,622	4,800	DIRECTV	265,281	310,519
53,741	Sierra Wireless Inc.	611,994	715,830	14,900	DreamWorks Animation SKG, Inc., Class A	266,475	401,717
		<u>9,910,716</u>	<u>10,714,253</u>	1,600	Expedia, Inc.	91,667	101,069

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Canadian Tactical Asset Allocation Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
FOREIGN EQUITIES (cont'd)				FOREIGN EQUITIES (cont'd)			
United States (cont'd)				United States (cont'd)			
Consumer Discretionary (cont'd)				Health Care (cont'd)			
15,300	Gannett Co., Inc.	208,847	393,210	36,200	Merck & Co., Inc.	1,557,881	1,766,735
17,000	Gray Television Inc.	128,221	128,784	36,000	PDL BioPharma Inc.	223,794	291,631
42,800	Groupon Inc., Class A	366,445	384,492	60,700	Pfizer Inc.	1,354,694	1,790,865
15,100	H&R Block, Inc.	442,231	440,109	5,200	Pharmacyclics, Inc.	298,015	433,593
16,200	hhgregg, Inc.	280,710	271,319	5,400	SciClone Pharmaceuticals, Inc.	38,474	28,028
2,400	Home Depot Inc., The	123,408	194,345	8,500	Select Medical Holdings Corporation	83,107	73,234
13,800	International Game Technology	247,786	241,998	4,400	Tenet Healthcare Corporation	209,365	212,800
2,400	Lowe's Companies, Inc.	71,071	103,061	9,600	Thermo Fisher Scientific, Inc.	693,295	853,636
3,634	Luxottica Group SpA	167,530	193,050	17,500	Warner Chilcott Limited	255,539	366,273
4,400	McGraw-Hill Companies, Inc., The	194,752	245,901	4,700	WellPoint Inc.	271,365	404,148
1,100	Netflix Inc.	255,284	243,971			11,404,350	14,277,439
5,700	Nexstar Broadcasting Group, Inc.	163,900	212,369	Financials – 2.3%			
50,500	Orbitz Worldwide Inc.	403,130	425,542	9,900	Allstate Corporation, The	341,820	500,331
8,000	Overstock.com Inc.	207,732	236,701	18,000	American Capital Ltd.	200,455	239,622
5,800	Scholastic Corporation	165,471	178,372	39,200	Bank of America Corporation	450,851	529,669
17,300	Sindair Broadcast Group, Inc. Class A	458,678	533,314	9,200	Berkshire Hathaway Inc., Class B	744,687	1,086,020
4,300	The Bon-Ton Stores, Inc.	94,674	81,324	600	BlackRock, Inc.	154,755	161,923
12,600	Time Warner Inc.	472,903	765,466	15,400	Citigroup Inc.	693,599	776,189
24,300	Twenty-First Century Fox, Inc. Class A	501,859	831,830	25,200	CNO Financial Group, Inc.	159,011	342,619
10,500	Valassis Communications, Inc.	263,698	271,284	60,200	Fifth Third Bancorp	835,126	1,141,697
11,500	Viacom Inc., Class B	553,428	821,886	28,300	Genworth Financial Inc., Class A	317,130	338,678
8,700	Walt Disney Company, The	431,459	577,258	7,000	Goldman Sachs Group, Inc., The	1,082,706	1,112,057
4,000	Whirlpool Corporation	367,998	480,588	20,100	Hartford Financial Services Group, Inc., The	451,064	652,366
		12,231,918	14,617,578	16,500	JPMorgan Chase & Co.	616,169	915,193
Consumer Staples – 1.7%				6,200	Lincoln National Corporation	133,714	237,577
13,100	Altria Group, Inc.	428,586	481,744	23,600	Morgan Stanley	624,231	607,265
9,300	Campbell Soup Company	437,804	437,567	11,900	Owens Financial Corporation	429,524	516,511
16,500	Coca-Cola Company, The	699,782	695,193	14,400	PHH Corporation	306,758	308,350
8,000	CVS Caremark Corporation	480,576	480,462	2,400	PNC Financial Services Group, Inc., The	144,554	183,880
19,600	General Mills, Inc.	971,495	998,792	15,100	Protective Life Corporation	423,634	609,077
3,000	Green Mountain Coffee Roasters	226,725	236,596	12,181	Prudential plc	455,561	418,768
6,400	Kimberly-Clark Corporation	642,481	652,070	4,500	Regions Financial Corporation	31,160	45,059
44,500	Mondelez International, Inc.	1,326,006	1,333,948	14,400	Travelers Companies, Inc., The	984,867	1,209,191
6,700	PepsiCo, Inc.	499,231	575,352	17,300	U.S. Bancorp	540,613	656,373
4,000	Philip Morris International Inc.	360,147	364,045	40,800	Wells Fargo & Company	1,237,113	1,769,179
28,200	Procter & Gamble Company, The	2,224,154	2,281,185			11,359,102	14,357,594
10,000	Safeway Inc.	239,491	248,595	Information Technology – 2.0%			
74,900	SUPERVALU Inc.	517,890	489,496	18,700	AOL Inc.	563,167	716,367
11,300	Tyson Foods, Inc.	271,123	304,420	2,900	Apple Inc.	1,706,839	1,206,863
14,600	Wal-Mart Stores, Inc.	999,670	1,141,615	3,009	ARM Holdings PLC, ADR	123,746	114,385
5,977	WhiteWave Foods Co., Class B	105,837	100,103	6,460	Canon Inc. ADR	240,680	223,105
		10,430,998	10,821,183	26,400	Cisco Systems, Inc.	492,525	674,320
Health Care – 2.3%				17,700	Computer Sciences Corporation	566,511	813,261
7,900	AbbVie Inc.	270,136	344,471	9,800	Convergys Corporation	148,895	179,474
5,100	Actavis Inc.	392,533	676,356	32,300	Global Cash Access Holdings, Inc.	229,750	212,449
2,000	Aegerion Pharmaceuticals Inc.	151,971	133,102	200	Google Inc.	147,950	184,891
5,200	AmerisourceBergen Corporation	283,343	304,870	5,200	Harris Corporation	245,167	268,974
11,700	Amgen Inc.	975,344	1,212,842	32,100	Hewlett-Packard Company	740,781	835,426
1,100	Biogen Idec Inc.	232,629	248,721	5,100	InterDigital, Inc.	218,737	239,099
29,700	Boston Scientific Corporation	193,271	289,277	2,900	International Business Machines Corporation	563,348	582,316
14,000	Cambrex Corp.	126,447	205,495	6,500	Lexmark International, Inc.	208,425	208,779
8,100	Community Health Systems Inc.	379,906	398,894	11,600	Micron Technology, Inc.	167,889	174,655
17,200	Eli Lilly and Company	836,245	887,695	58,500	Microsoft Corporation	1,766,945	2,122,411
9,400	Endo Pharmaceuticals Holdings Inc.	337,825	363,358	107,100	Monster Worldwide, Inc.	633,782	551,395
30,800	Five Star Quality Care, Inc.	158,860	180,900	10,600	Net 1 UEPS Technologies, Inc.	87,921	81,971
40,300	Gentiva Health Services, Inc.	347,175	421,313	17,000	Oracle Corporation	520,595	548,716
19,800	Gilead Sciences, Inc.	691,415	1,065,362	5,900	Rovi Corporation	145,907	141,464
9,000	Johnson & Johnson	627,179	811,915	5,500	Seagate Technology PLC	165,825	258,949
19,900	Kindred Healthcare, Inc.	234,241	274,115	28,100	SunEdison, Inc.	238,503	240,920
4,400	Medtronic, Inc.	180,301	237,810	14,600	SunPower Corporation	211,249	317,541

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STATEMENT OF INVESTMENT PORTFOLIO

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Canadian Tactical Asset Allocation Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
FOREIGN EQUITIES (cont'd)				FOREIGN EQUITIES (cont'd)			
Japan (cont'd)				Japan (cont'd)			
4,000	Eisai Co. Ltd.	177,167	171,395	9,000	Yakult Honsha Co. Ltd.	368,768	391,842
64,000	Fuji Electric Holdings Co., Ltd.	185,304	237,298	5,300	Yamaha Corporation	55,070	63,839
6,000	Fuji Heavy Industries Ltd.	59,430	155,424	6,100	Yamaha Motor Co., Ltd.	97,811	83,044
26,900	FUJIFILM Holdings Corporation	524,213	622,665			15,202,722	17,603,703
15,000	Fujitsu Limited	57,733	65,150	Netherlands – 0.2%			
7,000	Fukuoka Financial Group Inc.	27,604	31,293	30,781	AEGON N.V.	143,726	215,877
41,000	Hankyu Holdings Inc.	227,785	245,385	28,893	AEGON N.V. ARS	188,372	204,915
21,000	Hino Motors, Ltd.	163,966	323,937	3,066	Corio NV	143,184	127,710
5,200	Hisamitsu Pharmaceutical Co., Inc.	285,028	278,292	287	Heineken Holding NV	18,829	16,889
19,000	Hitachi, Ltd.	128,074	128,219	5,931	ING Groep NV	56,162	56,934
5,000	Ishikawajima-Harima Heavy Industries Co., Ltd.	11,397	19,917	31,351	ING Groep NV ADR	280,897	299,428
36,000	Isuzu Motors Limited	285,565	258,969	777	Randstand Holding NV	34,119	33,331
18,100	Japan Tobacco Inc.	444,993	672,049	5,332	Unilever NV NY Shares	225,373	220,171
1,600	JTEKT Corporation	12,022	18,917			1,090,662	1,175,255
35,000	Kawasaki Heavy Industries, Ltd.	87,795	113,092	Norway – 0.1%			
9,200	KDDI Corporation	293,583	502,881	26,427	DnB NOR ASA	310,887	401,103
16,000	Kirin Brewery Company Ltd.	253,371	263,990	6,857	Gjensidige Forsikring ASA	116,539	105,812
24,000	Konica Minolta Holdings, Inc.	179,425	190,432			427,426	506,915
17,000	Kyowa Hakko Kogyo Co. Ltd.	181,354	202,058	Portugal – 0.0%			
39,000	Marubeni Corporation	282,445	273,921	87,827	Banco Espirito Santo	128,105	73,277
30,000	Mazda Motor Corporation	113,405	124,275	Spain – 0.4%			
26,700	Mediceo Paltac Holding Co. Ltd.	329,783	380,126	4,292	Acciona SA	262,853	237,659
6,200	Meiji Holdings Co. Ltd.	276,824	312,950	3,994	Gas Natural SDG SA	78,272	84,247
29,500	Mitsubishi Chemical Holdings Corporation	134,983	145,631	6,117	Grifols SA	227,652	235,801
51,000	Mitsubishi Heavy Industries Ltd.	227,359	297,691	38,164	Iberdrola SA	193,896	211,353
13,400	Mitsubishi Tanabe Pharma Corporation	200,412	182,777	5,458	Industria de Diseno Textil SA	746,039	707,281
13,600	NAMCO BANDAI Holdings Inc.	191,368	232,321	76,050	International Consolidated Airlines Group SA	329,246	319,213
91,000	NEC Corporation	237,778	209,190	21,374	Repsol YPF SA	505,207	473,359
15,000	Nippon Express Co. Ltd.	58,870	74,840	11,691	Zardoya Otis SA	162,976	173,489
2,800	Nippon Telegraph and Telephone Corporation	125,376	153,523			2,506,141	2,442,402
8,000	Nisshin Seifun Group Inc.	98,662	100,678	Sweden – 0.1%			
16,800	Nisshin Steel Holdings Co., Ltd.	111,946	136,864	5,281	Industrivarden AB, Class C	74,294	92,220
2,300	Nomura Holdings, Inc.	11,382	17,905	12,152	Nordea Bank AB	121,366	142,029
65	NTT Data Corporation	225,697	242,383	6,110	Ratos AB-B SHS	53,514	49,779
4,000	Olympus Corporation	130,647	127,763	9,482	Svenska Handelsbanken AB	324,707	398,360
7,500	OMRON Corporation	253,823	237,261	6,005	Swedish Match AB	189,996	223,059
1,500	Ono Pharmaceutical Co., Ltd.	73,096	106,936			763,877	905,447
3,800	Otsuka Holdings Co., Ltd.	116,375	131,827	Switzerland – 0.5%			
17,000	Ricoh Company Ltd.	201,817	212,519	5,373	Actelion Ltd.	289,835	339,791
3,100	Santen Pharmaceutical Co., Ltd.	142,341	140,477	3,075	Compagnie Financiere Richemont SA, Class A	273,669	283,329
6,800	SBI Holdings Inc.	101,416	78,887	5,680	Lonza Group AG	442,966	447,213
30,000	Shimadzu Corporation	252,642	253,606	5,606	Nestle SA	414,096	385,135
2,400	Shimano Inc.	156,648	214,063	2,814	Novartis AG ADR	207,065	209,065
13,100	Shionogi & Co., Ltd.	200,088	287,262	5,799	Roche Holdings AG	1,468,364	1,509,269
76,000	Sumitomo Chemical Co. Ltd.	242,256	251,209	1,078	Swiss Life Holding AG	115,985	183,202
33,600	Sumitomo Electric Industries, Ltd.	364,827	422,159			3,211,980	3,357,004
24,200	Sumitomo Rubber Industries, Ltd.	444,935	415,834	United Kingdom – 1.5%			
1,000	Suzuken Co. Ltd.	30,014	35,380	84,917	Aberdeen Asset Management PLC	447,736	516,417
10,400	Suzuki Motor Corporation	248,855	251,970	2,880	Amec PLC	49,484	46,357
1,900	Sysmex Corporation	88,164	130,628	8,871	AstraZeneca PLC	432,157	440,837
11,200	T&D Holdings Inc.	135,003	158,277	20,672	AstraZeneca PLC ADR	1,050,414	1,027,356
2,000	Taisho Pharmaceutical Holdings Co. Ltd.	144,887	149,148	16,717	BP PLC ADR	739,966	733,142
8,600	Takeda Pharmaceutical Company Limited	446,464	408,867	123,354	BT Group PLC	538,470	606,420
7,000	Terumo Corporation	312,644	365,956	6,346	Burberry Group PLC	123,203	137,530
12,300	Tohoku Electric Power Co. Inc.	148,081	161,850	23,074	Compass Group PLC	270,358	310,649
31,000	Tokyo Electric Power Company, Incorporated, The	141,718	168,226	1,494	Diageo PLC ADR	191,246	180,442
1,100	Tokyo Electron Limited	48,025	58,499	49,417	GlaxoSmithKline PLC	1,127,178	1,298,723
8,300	Toyoda Gosei Co., Ltd.	163,528	213,752	13,338	GlaxoSmithKline PLC ADR	628,543	700,009
12,300	Toyota Boshoku Corporation	146,424	186,333				
1,800	Toyota Motor Corporation	76,699	114,179				
6,300	Toyota Tsusho Corporation	151,279	170,654				
4,100	Tsumura & Co.	153,651	126,993				
13,900	Ushio Inc.	146,131	192,616				

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Canadian Tactical Asset Allocation Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Number of Shares/ Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES (cont'd)				BOND AND DEBENTURE INSTRUMENTS (cont'd)			
FOREIGN EQUITIES (cont'd)				Mortgage-Backed Securities (cont'd)			
United Kingdom (cont'd)				Merrill Lynch Financial Assets Inc.*			
27,253	Inmarsat PLC	308,885	293,822	418,000	4.68% due Aug. 12, 2015	48,215	50,437
1,438	InterContinental Hotels Group PLC – Sponsored ADR	38,293	41,504	487,000	5.26% due May 12, 2044	172,623	521,755
2,370	Intertek Group PLC	125,685	110,942		Real Estate Asset Liquidity Trust*		
121,468	ITV PLC	183,727	272,792	788,000	5.20% due Mar. 12, 2046	317,847	348,508
26,126	J Sainsbury PLC	152,475	148,258			712,462	1,106,383
162,860	Legal & General Group PLC	364,030	447,638				
45,269	Lloyds Banking Group PLC	30,822	45,847				
4,658	NEXT PLC	144,493	338,431				
28,489	Old Mutual PLC	76,010	82,141				
3,737	Rolls-Royce Group PLC	41,271	67,926				
444,703	Rolls-Royce Holdings PLC*	–	711				
11,760	Shire PLC	311,656	391,913				
3,786	Shire PLC ADR	350,312	378,341				
1,001	Smith & Nephew PLC ADR	60,344	58,898				
2,868	Tui Travel PLC	12,595	16,272				
26,441	Vodafone Group PLC ADR	802,856	798,161				
2,017	Whitbread PLC	54,692	98,812				
		8,656,901	9,590,291				
	TOTAL FOREIGN EQUITIES	133,871,671	150,242,414				
	TOTAL EQUITIES	425,768,929	455,028,506				
BOND AND DEBENTURE INSTRUMENTS – 23.1%				Corporate Bonds – 13.4%			
Federal Bonds – 1.8%				Alimentation Couche-Tard			
	Canada Government Real Return Bond			1,384,000	3.32% due Nov. 1, 2019	1,384,000	1,354,530
623,000	1.50% due Dec. 1, 2044	822,249	736,455	672,000	3.90% due Nov. 1, 2022	672,000	644,858
	Government of Canada				Bank of America Corporation		
276,000	3.50% due Jun. 1, 2020	305,118	300,085	4,328,000	2.00% due Jan. 11, 2018	4,363,533	4,379,204
230,000	1.50% due Jun. 1, 2023	211,370	211,065	1,288,000	3.30% due Jan. 11, 2023	1,271,685	1,280,611
580,500	4.00% due Jun. 1, 2041	753,641	702,505		Bank of Montreal		
249,000	2.00% due Dec. 1, 2041	381,216	338,601	1,536,000	2.96% due Aug. 2, 2016	1,566,559	1,568,629
7,763,000	3.50% due Dec. 1, 2045	9,160,712	8,747,908	407,000	2.39% due Jul. 12, 2017	407,000	404,680
		11,634,306	11,036,619	529,000	2.24% due Dec. 11, 2017	528,873	519,374
				275,000	6.02% due May 2, 2018	325,633	314,861
				940,000	2.84% due Jun. 4, 2020	935,559	918,103
					Bank of Nova Scotia, The		
				2,790,000	2.74% due Dec. 1, 2016	2,794,883	2,825,738
				1,100,000	2.60% due Feb. 27, 2017	1,111,112	1,106,266
				2,589,000	2.37% due Jan. 11, 2018	2,587,186	2,552,092
				1,200,000	2.24% due Mar. 22, 2018	1,205,737	1,172,323
					Bank of Nova Scotia, The (callable)		
				1,969,000	3.04% due Oct. 18, 2024-(2019)	1,974,463	1,938,252
					Bell Canada		
				223,000	3.35% due Jun. 18, 2019	224,184	222,696
				588,000	3.25% due Jun. 17, 2020	587,559	574,992
					BMO Subordinated Notes Trust		
				1,080,000	5.75% due Sep. 26, 2022	1,238,760	1,205,722
					Brookfield Asset Management Inc.		
				926,000	5.29% due Apr. 25, 2017	851,776	998,954
				3,357,000	3.95% due Apr. 9, 2019	3,407,259	3,412,054
				44,000	5.30% due Mar. 1, 2021	48,129	47,399
				816,000	4.54% due Mar. 31, 2023	820,870	821,490
				283,000	5.95% due Jun. 14, 2035	253,020	282,225
					Cadillac Fairview Finance Trust		
				1,420,000	4.31% due Jan. 25, 2021	1,474,828	1,535,871
					Canadian Imperial Bank of Commerce		
				3,556,000	2.65% due Nov. 8, 2016	3,554,486	3,592,299
				1,683,000	2.35% due Oct. 18, 2017	1,685,238	1,663,492
				171,000	2.22% due Mar. 7, 2018	169,119	166,940
					Capital Power LP.		
				635,000	4.60% due Dec. 1, 2015	660,692	660,131
					CDP Financial Inc.		
				1,040,000	4.60% due Jul. 15, 2020	1,064,647	1,140,385
					CIBC Capital Trust		
				714,000	3.40% due Jan. 14, 2016	741,286	737,341
					CIBC Capital Trust (callable)		
				336,000	9.98% due Jun. 30, 2108-(2019)	438,282	444,011
				295,000	10.25% due Jun. 30, 2108-(2039)	394,884	414,691
					Citigroup Inc.		
				1,695,000	4.45% due Jan. 10, 2017	1,798,964	1,911,882
					CU Inc.		
				570,000	6.22% due Mar. 6, 2024	736,229	692,829
					Empire Life Insurance Company, The (callable)		
				1,071,000	2.87% due May 31, 2023-(2018)	1,073,593	1,052,303
					Enbridge Inc. (callable)		
				644,000	3.94% due Jun. 30, 2023-(Mar. 30, 2023)	644,000	651,992
					Enbridge Pipelines Inc.		
				539,000	4.45% due Apr. 6, 2020	609,075	583,493
Mortgage-Backed Securities – 0.2%							
	Claregold Trust*						
660,000	5.07% due May 15, 2044	173,777	185,683				

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Canadian Tactical Asset Allocation Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBT INSTRUMENTS (cont'd)			
Corporate Bonds (cont'd)			
1,259,000	Ford Credit Canada Limited 7.50% due Aug. 18, 2015	1,417,810	1,379,982
1,977,000	4.88% due Feb. 8, 2017	2,109,469	2,079,708
408,000	3.32% due Dec. 19, 2017	407,813	403,092
233,000	Fortis Inc. 4.25% due Dec. 9, 2041	248,984	229,046
880,000	GE Capital Canada Funding Company 5.68% due Sep. 10, 2019	1,043,090	1,000,773
238,000	General Electric Capital Corporation 2.42% due May 31, 2018	237,988	232,815
372,000	4.60% due Jan. 26, 2022	399,860	395,567
1,192,000	General Electric Company 6.38% due Nov. 15, 2017	1,063,972	1,302,527
110,000	4.65% due Oct. 17, 2021	111,631	122,063
515,000	Great-West Lifeco Inc. 7.13% due Jun. 26, 2018	579,935	606,534
1,246,000	Hydro One Inc. 7.35% due Jun. 3, 2030	1,815,766	1,704,820
172,000	6.93% due Jun. 1, 2032	247,357	230,051
150,000	4.39% due Sep. 26, 2041	158,225	151,358
531,000	Intact Financial Corporation 5.41% due Sep. 3, 2019	549,672	595,719
967,000	4.70% due Aug. 18, 2021	1,030,899	1,038,926
358,000	6.40% due Nov. 23, 2039	359,493	420,598
414,000	5.16% due Jun. 16, 2042	413,623	416,203
420,000	Integrated Team Solutions SJHC Partnership 5.95% due Nov. 30, 2042	516,744	482,004
1,714,000	Manufacturers Life Insurance Company (callable) 4.21% due Nov. 18, 2021-(2016)	1,714,000	1,796,457
236,000	2.82% due Feb. 26, 2023-(2018)	239,490	232,228
1,015,000	Manulife Financial Capital Trust II (callable) 7.41% due Dec. 31, 2108-(2019)	1,165,397	1,203,799
781,000	Manulife Financial Corporation 7.77% due Apr. 8, 2019	931,175	959,872
1,805,000	Manulife Financial Corporation (callable) 4.17% due Jun. 1, 2022-(2017)	1,817,652	1,885,864
608,000	Manulife Financial (Delaware) LP 5.06% due Dec. 15, 2041-(2036)	588,768	586,890
889,000	Manulife Financial (Delaware) LP (callable) 4.45% due Dec. 15, 2026-(2016)	946,718	932,975
430,000	NBC Asset Trust (callable) 7.45% due Jun. 30, 2049-(2020)	529,863	524,645
3,670,000	RBC Yield Curve Deposit Note, Series 6* 1.30% due Nov. 26, 2013	3,682,955	3,370,381
607,000	Royal Bank of Canada 2.36% due Sep. 21, 2017	599,831	600,483
2,071,000	2.26% due Mar. 12, 2018	2,080,919	2,025,666
2,907,000	2.98% due May 7, 2019	2,977,887	2,906,154
698,000	Royal Bank of Canada (callable) 2.99% due Dec. 6, 2024-(2019)	701,176	685,303
228,699	Schooner Trust 5.19% due Mar. 12, 2017	233,348	247,175
460,000	Scotiabank Tier I Trust (callable) 7.80% due Jun. 30, 2108-(2019)	587,751	564,281
538,000	Standard Life Canada (callable) 3.94% due Sep. 21, 2022-(2017)	549,889	554,241
332,000	Sun Life Capital Trust II 5.86% due Dec. 31, 2019	378,958	370,968
1,392,000	Sun Life Financial Inc. 4.38% due Mar. 2, 2017	1,413,326	1,461,926
1,450,000	5.59% due Jan. 30, 2023	1,541,086	1,596,629
416,000	Sun Life Financial Inc. (callable) 5.40% due May 29, 2042-(2037)	362,313	435,452

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBT INSTRUMENTS (cont'd)			
Corporate Bonds (cont'd)			
1,054,000	TD Capital Trust (callable) 6.63% due Jun. 30, 2108-(2021)	1,317,263	1,250,041
512,000	TD Capital Trust IV (callable) 10.00% due Jun. 30, 2108-(2039)	737,644	713,761
118,000	Terasen Gas Inc. 5.80% due May 13, 2038	155,394	143,777
1,094,000	Toronto-Dominion Bank, The 2.17% due Apr. 2, 2018	1,094,000	1,070,224
1,206,000	Wells Fargo Financial Canada Corporation 3.46% due Jan. 24, 2023	1,223,973	1,172,664
		83,888,210	83,876,355
	TOTAL BOND AND DEBT INSTRUMENTS	146,131,456	144,256,324
FIXED INCOME FUND – 0.7%			
412,549	CC&L High Yield Bond Fund Series I	4,304,703	4,226,937
MONEY MARKET INSTRUMENTS – 3.1%			
7,150,000	Government of Canada Treasury Bills 0.96% to 0.99% due from Jul. 3, 2013 to Jul. 4, 2013	7,141,458	7,149,154
1,400,000	Bank of Montreal Bankers' Acceptances 1.11% to 1.13% due from Aug. 12, 2013 to Sep. 9, 2013	1,396,090	1,397,386
5,000,000	Canadian Imperial Bank of Commerce Bankers' Acceptances 1.10% to 1.13% due from Jul. 15, 2013 to Sep. 17, 2013	4,988,803	4,994,259
1,850,000	National Bank of Canada Bankers' Acceptances 1.10% to 1.12% due from Jul. 8, 2013 to Sep. 19, 2013	1,845,032	1,847,719
3,700,000	Bank of Montreal Bearers' Deposit Notes 1.10% to 1.12% due from Jul. 8, 2013 to Sep. 19, 2013	3,688,942	3,693,903
		19,060,325	19,082,421
	TOTAL INVESTMENT PORTFOLIO	595,265,413	622,594,188
	Currency Spot Contracts – 0.0%		2,673
	Currency Forward Contracts – (0.0)%		(224,645)
	Futures Contracts – (0.1)%		(297,561)
	OTHER ASSETS, LESS LIABILITIES – 0.4%		2,484,603
	NET ASSETS – 100.0%		624,559,258

* This security is not actively traded and considered illiquid.

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Tactical Asset Allocation Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO INDEX FUTURES CONTRACTS

Number of Contracts	Contract Issuer	Settlement Date	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
(119)	mini MSCI EAFE Index Futures	Sep. 2013	(10,266,604)	(10,250,817)	15,787
(35)	S&P 500 Index Futures	Sep. 2013	(14,786,052)	(14,689,519)	96,533
(242)	S&P/TSX 60 Index	Sep. 2013	(33,518,941)	(33,526,680)	(7,739)
					<u>104,581</u>

The above bond futures and index futures contracts are financial agreements to purchase/sell the bond and indices at a contracted price on a specific future date. However, the Fund does not intend to purchase/sell the bond and indices on settlement. Rather, it intends to close out each bond futures contracts and index futures contracts before settlement by entering into equal, but offsetting bond futures contracts and index futures contracts.

With respect to the above future contracts, \$3,200,000 of the July 4, 2013 Government of Canada Treasury Bills is held on margin.

The futures contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A+ by Standard & Poor's.

BOND FUTURES CONTRACTS

Number of Contracts	Contract Issuer	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
(19)	U.S. 30 Year Treasury Bond Futures – Sep. 2013	(2,800,466)	(2,711,256)	89,211
23	U.S. 5 Year Bond Futures – Sep. 2013	2,959,351	2,923,522	(35,829)
28	U.S. 10 Year Bond Futures – Sep. 2013	3,834,187	3,719,727	(114,460)
323	Canadian 10 Year Bond Futures – Sep. 2013	42,766,110	42,404,770	(361,340)
				<u>(422,418)</u>

CURRENCY SPOT CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jul. 1, 2013	Australian Dollar	18,593	U.S. Dollar	17,256	18,131	(269)
Jul. 1, 2013	U.S. Dollar	189,224	Japanese Yen	18,512,320	196,087	2,730
Jul. 1, 2013	U.S. Dollar	32,916	European Euro	25,261	34,543	42
Jul. 1, 2013	U.S. Dollar	29,664	Japanese Yen	2,902,071	30,740	428
Jul. 2, 2013	Australian Dollar	30,925	U.S. Dollar	28,688	30,142	(434)
Jul. 2, 2013	U.S. Dollar	35,305	Japanese Yen	3,478,067	36,841	254
Jul. 3, 2013	Australian Dollar	22,646	U.S. Dollar	20,727	21,778	(23)
Jul. 3, 2013	U.S. Dollar	37,147	Japanese Yen	3,689,985	39,085	(55)
						<u>2,673</u>

The currency spot contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A+ by Standard & Poor's.

CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Sep. 20, 2013	Canadian Dollar	6,771,744	U.S. Dollar	6,625,000	6,982,946	(211,202)
Sep. 20, 2013	Canadian Dollar	2,762,790	U.S. Dollar	2,627,000	2,768,936	(6,146)
Sep. 20, 2013	Canadian Dollar	324,356	U.S. Dollar	315,000	332,019	(7,664)
Sep. 20, 2013	U.S. Dollar	915,000	Canadian Dollar	964,639	961,578	(192)
Sep. 20, 2013	U.S. Dollar	138,000	Canadian Dollar	144,897	144,437	559
						<u>(224,645)</u>

The currency forward contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of AA- by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equities	48.9	50.4
Foreign Equities	23.9	23.9
Bond and Debenture Instruments	23.1	23.6
Fixed Income Fund	0.7	0.6
Money Market Instruments	3.1	0.7
Currency Spot Contracts	0.0	0.0
Currency Forward Contracts	(0.0)	(0.0)
Futures Contracts	(0.1)	(0.0)

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Tactical Asset Allocation Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of bond and debenture instruments.

Interest Rate Exposure*	June 30, 2013	December 31, 2012
Less than 1 year	\$ 3,370,381	\$ 3,676,606
1-3 years	3,013,575	6,135,048
3-5 years	39,455,217	28,526,604
5-10 years	56,161,730	67,014,465
> 10 years	42,255,421	34,017,475
Total	\$144,256,324	\$139,370,198

* Excludes cash, money market instruments, and preferred shares as applicable.

As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$3,610,076, or approximately 0.6% of total Net Assets (December 31, 2012 – \$2,485,925, or approximately 0.4% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	101,966,844	16.3	79,584,693	13.5
European Euro	17,714,635	2.8	16,529,863	2.8
Japanese Yen	17,505,300	2.8	16,262,130	2.8
British Pound	5,672,439	0.9	8,656,482	1.5
Swiss Franc	3,181,058	0.5	1,932,855	0.3
Hong Kong Dollar	1,931,498	0.3	23,997	0.0
Australian Dollar	1,625,407	0.3	687,447	0.1
Swedish Krona	975,740	0.2	4,519,719	0.8
Norwegian Krone	552,264	0.1	861,452	0.1
Danish Krone	370,751	0.1	3,647,177	0.6
Israel Shekel	29,272	0.0	81,784	0.0
New Zealand Dollar	16,427	0.0	28,546	0.0
Singapore Dollar	6,706	0.0	6,578	0.0
South African Rand	–	–	10,732	0.0
Thai Baht	–	–	8,902	0.0
Brazilian Real	–	–	1,004	0.0
Turkish Lira	–	–	180	0.0
Total	151,548,341	24.3	132,843,541	22.5

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$15,154,834, or approximately 2.4% of total Net Assets, (December 31, 2012 – \$13,284,354, or approximately 2.3% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 72.8% (December 31, 2012 – 74.3%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$45,502,851 (December 31, 2012 – \$43,894,788). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit ratings of the bond and debenture instruments, excluding cash and money market instruments but including preferred shares, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
AAA	10.4	2.4	7.1	1.7
AA	38.5	8.9	36.6	8.6
A	46.2	10.7	47.7	11.3
BBB	4.9	1.1	8.6	2.0
Total	100.0	23.1	100.0	23.6

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$10,597,678	\$1,177,440
Payable for futures contracts	580,125	263,503
Payable for currency spot contracts	781	739
Payable for currency forward contracts	225,204	85,718
	\$11,403,788	\$1,527,400

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Global Balanced Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$34,784,517	\$23,509,447
Cash	525,415	342,401
Accrued investment income	490	276
Receivable for securities sold	—	3,467
Subscriptions receivable	87,086	67,141
	<u>35,397,508</u>	<u>23,922,732</u>
LIABILITIES		
Payable for securities purchased	106,347	19,564
Distributions payable	154	—
Redemptions payable	19,399	9,500
Accrued expenses	62,103	—
	<u>188,003</u>	<u>29,064</u>
Net Assets	<u>\$35,209,505</u>	<u>\$23,893,668</u>
NET ASSETS PER SERIES		
Series A Units	<u>\$35,209,505</u>	<u>\$23,893,668</u>
UNITS OUTSTANDING		
Series A Units	<u>2,836,502</u>	<u>2,085,148</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 12.41</u>	<u>\$ 11.46</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	<u>\$23,893,668</u>	<u>\$20,176,432</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>2,155,060</u>	<u>877,357</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series A Units	<u>(97,252)</u>	<u>(222,767)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	<u>11,848,583</u>	<u>2,879,726</u>
Reinvested distributions		
Series A Units	<u>96,978</u>	<u>222,462</u>
Payments on redemption		
Series A Units	<u>(2,687,532)</u>	<u>(1,765,138)</u>
	<u>9,258,029</u>	<u>1,337,050</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	<u>11,315,837</u>	<u>1,991,640</u>
NET ASSETS – END OF PERIOD		
Series A Units	<u>\$35,209,505</u>	<u>\$22,168,072</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Interest	\$ 514,005	\$515,549
Capital gains distributions received	438,873	246,262
Other income	911	263
	<u>953,789</u>	<u>762,074</u>
EXPENSES		
Management fees (note 5)	289,026	214,193
Harmonized Sales Tax/Goods and Services Tax	34,358	26,912
Audit fees	364	1,444
Independent Review Committee fees	51	96
Custodian fees	916	796
Filing fees	6,659	6,805
Legal fees	128	482
Unitholder reporting costs	3,617	4,704
Unitholder administration and service fees	11,554	13,727
Overdraft charges	—	130
	<u>346,673</u>	<u>269,289</u>
Absorbed expenses	<u>—</u>	<u>(95)</u>
	<u>346,673</u>	<u>269,194</u>
Net investment income (loss)	<u>607,116</u>	<u>492,880</u>
Net realized gain (loss) on investments sold	<u>22,653</u>	<u>(13,853)</u>
Change in unrealized appreciation (depreciation) of investments	<u>1,525,291</u>	<u>398,330</u>
Net gain (loss) on investments	<u>1,547,944</u>	<u>384,477</u>
Increase (decrease) in Net Assets from operations	<u>\$2,155,060</u>	<u>\$877,357</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>\$2,155,060</u>	<u>\$877,357</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	<u>\$ 0.89</u>	<u>\$ 0.44</u>

The accompanying notes are an integral part of the financial statements.

Scotia Global Balanced Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
INTERNATIONAL BALANCED FUND – 98.8%			
4,403,103	CI Signature Global Income & Growth Fund Series I	32,141,272	34,784,517
	TOTAL INVESTMENT PORTFOLIO	32,141,272	34,784,517
	OTHER ASSETS, LESS LIABILITIES – 1.2%		424,988
	NET ASSETS – 100.0%		35,209,505

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
International Balanced Fund	98.8	98.4

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 98.8% (December 31, 2012 – 98.4%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$3,478,452 (December 31, 2012 – \$2,350,945). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$188,003	\$29,064

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia U.S. \$ Balanced Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
	U.S.\$	U.S.\$
ASSETS		
Investments at fair value	\$35,149,431	\$16,627,458
Cash	6,323,105	3,670,221
Accrued investment income	80,458	57,664
Receivable for securities sold	711,334	326,360
Subscriptions receivable	58,741	122,414
	<u>42,323,069</u>	<u>20,804,117</u>
LIABILITIES		
Payable for securities purchased	2,406,591	181,367
Redemptions payable	55,661	700
Accrued expenses	63,270	—
	<u>2,525,522</u>	<u>182,067</u>
Net Assets	<u>\$39,797,547</u>	<u>\$20,622,050</u>
NET ASSETS PER SERIES		
Series A Units	<u>\$39,797,547</u>	<u>\$20,622,050</u>
UNITS OUTSTANDING		
Series A Units	<u>3,830,907</u>	<u>2,055,207</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 10.39</u>	<u>\$ 10.03</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
	U.S.\$	U.S.\$
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	<u>\$20,622,050</u>	<u>\$ 7,895,215</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>751,589</u>	<u>326,969</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	21,342,733	7,332,600
Payments on redemption		
Series A Units	(2,918,825)	(1,608,030)
	<u>18,423,908</u>	<u>5,724,570</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	<u>19,175,497</u>	<u>6,051,539</u>
NET ASSETS – END OF PERIOD		
Series A Units	<u>\$39,797,547</u>	<u>\$13,946,754</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
	U.S.\$	U.S.\$
INVESTMENT INCOME		
Dividends	\$ 96,411	\$ 45,517
Interest	108,576	49,855
Foreign withholding taxes/tax reclaims	(12,713)	(6,592)
Other income	493	54
	<u>192,767</u>	<u>88,834</u>
EXPENSES		
Management fees (note 5)	266,037	98,911
Harmonized Sales Tax/Goods and Services Tax	31,849	12,242
Audit fees	374	1,227
Independent Review Committee fees	50	19
Custodian fees	617	873
Filing fees	7,143	6,929
Legal fees	124	407
Unitholder reporting costs	2,662	3,239
Unitholder administration and service fees	4,099	5,465
	<u>312,955</u>	<u>129,312</u>
Absorbed expenses	—	(2,176)
	<u>312,955</u>	<u>127,136</u>
Net investment income (loss)	<u>(120,188)</u>	<u>(38,302)</u>
Net realized gain (loss) on investments sold	606,098	(67,570)
Transaction costs	(29,221)	(2,004)
Change in unrealized appreciation (depreciation) of investments	294,900	434,845
Net gain (loss) on investments and transaction costs	<u>871,777</u>	<u>365,271</u>
Increase (decrease) in Net Assets from operations	<u>\$ 751,589</u>	<u>\$326,969</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>\$ 751,589</u>	<u>\$326,969</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	<u>\$ 0.26</u>	<u>\$ 0.30</u>

The accompanying notes are an integral part of the financial statements.

Scotia U.S. \$ Balanced Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares/ Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
U.S.\$		U.S.\$	U.S.\$	U.S.\$		U.S.\$	U.S.\$
EQUITIES – 55.7%				BOND AND DEBENTURE INSTRUMENTS (cont'd)			
Energy – 2.4%				Corporate Bonds (cont'd)			
16,000	Noble Energy, Inc.	850,589	960,640	150,000	Anheuser-Busch Companies, Inc. 1.50% due Jul. 14, 2014	152,414	151,593
9,900	Nucor Corporation	464,111	428,670	175,000	B.A.T. International Finance p.l.c. 9.50% due Nov. 15, 2018	242,073	234,154
Materials – 1.1%				119,000	Ball Corporation (callable) 7.38% due Sep. 1, 2019-(2014)	132,090	128,149
7,500	Danaher Corporation	436,139	474,750	70,000	Boston Properties, Inc. 5.88% due Oct. 15, 2019	81,501	80,565
8,400	Equifax Inc.	482,354	495,012	195,000	Comcast Corporation 6.50% due Jan. 15, 2017	234,849	227,148
6,300	Honeywell International Inc.	459,802	499,842	100,000	Pemrod Ricard SA 5.75% due Apr. 7, 2021	113,392	111,311
5,400	Parker-Hannifin Corporation	513,134	518,238	100,000	SABMiller PLC 4.45% due Jan. 15, 2022	111,438	101,984
3,100	TransDigm Group Inc.	408,642	486,793	454,000	Simon Property Group LP (callable) 3.75% due Jan. 15, 2022	488,602	458,259
3,400	Union Pacific Corporation	475,912	524,552	29,000	Thermo Fisher Scientific, Inc. 6.10% due May 1, 2016-(Feb. 1, 2016)	33,224	32,423
		2,775,983	2,999,187	185,000	WEA Finance LLC / WT Finance Australia 5.88% due Mar. 1, 2017-(Dec. 1, 2016)	213,214	210,771
Consumer Discretionary – 8.8%				100,000	Thermo Fisher Scientific, Inc. 2.75% due Dec. 1, 2022-(Nov. 1, 2022)	99,446	91,658
10,000	CBS Corporation, Class B	426,578	488,700	75,000	Time Warner Cable Inc. 3.20% due Mar. 1, 2016	78,875	77,994
37,500	Ford Motor Company	520,167	579,375	176,000	Time Warner Cable Inc. 3.50% due Feb. 1, 2015	185,872	182,959
7,800	Ross Stores, Inc.	475,935	505,518	144,000	WEA Finance LLC / WT Finance Australia 5.75% due Sep. 2, 2015	159,849	158,239
223,700	Sirius XM Radio Inc.	684,087	744,921			3,157,874	3,034,254
11,700	Starwood Hotels & Resorts Worldwide, Inc.	787,460	739,323	United States Treasury Notes – 25.0%			
6,900	Walt Disney Company, The	413,832	435,735		United States Treasury Notes		
		3,308,059	3,493,572	3,291,500	0.75% due Jun. 15, 2014	3,319,005	3,308,986
Consumer Staples – 4.3%				225,000	1.88% due Jun. 30, 2015	234,428	231,706
6,400	Costco Wholesale Corporation	644,088	707,647	285,400	1.75% due May 31, 2016	294,447	294,363
6,800	Estee Lauder Companies Inc., The	474,037	447,236	255,000	2.50% due Jun. 30, 2017	270,936	269,164
6,400	Hershey Company, The	481,175	571,392	200,000	0.63% due Sep. 30, 2017	199,664	195,452
		1,599,300	1,726,275	315,400	2.38% due May 31, 2018	331,436	330,677
Health Care – 6.7%				200,000	2.00% due Feb. 15, 2022	195,047	195,390
6,300	Johnson & Johnson	535,202	540,918	1,410,000	1.63% due Nov. 15, 2022	1,366,360	1,313,612
20,800	Medtronic, Inc.	1,014,153	1,069,952	4,070,000	1.75% due May 15, 2023	3,873,742	3,808,258
12,300	Thermo Fisher Scientific, Inc.	983,854	1,040,949			10,085,065	9,947,608
		2,533,209	2,651,819	TOTAL BOND AND DEBENTURE INSTRUMENTS			
Financials – 13.3%						13,242,939	12,981,862
9,100	American Express Company	577,027	679,588	TOTAL INVESTMENT PORTFOLIO			
10,100	Berkshire Hathaway Inc., Class B	1,003,929	1,134,734			34,256,681	35,149,431
13,400	JPMorgan Chase & Co.	732,701	707,386	OTHER ASSETS, LESS LIABILITIES – 11.7%			
10,500	MetLife, Inc.	463,703	480,375			4,648,116	
17,400	Morgan Stanley	469,795	426,126	NET ASSETS – 100.0%			
5,700	Signature Bank	442,941	473,214			39,797,547	
6,200	T. Rowe Price Group Inc.	474,899	453,530				
23,100	Wells Fargo & Company	949,122	953,337				
		5,114,117	5,308,290				
Information Technology – 8.1%							
1,200	Google Inc.	899,422	1,055,820				
12,900	KLA-Tencor Corporation	703,771	718,917				
1,300	MasterCard, Inc., Class A	692,524	741,988				
3,900	Visa Inc.	699,173	711,945				
		2,994,890	3,228,670				
Index Fund – 3.4%							
12,100	iShares iBoxx Investment Grade	1,373,484	1,370,446				
	TOTAL EQUITIES	21,013,742	22,167,569				
BOND AND DEBENTURE INSTRUMENTS – 32.6%							
Corporate Bonds – 7.6%							
229,000	Altria Group, Inc. 9.70% due Nov. 10, 2018	323,543	304,559				
205,000	9.25% due Aug. 6, 2019 American Tower Corp.	285,920	270,990				
200,000	4.50% due Jan. 15, 2018	221,572	211,498				

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia U.S. \$ Balanced Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
EQUITIES		
Index Units	—	0.0
Energy	2.4	3.9
Materials	1.1	—
Industrials	7.6	5.3
Consumer Discretionary	8.8	7.6
Consumer Staples	4.3	5.4
Health Care	6.7	2.8
Financials	13.3	6.0
Information Technology	8.1	8.5
Telecommunication Services	—	2.2
Index Fund	3.4	—
BOND AND DEBENTURE INSTRUMENTS		
Corporate Bonds	7.6	15.3
United States Treasury Notes	25.0	23.6

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of bond and debenture instruments.

Interest Rate Exposure*	June 30, 2013	December 31, 2012
	(U.S. \$)	(U.S. \$)
Less than 1 year	\$ 3,308,986	\$ —
1-3 years	1,129,277	4,049,586
3-5 years	1,444,710	1,338,436
5-10 years	7,098,889	2,651,600
> 10 years	—	—
Total	\$12,981,862	\$8,039,622

* Excludes cash, money market instruments, and preferred shares as applicable.

As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$265,065, or approximately 0.7% of total Net Assets (December 31, 2012 – \$97,644, or approximately 0.5% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 55.7% (December 31, 2012 – 41.7%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$2,216,757 (December 31, 2012 – \$858,784). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit ratings of the bond and debenture instruments, excluding cash and money market instruments but including preferred shares, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
AAA	—	—	60.5	23.6
AA	76.6	25.0	—	—
A	6.7	2.2	8.3	3.2
BBB	15.7	5.1	29.5	11.5
BB	1.0	0.3	1.7	0.6
Total	100.0	32.6	100.0	38.9

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months (U.S. \$)	Less than 3 months (U.S. \$)
Accounts payable and accrued liabilities	\$2,525,522	\$182,067

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Private Canadian Preferred Share Pool (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$352,893,606	\$260,455,565
Cash	7,284,720	9,474,609
Accrued investment income	1,537,253	617,372
Subscriptions receivable	1,262,805	658,943
	<u>362,978,384</u>	<u>271,206,489</u>
LIABILITIES		
Distributions payable	232,376	—
Redemptions payable	172,761	126,345
Accrued expenses	23,261	—
	<u>428,398</u>	<u>126,345</u>
Net Assets	<u>\$362,549,986</u>	<u>\$271,080,144</u>
NET ASSETS PER SERIES		
Series I Units	\$ 88,809,200	\$ 65,079,695
Series M Units	\$273,740,786	\$206,000,449
UNITS OUTSTANDING		
Series I Units	9,016,825	6,449,228
Series M Units	<u>27,518,651</u>	<u>20,212,833</u>
NET ASSETS PER UNIT		
Series I Units	\$ 9.85	\$ 10.09
Series M Units	<u>\$ 9.95</u>	<u>\$ 10.19</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 7,319,474	\$ 1,525,761
Interest	61,236	18,330
Securities lending	5,752	669
	<u>7,386,462</u>	<u>1,544,760</u>
EXPENSES		
Management fees (note 5)	89,367	13,732
Harmonized Sales Tax/Goods and Services Tax	12,031	2,317
Audit fees	4,050	1,880
Independent Review Committee fees	581	64
Custodian fees	1,614	308
Filing fees	7,713	7,958
Legal fees	1,418	627
Unitholder reporting costs	3,653	3,272
Unitholder administration and service fees	17,586	6,302
	<u>138,013</u>	<u>36,460</u>
Absorbed expenses	—	(181)
	<u>138,013</u>	<u>36,279</u>
Net investment income (loss)	<u>7,248,449</u>	<u>1,508,481</u>
Net realized gain (loss) on investments sold	531,606	71,360
Transaction costs	(218,476)	(239,219)
Change in unrealized appreciation (depreciation) of investments	(10,789,795)	(1,175,624)
Net gain (loss) on investments and transaction costs	<u>(10,476,665)</u>	<u>(1,343,483)</u>
Increase (decrease) in Net Assets from operations	<u>\$ (3,228,216)</u>	<u>\$ 164,998</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series I Units*	\$ (819,002)	\$ 22,455
Series M Units	<u>\$ (2,409,214)</u>	<u>\$ 142,543</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series I Units*	\$ (0.11)	\$ 0.00
Series M Units	<u>\$ (0.10)</u>	<u>\$ 0.04</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012*
NET ASSETS – BEGINNING OF PERIOD		
Series I Units*	\$ 65,079,695	\$ —
Series M Units	<u>206,000,449</u>	<u>3,823,016</u>
	<u>271,080,144</u>	<u>3,823,016</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series I Units*	(819,002)	22,455
Series M Units	<u>(2,409,214)</u>	<u>142,543</u>
	<u>(3,228,216)</u>	<u>164,998</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series I Units*	(1,679,696)	(361,847)
Series M Units	<u>(5,280,433)</u>	<u>(560,117)</u>
	<u>(6,960,129)</u>	<u>(921,964)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series I Units*	24,548,511	56,302,125
Series M Units	<u>102,451,038</u>	<u>88,406,124</u>
Reinvested distributions		
Series I Units*	1,679,692	361,847
Series M Units	<u>4,866,750</u>	<u>533,380</u>
Payments on redemption		
Series M Units	<u>(31,887,804)</u>	<u>(3,262,477)</u>
	<u>101,658,187</u>	<u>142,340,999</u>
INCREASE (DECREASE) IN NET ASSETS		
Series I Units*	23,729,505	56,324,580
Series M Units	<u>67,740,337</u>	<u>85,259,453</u>
	<u>91,469,842</u>	<u>141,584,033</u>
NET ASSETS – END OF PERIOD		
Series I Units*	88,809,200	56,324,580
Series M Units	<u>273,740,786</u>	<u>89,082,469</u>
	<u>\$362,549,986</u>	<u>\$145,407,049</u>

* Start date March 20, 2012.

The accompanying notes are an integral part of the financial statements.

Scotia Private Canadian Preferred Share Pool (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 97.3%			
Energy – 13.3%			
130,000	Enbridge Inc. 4.00% Preferred, Series F	3,310,016	3,250,000
330,000	Enbridge Inc. 4.00% Preferred, Series R	8,252,400	8,253,300
192,000	Enbridge Inc., 4.00%, Preferred, Series D	4,888,875	4,786,560
592,200	Husky Energy Inc., 4.45%, Preferred, Series 1	15,495,899	14,544,432
532,000	TransCanada Corporation Preferred, Series 3	13,459,676	12,315,800
200,600	TransCanada Corporation, 4.4%, Preferred, Series 5	5,173,368	4,934,760
		<u>50,580,234</u>	<u>48,084,852</u>
Consumer Discretionary – 6.6%			
125,000	George Weston Ltd., 4.75%, Preferred, Series V	3,186,250	2,941,250
138,800	Shaw Communications, Inc., 4.50%, Preferred, C12 Series A	3,649,790	3,414,480
744,000	Thomson Reuters Corporation, Preferred, Series B	16,406,580	17,513,760
		<u>23,242,620</u>	<u>23,869,490</u>
Consumer Staples – 0.7%			
100,000	George Weston Ltd., 5.20%, Preferred, Series D	2,574,960	2,420,000
Financials – 55.6%			
403,000	Bank of Montreal 5.20% Preferred M, Series 16	10,296,637	10,135,450
222,000	Bank of Montreal, 4.5%, Preferred, Series 13	5,804,927	5,592,180
336,000	Bank of Nova Scotia, The 3.70% Preferred, Series 32	8,446,915	8,117,760
340,000	Bank of Nova Scotia, The 4.50% Preferred, Series 14	8,799,978	8,534,000
486,100	Canadian Imperial Bank of Commerce, 5.6%, Preferred Series 27	12,557,710	12,186,527
145,600	Canadian Imperial Bank of Commerce, 5.75%, Preferred D, Series 26	3,785,417	3,682,224
735,000	Great-West Lifeco Inc. 3.65%, Preferred, Series N	18,043,961	17,823,750
287,000	HSBC Bank of Canada 5%, Preferred, Series D	7,390,861	7,169,260
333,600	HSBC Bank of Canada 5.10% Preferred, Series C	8,586,696	8,266,608
260,000	Industrial Alliance, 4.60%, Preferred, Series A	6,525,480	6,120,400
175,000	Intact Financial Corporation 4.2%, Preferred, Series 3	4,545,250	4,490,500
511,300	Intact Financial Corporation, 4.20%, Preferred, Series 1	13,102,600	12,992,133
470,000	Manulife Financial Corporation 4%, Preferred, Series 11	11,847,148	11,886,300
140,000	Manulife Financial Corporation, 4.65%, Preferred, Series B	3,501,600	3,243,800
425,000	National Bank of Canada 3.80%, Preferred, Series 28	10,892,496	10,837,500
188,300	National Bank of Canada, 4.85%, Preferred, Series L	4,816,494	4,728,213
123,000	Power Corporation of Canada, 5.80%, Preferred, Series C	3,139,968	3,081,150
120,000	Power Financial Corporation 5.50% Preferred, Series R	3,063,000	2,988,000
327,900	Power Financial Corporation, 0%, Preferred, Series A	7,278,444	8,049,945
169,000	Power Financial Corporation, 6.00%, Preferred, Series 1	4,309,640	4,285,840
95,000	Royal Bank of Canada 4.45% Preferred, Series AF	2,444,750	2,387,350
251,200	Royal Bank of Canada 4.70% Preferred, Series B	6,511,859	6,322,704
225,800	Royal Bank of Canada, 6.25%, Preferred, Series AT	6,081,078	5,929,508
175,000	Sun Life Financial Inc. 4.35%, Preferred, Series 8R	4,272,587	4,243,750
100,000	Sun Life Financial Inc. 4.45%, Preferred, Series 3	2,435,000	2,223,000
425,000	Sun Life Financial Inc. 6%, Preferred, Series 6R	11,211,250	10,999,000
343,000	Toronto-Dominion Bank, The 5.10% Preferred, Series Y	8,752,151	8,626,450
271,400	Toronto-Dominion Bank, The, 4.85%, Preferred C1-A 1st, Series O	7,066,424	6,904,416
		<u>205,510,321</u>	<u>201,847,718</u>
Telecommunication Services – 8.9%			
355,800	BCE Inc. 4.35% Preferred, Series 17	8,576,228	8,521,410
111,500	BCE Inc. 4.4%, Preferred, Series 16	2,695,266	2,610,215
220,000	BCE Inc., 0.00%, Preferred, Series AB	4,909,100	5,225,000
500,000	Bell Aliant, Inc., 4.25%, Preferred, Series E	13,011,060	12,400,000
150,000	Bell Aliant, Inc., Preferred, Series SA	3,921,000	3,694,500
		<u>33,112,654</u>	<u>32,451,125</u>
Utilities – 12.2%			
199,100	Canadian Utilities Limited, 4.00%, Preferred, Series Y	5,159,693	5,118,861
460,000	Canadian Utilities Limited, 4.50%, Preferred, Series CC	11,537,600	10,202,800
216,500	Fortis Inc., 4.9%, Preferred, Series F	5,505,108	5,146,205
190,000	Fortis, Inc. 4.75%, Preferred, Series J	4,821,000	4,446,000
212,000	Fortis, Inc., Preferred, Series H	5,426,229	5,115,560
145,000	TransAlta Corporation, 4.60%, Preferred, Series A	3,604,745	3,081,250
100,000	TransAlta Corporation, 4.60%, Preferred, Series C	2,510,000	2,265,000
130,000	TransAlta Corporation, 5.00%, Preferred, Series E	3,367,000	3,178,500
232,700	Westcoast Energy, 5.50%, Preferred, Series H	5,998,962	5,666,245
		<u>47,930,337</u>	<u>44,220,421</u>
TOTAL INVESTMENT PORTFOLIO		<u>362,951,126</u>	<u>352,893,606</u>
OTHER ASSETS, LESS LIABILITIES – 2.7%			9,656,380
NET ASSETS – 100.0%			<u>362,549,986</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Energy	13.3	14.9
Consumer Discretionary	6.6	6.2
Consumer Staples	0.7	–
Financials	55.6	55.2
Telecommunication Services	8.9	4.8
Utilities	12.2	15.0

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 97.3 % (December 31, 2012 – 96.1%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$35,289,361 (December 31, 2012 – \$26,045,557). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit ratings of the preferred shares securities, excluding cash and money market instruments, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Preferred Shares Securities (%)	Percentage of Net Assets (%)	Percentage of Total Preferred Shares Securities (%)	Percentage of Net Assets (%)
AAA	30.8	29.9	38.0	36.6
AA	69.2	67.4	62.0	59.5
Total	100.0	97.3	100.0	96.1

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$428,398	\$126,345

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Canadian Dividend Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$4,619,449,451	\$4,185,454,386
Cash	537,865,700	372,065,490
Accrued investment income	14,777,110	13,855,704
Receivable for securities sold	894,650	617,801
Subscriptions receivable	8,377,917	4,798,405
Receivable for currency forward contracts	1,199,727	—
	<u>5,182,564,555</u>	<u>4,576,791,786</u>
LIABILITIES		
Payable for securities purchased	38,241,124	—
Distributions payable	942,814	1,472
Redemptions payable	5,808,115	3,351,011
Accrued expenses	4,046,000	—
Payable for currency forward contracts	30,876,267	4,913,915
	<u>79,914,320</u>	<u>8,266,398</u>
Net Assets	<u>\$5,102,650,235</u>	<u>\$4,568,525,388</u>
NET ASSETS PER SERIES		
Series A Units	\$2,929,263,922	\$2,793,875,092
Advisor Series Units	\$ 35,834,254	\$ 34,681,869
Series F Units	\$ 9,246,892	\$ 9,987,424
Series I Units	\$1,522,680,778	\$1,258,141,492
Series M Units	\$ 605,624,389	\$ 471,839,511
UNITS OUTSTANDING		
Series A Units	70,458,161	70,105,814
Advisor Series Units	866,794	875,361
Series F Units	223,422	251,706
Series I Units	36,760,724	31,668,083
Series M Units	14,964,600	12,155,549
NET ASSETS PER UNIT		
Series A Units	\$ 41.57	\$ 39.85
Advisor Series Units	\$ 41.34	\$ 39.62
Series F Units	\$ 41.39	\$ 39.68
Series I Units	\$ 41.42	\$ 39.73
Series M Units	\$ 40.47	\$ 38.82

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 68,271,216	\$ 62,030,442
Interest	3,339,425	2,847,990
Capital gains distributions received	1,533,289	17,142
Securities lending	31,545	62,179
Foreign withholding taxes/tax reclaims	(2,096,618)	(1,998,843)
Other income	15,290	21,501
	<u>71,094,147</u>	<u>62,980,411</u>
EXPENSES		
Management fees (note 5)	22,259,060	20,579,337
Harmonized Sales Tax/Goods and Services Tax	2,549,472	2,293,976
Audit fees	57,598	42,327
Independent Review Committee fees	8,521	6,940
Custodian fees	28,583	29,313
Filing fees	70,605	76,607
Legal fees	20,731	14,965
Unitholder reporting costs	94,866	107,324
Unitholder administration and service fees	794,972	704,300
Overdraft charges	1,028	13,669
	<u>25,885,436</u>	<u>23,868,758</u>
Absorbed expenses	(132)	—
	<u>25,885,304</u>	<u>23,868,758</u>
Net investment income (loss)	<u>45,208,843</u>	<u>39,111,653</u>
Net realized gain (loss) on investments sold	97,357,936	27,312,252
Net realized gain (loss) on currency forwards	(17,413,322)	(13,676,957)
Net gain (loss) foreign exchange	321,890	(796,938)
Transaction costs	(1,527,962)	(4,531,805)
Change in unrealized appreciation (depreciation) of investments	138,324,210	34,808,901
Change in unrealized appreciation (depreciation) of currency forwards	(24,762,625)	4,942,254
Net gain (loss) on investments and transaction costs	<u>192,300,127</u>	<u>48,057,707</u>
Increase (decrease) in Net Assets from operations	<u>\$237,508,970</u>	<u>\$ 87,169,360</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$135,813,956	\$ 51,816,833
Advisor Series Units	\$ 1,624,230	\$ 633,233
Series F Units	\$ 524,919	\$ 156,644
Series I Units	\$ 72,695,850	\$ 24,136,961
Series M Units	\$ 26,850,015	\$ 10,425,689
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 1.93	\$ 0.73
Advisor Series Units	\$ 1.86	\$ 0.71
Series F Units	\$ 2.22	\$ 0.64
Series I Units	\$ 2.14	\$ 0.89
Series M Units	\$ 2.00	\$ 0.94

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$2,793,875,092	\$2,631,306,329
Advisor Series Units	34,681,869	33,009,766
Series F Units	9,987,424	7,265,460
Series I Units	1,258,141,492	986,553,617
Series M Units	471,839,511	369,740,412
	<u>4,568,525,388</u>	<u>4,027,875,584</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	135,813,956	51,816,833
Advisor Series Units	1,624,230	633,233
Series F Units	524,919	156,644
Series I Units	72,695,850	24,136,961
Series M Units	26,850,015	10,425,689
	<u>237,508,970</u>	<u>87,169,360</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series A Units	(14,739,749)	(14,661,498)
Advisor Series Units	(119,894)	(120,221)
Series F Units	(87,886)	(99,038)
Series I Units	(20,819,295)	(15,331,334)
Series M Units	(7,774,711)	(5,732,343)
	<u>(43,541,535)</u>	<u>(35,944,434)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	236,881,228	218,192,966
Advisor Series Units	2,402,440	2,265,653
Series F Units	1,122,615	3,715,245
Series I Units	210,369,600	116,933,258
Series M Units	168,779,407	147,901,117
Reinvested distributions		
Series A Units	14,489,950	14,421,977
Advisor Series Units	107,765	106,888
Series F Units	74,731	85,479
Series I Units	20,736,701	15,188,337
Series M Units	6,228,261	4,753,534
Payments on redemption		
Series A Units	(237,056,555)	(193,040,106)
Advisor Series Units	(2,862,156)	(3,052,964)
Series F Units	(2,374,911)	(1,176,012)
Series I Units	(18,443,570)	(58,514,146)
Series M Units	(60,298,094)	(133,594,458)
	<u>340,157,412</u>	<u>134,186,768</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	135,388,830	76,730,172
Advisor Series Units	1,152,385	(167,411)
Series F Units	(740,532)	2,682,318
Series I Units	264,539,286	82,413,076
Series M Units	133,784,878	23,753,539
	<u>534,124,847</u>	<u>185,411,694</u>
NET ASSETS – END OF PERIOD		
Series A Units	2,929,263,922	2,708,036,501
Advisor Series Units	35,834,254	32,842,355
Series F Units	9,246,892	9,947,778
Series I Units	1,522,680,778	1,068,966,693
Series M Units	605,624,389	393,493,951
	<u>\$5,102,650,235</u>	<u>\$4,213,287,278</u>

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Dividend Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 90.5%				EQUITIES (cont'd)			
CANADIAN EQUITIES – 61.5%				CANADIAN EQUITIES (cont'd)			
Energy – 19.7%				Utilities – 1.9%			
1,143,258	Baytex Energy Corporation	56,152,880	43,089,394	741,500	Brookfield Infrastructure Partners LP	26,784,832	28,288,225
1,664,300	Canadian Natural Resources Ltd.	51,525,003	49,346,495	143,920	Brookfield Renew Energy Partners LP	3,581,760	4,175,119
1,590,000	Cenovus Energy Inc.	53,569,131	47,636,400	312,000	Emera Inc.	7,652,721	10,302,240
3,032,399	Crescent Point Energy Corp.	131,647,822	108,105,024	1,660,777	Fortis, Inc.	50,150,778	53,443,804
4,575,358	Enbridge Inc.	135,094,535	201,544,520			88,170,091	96,209,388
3,712,915	Gibson Energy Inc.	66,128,048	90,112,447			2,800,258,714	3,139,143,885
3,204,195	Pembina Pipeline Corporation	88,791,342	102,982,827		TOTAL CANADIAN EQUITIES		
11,586,241	Pengrowth Energy Corp.	113,070,554	59,089,829		UNITED STATES EQUITIES – 29.0%		
1,462,988	Suncor Energy, Inc.	48,731,555	45,337,998		Materials – 1.6%		
3,836,301	TransCanada Corporation	150,292,729	173,592,620	1,160,000	LyondellBasell Industries NV, Class A	70,744,188	81,050,696
4,028,350	Veresen Inc.	58,273,248	50,233,525		Industrials – 3.7%		
717,093	Vermilion Energy, Inc.	34,954,116	36,808,384	890,000	Honeywell International Inc.	66,868,397	74,192,382
		988,230,963	1,007,879,463	360,000	Union Pacific Corporation	48,310,332	58,356,501
				605,000	United Parcel Service, Inc., Class B	46,882,847	54,985,553
						162,061,576	187,534,436
Materials – 1.9%					Consumer Discretionary – 8.2%		
811,000	Agrium Inc.	90,880,324	73,946,980	1,290,800	CBS Corporation, Class B	42,278,878	66,279,377
2,426,828	Canexus Corp.	15,397,341	22,302,549	3,751,500	Comcast Corporation, Class A	96,821,282	164,486,573
		106,277,665	96,249,529	1,351,785	Home Depot Inc., The	63,866,171	109,463,693
				1,184,465	Starwood Hotels & Resorts Worldwide, Inc.	65,704,771	78,640,760
Industrials – 2.9%						268,671,102	418,870,403
1,456,240	Canadian National Railway Company	97,396,132	148,609,292		Health Care – 1.6%		
Consumer Discretionary – 1.9%				2,720,000	Pfizer Inc.	67,552,114	80,249,645
1,685,800	Tim Hortons, Inc.	84,522,610	95,736,582		Financials – 3.1%		
Consumer Staples – 2.7%				290,000	Simon Property Group, Inc.	45,307,273	48,118,519
920,000	Alimentation Couche-Tard Inc., Class B	28,410,834	56,672,000	2,540,300	Wells Fargo & Company	85,573,918	110,153,066
1,700,000	Shoppers Drug Mart Corporation	80,546,324	82,297,000			130,881,191	158,271,585
		108,957,158	138,969,000		Information Technology – 4.1%		
Financials – 23.8%				537,000	International Business Machines Corporation	104,477,802	107,828,810
3,916,530	Bank of Nova Scotia, The	189,173,448	220,108,986	535,000	Visa Inc.	62,557,941	102,615,445
6,433,980	Brookfield Asset Management Inc., Class A	166,099,261	243,204,444			167,035,743	210,444,255
4,145,001	Brookfield Properties Corporation, Inc.	69,137,208	72,330,267		Telecommunication Services – 0.9%		
590,000	Canadian Imperial Bank of Commerce	42,960,829	44,037,600	638,145	American Tower Corporation	38,447,631	49,060,226
1,835,996	Cominar Real Estate Investment Trust	31,628,556	38,096,917		Utilities – 5.8%		
1,684,555	Dundee Real Estate Investment Trust	57,937,069	54,849,111	1,565,057	Brookfield Infrastructure Partners LP	38,373,665	59,971,241
1,209,727	First Capital Realty, Inc.	14,867,423	21,460,557	1,661,800	CMS Energy Corporation	35,753,567	47,440,090
2,529,400	Great-West Lifeco Inc.	69,080,561	71,834,960	988,000	ITC Holdings Corporation	73,640,731	94,715,125
1,105,700	Great-West Lifeco Inc. Subscription Receipts	28,416,490	31,512,450	2,099,600	Northeast Utilities	74,426,391	92,697,864
970,001	H&R Real Estate Investment Trust	22,253,575	21,301,222			222,194,354	294,824,320
1,568,939	Intact Financial Corporation	76,038,779	92,614,469		TOTAL UNITED STATES EQUITIES	1,127,587,899	1,480,305,566
2,273,700	Power Corporation of Canada	62,781,605	64,141,077		TOTAL INVESTMENT PORTFOLIO	3,927,846,613	4,619,449,451
2,825,000	Toronto-Dominion Bank, The	191,181,136	238,571,250		Currency Forward Contracts – (0.6)%		(29,676,540)
		1,021,555,940	1,214,063,310		OTHER ASSETS, LESS LIABILITIES – 10.1%		512,877,324
Telecommunication Services – 6.7%					NET ASSETS – 100.0%		5,102,650,235
1,714,000	BCE Inc.	62,245,004	73,907,680				
2,729,001	Rogers Communications, Inc., Class B	109,300,247	112,380,261				
5,053,400	TELUS Corporation	133,602,904	155,139,380				
		305,148,155	341,427,321				

CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jul. 11, 2013	Canadian Dollar	470,098,403	U.S. Dollar	465,117,000	489,082,019	(18,983,616)
Jul. 11, 2013	U.S. Dollar	60,746,000	Canadian Dollar	63,648,444	63,597,968	227,617
Jul. 11, 2013	U.S. Dollar	57,431,000	Canadian Dollar	59,417,538	59,370,417	972,110
Aug. 22, 2013	Canadian Dollar	181,835,345	U.S. Dollar	178,536,000	188,051,401	(6,216,056)
Aug. 22, 2013	Canadian Dollar	166,748,094	U.S. Dollar	163,700,000	172,424,689	(5,676,595)
						(29,676,540)

The currency forward contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A+ by Standard & Poor's.

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Canadian Dividend Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equities		
Energy	19.7	23.7
Materials	1.9	2.0
Industrials	2.9	2.9
Consumer Discretionary	1.9	1.7
Consumer Staples	2.7	1.4
Financials	23.8	24.5
Telecommunication Services	6.7	5.8
Utilities	1.9	1.7
United States Equities		
Materials	1.6	–
Energy	–	0.9
Industrials	3.7	–
Consumer Discretionary	8.2	9.5
Consumer Staples	–	1.5
Health Care	1.6	1.5
Financials	3.1	2.9
Information Technology	4.1	2.7
Telecommunication Services	0.9	1.8
Utilities	5.8	7.1
Currency Forward Contracts	(0.6)	(0.1)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currency to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	754,744,096	14.8	587,452,540	12.9

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$75,474,410, or approximately 1.5% of total Net Assets, (December 31, 2012 – \$58,745,254, or approximately 1.3% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 90.5% (December 31, 2012 – 91.6%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$461,944,945 (December 31, 2012 – \$418,545,439). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$49,038,053	\$3,352,483
Payable for currency forward contracts	30,876,267	4,913,915
	\$79,914,320	\$8,266,398

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Canadian Blue Chip Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$223,664,279	\$245,357,556
Cash	10,742,165	1,373,368
Accrued investment income	553,885	576,218
Receivable for securities sold	13,249,936	451,799
Subscriptions receivable	9,375	27,882
Receivable for futures contracts	4,351,505	3,081,684
	<u>252,571,145</u>	<u>250,868,507</u>
LIABILITIES		
Payable for securities purchased	9,105,671	642,694
Distributions payable	—	5
Redemptions payable	89,191	104,904
Accrued expenses	394,942	—
Payable for swap contracts	322,282	—
Payable for currency forward contracts	879,323	91,043
	<u>10,791,409</u>	<u>838,646</u>
Net Assets	<u>\$241,779,736</u>	<u>\$250,029,861</u>
NET ASSETS PER SERIES		
Series A Units	\$234,260,739	\$241,872,022
Series F Units	\$ 3,176	\$ 3,047
Series I Units	\$ 7,515,821	\$ 8,154,792
UNITS OUTSTANDING		
Series A Units	9,626,455	10,338,088
Series F Units	129	129
Series I Units	263,556	300,588
NET ASSETS PER UNIT		
Series A Units	\$ 24.34	\$ 23.40
Series F Units	\$ 24.67	\$ 23.67
Series I Units	\$ 28.52	\$ 27.13

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 2,576,849	\$ 3,105,554
Interest	107,498	126,477
Capital gains distributions received	135,553	—
Securities lending	3,314	1,901
Foreign withholding taxes/tax reclaims	(40,898)	(20,003)
Other income	3,444	744
	<u>2,785,760</u>	<u>3,214,673</u>
EXPENSES		
Management fees (note 5)	2,176,675	2,356,644
Harmonized Sales Tax/Goods and Services Tax	258,704	276,062
Audit fees	2,936	4,501
Independent Review Committee fees	427	945
Custodian fees	4,132	3,635
Filing fees	11,989	13,251
Legal fees	1,044	1,372
Unitholder reporting costs	14,410	19,746
Unitholder administration and service fees	104,465	113,532
Overdraft charges	1,106	81
	<u>2,575,888</u>	<u>2,789,769</u>
Absorbed expenses	(1,651)	(1,426)
	<u>2,574,237</u>	<u>2,788,343</u>
Net investment income (loss)	211,523	426,330
Net realized gain (loss) on investments sold	2,004,879	10,841,503
Net realized gain (loss) on futures contracts	(774,462)	(59,973)
Net realized gain (loss) on currency forwards	(1,379,584)	(157,349)
Net realized gain (loss) on swap contracts	1,619,861	—
Net gain (loss) foreign exchange	232,863	(40,692)
Transaction costs	(188,870)	(155,693)
Change in unrealized appreciation (depreciation) of investments	9,272,517	(6,495,914)
Change in unrealized appreciation (depreciation) of currency forwards	(788,280)	88,220
Change in unrealized appreciation (depreciation) of swap contracts	(322,282)	—
Net gain (loss) on investments and transaction costs	<u>9,676,642</u>	<u>4,020,102</u>
Increase (decrease) in Net Assets from operations	<u>\$ 9,888,165</u>	<u>\$ 4,446,432</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$ 9,488,833	\$ 4,200,648
Series F Units	\$ 410	\$ (1,661)
Series I Units	\$ 398,922	\$ 247,445
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.95	\$ 0.38
Series F Units	\$ 0.67	\$ (0.41)
Series I Units	\$ 1.41	\$ 0.76

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$241,872,022	\$256,269,201
Series F Units	3,047	2,886
Series I Units	8,154,792	8,829,299
	<u>250,029,861</u>	<u>265,101,386</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	9,488,833	4,200,648
Series F Units	410	(1,661)
Series I Units	398,922	247,445
	<u>9,888,165</u>	<u>4,446,432</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	3,795,467	5,111,873
Series F Units	138,000	105,829
Series I Units	52,135	—
Payments on redemption		
Series A Units	(20,895,583)	(18,564,904)
Series F Units	(138,281)	(50,000)
Series I Units	(1,090,028)	(716,943)
	<u>(18,138,290)</u>	<u>(14,114,145)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	(7,611,283)	(9,252,383)
Series F Units	129	54,168
Series I Units	(638,971)	(469,498)
	<u>(8,250,125)</u>	<u>(9,667,713)</u>
NET ASSETS – END OF PERIOD		
Series A Units	234,260,739	247,016,818
Series F Units	3,176	57,054
Series I Units	7,515,821	8,359,801
	<u>\$241,779,736</u>	<u>\$255,433,673</u>

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Blue Chip Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 92.5%				EQUITIES (cont'd)			
CANADIAN EQUITIES – 64.7%				CANADIAN EQUITIES (cont'd)			
Energy – 13.3%				Telecommunication Services – 2.0%			
171,800	Canadian Energy Services & Technology Corporation	2,627,983	2,791,750	153,800	TELUS Corporation	4,603,696	4,721,660
122,700	Cenovus Energy Inc.	4,109,501	3,676,092	TOTAL CANADIAN EQUITIES			
129,500	Crescent Point Energy Corp.	5,634,321	4,616,675	128,025,294		156,418,808	
77,800	Enbridge Inc.	3,623,655	3,427,090	UNITED STATES EQUITIES – 27.8%			
239,750	TransCanada Corporation	8,453,538	10,848,688	Industrials – 2.7%			
222,000	Trilogy Energy Corporation	6,080,736	6,882,000	61,000	Danaher Corporation	3,153,501	4,057,053
		30,529,734	32,242,295	35,500	Pall Corporation	2,464,665	2,470,360
Materials – 2.7%						5,618,166	6,527,413
80,600	Allied Nevada Gold Corporation	2,878,153	541,632	Consumer Discretionary – 7.3%			
76,000	West Fraser Timber Co., Ltd.	6,354,978	6,034,400	97,700	Starwood Hotels & Resorts Worldwide, Inc.	5,210,149	6,486,644
		9,233,131	6,576,032	76,800	TIJX Companies, Inc., The	3,156,588	4,039,515
Industrials – 5.5%				106,000	Walt Disney Company, The	5,367,341	7,033,255
130,820	Canadian National Railway Company	5,176,832	13,350,181			13,734,078	17,559,414
Consumer Discretionary – 5.7%				Consumer Staples – 4.2%			
35,000	Boyd Group Income Fund	661,715	838,250	87,000	Coca-Cola Company, The	3,466,405	3,665,563
98,000	Dollarama Inc.	5,784,193	7,203,000	56,000	Costco Wholesale Corporation	5,066,755	6,505,826
225,000	Shaw Communications, Inc., Class B	5,218,245	5,625,000			8,533,160	10,171,389
		11,664,153	13,666,250	Financials – 3.2%			
Consumer Staples – 5.2%				39,000	American International Group, Inc.	1,793,056	1,832,908
46,400	Alimentation Couche-Tard Inc., Class B	2,115,550	2,858,240	120,000	Citigroup Inc.	4,757,571	6,048,227
10,000	Jean Coutu Group (PJC) Inc., The, Class A	174,837	176,600			6,550,627	7,881,135
195,000	Shoppers Drug Mart Corporation	7,926,253	9,439,950	Information Technology – 10.4%			
		10,216,640	12,474,790	10,400	Google Inc.	6,774,472	9,614,331
Financials – 26.3%				427,000	Microsoft Corporation	11,812,739	15,491,789
256,900	Bank of Nova Scotia, The	13,066,642	14,437,780			18,587,211	25,106,120
260,960	Brookfield Asset Management Inc., Class A	7,445,709	9,864,288	TOTAL UNITED STATES EQUITIES			
196,400	Dundee Real Estate Investment Trust	6,876,952	6,394,784	53,023,242		67,245,471	
290,200	Royal Bank of Canada	12,476,605	17,780,552	TOTAL INVESTMENT PORTFOLIO			
180,248	Toronto-Dominion Bank, The	9,487,354	15,221,944			181,048,536	223,664,279
		49,353,262	63,699,348	Currency Forward Contracts – (0.4)%			
Information Technology – 4.0%							(879,323)
118,772	CGI Group Inc., Class A	2,070,040	3,646,300	Futures Contracts – 1.8%			
453,600	Sierra Wireless Inc.	5,177,806	6,041,952				4,351,505
		7,247,846	9,688,252	Swaps Contracts – (0.1)%			
							(322,282)
				OTHER ASSETS, LESS LIABILITIES – 6.2%			
							14,965,557
				NET ASSETS – 100.0%			
							241,779,336

INDEX FUTURES CONTRACTS

Note: As at June 30, 2013, the Scotia Canadian Blue Chip Fund held 300 futures contracts to purchase/sell the S&P/TSX 60 Index for settlement in September 2013. These futures contracts are financial agreements to purchase/sell the S&P/TSX 60 Index at a contracted price on a specific future date. However, the Fund does not intend to purchase/sell the S&P/TSX 60 Index on settlement. Rather, it intends to close out each futures contract before settlement by entering into equal, but offsetting futures contracts.

Number of Futures Contracts	Contract Issuer	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
(300)	S&P/TSX 60 Index Futures Contracts – Sep. 2013	(42,046,200)	(41,562,000)	484,200

The futures contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A+ by Standard & Poor's.

CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jul. 11, 2013	Canadian Dollar	11,597,897	U.S. Dollar	11,475,000	12,066,246	(468,348)
Jul. 11, 2013	Canadian Dollar	10,021,202	U.S. Dollar	9,921,000	10,432,177	(410,975)
						(879,323)

The futures contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A by Standard & Poor's.

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Canadian Blue Chip Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO EQUITY SWAP CONTRACTS

Description	Number of Units	Contract Issuer	Underlying Security	Termination Date	Notional Amount (\$)	Variable Rate %	Appreciation/ (Depreciation) (\$)
Swap variable, 1 month USD – LIBOR	82,800	Toronto-Dominion Bank, The	Blackstone Group	Dec. 3, 2013	1,812,492	0.54%	(72,870)
Swap variable, 1 month USD – LIBOR	115,800	Toronto-Dominion Bank, The	Blackstone Group	Dec. 4, 2013	2,534,862	0.54%	(101,912)
Swap variable, 1 month USD – LIBOR	167,600	Toronto-Dominion Bank, The	Blackstone Group	Dec. 5, 2013	3,668,764	0.54%	(147,500)
							<u>(322,282)</u>

The swap contracts outstanding at June 30, 2013 are placed with a financial institution with a minimum credit rating of AA- by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equities		
Energy	13.3	15.4
Materials	2.7	5.6
Industrials	5.5	5.2
Consumer Discretionary	5.7	2.1
Consumer Staples	5.2	6.4
Financials	26.3	26.8
Information Technology	4.0	2.3
Telecommunication Services	2.0	5.7
United States Equities		
Industrials	2.7	1.4
Consumer Discretionary	7.3	5.8
Consumer Staples	4.2	2.2
Health Care	–	2.0
Financials	3.2	3.1
Information Technology	10.4	12.5
Commodities	–	1.6
Currency Forward Contracts	(0.4)	–
Future Contracts	1.8	1.2
Swap Contracts	(0.1)	–

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund invests in swap contracts, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$46,896, or approximately 0.0% of total Net Assets (December 31, 2012 – nil). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The table below indicates the currency to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	\$54,325,955	22.5	63,238,790	25.3

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have increased, respectively, by \$5,432,595, or approximately 2.3% of total Net Assets, (December 31, 2012 – \$6,323,879, or approximately 2.5% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 92.7% (December 31, 2012 – 98.1%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$23,135,811 (December 31, 2012 – \$24,535,756). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013 Less than 3 months	December 31, 2012 Less than 3 months
Accounts payable and accrued liabilities	\$ 9,589,804	\$747,603
Payable for swaps contracts	322,282	–
Payable for currency forward contracts	879,323	91,043
	<u>\$10,791,409</u>	<u>\$838,646</u>

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Private Canadian Equity Pool (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$651,897,777	\$550,850,576
Cash	19,402,610	5,588,134
Accrued investment income	1,860,053	1,530,787
Receivable for securities sold	–	7,482,442
Subscriptions receivable	3,522,765	508,264
	<u>676,683,205</u>	<u>565,960,203</u>
LIABILITIES		
Redemptions payable	495,826	1,193,041
Accrued expenses	40,141	–
	<u>535,967</u>	<u>1,193,041</u>
Net Assets	<u>\$676,147,238</u>	<u>\$564,767,162</u>
NET ASSETS PER SERIES		
Series I Units	\$346,247,505	\$256,636,920
Series M Units	\$329,899,733	\$308,130,242
UNITS OUTSTANDING		
Series I Units	31,583,569	23,321,758
Series M Units	30,104,184	27,996,290
NET ASSETS PER UNIT		
Series I Units	\$ 10.96	\$ 11.00
Series M Units	\$ 10.96	\$ 11.01

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 9,498,499	\$ 7,014,980
Interest	100,117	63,671
Securities lending	39,571	17,415
	<u>9,638,187</u>	<u>7,096,066</u>
EXPENSES		
Management fees (note 5)	156,290	154,592
Harmonized Sales Tax/Goods and Services Tax	20,518	20,355
Audit fees	7,281	6,689
Independent Review Committee fees	1,072	259
Custodian fees	5,719	6,893
Filing fees	7,898	9,030
Legal fees	2,658	2,447
Unitholder reporting costs	5,181	3,602
Unitholder administration and service fees	32,333	21,357
	<u>238,950</u>	<u>225,224</u>
Absorbed expenses	(16)	–
	<u>238,934</u>	<u>225,224</u>
Net investment income (loss)	<u>9,399,253</u>	<u>6,870,842</u>
Net realized gain (loss) on investments sold	2,139,878	(6,777,367)
Net gain (loss) foreign exchange	386	(68)
Transaction costs	(273,221)	(346,559)
Change in unrealized appreciation (depreciation) of investments	(15,459,476)	4,391,393
Net gain (loss) on investments and transaction costs	<u>(13,592,433)</u>	<u>(2,732,601)</u>
Increase (decrease) in Net Assets from operations	<u>\$ (4,193,180)</u>	<u>\$ 4,138,241</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series I Units	\$ (2,717,849)	\$ 1,037,702
Series M Units	\$ (1,475,331)	\$ 3,100,539
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series I Units	\$ (0.10)	\$ 0.06
Series M Units	\$ (0.05)	\$ 0.11

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series I Units	\$256,636,920	\$ 200,471,389
Series M Units	308,130,242	324,973,455
	<u>564,767,162</u>	<u>525,444,844</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series I Units	(2,717,849)	1,037,702
Series M Units	(1,475,331)	3,100,539
	<u>(4,193,180)</u>	<u>4,138,241</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series I Units	94,312,434	37,874,761
Series M Units	79,760,626	60,380,985
Payments on redemption		
Series I Units	(1,984,000)	(32,925,209)
Series M Units	(56,515,804)	(112,469,450)
	<u>115,573,256</u>	<u>(47,138,913)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series I Units	89,610,585	5,987,254
Series M Units	21,769,491	(48,987,926)
	<u>111,380,076</u>	<u>(43,000,672)</u>
NET ASSETS – END OF PERIOD		
Series I Units	346,247,505	206,458,643
Series M Units	329,899,733	275,985,529
	<u>\$676,147,238</u>	<u>\$ 482,444,172</u>

The accompanying notes are an integral part of the financial statements.

Scotia Private Canadian Equity Pool (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares/ Number of Contracts	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 96.4%				EQUITIES (cont'd)			
Energy – 23.4%				Financials (cont'd)			
227,500	ARC Resources Ltd.	5,517,928	6,233,500	126,600	National Bank of Canada	9,743,373	9,482,340
642,670	Canadian Natural Resources Ltd.	22,317,321	19,055,166	160,688	Power Corporation of Canada	4,429,657	4,533,008
626,094	Cenovus Energy Inc.	20,481,999	18,757,776	704,713	Royal Bank of Canada	39,528,354	43,177,766
219,190	Crescent Point Energy Corp.	9,169,991	7,814,124	78,373	Sun Life Financial Inc.	2,378,355	2,429,563
499,120	Enbridge Inc.	17,114,980	21,986,236	418,850	Toronto-Dominion Bank, The	30,756,300	35,371,883
497,254	EnCana Corporation	11,593,660	8,841,176			190,625,564	207,145,551
233,754	Imperial Oil Ltd.	9,576,211	9,373,535	Information Technology – 1.0%			
118,000	Mullen Group Limited	2,650,299	2,676,240	222,443	CGI Group Inc., Class A	4,604,162	6,829,000
77,400	ShawCor Ltd.	3,010,228	3,185,784	Telecommunication Services – 5.4%			
847,998	Suncor Energy, Inc.	29,608,114	26,279,458	312,804	BCE Inc.	11,792,542	13,488,108
476,417	Talisman Energy Inc.	7,756,294	5,717,004	262,990	Rogers Communications, Inc., Class B	9,832,708	10,829,928
419,750	TransCanada Corporation	17,637,080	18,993,688	405,760	TELUS Corporation	11,193,915	12,456,832
175,800	Vermilion Energy, Inc.	8,375,839	9,023,814			32,819,165	36,774,868
		164,809,944	157,937,501	Utilities – 0.4%			
Materials – 11.2%				75,740	Canadian Utilities Limited, Class A	2,168,835	2,782,688
200,200	Agnico-Eagle Mines Limited	6,989,697	5,781,776	Index Units – 0.0%			
80,850	Agrium Inc.	5,815,029	7,371,903	14,020	iShares S&P/TSX 60 Index Fund, Put Option \$17.00 Aug. 17, 2013	434,059	294,420
505,796	Barrick Gold Corporation	21,769,462	8,365,866		TOTAL INVESTMENT PORTFOLIO	640,135,971	651,897,777
644,630	Eldorado Gold Corporation	9,157,845	4,157,864		OTHER ASSETS, LESS LIABILITIES – 3.6%		24,249,461
335,315	First Quantum Minerals Ltd.	7,661,743	5,224,208		NET ASSETS – 100.0%		676,147,238
489,399	Goldcorp, Inc.	20,030,475	12,704,798				
371,583	Potash Corporation of Saskatchewan Inc.	15,056,409	14,900,478				
514,440	Teck Resources Ltd., Class B	16,952,694	11,549,178				
574,320	Yamana Gold Inc.	8,702,876	5,737,457				
		112,136,230	75,793,528				
Industrials – 7.0%				SUMMARY OF INVESTMENT PORTFOLIO			
240,100	Black Diamond Group Ltd.	4,964,521	5,332,621				
223,345	Canadian National Railway Company	15,537,232	22,792,355				
210,880	Finnish International Inc.	5,268,030	4,565,552				
370,300	Russel Metals Inc.	9,824,369	8,794,625				
122,670	SNC-Lavalin Group Inc.	4,864,192	5,444,095				
		40,458,344	46,929,248				
Consumer Discretionary – 10.8%							
431,758	Aimia Inc.	5,879,105	6,696,567				
174,580	Canadian Tire Corporation, Limited, Class A	11,083,789	13,739,446				
128,490	Cogeco Cable Inc.	5,363,728	5,744,788				
192,872	Magna International Inc.	7,441,368	14,421,039				
655,600	Shaw Communications, Inc., Class B	15,066,790	16,390,000				
372,908	Thomson Reuters Corporation	11,850,097	12,768,370				
59,600	Tim Hortons, Inc.	3,116,435	3,384,684				
		59,801,312	73,144,894				
Consumer Staples – 3.5%							
52,300	Alimentation Couche-Tard Inc., Class B	1,588,478	3,221,680				
140,700	Loblaw Companies Limited	4,860,884	6,683,250				
281,760	Saputo Inc.	11,185,511	13,614,643				
		17,634,873	23,519,573				
Health Care – 3.1%							
95,100	Catamaran Corporation	4,714,861	4,859,610				
175,740	Valeant Pharmaceuticals International, Inc.	9,928,622	15,886,896				
		14,643,483	20,746,506				
Financials – 30.6%							
325,241	Bank of Montreal	19,720,575	19,833,196				
503,475	Bank of Nova Scotia, The	25,761,675	28,295,294				
270,700	Brookfield Asset Management Inc., Class A	8,453,642	10,232,460				
259,690	Canadian Imperial Bank of Commerce	19,666,072	19,383,262				
185,690	Great-West Lifeco Inc.	4,766,185	5,273,596				
292,485	Intact Financial Corporation	15,381,358	17,265,390				
705,996	Manulife Financial Corporation	10,040,018	11,867,793				

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Private Canadian Equity Pool (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 96.4% (December 31, 2012 – 97.5%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$65,189,778 (December 31, 2012 – \$55,085,058). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$535,967	\$1,193,041

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Canadian Growth Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$352,653,369	\$365,412,773
Cash	390,663	2,830,678
Accrued investment income	727,629	697,719
Receivable for securities sold	7,373,490	—
Subscriptions receivable	27,455	66,362
	<u>361,172,606</u>	<u>369,007,532</u>
LIABILITIES		
Payable for securities purchased	5,929,987	—
Redemptions payable	189,329	390,906
Accrued expenses	518,420	—
Payable for currency forward contracts	—	521,796
	<u>6,637,736</u>	<u>912,702</u>
Net Assets	<u>\$354,534,870</u>	<u>\$368,094,830</u>
NET ASSETS PER SERIES		
Series A Units	\$302,511,348	\$317,632,269
Advisor Series Units	\$ 271,325	\$ 310,807
Series F Units	\$ 20,060	\$ 19,692
Series I Units	\$ 51,732,137	\$ 50,132,062
UNITS OUTSTANDING		
Series A Units	5,913,577	6,304,939
Advisor Series Units	5,386	6,251
Series F Units	370	370
Series I Units	835,624	831,130
NET ASSETS PER UNIT		
Series A Units	\$ 51.16	\$ 50.38
Advisor Series Units	\$ 50.37	\$ 49.72
Series F Units	\$ 54.24	\$ 53.24
Series I Units	\$ 61.91	\$ 60.32

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 4,306,376	\$ 4,568,218
Interest	1,048	15,844
Securities lending	18,356	8,906
Foreign withholding taxes/tax reclaims	(135,455)	(103,894)
Other income	1,170	1,280
	<u>4,191,495</u>	<u>4,490,354</u>
EXPENSES		
Management fees (note 5)	2,882,157	2,980,213
Harmonized Sales Tax/Goods and Services Tax	336,702	338,741
Audit fees	4,359	6,042
Independent Review Committee fees	636	1,416
Custodian fees	5,049	7,653
Filing fees	18,729	20,600
Legal fees	1,547	2,022
Unitholder reporting costs	20,243	27,931
Unitholder administration and service fees	153,080	165,732
Overdraft charges	24,841	9,760
	<u>3,447,343</u>	<u>3,560,110</u>
Absorbed expenses	<u>(7,387)</u>	<u>(6,852)</u>
	<u>3,439,956</u>	<u>3,553,258</u>
Net investment income (loss)	<u>751,539</u>	<u>937,096</u>
Net realized gain (loss) on investments sold	10,017,097	7,007,392
Net realized gain (loss) on futures contracts	—	(992,770)
Net realized gain (loss) on currency forwards	(2,354,539)	(1,732,234)
Net gain (loss) foreign exchange	36,163	(108,220)
Transaction costs	(404,736)	(779,936)
Change in unrealized appreciation (depreciation) of investments	(2,044,095)	(2,679,811)
Change in unrealized appreciation (depreciation) of currency forwards	521,796	259,496
Net gain (loss) on investments and transaction costs	<u>5,771,686</u>	<u>973,917</u>
Increase (decrease) in Net Assets from operations	<u>\$ 6,523,225</u>	<u>\$ 1,911,013</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$ 5,184,307	\$ 709,907
Advisor Series Units	\$ 4,799	\$ (540)
Series F Units	\$ 368	\$ (1,573)
Series I Units	\$ 1,333,751	\$ 1,203,219
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.85	\$ 0.10
Advisor Series Units	\$ 0.82	\$ (0.06)
Series F Units	\$ 0.99	\$ (0.40)
Series I Units	\$ 1.62	\$ 0.65

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$317,632,269	\$326,890,133
Advisor Series Units	310,807	431,552
Series F Units	19,692	151,255
Series I Units	50,132,062	100,069,824
	<u>368,094,830</u>	<u>427,542,764</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	5,184,307	709,907
Advisor Series Units	4,799	(540)
Series F Units	368	(1,573)
Series I Units	1,333,751	1,203,219
	<u>6,523,225</u>	<u>1,911,013</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	7,711,119	7,112,134
Series F Units	—	93,179
Series I Units	1,800,000	1,100,028
Payments on redemption		
Series A Units	(28,016,347)	(24,416,961)
Advisor Series Units	(44,281)	(4,212)
Series F Units	—	(184,740)
Series I Units	(1,533,676)	(540,025)
	<u>(20,083,185)</u>	<u>(16,840,597)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	(15,120,921)	(16,594,920)
Advisor Series Units	(39,482)	(4,752)
Series F Units	368	(93,134)
Series I Units	1,600,075	1,763,222
	<u>(13,559,960)</u>	<u>(14,929,584)</u>
NET ASSETS – END OF PERIOD		
Series A Units	302,511,348	310,295,213
Advisor Series Units	271,325	426,800
Series F Units	20,060	58,121
Series I Units	51,732,137	101,833,046
	<u>\$354,534,870</u>	<u>\$412,613,180</u>

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Growth Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 99.5%			
CANADIAN EQUITIES – 72.8%			
Energy – 18.6%			
1,290,700	Athabasca Oil Sands Corporation	21,232,412	8,376,643
211,700	Canadian Natural Resources Ltd.	7,358,350	6,276,905
346,400	EnCana Corporation	6,298,115	6,158,992
284,350	Griffiths Energy International Inc. Restricted*	1,744,875	1,706,100
287,800	MEG Energy Corporation	10,777,745	8,265,616
367,200	Paramount Resources Ltd.	11,805,041	13,057,632
1,298,400	Precision Drilling Corporation	10,620,981	11,620,680
252,200	ShawCor Ltd.	8,014,688	10,380,552
		<u>77,852,207</u>	<u>65,843,120</u>
Materials – 8.2%			
1,984,500	Aurora Oil And Gas Limited	7,071,515	5,497,065
149,700	Canfor Corporation	2,650,951	2,784,420
650,700	Continental Gold Ltd.	5,289,712	2,134,296
895	Franco-Nevada Corp		3,043
259,600	Potash Corporation of Saskatchewan Inc.	10,870,084	10,409,960
368,600	Teck Resources Ltd., Class B	11,092,221	8,275,070
		<u>36,974,483</u>	<u>29,103,854</u>
Industrials – 5.5%			
834,100	CAE, Inc.	8,343,329	9,083,349
481,200	Finnish International Inc.	11,126,610	10,417,980
		<u>19,469,939</u>	<u>19,501,329</u>
Consumer Discretionary – 7.0%			
162,800	Canadian Tire Corporation, Limited, Class A	10,783,533	12,812,360
414,900	Corus Entertainment Inc., Class B	9,846,667	9,974,196
73,700	Shaw Communications, Inc., Class B	1,775,236	1,842,500
		<u>22,405,436</u>	<u>24,629,056</u>
Consumer Staples – 1.4%			
616,600	Cott Corporation	5,538,315	4,994,460
Health Care – 1.8%			
122,400	Catamaran Corporation	6,461,173	6,254,640
Financials – 25.0%			
195,400	Bank of Nova Scotia, The	11,494,765	10,981,480
284,500	Canadian Western Bank	8,004,692	7,877,805
17,390	E-I Financial Corporation Limited	8,590,750	10,883,879
441,500	Power Financial Corporation	12,801,651	13,430,430
167,200	Royal Bank of Canada	8,835,389	10,244,344
477,400	Sun Life Financial Inc.	10,970,913	14,799,400
123,600	TMX Group Inc.	6,718,054	5,678,184
176,100	Toronto-Dominion Bank, The	13,143,239	14,871,645
		<u>80,559,453</u>	<u>88,767,167</u>
Information Technology – 3.6%			
421,200	CGI Group Inc., Class A	9,077,852	12,930,840
Telecommunication Services – 1.7%			
141,000	BCE Inc.	6,351,302	6,079,920
	TOTAL CANADIAN EQUITIES	<u>264,690,160</u>	<u>258,104,386</u>
FOREIGN EQUITIES – 26.7%			
United States – 26.7%			
Materials – 2.6%			
164,100	E.I. du Pont de Nemours and Company	7,856,208	9,052,009
Industrials – 10.6%			
193,300	Fluor Corporation	12,557,886	12,045,835
457,600	General Electric Company	10,682,459	11,149,718
158,100	United Parcel Service, Inc., Class B	11,498,724	14,368,952
		<u>34,739,069</u>	<u>37,564,505</u>
Consumer Discretionary – 1.5%			
151,000	Carnival Corporation	5,231,697	5,437,111

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES (cont'd)			
FOREIGN EQUITIES (cont'd)			
United States (cont'd)			
Information Technology – 12.0%			
221,500	eBay Inc.	8,616,354	12,069,335
370,700	EMC Corporation	9,059,760	9,199,826
250,100	Microsoft Corporation	7,314,562	9,073,762
460,800	Yahoo! Inc.	10,812,522	12,152,435
		<u>35,803,198</u>	<u>42,495,358</u>
	TOTAL FOREIGN EQUITIES	<u>83,630,172</u>	<u>94,548,983</u>
	TOTAL INVESTMENT PORTFOLIO	<u>348,320,332</u>	<u>352,653,369</u>
	OTHER ASSETS, LESS LIABILITIES – 0.5%		1,881,501
	NET ASSETS – 100.0%		<u>354,534,870</u>

* This security is not actively traded and is considered illiquid.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equities		
Energy	18.6	22.0
Materials	8.2	10.2
Industrials	5.5	5.8
Consumer Discretionary	7.0	5.9
Consumer Staples	1.4	1.5
Health Care	1.8	0.9
Financials	25	17.5
Information Technology	3.6	4.7
Telecommunication Services	1.7	–
Foreign Equities	26.7	30.6
Currency Forward Contracts	–	-0.1

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Canadian Growth Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	94,548,982	26.7	14,053,081	3.8

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$9,454,898, or approximately 2.7% of total Net Assets, (December 31, 2012 – \$1,405,308, or approximately 0.4% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.5% (December 31, 2012 – 99.1%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$35,265,337 (December 31, 2012 – \$36,541,277). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$6,637,736	\$390,906
Payable for currency forward contracts	–	521,796
	\$6,637,736	\$912,702

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Canadian Small Cap Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$62,181,348	\$62,518,353
Cash	—	612,792
Accrued investment income	47,523	61,107
Subscriptions receivable	10,677	48,076
	<u>62,239,548</u>	<u>63,240,328</u>
LIABILITIES		
Bank indebtedness	398,008	—
Payable for securities purchased	154,652	—
Redemptions payable	105,987	46,375
Accrued expenses	84,861	—
Payable for currency forward contracts	—	17,515
	<u>743,508</u>	<u>63,890</u>
Net Assets	<u>\$61,496,040</u>	<u>\$63,176,438</u>
NET ASSETS PER SERIES		
Series A Units	\$43,217,280	\$44,341,419
Series I Units	\$10,571,578	\$11,091,420
Series M Units	<u>\$ 7,707,182</u>	<u>\$ 7,743,599</u>
UNITS OUTSTANDING		
Series A Units	2,115,138	2,311,038
Series I Units	436,200	493,230
Series M Units	<u>359,922</u>	<u>389,259</u>
NET ASSETS PER UNIT		
Series A Units	\$ 20.43	\$ 19.19
Series I Units	\$ 24.24	\$ 22.49
Series M Units	<u>\$ 21.41</u>	<u>\$ 19.89</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 478,042	\$ 240,538
Interest	147	11,096
Securities lending	2,089	7,961
Other income	64	2,929
	<u>480,342</u>	<u>262,524</u>
EXPENSES		
Management fees (note 5)	445,152	513,182
Harmonized Sales Tax/Goods and Services Tax	54,399	62,219
Audit fees	792	1,904
Independent Review Committee fees	110	316
Custodian fees	2,306	3,157
Filing fees	14,067	17,806
Legal fees	321	1,051
Unitholder reporting costs	6,549	9,034
Unitholder administration and service fees	36,501	42,497
Overdraft charges	11,656	108
	<u>571,853</u>	<u>651,274</u>
Absorbed expenses	—	(6,858)
	<u>571,853</u>	<u>644,416</u>
Net investment income (loss)	(91,511)	(381,892)
Net realized gain (loss) on investments sold	2,708,753	(2,609,924)
Net realized gain (loss) on currency forwards	(91,644)	(30,000)
Net gain (loss) foreign exchange	(87,923)	(3,887)
Transaction costs	(73,086)	(127,279)
Change in unrealized appreciation (depreciation) of investments	1,901,507	(1,595,638)
Change in unrealized appreciation (depreciation) of currency forwards	17,515	(4,997)
Net gain (loss) on investments and transaction costs	<u>4,375,122</u>	<u>(4,371,725)</u>
Increase (decrease) in Net Assets from operations	<u>\$4,283,611</u>	<u>\$(4,753,617)</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$2,856,313	\$(3,745,189)
Series F Units	\$ —	\$ (736)
Series I Units	\$ 842,055	\$ (648,912)
Series M Units	<u>\$ 585,243</u>	<u>\$ (358,780)</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 1.29	\$ (1.48)
Series F Units	\$ —	\$ (0.54)
Series I Units	\$ 1.83	\$ (1.28)
Series M Units	<u>\$ 1.55</u>	<u>\$ (2.51)</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$44,341,419	\$50,680,543
Series F Units	—	—
Series I Units	11,091,420	12,253,013
Series M Units	<u>7,743,599</u>	<u>868,721</u>
	<u>63,176,438</u>	<u>63,802,277</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	2,856,313	(3,745,189)
Series F Units	—	(736)
Series I Units	842,055	(648,912)
Series M Units	<u>585,243</u>	<u>(358,780)</u>
	<u>4,283,611</u>	<u>(4,753,617)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	1,195,744	2,305,850
Series F Units	—	25,256
Series I Units	9,994	765,038
Series M Units	<u>1,159,969</u>	<u>15,743,905</u>
Payments on redemption		
Series A Units	(5,176,196)	(4,599,894)
Series I Units	(1,371,891)	(1,428,960)
Series M Units	<u>(1,781,629)</u>	<u>(453,525)</u>
	<u>(5,964,009)</u>	<u>12,357,670</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	(1,124,139)	(6,039,233)
Series F Units	—	24,520
Series I Units	(519,842)	(1,312,834)
Series M Units	<u>(36,417)</u>	<u>14,931,600</u>
	<u>(1,680,398)</u>	<u>7,604,053</u>
NET ASSETS – END OF PERIOD		
Series A Units	43,217,280	44,641,310
Series F Units	—	24,520
Series I Units	10,571,578	10,940,179
Series M Units	<u>7,707,182</u>	<u>15,800,321</u>
	<u>\$61,496,040</u>	<u>\$71,406,330</u>

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Small Cap Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 101.1%			
CANADIAN EQUITIES – 83.0%			
Energy – 10.6%			
953,000	Sequence Energy Ltd.	2,845,271	1,534,330
73,400	Paramount Resources Ltd.	2,376,140	2,610,104
162,200	PHX Energy Services Corp.	1,999,681	1,719,320
1,034,100	Pinecrest Energy Inc.	1,975,626	672,165
		<u>9,196,718</u>	<u>6,535,919</u>
Materials – 11.5%			
941,700	Augusta Resource Corporation	4,022,102	2,071,740
82,800	Canfor Pulp Products, Inc.	825,683	703,800
232,300	Continental Gold Ltd.	1,945,209	761,944
47,400	Imperial Metals Corporation	658,316	482,058
246,600	Kamalyte Resources Inc.	2,728,362	1,523,988
159,300	Major Drilling Group International Inc.	1,798,115	1,129,437
838,400	Perseus Mining Limited	2,314,004	385,664
		<u>14,291,791</u>	<u>7,058,631</u>
Industrials – 8.1%			
4,400	ATS Automation Tooling Systems Inc.	45,302	48,752
94,300	Contrans Group, Inc., Class A	848,083	1,041,072
185,200	New Flyer Industries Inc.	1,764,732	2,029,792
46,000	Richelieu Hardware Ltd.	1,418,738	1,863,000
		<u>4,076,855</u>	<u>4,982,616</u>
Consumer Discretionary – 9.3%			
103,600	BMTC Group, Inc., Class A	1,873,964	1,394,456
615,500	DHX Media Ltd.	923,250	1,951,135
140,900	Glentel, Inc.	2,396,375	2,367,120
		<u>5,193,589</u>	<u>5,712,711</u>
Consumer Staples – 3.9%			
211,300	Cott Corporation	1,780,785	1,711,530
48,100	Maple Leaf Foods Inc.	624,172	697,931
		<u>2,404,957</u>	<u>2,409,461</u>
Health Care – 4.4%			
573,300	IMRIS, Inc.	1,584,168	1,570,842
384,000	Oncolytics Biotech Inc.	1,530,829	1,152,000
		<u>3,114,997</u>	<u>2,722,842</u>
Financials – 6.8%			
33,300	Canadian Western Bank	929,686	922,077
283,600	Fiera Sceptre Inc.	2,327,140	3,247,220
		<u>3,256,826</u>	<u>4,169,297</u>
Information Technology – 26.9%			
633,100	Absolute Software Corporation	3,044,365	4,210,115
235,200	Descartes Systems Group Inc., The	1,684,284	2,824,752
23,800	MacDonald, Dettwiler and Associates Ltd.	1,308,385	1,653,862
485,600	Pure Technologies Ltd.	2,077,060	2,209,480
651,700	Redknee Solutions Inc.	2,027,655	2,091,957
201,900	Solium Capital Inc.	736,935	1,017,576
516,500	Wf-LAN Inc.	2,782,705	2,499,860
		<u>13,661,389</u>	<u>16,507,602</u>
Utilities – 1.5%			
2,993,240	Alterra Power Corporation	2,844,688	942,871
		<u>58,041,810</u>	<u>51,041,950</u>
FOREIGN EQUITIES – 18.1%			
United States – 18.1%			
Energy – 3.0%			
292,400	Gran Tierra Energy, Inc.	1,885,511	1,874,064
Materials – 2.8%			
61,700	Caesar Stone Sdot Yam Ltd.	762,844	1,768,506

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES (cont'd)			
FOREIGN EQUITIES (cont'd)			
Consumer Discretionary – 5.0%			
115,100	Live Nation Entertainment Inc.	1,442,562	1,873,285
27,600	Mattress Firm Holding Corporation	739,253	1,173,888
		<u>2,181,815</u>	<u>3,047,173</u>
Financials – 2.6%			
177,300	Janus Capital Group Inc.	1,527,988	1,581,589
Information Technology – 4.7%			
47,900	QUIK Technologies Inc.	1,169,848	1,422,279
55,800	Valuedick Inc.	1,494,439	1,445,787
		<u>2,664,287</u>	<u>2,868,066</u>
	TOTAL FOREIGN EQUITIES	<u>9,022,445</u>	<u>11,139,398</u>
	TOTAL INVESTMENT PORTFOLIO	<u>67,064,255</u>	<u>62,181,348</u>
	OTHER ASSETS, LESS LIABILITIES – (1.1)%		<u>(685,308)</u>
	NET ASSETS – 100.0%		<u>61,496,040</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equities		
Energy	10.6	16.3
Materials	11.5	17.4
Industrials	8.1	10.1
Consumer Discretionary	9.3	8.4
Consumer Staples	3.9	0.8
Health Care	4.4	5.1
Financials	6.8	7.7
Information Technology	26.9	25.2
Utilities	1.5	2.0
Foreign Equities	18.1	5.9
Currency Forward Contracts	–	0.0

The accompanying notes are an integral part of the financial statements.
For equities, all common shares unless otherwise noted.

Scotia Canadian Small Cap Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	10,946,806	17.8	408,416	0.6

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$1,094,681, or approximately 1.8% of total Net Assets, (December 31, 2012 – \$40,842, or approximately 0.1% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other

price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 101.1% (December 31, 2012 – 98.9%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$6,218,135 (December 31, 2012 – \$6,251,835). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$743,508	\$46,375
Payable for currency forward contracts	–	17,515
	\$743,508	\$63,890

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Resource Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$ 91,312,931	\$130,951,772
Cash	14,790,110	4,391,975
Accrued investment income	213,717	248,895
Receivable for securities sold	—	68,001
Subscriptions receivable	39,659	88,731
Receivable for swap contracts	29,468	—
	<u>106,385,885</u>	<u>135,749,374</u>
LIABILITIES		
Payable for securities purchased	—	62,813
Redemptions payable	101,733	69,407
Accrued expenses	202,891	—
Payable for currency forward contracts	303,526	27,077
	<u>608,150</u>	<u>159,297</u>
Net Assets	<u>\$105,777,735</u>	<u>\$135,590,077</u>
NET ASSETS PER SERIES		
Series A Units	\$105,721,227	\$135,289,847
Series F Units	\$ 56,508	\$ 300,230
UNITS OUTSTANDING		
Series A Units	7,155,761	7,633,715
Series F Units	3,762	16,704
NET ASSETS PER UNIT		
Series A Units	\$ 14.77	\$ 17.72
Series F Units	\$ 15.02	\$ 17.97

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 1,196,381	\$ 1,809,011
Interest	44,570	63,531
Capital gains distributions received	56	—
Securities lending	16,124	28,821
Foreign withholding taxes/tax reclaims	(11,777)	(12,925)
Other income	1,087	1,822
	<u>1,246,441</u>	<u>1,890,260</u>
EXPENSES		
Management fees (note 5)	1,202,224	1,536,792
Harmonized Sales Tax/Goods and Services Tax	134,704	168,636
Audit fees	1,471	4,024
Independent Review Committee fees	213	673
Custodian fees	5,079	4,056
Filing fees	9,622	12,165
Legal fees	519	1,205
Unitholder reporting costs	10,718	14,926
Unitholder administration and service fees	72,643	80,843
Overdraft charges	916	111
	<u>1,438,109</u>	<u>1,823,431</u>
Absorbed expenses	<u>(1,194)</u>	<u>(188)</u>
	<u>1,436,915</u>	<u>1,823,243</u>
Net investment income (loss)	<u>(190,474)</u>	<u>67,017</u>
Net realized gain (loss) on investments sold	(17,583,337)	(15,540,915)
Net realized gain (loss) on currency forwards	(207,554)	(86,802)
Net realized gain (loss) on swap contracts	104,829	—
Net gain (loss) foreign exchange	(54,037)	(322,804)
Transaction costs	(118,281)	(340,241)
Change in unrealized appreciation (depreciation) of investments	(3,336,865)	(19,849,439)
Change in unrealized appreciation (depreciation) of currency spots	—	1,334
Change in unrealized appreciation (depreciation) of currency forwards	(276,449)	98,588
Change in unrealized appreciation (depreciation) of swap contracts	29,468	—
	<u>(21,442,226)</u>	<u>(36,040,279)</u>
Net gain (loss) on investments and transaction costs	<u>(21,442,226)</u>	<u>(36,040,279)</u>
Increase (decrease) in Net Assets from operations	<u>\$ (21,632,700)</u>	<u>\$ (35,973,262)</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$ (21,612,462)	\$ (26,197,920)
Series F Units	\$ (20,238)	\$ (92,683)
Series I Units	\$ —	\$ (9,682,659)
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ (2.93)	\$ (3.34)
Series F Units	\$ (1.96)	\$ (3.71)
Series I Units	\$ —	\$ (3.25)

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$135,289,847	\$159,025,515
Series F Units	300,230	345,665
Series I Units	—	61,147,426
	<u>135,590,077</u>	<u>220,518,606</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	(21,612,462)	(26,197,920)
Series F Units	(20,238)	(92,683)
Series I Units	—	(9,682,659)
	<u>(21,632,700)</u>	<u>(35,973,262)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	7,224,661	13,085,028
Series F Units	3,869	217,367
Series I Units	—	8,149,994
Payments on redemption		
Series A Units	(15,180,819)	(12,246,463)
Series F Units	(227,353)	(11,205)
Series I Units	—	(319,990)
	<u>(8,179,642)</u>	<u>8,874,731</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	(29,568,620)	(25,359,355)
Series F Units	(243,722)	113,479
Series I Units	—	(1,852,655)
	<u>(29,812,342)</u>	<u>(27,098,531)</u>
NET ASSETS – END OF PERIOD		
Series A Units	105,721,227	133,666,160
Series F Units	56,508	459,144
Series I Units	—	59,294,771
	<u>\$105,777,735</u>	<u>\$193,420,075</u>

The accompanying notes are an integral part of the financial statements.

Scotia Resource Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares/ Number of Contracts/ Ounces	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 82.8%				EQUITIES (cont'd)			
CANADIAN EQUITIES – 65.0%				CANADIAN EQUITIES (cont'd)			
Energy – 41.1%				Industrials – 1.9%			
85,000	ARC Resources Ltd.	2,061,195	2,329,000	91,200	Black Diamond Group Ltd.	1,895,962	2,025,552
73,261	Baytex Energy Corporation	3,561,830	2,761,207		TOTAL CANADIAN EQUITIES	86,431,841	68,707,285
18,700	Calfrac Well Services Ltd.	584,798	563,057				
39,700	Genovus Energy Inc.	1,361,166	1,189,412				
105,910	Crescent Point Energy Corp.	4,482,653	3,775,692		FOREIGN EQUITIES – 17.8%		
71,822	Enbridge Inc.	2,315,549	3,163,759		United States – 16.5%		
111,365	Gibson Energy Inc.	2,049,912	2,702,829	37,400	Anadarko Petroleum Corporation	2,990,515	3,376,707
118,929	Inter Pipeline Fund, Class A	2,338,619	2,573,624	21,300	Cobalt International Energy Inc.	573,589	594,632
75,000	Kelt Exploration Ltd. Restricted*	416,250	528,600	(400)	Cobalt International Energy, Inc., Written Put Option \$27.50 Oct. 19, 2013	(170,760)	(138,692)
86,552	Pembina Pipeline Corporation	2,310,499	2,781,781	63,300	Diamondback Energy Inc.	2,067,998	2,215,417
854,700	Raging River Exploration Inc.	1,709,400	3,547,005	11,300	EOG Resources, Inc.	1,451,502	1,563,419
109,592	Suncor Energy, Inc.	3,545,790	3,396,256	12,600	Halliburton Company	556,291	552,322
706,160	Total Cda Oil & Gas	2,097,172	1,009,809	36,600	LyondellBasell Industries NV, Class A	2,237,889	2,557,289
94,000	Tourmaline Oil Corp.	2,734,101	3,948,000	(108)	LyondellBasell Industries NV, Written Put Option \$65.00 Jul. 20, 2013	(9,240)	(13,617)
60,685	TransCanada Corporation	2,331,468	2,745,996	90,200	Marathon Oil Corporation	2,743,154	3,274,399
59,229	Vermilion Energy, Inc.	2,692,604	3,040,225	36,600	Noble Energy, Inc.	2,183,103	2,308,867
311,500	Whitecap Resources, Inc.	2,824,805	3,373,545	8,100	Pioneer Natural Resources Company	1,209,671	1,231,915
		39,417,811	43,429,797			15,833,712	17,522,658
Materials – 22.0%					United Kingdom – 1.3%		
250,000	Alamos Gold Inc.	4,293,076	3,162,500	325,000	Glencore Xstrata PLC	1,774,031	1,420,301
135,000	Alpha Minerals Inc.	506,248	513,000		TOTAL EQUITIES	104,039,584	87,650,244
125,000	Alpha Minerals Inc. Warrants Apr. 25, 2015*	–	267,175				
250,000	Alpha Minerals Inc.*	1,000,000	950,000		COMMODITIES – 3.5%		
2,167,600	Augusta Resource Corporation	8,514,343	4,768,720	2,827	Gold Bullion	4,887,368	3,662,687
273,900	Canexus Corp.	2,197,812	2,517,141		TOTAL INVESTMENT PORTFOLIO	108,926,952	91,312,931
1,400,000	Capstone Mining Corp.	4,307,551	2,492,000				
420,000	Imperial Metals Corporation	4,611,469	4,271,400		Currency Forward Contracts – (0.3%)		(303,526)
900,000	Osisko Mining Corporation	11,674,294	3,114,000		Swaps Contracts – 0.0%		29,468
2,600,000	Perseus Mining Limited	8,013,275	1,196,000		OTHER ASSETS, LESS LIABILITIES – 14.0%		14,738,862
		45,118,068	23,251,936		NET ASSETS – 100.0%		105,777,735

* This security is not actively traded and considered illiquid.

CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jul 11, 2013	Canadian Dollar	763,086	US Dollar	755,000	793,901	(30,815)
Aug 22, 2013	British Pound	53,000	Canadian Dollar	84,856	84,695	(11)
Aug 22, 2013	British Pound	44,000	Canadian Dollar	70,496	70,362	(59)
Aug 22, 2013	British Pound	35,000	Canadian Dollar	56,068	55,962	(39)
Aug 22, 2013	Canadian Dollar	1,166,306	British Pound	730,000	1,168,617	(2,311)
Aug 22, 2013	Canadian Dollar	49,617	British Pound	31,000	49,626	(9)
Aug 22, 2013	Canadian Dollar	7,906,460	US Dollar	7,763,000	8,176,743	(270,282)
						(303,526)

The currency forward contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A+ by Standard & Poor's.

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Resource Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO EQUITY SWAP CONTRACTS

Description	Number of Units	Contract Issuer	Underlying Security	Termination Date	Notional Amount (\$)	Variable Rate %	Appreciation/ (Depreciation) (\$)
Swap variable, 1 month USD – LIBOR	5,500	Toronto-Dominion Bank, The	Plains All American Pipeline	Nov. 25, 2013	308,990	0.54%	(2,251)
Swap variable, 1 month USD – LIBOR	6,800	Toronto-Dominion Bank, The	Plains All American Pipeline	Nov. 27, 2013	382,024	0.54%	(2,783)
Swap variable, 1 month USD – LIBOR	1,000	Toronto-Dominion Bank, The	Plains All American Pipeline	Dec. 03, 2013	56,180	0.54%	(409)
Swap variable, 1 month USD – LIBOR	300	Toronto-Dominion Bank, The	Plains All American Pipeline	Dec. 10, 2013	16,854	0.54%	(123)
Swap variable, 1 month USD – LIBOR	119	Toronto-Dominion Bank, The	Plains All American Pipeline	Dec. 09, 2013	6,685	0.54%	(49)
Swap variable, 1 month USD – LIBOR	2,031	Toronto-Dominion Bank, The	Plains All American Pipeline	Dec. 16, 2013	114,102	0.54%	(831)
Swap variable, 1 month USD – LIBOR	700	Toronto-Dominion Bank, The	Plains All American Pipeline	Dec. 19, 2013	39,207	0.54%	(152)
Swap variable, 1 month USD – LIBOR	700	Toronto-Dominion Bank, The	Plains All American Pipeline	Dec. 20, 2013	39,207	0.54%	(152)
Swap variable, 1 month USD – LIBOR	2,850	Toronto-Dominion Bank, The	Plains All American Pipeline	Dec. 23, 2013	159,629	0.54%	(619)
Swap variable, 1 month USD – LIBOR	400	Toronto-Dominion Bank, The	Plains All American Pipeline	Nov. 26, 2013	22,472	0.54%	(164)
Swap variable, 1 month USD – LIBOR	900	Toronto-Dominion Bank, The	Plains All American Pipeline	Nov. 29, 2013	50,562	0.54%	(368)
Swap variable, 1 month USD – LIBOR	300	Toronto-Dominion Bank, The	Plains All American Pipeline	Nov. 29, 2013	16,854	0.54%	(123)
Swap variable, 1 month USD – LIBOR	1,700	Toronto-Dominion Bank, The	Plains All American Pipeline	Dec. 05, 2013	95,506	0.54%	(696)
Swap variable, 1 month USD – LIBOR	1,300	Toronto-Dominion Bank, The	Plains All American Pipeline	Nov. 13, 2013	73,034	0.59%	(535)
Swap variable, 1 month USD – LIBOR	1,400	Toronto-Dominion Bank, The	Plains All American Pipeline	Nov. 14, 2013	78,652	0.59%	(576)
Swap variable, 1 month USD – LIBOR	8,800	Toronto-Dominion Bank, The	Plains All American Pipeline	Nov. 15, 2013	494,384	0.59%	(3,618)
Swap variable, 1 month USD – LIBOR	4,000	Toronto-Dominion Bank, The	Plains All American Pipeline	May. 07, 2014	224,720	0.59%	(1,645)
Swap variable, 1 month USD – LIBOR	1,100	Toronto-Dominion Bank, The	Plains All American Pipeline	May. 08, 2014	61,798	0.59%	(452)
Swap variable, 1 month USD – LIBOR	5,400	Toronto-Dominion Bank, The	Enterprise Products Partners	May. 02, 2014	320,706	0.59%	15,532
Swap variable, 1 month USD – LIBOR	400	Toronto-Dominion Bank, The	Enterprise Products Partners	May. 06, 2014	23,756	0.59%	1,151
Swap variable, 1 month USD – LIBOR	5,500	Toronto-Dominion Bank, The	Enterprise Products Partners	May. 07, 2014	326,645	0.59%	15,819
Swap variable, 1 month USD – LIBOR	800	Toronto-Dominion Bank, The	Enterprise Products Partners	May. 13, 2014	47,512	0.59%	2,301
Swap variable, 1 month USD – LIBOR	1,400	Toronto-Dominion Bank, The	Enterprise Products Partners	May. 16, 2014	83,146	0.59%	4,027
Swap variable, 1 month USD – LIBOR	3,800	Toronto-Dominion Bank, The	Enterprise Products Partners	May. 30, 2014	232,310	0.59%	3,956
Swap variable, 1 month USD – LIBOR	1,700	Toronto-Dominion Bank, The	Enterprise Products Partners	May. 30, 2014	103,493	0.59%	2,228
							<u>29,468</u>

The swap contracts outstanding at June 30, 2013 are placed with a financial institution with a minimum credit rating of AA- by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equities		
Energy	41.1	42.7
Materials	22.0	41.9
Industrials	1.9	–
Foreign Equities	17.8	8.5
Commodities	3.5	3.5
Currency Forward Contracts	(0.3)	0.0
Swap Contracts	0.0	–

The accompanying notes are an integral part of the financial statements.

Scotia Resource Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund invests in swap contracts, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$45,421, or approximately 0.0% of total Net Assets (December 31, 2012 – nil). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	12,407,303	11.7	5,505,674	4.1
British Pound	413,076	0.4	–	–
Australian Dollar	–	–	4,014,625	3.0
Total	12,820,379	12.1	9,520,299	7.1

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$1,282,068, or approximately 1.2% of total Net Assets, (December 31, 2012 – \$952,030, or approximately 0.7% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 89.5% (December 31, 2012 – 96.6%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$9,472,083 (December 31, 2012 – \$13,095,177). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$304,624	\$132,220
Payable for currency forward contracts	303,526	27,077
	\$608,150	\$159,297

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Private Real Estate Income Pool (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$54,785,634	\$18,198,474
Cash	3,084,219	29,096,561
Accrued investment income	187,934	44,999
Receivable for securities sold	1,397,468	—
Subscriptions receivable	292,796	101,290
Receivable for currency forward contracts	158,483	—
	<u>59,906,534</u>	<u>47,441,324</u>
LIABILITIES		
Payable for securities purchased	330,266	1,360,105
Distributions payable	6,688	16
Redemptions payable	504,694	21,779
Accrued expenses	9,855	—
Payable for currency forward contracts	171,221	—
	<u>1,022,724</u>	<u>1,381,900</u>
Net Assets	<u>\$58,883,810</u>	<u>\$46,059,424</u>
NET ASSETS PER SERIES		
Series M Units	<u>\$58,883,810</u>	<u>\$46,059,424</u>
UNITS OUTSTANDING		
Series M Units	<u>6,129,315</u>	<u>4,576,648</u>
NET ASSETS PER UNIT		
Series M Units	<u>\$ 9.61</u>	<u>\$ 10.06</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month period ended June 30*,

	2013
NET ASSETS – BEGINNING OF PERIOD	
Series M Units	<u>46,059,424</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	
Series M Units	<u>(1,870,742)</u>
DISTRIBUTIONS TO UNITHOLDERS	
From net investment income	
Series M Units	<u>(1,173,452)</u>
UNIT TRANSACTIONS	
Proceeds from issue	
Series M Units	<u>27,278,770</u>
Reinvested distributions	
Series M Units	<u>1,157,683</u>
Payments on redemption	
Series M Units	<u>(12,567,873)</u>
	<u>15,868,580</u>
INCREASE (DECREASE) IN NET ASSETS	
Series M Units	<u>12,824,386</u>
NET ASSETS – END OF PERIOD	
Series M Units	<u>\$ 58,883,810</u>

* Fund's inception date was November 20, 2012. Accordingly, there were no comparative figures shown.

STATEMENT OF OPERATIONS

For the six month period ended June 30*,

	2013
INVESTMENT INCOME	
Dividends	\$ 551,845
Interest	191,084
Capital gains distributions received	32,598
Foreign withholding taxes/tax reclaims	(58,036)
	<u>717,491</u>
EXPENSES	
Management fees (note 5)	42,934
Harmonized Sales Tax/Goods and Services Tax	5,427
Audit fees	676
Independent Review Committee fees	100
Custodian fees	272
Filing fees	2
Legal fees	244
Unitholder reporting costs	4,650
Unitholder administration and service fees	3,286
Overdraft charges	22
	<u>57,613</u>
Absorbed expenses	(5)
	<u>57,608</u>
Net investment income (loss)	<u>659,883</u>
Net realized gain (loss) on investments sold	47,428
Net realized gain (loss) on currency forwards	(158,292)
Net gain (loss) foreign exchange	62,671
Transaction costs	(90,365)
Change in unrealized appreciation (depreciation) of investments	(2,379,329)
Change in unrealized appreciation (depreciation) of currency forwards	(12,738)
Net gain (loss) on investments and transaction costs	<u>(2,530,625)</u>
Increase (decrease) in Net Assets from operations	<u>\$(1,870,742)</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	
Series M Units	<u>\$(1,870,742)</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT	
Series M Units	<u>\$ (0.33)</u>

The accompanying notes are an integral part of the financial statements.

Scotia Private Real Estate Income Pool (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 93.0%				EQUITIES (cont'd)			
CANADIAN EQUITIES – 61.4%				FOREIGN EQUITIES – 31.6%			
Health Care – 1.6%				Australia – 6.7%			
78,900	Leisureworld Senior Care Corp.	1,006,418	969,681	285,100	GPT Group	1,099,285	1,048,109
Financials – 59.8%				108,000	Westfield Group	1,201,240	1,183,389
73,000	Allied Properties Real Estate Investment Trust	2,469,013	2,329,430	570,000	Westfield Retail Trust	1,786,296	1,690,009
52,000	Boardwalk Real Estate Investment Trust	3,276,565	3,030,040			4,086,821	3,921,507
8,300	Brookfield Office Properties Canada	245,662	216,215	United Kingdom – 1.7%			
85,000	Brookfield Properties Corporation, Inc.	1,420,389	1,483,250	129,000	Hammerson PLC	1,015,292	1,007,917
90,706	Calloway Real Estate Investment Trust	2,566,430	2,332,050	United States – 23.2%			
39,000	Canadian Apartment Properties Real Estate Investment Trust	979,362	872,040	13,800	AvalonBay Communities, Inc.	1,873,501	1,956,142
70,000	Canadian Real Estate Investment Trust	3,047,922	3,030,300	17,400	Boston Properties, Inc.	1,833,693	1,928,214
186,319	Chartwell Seniors Housing Real Estate Investment Trust	1,932,362	1,816,610	93,000	Duke Realty Corporation	1,280,334	1,523,373
13,500	Cominar Real Estate Investment Trust	271,408	280,125	42,000	General Growth Properties, Inc.	857,752	877,731
124,000	Crombie Real Estate Investment Trust	1,792,960	1,690,120	23,400	Macerich Company, The	1,427,122	1,499,026
52,900	Dundee Industrial REIT Unit	535,262	478,745	56,200	ProLogis	2,344,522	2,227,333
35,300	Dundee Real Estate Investment Trust	1,303,649	1,149,368	13,900	Simon Property Group, Inc.	2,217,069	2,306,370
65,000	First Capital Realty, Inc.	1,222,683	1,153,100	15,500	Vornado Realty Trust Real Estate Investment Trust	1,313,384	1,349,278
94,200	H&R Real Estate Investment Trust	2,218,458	2,068,632			13,147,377	13,667,467
276,900	InterRent Real Estate Investment Trust	1,696,514	1,581,099	TOTAL FOREIGN EQUITIES			
167,600	Killam Properties Inc.	2,064,076	1,764,828			18,249,490	18,596,891
185,600	Milestone Apartments Real Estate Investment Trust	1,863,285	1,809,600	TOTAL INVESTMENT PORTFOLIO			
209,124	Morguard North American Residential Real Estate Investment Trust	2,365,993	2,122,609			56,938,604	54,785,634
120,946	Morguard Real Estate Investment Trust	2,158,688	1,962,954	Currency Forward Contracts – 0.0%			
14,500	NorthWest Healthcare Properties Real Estate Investment Trust	177,601	166,315				(12,738)
275,000	Pure Industrial Real Estate Trust	1,369,182	1,265,000	OTHER ASSETS, LESS LIABILITIES – 7.0%			
103,629	RioCan Real Estate Investment Trust	2,705,232	2,616,632				4,110,914
		37,682,696	35,219,062	NET ASSETS – 100.0%			
							58,883,810
	TOTAL CANADIAN EQUITIES	38,689,114	36,188,743				

CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jul. 11, 2013	Canadian Dollar	2,202,480	Australian Dollar	2,128,000	2,044,012	158,468
Jul. 11, 2013	Canadian Dollar	370,931	U.S. Dollar	367,000	385,910	(14,979)
Aug. 22, 2013	Canadian Dollar	378,650	British Pound	237,000	379,400	(750)
Aug. 22, 2013	Canadian Dollar	113,675	British Pound	71,000	113,660	15
Aug. 22, 2013	Canadian Dollar	4,548,532	U.S. Dollar	4,466,000	4,704,024	(155,492)
						(12,738)

The currency forward contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A+ by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equities	61.4	25.6
Foreign Equities	31.6	13.9
Currency Forward Contracts	0.0	–

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Private Real Estate Income Pool (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of the foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	8,590,412	14.6	3,552,763	7.7
Australian Dollar	1,877,495	3.2	1,973,794	4.3
British Pound	514,857	0.9	888,644	1.9
Total	10,982,764	18.7	6,415,201	13.9

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$1,098,276, or approximately 1.9% of total Net Assets, (December 31, 2012 – \$641,520, or approximately 1.4% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 93.0% (December 31, 2012 – 39.5%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$5,478,563 (December 31, 2012 – \$1,819,847). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$ 851,503	\$1,381,900
Payable for currency forward contracts	171,221	–
	\$1,022,724	\$1,381,900

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Private North American Equity Pool (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$64,477,819	\$66,139,526
Cash	1,329,577	2,387,630
Accrued investment income	167,043	157,533
Subscriptions receivable	14,965	—
Receivable for currency forward contracts	11,510	—
	<u>66,000,914</u>	<u>68,684,689</u>
LIABILITIES		
Redemptions payable	205,220	96,584
Accrued expenses	8,715	—
	<u>213,935</u>	<u>96,584</u>
Net Assets	<u>\$65,786,979</u>	<u>\$68,588,105</u>
NET ASSETS PER SERIES		
Series M Units	<u>\$65,786,979</u>	<u>\$68,588,105</u>
UNITS OUTSTANDING		
Series M Units	<u>6,544,480</u>	<u>7,396,603</u>
NET ASSETS PER UNIT		
Series M Units	<u>\$ 10.05</u>	<u>\$ 9.27</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series M Units	<u>\$68,588,105</u>	<u>\$116,398,917</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series M Units	<u>5,585,078</u>	<u>3,135,071</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series M Units	1,584,693	4,276,978
Payments on redemption		
Series M Units	(9,970,897)	(48,918,637)
	<u>(8,386,204)</u>	<u>(44,641,659)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series M Units	<u>(2,801,126)</u>	<u>(41,506,588)</u>
NET ASSETS – END OF PERIOD		
Series M Units	<u>\$65,786,979</u>	<u>\$ 74,892,329</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 972,432	\$1,169,231
Interest	2,510	7,542
Securities lending	2,642	1,006
Foreign withholding taxes/tax reclaims	(51,303)	(56,969)
	<u>926,281</u>	<u>1,120,810</u>
EXPENSES		
Management fees (note 5)	33,302	46,965
Harmonized Sales Tax/Goods and Services Tax	4,793	6,897
Audit fees	826	2,819
Independent Review Committee fees	117	43
Custodian fees	2,464	5,512
Filing fees	7,086	7,071
Legal fees	328	1,043
Unitholder reporting costs	2,597	3,108
Unitholder administration and service fees	3,483	7,129
Overdraft charges	217	3
	<u>55,213</u>	<u>80,590</u>
Net investment income (loss)	<u>871,068</u>	<u>1,040,220</u>
Net realized gain (loss) on investments sold	1,919,645	3,184,315
Net realized gain (loss) on currency forwards	—	—
Net gain (loss) foreign exchange	63,972	(91,248)
Transaction costs	(38,186)	(53,026)
Change in unrealized appreciation (depreciation) of investments	2,757,069	(945,190)
Change in unrealized appreciation (depreciation) of currency forwards	11,510	—
Net gain (loss) on investments and transaction costs	<u>4,714,010</u>	<u>2,094,851</u>
Increase (decrease) in Net Assets from operations	<u>\$5,585,078</u>	<u>\$3,135,071</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series M Units	<u>\$5,585,078</u>	<u>\$3,135,071</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series M Units	<u>\$ 0.81</u>	<u>\$ 0.30</u>

The accompanying notes are an integral part of the financial statements.

Scotia Private North American Equity Pool (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares/ Number of Contracts	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares/ Number of Contracts	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 98.0%				EQUITIES (cont'd)			
CANADIAN EQUITIES – 53.8%				CANADIAN EQUITIES (cont'd)			
Index Units – 0.0%				Telecommunication Services – 3.8%			
745	iShares S&P/TSX 60 Index Fund, Put Option \$17.00 Aug. 17, 2013	23,065	15,645	24,120	BCE Inc.	764,992	1,040,054
Energy – 12.8%				24,180	Rogers Communications, Inc., Class B	844,111	995,732
32,280	Canadian Natural Resources Ltd.	1,047,245	957,102	15,600	TELUS Corporation	540,607	478,920
28,900	Cenovus Energy Inc.	974,326	865,844			2,149,710	2,514,706
20,400	Crescent Point Energy Corp.	852,207	727,260	Utilities – 0.6%			
24,100	Enbridge Inc.	1,043,828	1,061,605	10,000	Canadian Utilities Limited, Class A	382,993	367,400
27,620	EnCana Corporation	770,549	491,084		TOTAL CANADIAN EQUITIES	33,510,261	35,364,643
9,160	Imperial Oil Ltd.	390,089	367,316	UNITED STATES EQUITIES – 44.2%			
18,200	Mullen Group Limited	405,163	412,776	Index Units – 0.0%			
50,140	Suncor Energy, Inc.	2,218,079	1,553,839	27	S&P 500 Deposit Receipts, Put Option \$163.00 Jul. 20, 2013	7,357	10,553
33,100	TransCanada Corporation	1,128,107	1,497,775	Energy – 3.3%			
8,900	Vermilion Energy, Inc.	464,709	456,837	1,500	Chevron Corporation	180,536	186,288
		9,294,302	8,391,438	12,100	Exxon Mobil Corporation	1,043,028	1,144,335
Materials – 4.5%				8,720	Occidental Petroleum Corporation	799,143	817,531
3,600	Agrium Inc.	379,536	328,248			2,022,707	2,148,154
18,160	Barrick Gold Corporation	750,306	300,366	Materials – 2.0%			
19,700	Eldorado Gold Corporation	250,851	127,065	3,200	Air Products and Chemicals, Inc.	278,827	307,644
18,240	Goldcorp, Inc.	941,901	473,510	8,800	E.I. du Pont de Nemours and Company	421,392	485,422
19,430	Potash Corporation of Saskatchewan Inc.	881,794	779,143	11,600	Nucor Corporation	531,075	527,744
31,970	Teck Resources Ltd., Class B	1,019,191	717,727			1,231,294	1,320,810
20,290	Yamana Gold Inc.	396,467	202,697	Industrials – 3.4%			
		4,620,046	2,928,756	6,800	Danaher Corporation	429,720	452,262
Industrials – 3.7%				4,200	Dover Corporation	281,182	342,708
17,300	Black Diamond Group Ltd.	362,651	384,233	40,940	General Electric Company	602,500	997,529
14,870	Canadian National Railway Company	742,793	1,517,484	5,690	Honeywell International Inc.	308,116	474,331
11,400	SNC-Lavalin Group Inc.	426,066	505,932			1,621,518	2,266,830
		1,531,510	2,407,649	Consumer Discretionary – 8.2%			
Consumer Discretionary – 4.4%				11,060	Comcast Corporation, Class A	316,950	484,932
23,600	Aimia Inc.	358,712	366,036	5,100	DIRECTV	265,176	329,926
6,420	Canadian Tire Corporation, Limited, Class A	399,557	505,254	11,350	Family Dollar Stores, Inc.	634,832	742,952
1,800	Cogeco Cable Inc.	66,941	80,478	4,250	Home Depot Inc., The	163,450	344,153
5,500	Magna International Inc.	200,852	411,235	7,030	McDonald's Corporation	613,077	730,736
26,700	Shaw Communications, Inc., Class B	610,030	667,500	10,100	Target Corporation	611,461	729,895
26,010	Thomson Reuters Corporation	818,378	890,582	5,300	VF Corporation	774,108	1,076,149
		2,454,470	2,921,085	13,330	Viacom Inc., Class B	635,117	952,673
Consumer Staples – 1.5%						4,014,171	5,391,416
7,200	Loblaw Companies Limited	306,464	342,000	Consumer Staples – 2.9%			
13,530	Saputo Inc.	398,226	653,770	6,180	CVS Caremark Corporation	236,877	371,157
		704,690	995,770	5,550	Philip Morris International Inc.	461,482	505,113
Health Care – 1.6%				7,335	Procter & Gamble Company, The	461,137	593,351
5,800	Catamaran Corporation	287,498	296,380	5,520	Wal-Mart Stores, Inc.	334,420	431,624
8,300	Valeant Pharmaceuticals International, Inc.	537,239	750,320			1,493,916	1,901,245
		824,737	1,046,700	Health Care – 8.9%			
Financials – 20.9%				7,200	Abbott Laboratories	229,335	263,868
23,500	Bank of Montreal	1,477,851	1,433,030	16,100	AbbVie Inc.	548,961	702,023
14,800	Brookfield Asset Management Inc., Class A	555,189	559,440	19,600	Cardinal Health, Inc.	835,383	972,638
23,220	Canadian Imperial Bank of Commerce	1,641,706	1,733,141	8,500	Express Scripts, Inc.	460,921	550,948
24,830	Great-West Lifeco Inc.	659,942	705,172	9,210	Johnson & Johnson	605,825	830,860
17,190	Intact Financial Corporation	638,417	1,014,726	12,500	Medtronic, Inc.	576,739	675,598
26,380	Manulife Financial Corporation	509,346	443,448	15,300	Merck & Co., Inc.	684,281	746,714
16,500	National Bank of Canada	990,232	1,235,850	37,680	Pfizer Inc.	873,187	1,111,693
34,660	Power Corporation of Canada	976,272	977,759			4,814,632	5,854,342
38,820	Royal Bank of Canada	1,661,665	2,378,501	Financials – 7.5%			
16,210	Sun Life Financial Inc.	481,175	502,510	5,200	Aflac, Inc.	225,247	317,272
33,060	Toronto-Dominion Bank, The	1,932,943	2,791,917	8,000	Chubb Corporation, The	592,816	711,531
		11,524,738	13,775,494				

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Private North American Equity Pool (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
UNITED STATES EQUITIES (cont'd)				UNITED STATES EQUITIES (cont'd)			
Financials (cont'd)				Telecommunication Services – 0.8%			
7,200	Cincinnati Financial Corporation	290,801	347,234	10,400	Verizon Communications Inc.	411,755	550,077
18,300	Citigroup Inc.	804,332	922,355				
19,400	Fifth Third Bancorp	315,435	367,922		TOTAL UNITED STATES EQUITIES	23,225,960	29,113,176
11,100	JPMorgan Chase & Co.	447,401	615,675		TOTAL INVESTMENT PORTFOLIO	56,736,221	64,477,819
19,370	U.S. Bancorp	453,526	734,910		Currency Forward Contracts – 0.0%		11,510
20,620	Wells Fargo & Company	547,001	894,129		OTHER ASSETS, LESS LIABILITIES – 2.0%		1,297,650
		3,676,559	4,911,028		NET ASSETS – 100.0%		65,786,979
Information Technology – 7.1%							
9,730	Agilent Technologies, Inc.	368,661	437,147				
1,515	Apple Inc.	519,581	630,482				
8,390	Automatic Data Processing, Inc.	461,138	606,319				
585	Google Inc.	343,227	540,806				
3,680	International Business Machines Corporation	613,735	738,939				
19,800	Microsoft Corporation	520,382	718,355				
12,800	Oracle Corporation	421,684	413,151				
10,500	QUALCOMM, Inc.	683,643	673,522				
		3,932,051	4,758,721				

CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jul. 11, 2013	Canadian Dollar	3,796,999	U.S. Dollar	3,600,000	3,785,489	11,510

The currency forward contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equities		
Index Units	0.0	—
Energy	12.8	15.1
Materials	4.5	9.3
Industrials	3.7	3.3
Consumer Discretionary	4.4	4.0
Consumer Staples	1.5	2.2
Health Care	1.6	0.6
Financials	20.9	19.7
Telecommunication Services	3.8	3.1
Utilities	0.6	—
United States Equities		
Index Units	0.0	0.0
Energy	3.3	2.9
Materials	2.0	0.8
Industrials	3.4	4.3
Consumer Discretionary	8.2	7.6
Consumer Staples	2.9	4.1
Health Care	8.9	5.8
Financials	7.5	5.5
Information Technology	7.1	7.1
Telecommunication Services	0.8	1.0
Currency Forward Contracts	0.0	—

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Private North American Equity Pool (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currency to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	26,194,953	39.8	27,945,020	40.7

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$2,619,495, or approximately 4.0% of total Net Assets, (December 31, 2012 – \$2,794,502, or approximately 4.1% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 98.0% (December 31, 2012 – 96.4%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$6,447,782 (December 31, 2012 – \$6,613,953). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$213,935	\$96,584

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia U.S. Dividend Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$100,214,372	\$68,721,340
Cash	17,235,453	23,074,261
Accrued investment income	170,622	106,588
Subscriptions receivable	60,683	12,100
Receivable for currency forward contracts	—	17,119
	<u>117,681,130</u>	<u>91,931,408</u>
LIABILITIES		
Payable for securities purchased	2,970,716	205,299
Accrued expenses	19,843	—
Payable for currency spot contracts	3,110	467
Payable for currency forward contracts	1,151,077	—
	<u>4,144,746</u>	<u>205,766</u>
Net Assets	<u>\$113,536,384</u>	<u>\$91,725,642</u>
NET ASSETS PER SERIES		
Series A Units	\$ 10,309,588	\$ 530,900
Series I Units	\$103,226,796	\$91,194,742
UNITS OUTSTANDING		
Series A Units	884,108	52,171
Series I Units	<u>8,751,676</u>	<u>8,948,215</u>
NET ASSETS PER UNIT		
Series A Units	\$ 11.66	\$ 10.18
Series I Units	\$ 11.80	\$ 10.19

STATEMENT OF OPERATIONS

For the six month period ended June 30*,

	2013
INVESTMENT INCOME	
Dividends	\$ 1,394,841
Interest	99,123
Capital gains distributions received	1,549
Foreign withholding taxes/tax reclaims	(243,930)
Other income	93
	<u>1,251,676</u>
EXPENSES	
Management fees (note 5)	50,388
Harmonized Sales Tax/Goods and Services Tax	6,377
Audit fees	1,221
Independent Review Committee fees	181
Custodian fees	786
Filing fees	—
Legal fees	440
Unitholder reporting costs	8,665
Unitholder administration and service fees	6,036
Overdraft charges	205
	<u>74,299</u>
Absorbed expenses	<u>(10)</u>
	<u>74,289</u>
Net investment income (loss)	<u>1,177,387</u>
Net realized gain (loss) on investments sold	1,949,443
Net realized gain (loss) on currency forwards	(186,646)
Net gain (loss) foreign exchange	(119,961)
Transaction costs	(156,304)
Change in unrealized appreciation (depreciation) of investments	13,178,532
Change in unrealized appreciation (depreciation) of currency spots	(2,643)
Change in unrealized appreciation (depreciation) of currency forwards	(1,168,196)
Net gain (loss) on investments and transaction costs	<u>13,494,225</u>
Increase (decrease) in Net Assets from operations	<u>\$14,671,612</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	
Series A Units	\$ 439,577
Series I Units	<u>\$14,232,035</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT	
Series A Units	\$ 0.90
Series I Units	<u>\$ 1.61</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month period ended June 30*,

	2013
NET ASSETS – BEGINNING OF PERIOD	
Series A Units	\$ 530,900
Series I Units	<u>91,194,742</u>
	<u>91,725,642</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	
Series A Units	439,577
Series I Units	<u>14,232,035</u>
	<u>14,671,612</u>
UNIT TRANSACTIONS	
Proceeds from issue	
Series A Units	9,749,793
Payments on redemption	
Series A Units	(410,682)
Series I Units	<u>(2,199,981)</u>
	<u>7,139,130</u>
INCREASE (DECREASE) IN NET ASSETS	
Series A Units	9,778,688
Series I Units	<u>12,032,054</u>
	<u>21,810,742</u>
NET ASSETS – END OF PERIOD	
Series A Units	10,309,588
Series I Units	<u>103,226,796</u>
	<u>\$113,536,384</u>

* Fund's inception date was November 20, 2012. Accordingly, there were no comparative figures shown.

The accompanying notes are an integral part of the financial statements.

Scotia U.S. Dividend Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 88.2%				EQUITIES (cont'd)			
CANADIAN EQUITIES – 6.8%				UNITED STATES (cont'd)			
Energy – 1.5%				Financials – 23.5%			
30,000	Keyera Corp.	1,435,227	1,672,800	75,000	Bank of New York Mellon Corporation, The	2,305,596	2,208,038
Industrials – 1.8%				20,000	Bar Harbor Bankshares	728,568	752,929
100,000	TransForce, Inc.	1,966,398	2,051,000	30,000	Berkshire Hills Bancorp Inc.	746,097	873,128
Financials – 3.5%				7,500	BlackRock, Inc.	1,482,015	2,024,035
100,000	Cominar Real Estate Investment Trust	2,218,803	2,075,000	6,400	Century Bancorp Inc.	216,531	234,280
200,000	Dundee International Real Estate Investment Trust	2,060,606	1,958,000	35,000	Federated Investors, Inc., Class B	726,776	1,007,618
		4,279,409	4,033,000	25,000	HCP, Inc. Real Estate Investment Trust	1,136,623	1,193,591
	TOTAL CANADIAN EQUITIES	7,681,034	7,756,800	50,000	Invesco Limited	1,347,925	1,668,505
UNITED STATES – 74.9%				150,000	Och-Ziff Capital Management Group	1,401,711	1,651,694
Energy – 5.1%				30,000	PNC Financial Services Group, Inc., The	1,671,334	2,298,503
50,000	Kinder Morgan Inc/Delaware	1,711,829	2,004,203	30,000	Prosperity Bancshares Inc.	1,278,644	1,632,467
35,000	Plains All American Pipeline LP	1,643,308	2,049,803	45,000	STAG Industrial Inc.	829,657	943,262
50,000	Williams Companies Inc., The	1,658,477	1,706,330	40,000	Starwood Property Trust Inc.	906,584	1,030,943
		5,013,614	5,760,336	30,000	State Street Corporation	1,346,584	2,055,477
Materials – 4.0%				25,000	T. Rowe Price Group Inc.	1,649,002	1,921,460
15,000	Ashlands Inc.	1,392,827	1,315,997	50,000	U.S. Bancorp	1,600,247	1,897,032
30,000	E.I. du Pont de Nemours and Company	1,294,534	1,654,846	25,000	Waddell & Reed Financial, Inc.	950,439	1,142,632
10,000	PPG Industries, Inc.	1,221,165	1,535,697	50,000	Wells Fargo & Company	1,647,518	2,168,111
		3,908,526	4,506,540			21,971,851	26,703,705
Industrials – 14.9%				Information Technology – 3.1%			
15,000	3M Co.	1,355,187	1,723,404	20,000	Accenture PLC, Class A	1,340,094	1,512,162
22,500	Deere & Company	1,926,380	1,920,804	10,000	International Business Machines Corporation	1,937,758	2,007,985
30,000	GATX Corp.	1,306,360	1,495,035			3,277,852	3,520,147
20,000	Honeywell International Inc.	1,686,312	1,667,245		TOTAL UNITED STATES EQUITIES	71,665,683	85,087,114
17,000	Parker-Hannifin Corporation	1,439,219	1,714,200	FOREIGN EQUITIES – 6.5%			
25,000	Ryder System, Inc.	1,162,510	1,595,745	France – 1.5%			
15,000	Stanley Black & Decker Inc.	1,159,726	1,218,282	32,500	Cap Gemini SA	1,403,537	1,659,887
11,000	Union Pacific Corporation	1,353,806	1,783,115	Japan – 3.0%			
20,000	United Parcel Service, Inc., Class B	1,441,809	1,817,704	200,000	Nomura Holdings, Inc. ADR	1,463,071	1,561,334
20,000	United Technologies Corporation	1,649,375	1,953,034	200,000	Sumitomo Mitsui Financial Group Sponsored ADR	1,580,820	1,937,484
		14,480,684	16,888,568			3,043,891	3,498,818
Consumer Discretionary – 7.8%				United Kingdom – 2.0%			
12,000	Cracker Barrel Old Country Store	774,076	1,193,507	250,000	GKN PLC	1,029,070	1,208,825
25,000	Hasbro, Inc.	1,095,750	1,177,568	250,000	Senior PLC	949,644	1,002,928
25,000	Mattel, Inc.	1,102,653	1,190,176			1,978,714	2,211,753
10,000	McDonald's Corporation	891,545	1,039,454		TOTAL FOREIGN EQUITIES	6,426,142	7,370,458
20,000	Time Warner Inc.	943,767	1,215,025		TOTAL INVESTMENT PORTFOLIO	85,772,859	100,214,372
5,000	VF Corporation	754,647	1,015,235	Currency Spot Contracts – 0.0%			
15,000	Viacom Inc., Class B	989,494	1,072,025				(3,110)
16,000	Wyndham Worldwide Corporation	801,780	962,101	Currency Forward Contracts – (1.0%)			
		7,353,712	8,865,091				(1,151,077)
Consumer Staples – 5.9%				OTHER ASSETS, LESS LIABILITIES – 12.8%			
40,000	Ingles Markets Inc. Class - A	837,726	1,054,058				14,476,199
14,000	Kimberly-Clark Corporation	1,197,400	1,426,404		NET ASSETS – 100.0%		113,536,384
40,000	Kroger Co., The	1,150,349	1,451,642				
20,000	Procter & Gamble Company, The	1,407,167	1,617,862				
25,000	Weis Markets, Inc.	1,070,383	1,183,084				
		5,663,025	6,733,050				
Health Care – 10.6%							
40,000	Abbott Laboratories	1,257,376	1,465,931				
40,000	AbbVie Inc.	1,345,093	1,744,156				
17,500	Amgen Inc.	1,543,565	1,814,079				
14,000	Becton, Dickinson and Company	1,084,141	1,453,176				
25,000	Johnson & Johnson	1,774,006	2,255,319				
40,000	Merck & Co., Inc.	1,740,422	1,952,193				
17,500	Teleflex Incorporated	1,251,816	1,424,823				
		9,996,419	12,109,677				

For equities, all common shares unless otherwise noted.

The accompanying notes are an integral part of the financial statements.

Scotia U.S. Dividend Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO CURRENCY SPOT CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jul. 2, 2013	U.S. Dollar	2,827,379	Canadian Dollar	2,973,837	2,973,826	(3,110)

The currency spot contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A+ by Standard & Poor's.

CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Sep 10, 2013	Canadian Dollar	39,848,757	US Dollar	38,907,203	40,999,834	(1,151,077)

The currency forward contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A+ by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equities		
Energy	1.5	2.2
Industrials	1.8	0.9
Financials	3.5	3.2
Utilities	–	0.7
United States Equities		
Energy	5.1	4.6
Materials	4.0	7.8
Industrials	14.9	11.5
Consumer Discretionary	7.8	4.2
Consumer Staples	5.9	3.5
Health Care	10.6	7.6
Financials	23.5	17.3
Information Technology	3.1	6.5
Foreign Equities	6.5	5.0
Currency Spot Contracts	0.0	0.0
Currency Forward Contracts	(1.0)	0.0

The accompanying notes are an integral part of the financial statements.

Scotia U.S. Dividend Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of the foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	51,474,363	45.3	44,492,580	48.5
British Pound	2,233,268	2.0	698,563	0.8
European Euro	1,690,995	1.5	3,273,739	3.6
Total	55,398,626	48.8	48,464,882	52.9

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$5,539,863, or approximately 4.9% of total Net Assets, (December 31, 2012 – \$4,846,488, or approximately 5.3% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 88.2% (December 31, 2012 – 75.0%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$10,021,437 (December 31, 2012 – \$6,872,134). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$2,990,559	\$205,299
Payable for currency spot contracts	3,110	467
Payable for currency forward contracts	1,151,077	–
	\$4,144,746	\$205,766

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Private U.S. Dividend Pool (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$523,924,467	\$269,862,193
Cash	30,177,545	17,303,894
Accrued investment income	991,761	496,883
Receivable for securities sold	5,193,782	—
Subscriptions receivable	5,505,726	1,576,890
Receivable for currency spot contracts	6,439	—
Receivable for currency forward contracts	1,191,128	159,820
	<u>566,990,848</u>	<u>289,399,680</u>
LIABILITIES		
Payable for securities purchased	13,325,741	—
Distributions payable	112,459	1,422
Redemptions payable	239,658	75,685
Accrued expenses	52,720	—
Payable for currency spot contracts	1,797	2,410
Payable for currency forward contracts	2,066,726	318,114
	<u>15,799,101</u>	<u>397,631</u>
Net Assets	<u>\$551,191,747</u>	<u>\$289,002,049</u>
NET ASSETS PER SERIES		
Series I Units	\$ 12,759,667	\$ 5,354,006
Series M Units	\$538,432,080	\$283,648,043
UNITS OUTSTANDING		
Series I Units	1,034,747	515,689
Series M Units	40,848,703	25,558,059
NET ASSETS PER UNIT		
Series I Units	\$ 12.33	\$ 10.38
Series M Units	\$ 13.18	\$ 11.10

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 4,946,682	\$1,481,473
Interest	1,658	1,946
Securities lending	4,912	43
Foreign withholding taxes/tax reclaims	(716,645)	(217,625)
	<u>4,236,607</u>	<u>1,265,837</u>
EXPENSES		
Management fees (note 5)	200,625	56,541
Harmonized Sales Tax/Goods and Services Tax	23,683	6,773
Audit fees	4,929	2,345
Independent Review Committee fees	714	80
Custodian fees	2,963	2,065
Filing fees	7,120	7,958
Legal fees	1,767	801
Unitholder reporting costs	3,566	3,172
Unitholder administration and service fees	21,874	8,156
Overdraft charges	—	255
	<u>267,241</u>	<u>88,146</u>
Net investment income (loss)	<u>3,969,366</u>	<u>1,177,691</u>
Net realized gain (loss) on investments sold	7,746,395	433,925
Net realized gain (loss) on currency forwards	(656,283)	(802,324)
Net gain (loss) foreign exchange	988,582	(45,834)
Transaction costs	(227,311)	(146,530)
Change in unrealized appreciation (depreciation) of investments	58,538,565	8,221,312
Change in unrealized appreciation (depreciation) of currency spots	7,052	—
Change in unrealized appreciation (depreciation) of currency forwards	(717,304)	489,267
Net gain (loss) on investments and transaction costs	<u>65,679,696</u>	<u>8,149,816</u>
Increase (decrease) in Net Assets from operations	<u>\$69,649,062</u>	<u>\$9,327,507</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series I Units*	\$ 1,485,490	\$ 3,127
Series M Units	\$68,163,572	\$9,324,380
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series I Units*	\$ 1.91	\$ 0.21
Series M Units	\$ 2.07	\$ 0.85

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012*
NET ASSETS – BEGINNING OF PERIOD		
Series I Units*	\$ 5,354,006	\$ —
Series M Units	283,648,043	23,760,391
	<u>289,002,049</u>	<u>23,760,391</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series I Units*	1,485,490	3,127
Series M Units	68,163,572	9,324,380
	<u>69,649,062</u>	<u>9,327,507</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series I Units*	(89,917)	(664)
Series M Units	(3,600,613)	(915,450)
	<u>(3,690,530)</u>	<u>(916,114)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series I Units*	6,466,671	152,650
Series M Units	217,475,846	166,893,725
Reinvested distributions		
Series I Units*	89,917	664
Series M Units	3,395,644	895,948
Payments on redemption		
Series I Units*	(546,500)	—
Series M Units	(30,650,412)	(28,737,760)
	<u>196,231,166</u>	<u>139,205,227</u>
INCREASE (DECREASE) IN NET ASSETS		
Series I Units*	7,405,661	155,777
Series M Units	254,784,037	147,460,843
	<u>262,189,698</u>	<u>147,616,620</u>
NET ASSETS – END OF PERIOD		
Series I Units*	12,759,667	155,777
Series M Units	538,432,080	171,221,234
	<u>\$551,191,747</u>	<u>\$171,377,011</u>

* Start date June 27, 2012.

The accompanying notes are an integral part of the financial statements.

Scotia Private U.S. Dividend Pool (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares/ Number of Contracts	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 95.0%				EQUITIES (cont'd)			
Energy – 8.2%				Health Care – 18.3%			
90,700	Chevron Corporation	10,158,850	11,264,240	216,100	Abbott Laboratories	7,498,554	7,919,693
100,400	Exxon Mobil Corporation	8,761,919	9,495,145	264,400	AbbVie Inc.	9,862,890	11,528,868
230,400	Kinder Morgan Inc/Delaware	8,927,163	9,235,366	160,300	Agilent Technologies, Inc.	6,948,767	7,201,921
87,110	Occidental Petroleum Corporation	7,653,568	8,166,877	278,300	Cardinal Health, Inc.	11,589,855	13,810,464
94,600	Schlumberger Limited	7,489,033	7,116,743	135,900	Express Scripts, Inc.	7,408,786	8,808,690
		<u>42,990,533</u>	<u>45,278,371</u>	140,370	Johnson & Johnson	9,568,068	12,663,166
Materials – 4.6%				156,900	Medtronic, Inc.	6,268,395	8,480,101
78,100	Air Products and Chemicals, Inc.	6,886,852	7,508,432	218,200	Merck & Co., Inc.	9,770,626	10,649,215
140,600	E.I. du Pont de Nemours and Company	6,700,623	7,755,713	666,400	Pfizer Inc.	17,244,699	19,661,163
227,100	Nucor Corporation	9,516,265	10,331,946			<u>86,160,640</u>	<u>100,723,281</u>
		<u>23,103,740</u>	<u>25,596,091</u>	Financials – 14.7%			
Industrials – 11.4%				123,400	Aflac, Inc.	5,329,665	7,529,118
130,940	Danaher Corporation	6,971,239	8,708,697	101,560	Chubb Corporation, The	7,799,439	9,032,891
157,200	Dover Corporation	9,550,932	12,827,058	175,600	Cincinnati Financial Corporation	6,959,321	8,468,652
668,700	General Electric Company	14,358,253	16,293,305	322,000	Citigroup Inc.	14,208,555	16,229,407
114,540	Honeywell International Inc.	7,527,285	9,548,310	412,800	Fifth Third Bancorp	6,205,814	7,828,779
95,100	Stanley Black & Decker Inc.	7,677,940	7,723,909	296,000	JPMorgan Chase & Co.	13,443,725	16,418,009
48,750	Union Pacific Corporation	5,663,987	7,902,443	149,000	U.S. Bancorp	4,801,446	5,653,155
		<u>51,749,636</u>	<u>63,003,722</u>	231,200	Wells Fargo & Company	7,728,436	10,025,347
Consumer Discretionary – 14.8%						<u>66,476,401</u>	<u>81,185,358</u>
246,810	Comcast Corporation, Class A	9,064,035	10,821,520	Information Technology – 12.1%			
105,100	DIRECTV	5,462,417	6,799,062	29,000	Apple Inc.	14,593,863	12,068,631
206,360	Family Dollar Stores, Inc.	12,517,375	13,507,988	117,040	Automatic Data Processing, Inc.	6,624,879	8,458,115
59,090	Home Depot Inc., The	3,007,898	4,784,940	65,900	International Business Machines Corporation	13,139,191	13,232,623
148,890	McDonald's Corporation	14,198,860	15,476,425	346,790	Microsoft Corporation	10,242,467	12,581,727
124,280	Target Corporation	6,989,110	8,981,327	262,000	Oracle Corporation	8,744,898	8,456,675
51,200	VF Corporation	7,564,022	10,396,007	175,300	QUALCOMM, Inc.	11,339,298	11,244,618
154,000	Viacom Inc., Class B	7,701,646	11,006,126			<u>64,684,596</u>	<u>66,042,389</u>
		<u>66,505,363</u>	<u>81,773,395</u>	Telecommunication Services – 2.3%			
Consumer Staples – 8.6%				193,700	AT&T Inc.	7,463,757	7,204,602
167,800	Altria Group, Inc.	5,682,123	6,170,738	105,890	Verizon Communications Inc.	4,231,325	5,600,738
130,160	CVS Caremark Corporation	5,949,083	7,817,122			<u>11,695,082</u>	<u>12,805,340</u>
55,670	PepsiCo, Inc.	3,944,976	4,780,572	Index Units – 0.0%			
126,290	Philip Morris International Inc.	11,045,410	11,493,816	480	S&P 500 Deposit Receipts, Put Option \$163.00 Jul. 20, 2013	130,796	187,612
122,310	Procter & Gamble Company, The	8,760,812	9,894,034			<u>455,259,636</u>	<u>523,924,467</u>
91,730	Wal-Mart Stores, Inc.	6,380,445	7,172,626	TOTAL INVESTMENT PORTFOLIO			
		<u>41,762,849</u>	<u>47,328,908</u>	Currency Spot Contracts – 0.0%			
				Currency Forward Contracts – (0.2%)			
				OTHER ASSETS, LESS LIABILITIES – 5.2%			
				NET ASSETS – 100.0%			

Scotia Private U.S. Dividend Pool (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Equities		
Energy	8.2	5.4
Materials	4.6	5.3
Industrials	11.4	14.2
Consumer Discretionary	14.8	15.2
Consumer Staples	8.6	12.7
Health Care	18.3	15.2
Financials	14.7	13.7
Information Technology	12.1	9.4
Telecommunication Services	2.3	1.5
Utilities	–	0.8
Currency Spot Contracts	0.0	0.0
Currency Forward Contracts	(0.2)	(0.1)

SUPPLEMENTARY SCHEDULES

Aa at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currency to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	488,911,519	88.7%	257,905,820	89.2%

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$48,891,152, or approximately 8.9% of total Net Assets, (December 31, 2012 – \$25,790,582, or approximately 8.9% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 95.0% (December 31, 2012 – 93.4%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$52,392,447 (December 31, 2012 – \$26,986,219). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$13,730,578	\$ 77,107
Payable for currency spot contracts	1,797	2,410
Payable for currency forward contracts	2,066,726	318,114
	\$15,799,101	\$397,631

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Private U.S. Equity Pool (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$423,310,682	\$476,033,684
Cash	35,965,250	25,495,225
Accrued investment income	214,017	295,443
Receivable for securities sold	21,396,766	12,760,530
Subscriptions receivable	313,242	667,069
Receivable for currency forward contracts	263,398	205,719
	<u>481,463,355</u>	<u>515,457,670</u>
LIABILITIES		
Payable for securities purchased	18,264,186	9,405,497
Redemptions payable	751,409	1,729,951
Accrued expenses	37,326	—
Payable for currency forward contracts	9,248,353	45,091
	<u>28,301,274</u>	<u>11,180,539</u>
Net Assets	<u>\$453,162,081</u>	<u>\$504,277,131</u>
NET ASSETS PER SERIES		
Series I Units	\$122,350,747	\$ 84,237,960
Series M Units	\$330,811,334	\$420,039,171
UNITS OUTSTANDING		
Series I Units	13,362,063	10,368,524
Series M Units	36,125,212	51,667,808
NET ASSETS PER UNIT		
Series I Units	\$ 9.16	\$ 8.12
Series M Units	\$ 9.16	\$ 8.13

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series I Units	\$ 84,237,960	\$ 74,249,930
Series M Units	420,039,171	557,615,909
	<u>504,277,131</u>	<u>631,865,839</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series I Units	12,507,535	5,463,362
Series M Units	45,829,725	46,424,789
	<u>58,337,260</u>	<u>51,888,151</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series I Units	28,306,752	4,694,391
Series M Units	25,738,919	73,270,478
Payments on redemption		
Series I Units	(2,701,500)	(19,347,579)
Series M Units	(160,796,481)	(220,379,466)
	<u>(109,452,310)</u>	<u>(161,762,176)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series I Units	38,112,787	(9,189,826)
Series M Units	(89,227,837)	(100,684,199)
	<u>(51,115,050)</u>	<u>(109,874,025)</u>
NET ASSETS – END OF PERIOD		
Series I Units	122,350,747	65,060,104
Series M Units	330,811,334	456,931,710
	<u>\$ 453,162,081</u>	<u>\$ 521,991,814</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 2,618,064	\$ 4,791,731
Interest	—	21,538
Securities lending	591	1,617
Foreign withholding taxes/tax reclaims	(345,367)	(681,601)
	<u>2,273,288</u>	<u>4,133,285</u>
EXPENSES		
Management fees (note 5)	187,980	256,829
Harmonized Sales Tax/Goods and Services Tax	24,484	32,243
Audit fees	5,788	7,838
Independent Review Committee fees	851	294
Custodian fees	5,143	7,045
Filing fees	8,014	7,977
Legal fees	2,093	2,691
Unitholder reporting costs	4,936	3,656
Unitholder administration and service fees	25,403	24,208
Overdraft charges	—	1,503
	<u>264,692</u>	<u>344,284</u>
Net investment income (loss)	<u>2,008,596</u>	<u>3,789,001</u>
Net realized gain (loss) on investments sold	70,829,646	12,552,066
Net realized gain (loss) on currency forwards	(6,983,497)	—
Net gain (loss) foreign exchange	2,268,619	(403,434)
Transaction costs	(877,719)	(211,135)
Change in unrealized appreciation (depreciation) of investments	237,198	36,161,653
Change in unrealized appreciation (depreciation) of currency forwards	(9,145,583)	—
Net gain (loss) on investments and transaction costs	<u>56,328,664</u>	<u>48,099,150</u>
Increase (decrease) in Net Assets from operations	<u>\$58,337,260</u>	<u>\$51,888,151</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series I Units	\$12,507,535	\$ 5,463,362
Series M Units	\$45,829,725	\$46,424,789
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series I Units	\$ 1.00	\$ 0.69
Series M Units	\$ 1.05	\$ 0.72

The accompanying notes are an integral part of the financial statements.

Scotia Private U.S. Equity Pool (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares/ Number of Contracts	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 93.4%				EQUITIES (cont'd)			
Energy – 4.3%				Health Care – 11.3%			
308,600	Noble Energy, Inc.	15,652,227	19,467,659	106,500	Johnson & Johnson	9,250,673	9,607,660
Materials – 1.9%				425,200	Medtronic, Inc.	20,980,052	22,981,126
192,700	Nucor Corporation	9,181,423	8,766,914	208,800	Thermo Fisher Scientific, Inc.	16,035,741	18,566,582
Industrials – 13.0%							
142,000	Danaher Corporation	7,256,741	9,444,287	Financials – 23.9%			
156,100	Equifax Inc.	8,581,100	9,665,325	179,000	American Express Company	10,818,511	14,045,411
117,300	Honeywell International Inc.	8,522,494	9,778,389	204,700	Berkshire Hathaway Inc., Class B	22,249,072	24,163,956
98,100	Parker-Hannifin Corporation	9,140,056	9,891,943	250,800	JPMorgan Chase & Co.	14,141,130	13,910,935
61,000	TransDigm Group Inc.	5,755,176	10,064,439	194,600	MetLife, Inc.	9,015,707	9,354,295
61,800	Union Pacific Corporation	8,358,762	10,017,866	354,200	Morgan Stanley	9,745,436	9,114,114
				114,700	Signature Bank	9,144,065	10,005,142
				118,400	T. Rowe Price Group Inc.	9,275,809	9,100,037
				428,400	Wells Fargo & Company	18,368,695	18,576,378
Consumer Discretionary – 15.0%							
185,000	CBS Corporation, Class B	6,821,966	9,499,291	Information Technology – 14.4%			
656,300	Ford Motor Company	9,045,320	10,653,885	25,300	Google Inc.	18,073,169	23,388,710
145,900	Ross Stores, Inc.	8,862,707	9,935,150	240,000	KLA-Tencor Corporation	13,723,736	14,053,270
4,298,800	Sirius XM Radio Inc.	12,399,046	15,040,719	23,300	MasterCard, Inc., Class A	11,507,691	13,972,900
200,200	Starwood Hotels & Resorts Worldwide, Inc.	13,724,784	13,291,976	72,700	Visa Inc.	13,666,962	13,944,192
141,400	Walt Disney Company, The	8,438,875	9,382,096				
Consumer Staples – 9.6%							
199,800	Costco Wholesale Corporation	20,133,130	23,211,858	TOTAL INVESTMENT PORTFOLIO			
124,100	Estee Lauder Companies Inc., The	8,787,654	8,575,841				
126,200	Hershey Company, The	7,748,483	11,838,336	Currency Forward Contracts – (2.0)%			
				OTHER ASSETS, LESS LIABILITIES – 8.6%			
				NET ASSETS – 100.0%			
</							

Scotia Private U.S. Equity Pool (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currency to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	220,415,611	48.6	142,183,625	28.2

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$22,041,561, or approximately 4.9% of total Net Assets, (December 31, 2012 – \$14,218,363, or approximately 2.8% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 93.4% (December 31, 2012 – 94.4%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$42,331,068 (December 31, 2012 – \$47,603,368). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012	
	Less than 3 months	Less than 3 months	3 months to 1 year
Accounts payable and accrued liabilities	\$19,052,921	\$11,135,448	–
Payable for currency forward contracts	9,248,353	–	45,091
	\$28,301,274	\$11,135,448	\$45,091

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia U.S. Blue Chip Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$26,594,682	\$23,183,413
Cash	1,898,639	2,447,138
Accrued investment income	22,622	15,033
Receivable for securities sold	551,413	—
Subscriptions receivable	3,551	5,901
	<u>29,070,907</u>	<u>25,651,485</u>
LIABILITIES		
Payable for securities purchased	370,572	—
Redemptions payable	19,613	7,799
Accrued expenses	59,124	—
Payable for swap contracts	30,981	—
Payable for currency forward contracts	297,712	98,984
	<u>778,002</u>	<u>106,783</u>
Net Assets	<u>\$28,292,905</u>	<u>\$25,544,702</u>
NET ASSETS PER SERIES		
Series A Units	<u>\$28,292,905</u>	<u>\$25,544,702</u>
UNITS OUTSTANDING		
Series A Units	<u>3,879,350</u>	<u>4,002,872</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 7.29</u>	<u>\$ 6.38</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$25,544,702	\$26,030,037
Series F Units	—	7,280
	<u>25,544,702</u>	<u>26,037,317</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	3,586,588	898,168
Series F Units	—	293
	<u>3,586,588</u>	<u>898,461</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	1,706,634	1,394,934
Payments on redemption		
Series A Units	(2,545,019)	(2,024,897)
	<u>(838,385)</u>	<u>(629,963)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	2,748,203	268,205
Series F Units	—	293
	<u>2,748,203</u>	<u>268,498</u>
NET ASSETS – END OF PERIOD		
Series A Units	28,292,905	26,298,242
Series F Units	—	7,573
	<u>\$28,292,905</u>	<u>\$26,305,815</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 218,977	\$ 182,163
Interest	2,864	706
Securities lending	66	87
Foreign withholding taxes/tax reclaims	(28,602)	(25,181)
Other income	153	165
	<u>193,458</u>	<u>157,940</u>
EXPENSES		
Management fees (note 5)	266,776	264,982
Harmonized Sales Tax/Goods and Services Tax	35,919	36,328
Audit fees	335	1,521
Independent Review Committee fees	47	419
Custodian fees	1,251	1,580
Filing fees	6,873	8,609
Legal fees	119	538
Unitholder reporting costs	7,537	10,929
Unitholder administration and service fees	47,576	56,659
Overdraft charges	—	1
	<u>366,433</u>	<u>381,566</u>
Absorbed expenses	(38)	(14,178)
	<u>366,395</u>	<u>367,388</u>
Net investment income (loss)	<u>(172,937)</u>	<u>(209,448)</u>
Net realized gain (loss) on investments sold	1,052,395	(560,734)
Net realized gain (loss) on currency forwards	(458,845)	144,657
Net realized gain (loss) on swap contracts	124,379	—
Net gain (loss) foreign exchange	68,693	(51,947)
Transaction costs	(19,973)	(18,629)
Change in unrealized appreciation (depreciation) of investments	3,222,585	1,601,136
Change in unrealized appreciation (depreciation) of currency forwards	(198,728)	(6,574)
Change in unrealized appreciation (depreciation) of swap contracts	(30,981)	—
Net gain (loss) on investments and transaction costs	<u>3,759,525</u>	<u>1,107,909</u>
Increase (decrease) in Net Assets from operations	<u>\$3,586,588</u>	<u>\$ 898,461</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$3,586,588	\$ 898,168
Series F Units	—	293
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.92	\$ 0.22
Series F Units	—	0.26

The accompanying notes are an integral part of the financial statements.

Scotia U.S. Blue Chip Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares		Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares/ Ounces		Issuer	Average Cost (\$)	Fair Value (\$)
UNITED STATES – 89.5%					UNITED STATES (cont'd)				
Energy – 9.0%					Health Care – 7.1%				
6,600	Chevron Corporation		545,591	819,669	7,200	Laboratory Corporation of America Holdings		639,546	756,879
15,700	Devon Energy Corporation		888,931	855,149	12,200	Merck & Co., Inc.		527,027	595,419
3,200	Exxon Mobil Corporation		263,117	302,634	9,200	Varian Medical Systems, Inc.		600,863	651,999
7,400	Schlumberger Limited		575,268	556,701				1,767,436	2,004,297
			2,272,907	2,534,153	Financials – 11.0%				
Materials – 4.8%					20,200	American International Group, Inc.		925,901	949,352
15,100	Ecolab Inc.		718,533	1,351,424	26,300	Citigroup Inc.		1,013,574	1,325,570
Industrials – 14.0%					19,200	Wells Fargo & Company		623,702	832,555
7,800	3M Co.		695,137	896,170				2,563,177	3,107,477
14,600	Danaher Corporation		722,083	971,032	Information Technology – 15.6%				
22,500	Hertz Global Holdings, Inc.		551,628	582,979	6,200	Adobe Systems Incorporated		284,581	296,792
7,800	Pall Corporation		535,203	542,783	4,500	Amphenol Corporation		256,910	368,889
6,000	Union Pacific Corporation		583,713	972,608	900	Google Inc.		517,979	832,009
			3,087,764	3,965,572	51,500	Microsoft Corporation		1,373,153	1,868,448
Consumer Discretionary – 13.6%					5,400	Visa Inc.		386,258	1,035,745
30,200	Gentex Corporation		591,176	731,083				2,818,881	4,401,883
7,800	Home Depot Inc., The		413,189	631,622	TOTAL UNITED STATES				
6,200	McDonald's Corporation		457,196	644,461				19,371,363	25,296,796
12,900	Starwood Hotels & Resorts Worldwide, Inc.		635,244	856,476	Switzerland – 2.7%				
14,500	Walt Disney Company, The		721,865	962,096	33,500	ABB Limited		615,976	759,650
			2,818,670	3,825,738	TOTAL EQUITIES				
Consumer Staples – 14.4%								19,987,339	26,056,446
27,400	Coca-Cola Company, The		855,992	1,154,443	COMMODITIES – 1.9%				
5,200	Costco Wholesale Corporation		507,068	604,112	415	Gold Bullion		701,612	538,236
12,500	Estee Lauder Companies Inc., The		722,396	863,804	TOTAL INVESTMENT PORTFOLIO				
12,400	Procter & Gamble Company, The		835,104	1,003,074				20,688,951	26,594,682
14,523	Tootsie Roll Industries Inc.		403,435	480,819	Currency Forward Contracts – (1.1)%				
			3,323,995	4,106,252	Swap Contracts – 0.1%				
					OTHER ASSETS, LESS LIABILITIES – 6.9%				
					NET ASSETS – 100.0%				

Scotia U.S. Blue Chip Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equities		
Energy	–	2.6
United States Equities		
Energy	9.0	5.2
Material	4.8	4.2
Industrials	14.0	10.9
Consumer Discretionary	13.6	12.9
Consumer Staples	14.4	11.3
Health Care	7.1	10.7
Financials	11.0	8.6
Information Technology	15.6	16.3
Utilities	–	2.7
Switzerland	2.7	2.7
Commodities	1.9	2.7
Currency Forward Contracts	(1.1)	(0.4)
Swap Contracts	0.1	–

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund invests in swap contracts, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$6,673, or approximately 0.0% of total Net Assets (December 31, 2012 – nil). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	19,470,554	68.6	7,459,081	29.2
Swiss Franc	158,601	0.6	190,377	0.7
Total	19,629,155	69.2	7,649,458	29.9

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$1,962,912, or approximately 6.9% of total Net Assets, (December 31, 2012 – \$764,946, or approximately 3.0% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 96.3% (December 31, 2012 – 90.8%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$2,733,423 (December 31, 2012 – \$2,318,341). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$449,309	\$ 7,799
Payable for swaps contracts	30,981	–
Payable for currency forward contracts	297,712	98,984
	\$778,002	\$106,783

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia U.S. Opportunities Fund (Unaudited)

(formerly, Scotia U.S. Value Fund)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$21,511,591	\$21,000,639
Cash	1,797,932	1,074,352
Accrued investment income	10,950	13,028
Receivable for securities sold	1,065,503	560,902
Subscriptions receivable	2,373	9,179
Receivable for currency forward contracts	—	9,158
	<u>24,388,349</u>	<u>22,667,258</u>
LIABILITIES		
Payable for securities purchased	915,982	413,372
Redemptions payable	62,862	18,155
Accrued expenses	36,921	—
Payable for currency forward contracts	420,723	2,008
	<u>1,436,488</u>	<u>433,535</u>
Net Assets	<u>\$22,951,861</u>	<u>\$22,233,723</u>
NET ASSETS PER SERIES		
Series A Units	\$17,852,100	\$16,652,771
Series I Units	\$ 5,099,761	\$ 5,580,952
UNITS OUTSTANDING		
Series A Units	2,161,482	2,241,234
Series I Units	533,350	657,007
NET ASSETS PER UNIT		
Series A Units	\$ 8.26	\$ 7.43
Series I Units	\$ 9.56	\$ 8.49

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS — BEGINNING OF PERIOD		
Series A Units	\$16,652,771	\$16,312,077
Series I Units	5,580,952	77,790,389
	<u>22,233,723</u>	<u>94,102,466</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	1,832,842	1,175,489
Series I Units	649,856	6,452,088
	<u>2,482,698</u>	<u>7,627,577</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	1,450,492	1,696,015
Series I Units	40,959	300,004
Payments on redemption		
Series A Units	(2,084,005)	(1,562,973)
Series I Units	(1,172,006)	(6,205,384)
	<u>(1,764,560)</u>	<u>(5,772,338)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	1,199,329	1,308,531
Series I Units	(481,191)	546,708
	<u>718,138</u>	<u>1,855,239</u>
NET ASSETS — END OF PERIOD		
Series A Units	17,852,100	17,620,608
Series I Units	5,099,761	78,337,097
	<u>\$22,951,861</u>	<u>\$95,957,705</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 122,080	\$ 811,941
Interest	263	791
Securities lending	306	234
Foreign withholding taxes/tax reclaims	(16,249)	(115,964)
Other income	82	749
	<u>106,482</u>	<u>697,751</u>
EXPENSES		
Management fees (note 5)	171,422	169,972
Harmonized Sales Tax/Goods and Services Tax	22,379	21,020
Audit fees	302	2,289
Independent Review Committee fees	40	227
Custodian fees	769	1,623
Filing fees	7,953	8,065
Legal fees	149	1,119
Unitholder reporting costs	5,013	6,864
Unitholder administration and service fees	22,470	30,459
Overdraft charges	1	—
	<u>230,498</u>	<u>241,638</u>
Net investment income (loss)	<u>(124,016)</u>	<u>456,113</u>
Net realized gain (loss) on investments sold	2,029,486	154,076
Net realized gain (loss) on currency forwards	(312,002)	—
Net gain (loss) foreign exchange	89,549	(69,483)
Transaction costs	(38,306)	(20,563)
Change in unrealized appreciation (depreciation) of investments	1,265,860	7,107,434
Change in unrealized appreciation (depreciation) of currency forwards	(427,873)	—
Net gain (loss) on investments and transaction costs	<u>2,606,714</u>	<u>7,171,464</u>
Increase (decrease) in Net Assets from operations	<u>\$2,482,698</u>	<u>\$7,627,577</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$1,832,842	\$1,175,489
Series I Units	\$ 649,856	\$6,452,088
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.84	\$ 0.51
Series I Units	\$ 1.11	\$ 0.68

The accompanying notes are an integral part of the financial statements.

Scotia U.S. Opportunities Fund (Unaudited – Continued)

(formerly, Scotia U.S. Value Fund)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 93.7%				EQUITIES (cont'd)			
Energy – 4.4%				Health Care – 11.3%			
16,000	Noble Energy, Inc.	812,148	1,009,341	5,400	Johnson & Johnson	469,048	487,149
Materials – 2.0%				21,500	Medtronic, Inc.	1,061,630	1,162,028
9,900	Nucor Corporation	473,827	450,402	10,600	Thermo Fisher Scientific, Inc.	816,444	942,556
Industrials – 13.2%						2,347,122	2,591,733
7,300	Danaher Corporation	389,532	485,516	Financials – 23.9%			
8,200	Equifax Inc.	450,441	507,724	9,100	American Express Company	546,894	714,040
6,000	Honeywell International Inc.	435,949	500,173	10,500	Berkshire Hathaway Inc., Class B	1,001,621	1,239,480
5,000	Parker-Hannifin Corporation	453,308	504,177	12,700	JPMorgan Chase & Co.	716,302	704,421
3,100	TransDigm Group Inc.	300,399	511,472	9,900	MetLife, Inc.	458,669	475,887
3,200	Union Pacific Corporation	432,837	518,724	17,800	Morgan Stanley	489,748	458,022
		2,462,466	3,027,786	5,900	Signature Bank	470,347	514,650
Consumer Discretionary – 15.1%				6,000	T. Rowe Price Group Inc.	470,058	461,151
9,400	CBS Corporation, Class B	364,008	482,667	21,700	Wells Fargo & Company	930,445	940,960
33,200	Ford Motor Company	457,572	538,944			5,084,084	5,508,611
7,500	Ross Stores, Inc.	455,586	510,717	Information Technology – 14.1%			
222,200	Sirius XM Radio Inc.	638,614	777,437	1,200	Google Inc.	840,023	1,109,346
10,200	Starwood Hotels & Resorts Worldwide, Inc.	699,725	677,214	12,100	KLA-Tencor Corporation	691,839	708,519
7,100	Walt Disney Company, The	423,274	471,095	1,200	MasterCard, Inc., Class A	599,820	719,634
		3,038,779	3,458,074	3,700	Visa Inc.	695,594	709,677
Consumer Staples – 9.7%						2,827,276	3,247,176
10,100	Costco Wholesale Corporation	1,026,550	1,173,371	TOTAL INVESTMENT PORTFOLIO			
6,300	Estee Lauder Companies Inc., The	446,102	435,357			18,930,568	21,511,591
6,500	Hershey Company, The	412,214	609,740	Currency Forward Contracts – (1.8)%			
		1,884,866	2,218,468	OTHER ASSETS, LESS LIABILITIES – 8.1%			
				NET ASSETS – 100.0%			
							(420,723)
							1,860,993
							22,951,861

CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jul. 11, 2013	Canadian Dollar	5,631,308	U.S. Dollar	5,575,000	5,862,250	(230,943)
Jul. 11, 2013	Canadian Dollar	2,369,104	U.S. Dollar	2,344,000	2,464,774	(95,670)
Aug. 22, 2013	Canadian Dollar	2,796,136	U.S. Dollar	2,744,000	2,890,246	(94,110)
						(420,723)

The currency forward contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Energy	4.4	9.2
Material	2.0	–
Industrials	13.2	12.2
Consumer Discretionary	15.1	15.5
Consumer Staples	9.7	11.4
Health Care	11.3	6.4
Financials	23.9	18.6
Information Technology	14.1	21.2
Index Units	–	0.0
Currency Forward Contracts	(1.8)	–

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia U.S. Opportunities Fund (Unaudited – Continued)

(formerly, Scotia U.S. Value Fund)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currency to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	12,025,064	52.4	6,142,908	27.6

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$1,202,506, or approximately 5.2% of total Net Assets, (December 31, 2012 – \$614,291, or approximately 2.8% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 93.7% (December 31, 2012 – 94.5%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$2,151,159 (December 31, 2012 – \$2,100,064). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$1,015,765	\$431,527
Payable for currency forward contracts	420,723	2,008
	\$1,436,488	\$433,535

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Private International Core Equity Pool (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$34,215,558	\$30,349,013
Cash	2,668,868	1,029,199
Accrued investment income	66,824	22,353
Receivable for securities sold	109,137	119,847
Subscriptions receivable	2,000,566	1,081
Receivable for currency spot contracts	668	26
	<u>39,061,621</u>	<u>31,521,519</u>
LIABILITIES		
Payable for securities purchased	1,049,008	104,630
Redemptions payable	22,281	371,182
Accrued expenses	14,289	—
Payable for currency spot contracts	740	788
	<u>1,086,318</u>	<u>476,600</u>
Net Assets	<u>\$37,975,303</u>	<u>\$31,044,919</u>
NET ASSETS PER SERIES		
Series M Units	<u>\$37,975,303</u>	<u>\$31,044,919</u>
UNITS OUTSTANDING		
Series M Units	<u>4,525,818</u>	<u>3,968,673</u>
NET ASSETS PER UNIT		
Series M Units	<u>\$ 8.39</u>	<u>\$ 7.82</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series M Units	<u>\$31,044,919</u>	<u>\$ 65,988,063</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series M Units	<u>2,236,930</u>	<u>3,242,880</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series M Units	7,685,548	5,336,299
Payments on redemption		
Series M Units	(2,992,094)	(38,920,385)
	<u>4,693,454</u>	<u>(33,584,086)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series M Units	<u>6,930,384</u>	<u>(30,341,206)</u>
NET ASSETS – END OF PERIOD		
Series M Units	<u>\$37,975,303</u>	<u>\$ 35,646,857</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 509,278	\$1,164,078
Interest	18,274	10,587
Securities lending	6,507	20,851
Foreign withholding taxes/tax reclaims	(71,019)	(150,829)
	<u>463,040</u>	<u>1,044,687</u>
EXPENSES		
Management fees (note 5)	48,511	89,303
Harmonized Sales Tax/Goods and Services Tax	8,668	14,842
Audit fees	406	1,796
Independent Review Committee fees	57	28
Custodian fees	16,290	19,804
Filing fees	7,127	7,124
Legal fees	924	6,941
Unitholder reporting costs	2,421	3,085
Unitholder administration and service fees	1,707	5,998
Overdraft charges	485	825
	<u>86,596</u>	<u>149,746</u>
Net investment income (loss)	<u>376,444</u>	<u>894,941</u>
Net realized gain (loss) on investments sold	819,721	564,965
Net gain (loss) foreign exchange	(6,558)	(17,550)
Transaction costs	(14,402)	(20,801)
Change in unrealized appreciation (depreciation) of investments	1,061,035	1,817,558
Change in unrealized appreciation (depreciation) of currency spots	690	3,767
Net gain (loss) on investments and transaction costs	<u>1,860,486</u>	<u>2,347,939</u>
Increase (decrease) in Net Assets from operations	<u>\$2,236,930</u>	<u>\$3,242,880</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series M Units	<u>\$2,236,930</u>	<u>\$3,242,880</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series M Units	<u>\$ 0.56</u>	<u>\$ 0.40</u>

The accompanying notes are an integral part of the financial statements.

Scotia Private International Core Equity Pool (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
FOREIGN EQUITIES – 90.1%				FOREIGN EQUITIES (cont'd)			
Argentina – 0.5%				Sweden – 3.0%			
1,800	MercadoLibre Inc	142,252	203,707	14,600	Assa Abloy AB Series B	374,852	598,013
Brazil – 2.8%				15,955	Hennes & Mauritz AB, Class B	537,441	548,920
8,990	Empresa Brasileira De Aeronautica SA ADR	300,484	348,454			912,293	1,146,933
29,036	Itau Unibanco Holding SA ADR	518,820	391,723	Switzerland – 9.2%			
14,150	Natura Cosmetics SA	351,030	316,781	12,086	Julius Baer Group Ltd.	500,393	493,308
		1,170,334	1,056,958	5,730	Nestle SA	323,602	393,654
China – 1.4%				11,500	Novartis AG	677,311	856,044
832,683	Industrial and Commercial Bank of China Ltd., Class H	594,331	546,803	3,289	Roche Holdings AG	776,951	856,006
Denmark – 2.4%				433	Swatch Group AG, Class B	182,573	249,193
5,497	Novo Nordisk A/S, Class B	555,399	899,086	1,585	Syngenta AG	539,291	649,263
France – 8.5%						3,000,121	3,497,468
5,495	Air Liquide SA	588,881	710,167	United Kingdom – 17.4%			
4,397	Compagnie Generale des Etablissements Michelin, Class B	325,965	410,957	13,502	ARM Holdings PLC	83,089	171,626
4,065	Dassault Systemes SA	276,745	521,952	11,339	British American Tobacco PLC	444,807	611,719
5,238	LVMH Moet Hennessy Louis Vuitton SA	718,427	886,135	18,425	Burberry Group PLC	364,072	399,304
9,289	Publicis Groupe	451,265	691,974	13,510	Carnival PLC	458,928	492,264
		2,361,283	3,221,185	162,982	Kingfisher PLC	578,888	896,313
Germany – 9.2%				18,210	Pearson PLC	286,259	339,669
6,949	Adidas-Salomon AG	498,664	789,025	12,356	Reckitt Benkiser Group PLC	683,807	920,175
2,007	Allianz SE	273,998	308,463	34,800	Rolls-Royce Group PLC	362,155	632,547
16,412	Deutsche Bank AG	717,915	725,168	3,653,300	Rolls-Royce Holdings PLC *	–	5,837
10,440	Fresenius Medical Care AG & Co. KGaA	638,127	777,024	52,926	Royal Bank of Scotland Group PLC, The	250,669	232,192
9,037	SAP AG	456,269	695,183	9,180	SABMiller PLC	274,660	464,050
1,696	Siemens AG	203,223	180,028	30,986	Standard Chartered PLC	781,303	702,785
		2,788,196	3,474,891	15,570	Tullow Oil PLC	296,387	249,857
Hong Kong – 6.9%				24,193	WPP Group PLC	381,808	434,212
152,849	AIA Group Ltd.	586,671	674,917			5,246,832	6,552,550
90,660	CNOOC Limited	176,717	160,012	United States – 7.8%			
97,534	Hang Lung Properties Limited	424,454	355,782	2,900	SINA Corporation	173,009	169,719
39,341	Hong Kong Exchanges & Clearing Limited	660,394	619,340	6,989	Accenture PLC, Class A	439,870	528,425
75,292	HSBC Holdings PLC Ord	694,840	826,336	4,839	Baidu, Inc.	594,015	480,519
		2,543,076	2,636,387	5,140	Liberty Global Inc., Class A	398,879	397,699
Italy – 0.6%				10,558	Schlumberger Limited	679,250	794,277
13,245	Saipem SpA	393,380	225,131	8,301	Yum! Brands, Inc.	554,818	605,382
Japan – 15.3%						2,839,841	2,976,021
13,728	Bridgestone Corporation	472,031	491,571	TOTAL INVESTMENT PORTFOLIO			
2,514	FANUC Corp.	327,513	382,973		Currency Spot Contracts – 0.0%	29,161,264	34,215,558
7,216	KDDI Corporation	247,784	394,434		OTHER ASSETS, LESS LIABILITIES – 9.9%		(72)
26,907	Komatsu Ltd.	620,101	653,620		NET ASSETS – 100.0%		3,759,817
31,887	Kubota Corporation	460,730	486,325				37,975,303
176,166	Mitsubishi UFJ Financial Group, Inc.	940,050	1,148,444	* This security is not actively traded and is considered illiquid.			
102,300	Mitsui Trust Holdings Inc.	534,162	501,781				
982	Osaka Securities Exchange Co., Ltd.	69,262	104,241				
9,414	SOFTBANK Corp.	453,275	577,450				
16,851	Toyota Motor Corporation	728,575	1,068,910				
		4,853,483	5,809,749				
Mexico – 0.7%							
95,170	Wal-Mart de Mexico SAB de CV, Series V	232,515	280,217				
Netherlands – 2.8%							
8,113	ASML Holding NV	547,877	668,662				
6,059	ING Groep NV	58,286	58,163				
12,099	Yandex NV	347,779	351,243				
		953,942	1,078,068				
South Korea – 1.0%							
306	Samsung Electronics Co., Ltd.	375,395	377,239				
Spain – 0.6%							
6,948	Amadeus Global Travel Distribution SA	198,591	233,165				

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Private International Core Equity Pool (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO CURRENCY SPOT CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jul. 2, 2013	British Pound	83,279	Canadian Dollar	133,171	133,171	(108)
Jul. 2, 2013	Canadian Dollar	10,659	British Pound	6,641	10,612	47
Jul. 2, 2013	European Euro	57,502	Canadian Dollar	78,570	78,570	59
Jul. 2, 2013	Hong Kong Dollar	796,451	Canadian Dollar	107,634	107,631	262
Jul. 2, 2013	Japanese Yen	9,513,459	Canadian Dollar	101,380	101,401	(632)
Jul. 2, 2013	U.S. Dollar	140,258	Canadian Dollar	147,069	147,068	300
						<u>(72)</u>

The currency spot contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A+ by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Argentina	0.5	0.3
Brazil	2.8	2.8
China	1.4	1.3
Denmark	2.4	2.7
France	8.5	9.6
Germany	9.2	13.9
Hong Kong	6.9	9.1
Israel	–	1.6
Italy	0.6	–
Japan	15.3	9.3
Mexico	0.7	0.9
Netherlands	2.8	1.2
South Korea	1.0	1.1
Spain	0.6	–
Sweden	3.0	4.1
Switzerland	9.2	8.0
United Kingdom	17.4	21.4
United States	7.8	10.5
Currency Spot Contracts	0.0	0.0

The accompanying notes are an integral part of the financial statements.

Scotia Private International Core Equity Pool (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
European Euro	7,994,432	21.1	7,505,769	24.2
British Pound	6,675,111	17.6	6,462,617	20.8
Japanese Yen	5,922,906	15.6	2,898,190	9.3
U.S. Dollar	4,418,215	11.6	4,768,229	15.4
Swiss Franc	3,497,469	9.2	2,469,972	8.0
Hong Kong Dollar	3,290,821	8.7	3,242,102	10.4
Swedish Krona	1,146,933	3.0	1,195,739	3.9
Danish Krone	899,086	2.4	840,088	2.7
South Korean Won	377,239	1.0	343,275	1.1
Brazilian Real	316,781	0.8	331,981	1.1
Mexican Peso	280,217	0.7	283,595	0.9
Total	34,819,210	91.7	30,341,557	97.8

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$3,481,921, or approximately 9.2% of total Net Assets, (December 31, 2012 – \$3,034,156, or approximately 9.8% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 90.1% (December 31, 2012 – 97.8%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$3,421,556 (December 31, 2012 – \$3,034,901). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$1,085,578	\$475,812
Payable for currency spot contracts	740	788
Payable for currency forward contracts	–	–
	\$1,086,318	\$476,600

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia International Value Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$84,947,728	\$85,491,337
Cash	5,264,783	1,605,356
Accrued investment income	216,090	46,698
Receivable for securities sold	206,353	—
Subscriptions receivable	68,220	3,346
Receivable for currency forward contracts	278,989	181,336
	<u>90,982,163</u>	<u>87,328,073</u>
LIABILITIES		
Payable for securities purchased	478,009	—
Distributions payable	—	71
Redemptions payable	7,442	11,496
Accrued expenses	28,241	—
Payable for currency forward contracts	<u>1,039,777</u>	<u>136,079</u>
	<u>1,553,469</u>	<u>147,646</u>
Net Assets	<u>\$89,428,694</u>	<u>\$87,180,427</u>
NET ASSETS PER SERIES		
Series A Units	\$10,170,344	\$ 9,527,944
Advisor Series Units	\$ 12,267	\$ 11,590
Series I Units	<u>\$79,246,083</u>	<u>\$77,640,893</u>
UNITS OUTSTANDING		
Series A Units	1,568,360	1,555,698
Advisor Series Units	1,951	1,951
Series I Units	<u>11,864,223</u>	<u>12,474,747</u>
NET ASSETS PER UNIT		
Series A Units	\$ 6.48	\$ 6.12
Advisor Series Units	\$ 6.29	\$ 5.94
Series I Units	<u>\$ 6.68</u>	<u>\$ 6.22</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 1,380,527	\$ 2,365,536
Interest	1,151	1,853
Securities lending	13,700	10,558
Foreign withholding taxes/tax reclaims	(121,577)	(185,734)
Other income	6	16
	<u>1,273,807</u>	<u>2,192,229</u>
EXPENSES		
Management fees (note 5)	108,895	95,106
Harmonized Sales Tax/Goods and Services Tax	17,457	16,509
Audit fees	1,095	2,565
Independent Review Committee fees	155	212
Custodian fees	26,420	21,312
Filing fees	13,444	13,523
Legal fees	385	971
Unitholder reporting costs	7,215	6,599
Unitholder administration and service fees	21,948	31,806
Overdraft charges	<u>1,898</u>	<u>362</u>
	<u>198,912</u>	<u>188,965</u>
Absorbed expenses	<u>(16,127)</u>	<u>(25,593)</u>
	<u>182,785</u>	<u>163,372</u>
Net investment income (loss)	<u>1,091,022</u>	<u>2,028,857</u>
Net realized gain (loss) on investments sold	(541,671)	(2,330,068)
Net realized gain (loss) on currency forwards	771,369	900,181
Net gain (loss) foreign exchange	31,211	(141,508)
Transaction costs	(58,631)	(75,688)
Change in unrealized appreciation (depreciation) of investments	5,698,462	8,256,006
Change in unrealized appreciation (depreciation) of currency spots	—	(22)
Change in unrealized appreciation (depreciation) of currency forwards	<u>(806,045)</u>	<u>(221,617)</u>
Net gain (loss) on investments and transaction costs	<u>5,094,695</u>	<u>6,387,284</u>
Increase (decrease) in Net Assets from operations	<u>\$ 6,185,717</u>	<u>\$ 8,416,141</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$ 574,437	\$ 462,551
Advisor Series Units	\$ 677	\$ 514
Series I Units	<u>\$ 5,610,603</u>	<u>\$ 7,953,076</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.36	\$ 0.28
Advisor Series Units	\$ 0.35	\$ 0.27
Series I Units	<u>\$ 0.47</u>	<u>\$ 0.39</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$ 9,527,944	\$ 8,349,835
Advisor Series Units	11,590	9,383
Series I Units	<u>77,640,893</u>	<u>109,235,424</u>
	<u>87,180,427</u>	<u>117,594,642</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	574,437	462,551
Advisor Series Units	677	514
Series I Units	<u>5,610,603</u>	<u>7,953,076</u>
	<u>6,185,717</u>	<u>8,416,141</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	1,212,959	413,744
Series I Units	269,000	1,019,998
Payments on redemption		
Series A Units	(1,144,996)	(757,051)
Series I Units	<u>(4,274,413)</u>	<u>(7,772,297)</u>
	<u>(3,937,450)</u>	<u>(7,095,606)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	642,400	119,244
Advisor Series Units	677	514
Series I Units	<u>1,605,190</u>	<u>1,200,777</u>
	<u>2,248,267</u>	<u>1,320,535</u>
NET ASSETS – END OF PERIOD		
Series A Units	10,170,344	8,469,079
Advisor Series Units	12,267	9,897
Series I Units	<u>79,246,083</u>	<u>110,436,201</u>
	<u>\$89,428,694</u>	<u>\$ 118,915,177</u>

The accompanying notes are an integral part of the financial statements.

Scotia International Value Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
FOREIGN EQUITIES – 95.0%				FOREIGN EQUITIES (cont'd)			
Australia – 1.2%				Switzerland – 3.4%			
866,000	Qantas Airways Limited	1,721,373	1,114,344	9,900	Dufry AG	1,221,712	1,258,180
Brazil – 1.2%				3,150	Swatch Group AG, Class B	1,235,376	1,812,833
98,200	Smiles SA	1,119,058	1,039,640			2,457,088	3,071,013
China – 6.3%				Taiwan – 3.8%			
460,000	AAC Acoustic Technologies Holdings Inc.	1,047,945	2,718,700	763,000	Chaillese Holding	1,172,824	1,880,640
3,009,000	China Liansu Group Holdings Ltd.	2,097,943	1,600,164	60,392	MediaTek Inc.	576,581	733,522
2,948,000	Chongqing Rural Commercial Bank Co., Ltd.	1,982,024	1,300,480	108,000	Mstar Semiconductor Inc.	658,667	801,086
		5,127,912	5,619,344			2,408,072	3,415,248
France - 4.9%				Thailand – 1.4%			
45,000	BNP Paribas	1,678,375	2,582,900	1,657,200	Pruksa Real Estate PCL	1,506,993	1,269,290
37,100	Orpea	1,385,502	1,799,703	Turkey – 2.1%			
		3,063,877	4,382,603	409,200	Turkiye Garanti Bankasi AS	1,749,565	1,871,775
Germany – 10.3%				United Kingdom – 21.8%			
44,300	ElringKlinger AG	1,227,723	1,553,126	106,700	Ashmore Group PLC	580,046	583,513
38,800	Gerresheimer AG	1,730,433	2,355,528	118,000	Berendsen PLC	1,432,210	1,402,935
29,767	Henkel AG & Co. KGaA	1,562,974	2,450,926	83,100	Bunzl PLC	950,377	1,703,914
74,300	NORMA Group	1,887,755	2,827,506	28,500	DCC PLC	814,496	1,172,544
		6,408,885	9,187,086	358,705	Inchcape PLC	1,872,211	2,858,709
Hong Kong – 9.9%				2,435,200	Lloyds Banking Group PLC	1,709,341	2,466,304
258,500	BOC Hong Kong (Holdings) Limited	729,654	829,494	464,600	Petra Diamonds Ltd.	1,062,880	853,015
1,169,600	Chow Tai Fook Jewellery Company Ltd.	1,554,459	1,283,466	202,900	Smith & Nephew PLC	1,897,974	2,375,530
1,258,000	CSR Corp Ltd.	897,221	774,743	69,200	Spectris PLC	1,415,738	2,106,106
805,900	MGM China Holdings Ltd.	1,141,246	2,260,345	82,650	Travis Perkins PLC	1,161,578	1,929,206
3,538,000	Value Partners Group Limited	2,746,760	1,984,116	41,800	Whitbread PLC	1,097,198	2,047,759
2,154,000	Xinyi Glass Holdings Ltd.	1,709,193	1,747,502			13,994,049	19,499,535
		8,778,533	8,879,666	TOTAL INVESTMENT PORTFOLIO			
Japan – 16.6%						72,868,824	84,947,728
119,100	Anritsu Corporation	1,549,596	1,482,503	Currency Forward Contracts – (0.9%)			
206,000	H2O Retailing Corp.	1,943,604	1,980,912				(760,788)
69,400	ITOCHU Corporation	842,068	841,812	OTHER ASSETS, LESS LIABILITIES – 5.9%			
49,000	KDDI Corporation	1,720,696	2,678,387				5,241,754
60,500	MegaChips Corporation	1,242,204	870,948	NET ASSETS – 100.0%			
62,500	Nabtesco Corporation	1,381,907	1,365,888				89,428,694
22,400	NIDEC Corporation	2,000,768	1,649,184				
6,700	Nitto Denko Corporation	461,861	452,836				
38,100	Sumitomo Mitsui Financial Group, Inc.	2,155,106	1,836,520				
75,600	Tamron Co., Ltd.	2,089,512	1,661,729				
		15,387,322	14,820,719				
Luxembourg – 2.3%							
801,300	Samsonite International SA	1,288,802	2,020,988				
Netherlands – 4.5%							
21,975	Akzo Nobel NV	1,320,256	1,296,742				
24,392	European Aeronautic Defence and Space Company	449,678	1,362,592				
35,084	Koninklijke Boskalis Westminster NV	1,533,929	1,343,051				
		3,303,863	4,002,385				
South Korea – 3.4%							
7,300	Hyundai Mobis	2,134,473	1,825,621				
43,150	Korea Aerospace Industries Ltd.	1,032,095	1,209,288				
		3,166,568	3,034,909				
Sweden – 1.9%							
9,100	Autoliv Inc. – Sweden Depository Receipt	609,982	743,251				
21,900	Modern Times Group Class B	776,882	975,932				
		1,386,864	1,719,183				

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia International Value Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jul. 11, 2013	British Pound	350,000	Canadian Dollar	550,491	550,150	9,080
Jul. 11, 2013	Canadian Dollar	10,726,701	British Pound	6,820,000	10,903,800	(177,100)
Jul. 11, 2013	Canadian Dollar	10,306,054	European Euro	7,717,000	10,560,383	(254,330)
Jul. 11, 2013	Canadian Dollar	9,379,224	Japanese Yen	902,000,000	9,559,137	(179,913)
Jul. 11, 2013	Canadian Dollar	1,132,538	Japanese Yen	111,000,000	1,176,346	(43,809)
Jul. 11, 2013	Canadian Dollar	487,296	Japanese Yen	49,000,000	519,288	(31,992)
Jul. 11, 2013	Canadian Dollar	189,384	Japanese Yen	19,000,000	201,357	(11,973)
Jul. 11, 2013	Canadian Dollar	59,770	Japanese Yen	6,000,000	63,586	(3,816)
Jul. 11, 2013	Canadian Dollar	8,341,390	U.S. Dollar	8,253,000	8,678,233	(336,844)
Jul. 11, 2013	European Euro	2,080,000	Canadian Dollar	2,743,645	2,741,555	102,696
Jul. 11, 2013	European Euro	337,000	Canadian Dollar	449,363	449,020	11,803
Jul. 11, 2013	Japanese Yen	118,500,000	Canadian Dollar	1,250,158	1,249,246	5,937
Jul. 11, 2013	Japanese Yen	118,500,000	Canadian Dollar	1,255,084	1,254,168	1,015
Jul. 11, 2013	U.S. Dollar	3,196,000	Canadian Dollar	3,230,229	3,227,667	130,357
Jul. 11, 2013	U.S. Dollar	457,000	Canadian Dollar	462,434	462,067	18,101
						<u>(760,788)</u>

The currency forward contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A+ by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Australia	1.2	1.3
Belgium	–	0.7
Brazil	1.2	–
China	6.3	8.7
Denmark	–	0.7
France	4.9	4.5
Germany	10.3	8.7
Hong Kong	9.9	13.5
Ireland	–	1.0
Japan	16.6	9.6
Luxembourg	2.3	2.0
Netherlands	4.5	6.7
Russia	–	0.9
Singapore	–	1.0
South Korea	3.4	3.5
Sweden	1.9	1.6
Switzerland	3.4	4.2
Taiwan	3.8	5.2
Thailand	1.4	–
Turkey	2.1	2.4
United Kingdom	21.8	21.9
Currency Forward Contracts	(0.9)	0.1

The accompanying notes are an integral part of the financial statements.

Scotia International Value Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
Hong Kong Dollar	16,863,466	18.9	21,105,643	24.2
European Euro	11,140,190	12.5	12,502,379	14.3
British Pound	10,005,702	11.2	8,604,184	9.9
Japanese Yen	5,985,192	6.7	1,873,524	2.1
Taiwan Dollar	5,859,524	6.5	5,699,969	6.5
Swiss Franc	3,086,450	3.5	3,638,625	4.2
South Korean Won	3,034,909	3.4	3,010,642	3.5
Swedish Krona	1,926,162	2.1	1,352,210	1.6
Turkish Lira	1,871,775	2.1	2,117,766	2.4
Thai Baht	1,269,290	1.4	–	–
Australian Dollar	1,114,344	1.2	1,105,891	1.3
Brazilian Real	1,039,640	1.2	–	–
U.S. Dollar	(4,988,499)	(5.6)	(4,851,617)	(5.6)
Singapore Dollar	–	–	877,686	1.0
Danish Krone	–	–	625,181	0.7
Total	58,208,145	65.1	57,662,083	66.1

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$5,820,815, or approximately 6.5% of total Net Assets, (December 31, 2012 – \$5,766,208, or approximately 6.6% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 95.0% (December 31, 2012 – 98.1%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$8,494,773 (December 31, 2012 – \$8,549,134). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$ 513,692	\$ 11,567
Payable for currency forward contracts	1,039,777	136,079
	\$1,553,469	\$147,646

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia European Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$18,336,188	\$17,716,127
Cash	62,778	80,893
Accrued investment income	30,746	12,387
Receivable for securities sold	53,860	—
Subscriptions receivable	9,951	3,365
	<u>18,493,523</u>	<u>17,812,772</u>
LIABILITIES		
Distributions payable	—	20
Redemptions payable	9,308	14,524
Accrued expenses	38,125	—
Payable for currency spot contracts	245	—
	<u>47,678</u>	<u>14,544</u>
Net Assets	<u>\$18,445,845</u>	<u>\$17,798,228</u>
NET ASSETS PER SERIES		
Series A Units	\$18,074,020	\$17,354,612
Series I Units	\$ 371,825	\$ 443,616
UNITS OUTSTANDING		
Series A Units	1,701,099	1,766,019
Series I Units	35,024	45,710
NET ASSETS PER UNIT		
Series A Units	\$ 10.62	\$ 9.83
Series I Units	\$ 10.62	\$ 9.71

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$17,354,612	\$16,556,783
Series I Units	443,616	410,978
	<u>17,798,228</u>	<u>16,967,761</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	1,409,484	927,594
Series I Units	39,198	28,188
	<u>1,448,682</u>	<u>955,782</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	1,133,667	459,033
Payments on redemption		
Series A Units	(1,823,743)	(1,784,716)
Series I Units	(110,989)	—
	<u>(801,065)</u>	<u>(1,325,683)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	719,408	(398,089)
Series I Units	(71,791)	28,188
	<u>647,617</u>	<u>(369,901)</u>
NET ASSETS – END OF PERIOD		
Series A Units	18,074,020	16,158,694
Series I Units	371,825	439,166
	<u>\$18,445,845</u>	<u>\$16,597,860</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 432,048	\$431,181
Interest	421	577
Securities lending	11,375	7,031
Foreign withholding taxes/tax reclaims	(68,022)	(54,247)
Other income	239	16
	<u>376,061</u>	<u>384,558</u>
EXPENSES		
Management fees (note 5)	179,288	166,448
Harmonized Sales Tax/Goods and Services Tax	23,453	21,906
Audit fees	253	1,431
Independent Review Committee fees	31	196
Custodian fees	4,511	7,541
Filing fees	7,951	8,108
Legal fees	132	855
Unitholder reporting costs	4,874	6,801
Unitholder administration and service fees	23,335	29,683
Overdraft charges	13	31
	<u>243,841</u>	<u>243,000</u>
Absorbed expenses	<u>(1,142)</u>	<u>(12,501)</u>
	<u>242,699</u>	<u>230,499</u>
Net investment income (loss)	<u>133,362</u>	<u>154,059</u>
Net realized gain (loss) on investments sold	422,399	11,049
Net gain (loss) foreign exchange	(3,959)	(1,701)
Transaction costs	(3,700)	(4,968)
Change in unrealized appreciation (depreciation) of investments	900,825	797,343
Change in unrealized appreciation (depreciation) of currency spots	(245)	—
Net gain (loss) on investments and transaction costs	<u>1,315,320</u>	<u>801,723</u>
Increase (decrease) in Net Assets from operations	<u>\$1,448,682</u>	<u>\$955,782</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$1,409,484	\$927,594
Series I Units	\$ 39,198	\$ 28,188
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.81	\$ 0.48
Series I Units	\$ 1.01	\$ 0.56

The accompanying notes are an integral part of the financial statements.

Scotia European Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
FOREIGN EQUITIES – 99.4%				FOREIGN EQUITIES (cont'd)			
Denmark – 2.6%				Portugal – 1.8%			
2,973	Novo Nordisk A/S, Class B	263,060	486,262	15,426	Jeronimo Martins, SGPS, SA	326,911	341,109
France – 12.2%				Sweden – 8.2%			
15,648	Bureau Veritas SA	246,473	425,597	9,070	Hennes & Mauritz AB, Class B	306,887	312,047
2,808	LVMH Moët Hennessy Louis Vuitton SA	365,515	475,041	13,919	Kinnevik Investment AB Class B	312,278	373,292
13,764	SES Global SA FDR	327,336	412,980	22,578	Svebank AB	268,777	541,418
6,021	Sodexo	454,012	526,718	7,617	Swedish Match AB	235,718	282,938
6,160	Valeo SA	275,879	404,853			1,123,660	1,509,695
		1,669,215	2,245,189	Switzerland – 10.5%			
Germany – 24.3%				3,138	Roche Holdings AG	546,535	816,708
4,596	Adidas-Salomon AG	263,630	521,853	1,314	Syngenta AG	305,017	538,253
5,969	Bayer AG	396,574	667,432	32,496	UBS AG	485,115	579,856
8,985	Deutsche Boerse AG	564,275	618,068			1,336,667	1,934,817
3,960	Fresenius SE & Co. KGaA	312,318	514,068	United Kingdom – 21.2%			
4,634	Kabel Deutschland Holding AG	262,710	534,544	20,730	ARM Holdings PLC	190,590	263,503
2,403	Linde AG	285,734	470,061	24,572	BG Group PLC	423,523	440,560
6,194	Porsche Automobile Holdings SE	429,281	502,745	9,228	British American Tobacco PLC	297,474	497,834
8,389	SAP AG	439,339	645,335	74,196	Glencore Xstrata PLC	322,305	324,248
		2,953,861	4,474,106	23,501	Pearson PLC	382,474	438,362
Netherlands – 7.3%				4,117	Randgold Resources Limited	364,055	275,096
4,811	ASML Holding NV	94,159	396,516	11,793	SABMiller PLC	411,610	596,137
5,076	Gemalto NV	450,138	482,820	191,103	Vodafone Group PLC	538,120	576,122
49,176	ING Groep NV	409,266	472,063	14,494	Weir Group PLC, The	453,569	500,552
		953,563	1,351,399			3,383,720	3,912,414
Norway – 11.3%				TOTAL INVESTMENT PORTFOLIO			
31,138	DnB NOR ASA	381,825	472,606			13,591,914	18,336,188
24,133	Petroleum Geo-Services ASA	238,828	308,060	Currency Spot Contracts – 0.0%			
11,558	Seadrill Ltd.	292,189	489,791	OTHER ASSETS, LESS LIABILITIES – 0.6%			
16,270	StatOil ASA	322,829	352,387	NET ASSETS – 100.0%			
22,008	Telenor ASA	345,586	458,353				(245)
		1,581,257	2,081,197				109,902
							18,445,845

CURRENCY SPOT CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jul. 2, 2013	Canadian Dollar	53,615	European Euro	39,388	53,860	(245)

The currency spot contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A+ by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Denmark	2.6	2.7
France	12.2	12.3
Germany	24.3	20.6
Netherlands	7.3	6.5
Norway	11.3	12.4
Portugal	1.8	–
Sweden	8.2	8.7
Switzerland	10.5	9.7
United Kingdom	21.2	26.6
Currency Spot Contracts	0.0	–

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia European Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of the foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
European Euro	8,357,943	45.3	6,999,779	39.3
British Pound	3,912,415	21.2	4,735,995	26.6
Norwegian Krone	2,081,198	11.3	2,208,041	12.4
Swiss Franc	1,934,816	10.5	1,732,828	9.7
Swedish Krona	1,509,695	8.2	1,557,047	8.7
Danish Krone	486,262	2.6	482,438	2.7
Total	18,282,329	99.1	17,716,128	99.4

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$1,828,233, or approximately 9.9% of total Net Assets, (December 31, 2012 – \$1,771,613, or approximately 9.9% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.4% (December 31, 2012 – 99.5%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$1,833,619 (December 31, 2012 – \$1,771,613). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$47,433	\$14,544
Payable for currency forward contracts	245	–
	\$47,678	\$14,544

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Pacific Rim Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$20,146,431	\$20,884,241
Cash	595,144	751,862
Accrued investment income	79,454	4,736
Receivable for securities sold	100,812	—
Subscriptions receivable	13,270	6,543
Receivable for currency forward contracts	51,643	112,212
	<u>20,986,754</u>	<u>21,759,594</u>
LIABILITIES		
Payable for securities purchased	104,836	—
Redemptions payable	2,972	49,727
Accrued expenses	41,337	—
Payable for currency forward contracts	237,370	12,959
	<u>386,515</u>	<u>62,686</u>
Net Assets	<u>\$20,600,239</u>	<u>\$21,696,908</u>
NET ASSETS PER SERIES		
Series A Units	\$19,174,471	\$19,961,618
Series I Units	\$ 1,425,768	\$ 1,735,290
UNITS OUTSTANDING		
Series A Units	1,813,489	1,916,563
Series I Units	113,927	142,399
NET ASSETS PER UNIT		
Series A Units	\$ 10.57	\$ 10.42
Series I Units	\$ 12.51	\$ 12.19

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$19,961,618	\$18,280,160
Series I Units	1,735,290	1,501,724
	<u>21,696,908</u>	<u>19,781,884</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	345,677	882,738
Series I Units	55,457	93,692
	<u>401,134</u>	<u>976,430</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	1,175,186	1,070,679
Payments on redemption		
Series A Units	(2,308,010)	(1,526,556)
Series I Units	(364,979)	(29,997)
	<u>(1,497,803)</u>	<u>(485,874)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	(787,147)	426,861
Series I Units	(309,522)	63,695
	<u>(1,096,669)</u>	<u>490,556</u>
NET ASSETS – END OF PERIOD		
Series A Units	19,174,471	18,707,021
Series I Units	1,425,768	1,565,419
	<u>\$20,600,239</u>	<u>\$20,272,440</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 297,766	\$ 380,268
Interest	537	391
Securities lending	6,419	—
Foreign withholding taxes/tax reclaims	(19,476)	(26,889)
Other income	895	254
	<u>286,141</u>	<u>354,024</u>
EXPENSES		
Management fees (note 5)	199,740	195,236
Harmonized Sales Tax/Goods and Services Tax	26,416	27,938
Audit fees	291	1,471
Independent Review Committee fees	38	192
Custodian fees	13,176	29,061
Filing fees	7,983	8,144
Legal fees	101	521
Unitholder reporting costs	9,415	11,648
Unitholder administration and service fees	22,953	28,674
Overdraft charges	43	111
	<u>280,156</u>	<u>302,996</u>
Absorbed expenses	—	(2,499)
	<u>280,156</u>	<u>300,497</u>
Net investment income (loss)	<u>5,985</u>	<u>53,527</u>
Net realized gain (loss) on investments sold	(832,281)	(255,319)
Net realized gain (loss) on currency forwards	561,110	61,879
Net gain (loss) foreign exchange	11,830	(32,653)
Transaction costs	(21,280)	(11,789)
Change in unrealized appreciation (depreciation) of investments	960,750	1,024,870
Change in unrealized appreciation (depreciation) of currency spots	—	—
Change in unrealized appreciation (depreciation) of currency forwards	(284,980)	135,915
Net gain (loss) on investments and transaction costs	<u>395,149</u>	<u>922,903</u>
Increase (decrease) in Net Assets from operations	<u>\$ 401,134</u>	<u>\$ 976,430</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$ 345,677	\$ 882,738
Series I Units	\$ 55,457	\$ 93,692
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.19	\$ 0.43
Series I Units	\$ 0.46	\$ 0.64

The accompanying notes are an integral part of the financial statements.

Scotia Pacific Rim Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 97.8%				EQUITIES (cont'd)			
Australia – 5.1%				Japan (cont'd)			
328,400	Qantas Airways Limited	638,202	422,576	6,200	NIDECC Corporation	502,063	456,471
19,267	Westpac Banking Corporation	426,107	529,824	2,950	Nitori Holdings Co., Ltd.	241,407	250,155
1,000	Westpac Banking Corporation, Preferred, Series CPS	104,981	96,978	9,300	Nitto Denko Corporation	393,021	628,563
		<u>1,169,290</u>	<u>1,049,378</u>	9,300	Sumitomo Mitsui Financial Group, Inc.	442,541	448,284
China – 7.4%				10,200	Tamron Co., Ltd.	303,049	224,201
551,000	China Liansu Group Holdings Ltd.	462,642	293,018	8,800	Unicharm Corporation	282,205	522,960
395,500	China Minzhong Food Corp Ltd	353,965	340,153			<u>6,045,467</u>	<u>7,433,012</u>
1,011,000	Chongqing Rural Commercial Bank Co., Ltd.	703,630	445,992	Malaysia – 2.0%			
144,000	Shanghai Electric Group Company Limited	85,079	50,348	149,400	Tenaga Nasional Bhd	408,622	410,369
707,700	Top Spring International Holdings Limited	396,172	401,844	Singapore – 0.0%			
		<u>2,001,488</u>	<u>1,531,355</u>	4,680	Keppel REIT	5,513	5,025
Hong Kong – 12.7%				South Korea – 6.6%			
95,000	BOC Hong Kong (Holdings) Limited	305,616	304,843	8,380	Doosan Infracore Co., Ltd.	172,243	81,803
279,200	Chow Tai Fook Jewellery Company Ltd.	370,824	306,381	2,023	Hyundai Mobis	504,221	505,922
93,000	CSR Corp Ltd.	66,427	57,274	23,280	Korea Aerospace Industries Ltd.	542,231	652,427
236,000	Kunlun Energy Company Ltd.	323,502	436,894	1,355	Mando Corp.	207,327	126,980
196,600	MGM China Holdings Ltd.	310,796	551,413			<u>1,426,022</u>	<u>1,367,132</u>
701,000	Value Partners Group Limited	619,159	393,122	Taiwan – 10.5%			
537,000	Xingda International Holdings Ltd	368,256	238,312	37,440	Asustek Computer Inc.	253,088	336,562
408,000	Xinyi Glass Holdings Ltd.	327,643	331,003	184,000	Chailase Holding	277,706	453,523
		<u>2,692,223</u>	<u>2,619,242</u>	352,452	Chinatrust Financial Holding Ltd.	229,025	228,284
Indonesia – 10.1%				206,000	CTCI Corp	340,298	392,351
526,500	Ciputra Property Tbk PT	59,872	65,794	171,000	Lumax International Corp., Ltd.	365,717	392,451
658,604	PT Bank Mandiri	463,347	623,657	13,820	MediaTek Inc.	131,944	167,858
213,822	PT United Tractors Tbk	475,099	409,194	26,000	Mstar Semiconductor Inc.	169,685	192,854
3,308,000	Ramayana Lestari Sentosa Tbk PT	301,037	453,480			<u>1,767,463</u>	<u>2,163,883</u>
2,370,500	Tiphone Mobile Indonesia Tbk PT	171,946	152,793	Thailand – 7.2%			
4,219,500	Wismilak Inti Makmur Tbk PT	413,791	368,943	451,100	Bank of Ayudhya Public Company Limited	360,030	535,073
		<u>1,885,092</u>	<u>2,073,861</u>	529,750	Krung Thai Bank Public Company Limited	297,797	360,515
Japan – 36.2%				378,200	Pruksa Real Estate PCL	349,374	289,673
15,400	Aisin Seiki Co., Ltd.	433,698	619,142	146,184	Thai Oil Public Company Ltd.	339,310	307,913
29,100	Anritsu Corporation	374,259	362,224			<u>1,346,511</u>	<u>1,493,174</u>
3,600	FANUC Corp.	438,233	548,410	TOTAL INVESTMENT PORTFOLIO			
48,000	H2O Retailing Corp.	454,870	461,572			<u>18,747,691</u>	<u>20,146,431</u>
12,800	Honda Motor Co., Ltd.	460,120	499,694	Currency Forward Contracts – (0.9)%			
82,000	Isuzu Motors Limited	267,667	589,873				(185,727)
13,300	KDDI Corporation	342,674	726,990	OTHER ASSETS, LESS LIABILITIES – 3.1%			
21,800	Komatsu Ltd.	455,028	529,562				639,535
14,800	MegaChips Corporation	296,203	213,058	NET ASSETS – 100.0%			
16,100	Nabtesco Corporation	358,429	351,853				<u>20,600,239</u>

CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jul. 11, 2013	Canadian Dollar	5,635,853	Japanese Yen	542,000,000	5,743,961	(108,108)
Jul. 11, 2013	Canadian Dollar	219,286	Japanese Yen	22,000,000	233,150	(13,864)
Jul. 11, 2013	Canadian Dollar	218,786	Japanese Yen	22,000,000	233,150	(14,364)
Jul. 11, 2013	Canadian Dollar	112,233	Japanese Yen	11,000,000	116,575	(4,341)
Jul. 11, 2013	Canadian Dollar	69,732	Japanese Yen	7,000,000	74,184	(4,452)
Jul. 11, 2013	Canadian Dollar	2,284,205	U.S. Dollar	2,260,000	2,376,446	(92,241)
Jul. 11, 2013	Japanese Yen	77,000,000	Canadian Dollar	815,540	814,945	660
Jul. 11, 2013	Japanese Yen	77,000,000	Canadian Dollar	812,339	811,747	3,858
Jul. 11, 2013	U.S. Dollar	1,000,000	Canadian Dollar	1,010,710	1,009,908	40,788
Jul. 11, 2013	U.S. Dollar	160,000	Canadian Dollar	161,902	161,774	6,337
						<u>(185,727)</u>

The currency forward contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A+ by Standard & Poor's.

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Pacific Rim Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Australia	5.1	6.0
China	7.4	11.4
Hong Kong	12.7	15.9
Indonesia	10.1	7.6
Japan	36.2	27.8
Malaysia	2.0	–
Singapore	0.0	3.3
South Korea	6.6	7.7
Taiwan	10.5	10.8
Thailand	7.2	5.7
Currency Forward Contracts	(0.9)	0.5

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
Hong Kong Dollar	3,878,349	18.8	5,800,213	26.7
Japanese Yen	2,848,540	13.8	1,460,071	6.7
Taiwan Dollar	2,355,396	11.4	2,423,641	11.2
Jakarta Rupiah	2,073,869	10.1	1,643,724	7.6
Thai Baht	1,493,173	7.2	1,243,077	5.7
South Korean Won	1,367,132	6.6	1,676,841	7.7
Australian Dollar	1,049,378	5.1	1,360,421	6.3
Singapore Dollar	426,679	2.1	1,065,569	4.9
Kuala Lumpur Ringgit	410,369	2.0	–	–
Philippines Peso	118	0.0	117	–
U.S. Dollar	(1,202,581)	(5.8)	(1,261,190)	(5.8)
Total	14,700,422	71.3	15,412,484	71.0

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$1,470,042, or approximately 7.1% of total Net Assets, (December 31, 2012 – \$1,541,248, or approximately 7.1% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 97.8% (December 31, 2012 – 96.2%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$2,014,643 (December 31, 2012 – \$2,088,424). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$149,145	\$49,727
Payable for currency forward contracts	237,370	12,959
	\$386,515	\$62,686

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Latin American Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$42,135,360	\$51,187,072
Cash	252,341	53,347
Accrued investment income	386,094	391,625
Receivable for securities sold	—	852,235
Subscriptions receivable	31,200	18,260
	<u>42,804,995</u>	<u>52,502,539</u>
LIABILITIES		
Payable for securities purchased	—	597,812
Distributions payable	—	1,276
Redemptions payable	12,727	23,433
Accrued expenses	90,063	—
	<u>102,790</u>	<u>622,521</u>
Net Assets	<u>\$42,702,205</u>	<u>\$51,880,018</u>
NET ASSETS PER SERIES		
Series A Units	\$40,872,916	\$49,582,764
Series F Units	\$ 45,429	\$ 50,761
Series I Units	\$ 1,783,860	\$ 2,246,493
UNITS OUTSTANDING		
Series A Units	2,085,101	2,255,580
Series F Units	2,267	2,267
Series I Units	84,592	96,095
NET ASSETS PER UNIT		
Series A Units	\$ 19.60	\$ 21.98
Series F Units	\$ 20.04	\$ 22.39
Series I Units	\$ 21.09	\$ 23.38

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 631,579	\$ 1,000,749
Interest	275,256	391,758
Securities lending	363	1,754
Foreign withholding taxes/tax reclaims	(99,376)	(96,697)
Other income	2,613	1,004
	<u>810,435</u>	<u>1,298,568</u>
EXPENSES		
Management fees (note 5)	611,940	695,307
Harmonized Sales Tax/Goods and Services Tax	63,489	70,635
Audit fees	653	1,851
Independent Review Committee fees	89	367
Custodian fees	55,963	61,826
Filing fees	9,179	9,642
Legal fees	227	682
Unitholder reporting costs	7,155	10,061
Unitholder administration and service fees	44,220	51,632
Overdraft charges	175	168
	<u>793,090</u>	<u>902,171</u>
Absorbed expenses	<u>(133,948)</u>	<u>(145,552)</u>
	<u>659,142</u>	<u>756,619</u>
Net investment income (loss)	<u>151,293</u>	<u>541,949</u>
Net realized gain (loss) on investments sold	4,160,833	(1,833,083)
Net gain (loss) foreign exchange	(43,737)	(36,185)
Transaction costs	(81,643)	(33,162)
Change in unrealized appreciation (depreciation) of investments	(9,182,032)	1,170,702
Net gain (loss) on investments and transaction costs	<u>(5,146,579)</u>	<u>(731,728)</u>
Increase (decrease) in Net Assets from operations	<u>\$ (4,995,286)</u>	<u>\$ (189,779)</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$ (4,814,301)	\$ (215,355)
Series F Units	\$ (5,332)	\$ 2,903
Series I Units	\$ (175,653)	\$ 22,673
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ (2.21)	\$ (0.09)
Series F Units	\$ (2.35)	\$ 1.21
Series I Units	\$ (2.00)	\$ 0.24

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$49,582,764	\$52,018,315
Series F Units	50,761	69,051
Series I Units	2,246,493	2,161,138
	<u>51,880,018</u>	<u>54,248,504</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	(4,814,301)	(215,355)
Series F Units	(5,332)	2,903
Series I Units	(175,653)	22,673
	<u>(4,995,286)</u>	<u>(189,779)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	3,071,455	3,557,677
Payments on redemption		
Series A Units	(6,967,002)	(5,494,170)
Series F Units	—	(23,910)
Series I Units	(286,980)	(60,011)
	<u>(4,182,527)</u>	<u>(2,020,414)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	(8,709,848)	(2,151,848)
Series F Units	(5,332)	(21,007)
Series I Units	(462,633)	(37,338)
	<u>(9,177,813)</u>	<u>(2,210,193)</u>
NET ASSETS – END OF PERIOD		
Series A Units	40,872,916	49,866,467
Series F Units	45,429	48,044
Series I Units	1,783,860	2,123,800
	<u>\$42,702,205</u>	<u>\$52,038,311</u>

The accompanying notes are an integral part of the financial statements.

Scotia Latin American Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 98.7%			
Brazil – 63.6%			
289,000	All America LatINRa Logística S	1,482,451	1,284,475
90,000	Arteris SA	816,319	848,697
100,000	Autometal SA	1,078,093	778,854
116,600	Banco Bradesco SA ADR	1,858,518	1,591,420
119,100	Banco Bradesco SA, Preference	1,846,091	1,600,361
99,000	Companhia Paranaense De Energia-Copel PFB	1,739,494	1,285,575
95,500	Compania de Saneamento Basico do Estado de San Paulo	1,401,884	1,033,064
264,000	Duralex SA	1,747,161	1,576,898
126,000	EZ Tec Empreendimentos e Participacoes SA	1,573,742	1,617,816
310,300	Grendene SA	2,738,077	2,904,228
230,340	Itau Unibanco Holding SA, Preference	3,900,894	3,102,689
519,993	Itausa-Investimentos Itau SA, Preference	2,422,240	2,017,657
206,600	Klabin SA Pref.	1,139,989	1,063,997
50,000	Mahle-Metal Leve SA Industria e Comercio	723,771	562,036
50,000	Santos Brasil Participacoes SA	779,109	644,577
93,200	Tractebel Energia SA	1,491,315	1,516,659
60,000	Transmissora Alianca de Energia Elctrica SA	712,876	595,428
248,542	Vale SA ADR, Preference	4,231,603	3,165,042
		<u>31,683,627</u>	<u>27,189,473</u>
Chile – 5.8%			
1,200,000	Agua Andinas SA	989,772	888,457
2,600,000	Enersis SA	1,022,406	893,938
60,000	SACI Falabella	716,713	683,715
		<u>2,728,891</u>	<u>2,466,110</u>
Columbia – 6.3%			
100,000	Banco Davivienda SA	1,442,691	1,202,871
80,000	Pacific Rubiales Energy Corporation	1,661,143	1,471,440
		<u>3,103,834</u>	<u>2,674,311</u>
Mexico – 23.0%			
271,000	Banregio Grupo Financiero SAB de CV	1,576,143	1,503,756
1,331,200	Cemex SAB de CV	1,300,924	1,480,366
50,000	El Puerto de Liverpool SAB de CV	654,137	619,457
316,600	Empresas ICA SA de CV	1,030,657	629,166
913,000	Fibra Uno Administracion SA de CV	3,269,300	3,222,908
84,000	Grupo Aeroportuario del Sureste SAB de CV	1,200,903	981,206
548,000	OHL Mexico SAB de CV	1,445,551	1,368,607
		<u>10,477,615</u>	<u>9,805,466</u>
	TOTAL INVESTMENT PORTFOLIO	<u>47,993,967</u>	<u>42,135,360</u>
	OTHER ASSETS, LESS LIABILITIES – 1.3%		<u>566,845</u>
	NET ASSETS – 100.0%		<u>42,702,205</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Brazil	63.6	68.6
Chile	5.8	3.8
Colombia	6.3	–
Mexico	23.0	24.5
United States	–	1.8

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
Brazilian Real	22,433,010	52.5	29,329,583	56.5
Mexican Peso	9,805,466	23.0	10,988,619	21.2
U.S. Dollar	4,873,349	11.4	8,912,282	17.2
Colombia Peso	2,674,311	6.3	–	–
Chile Peso	2,466,110	5.8	1,980,693	3.8
Total	<u>42,252,246</u>	<u>99.0</u>	<u>51,211,177</u>	<u>98.7</u>

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$4,225,225, or approximately 9.9% of total Net Assets, (December 31, 2012 – \$5,121,118, or approximately 9.9% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 98.7% (December 31, 2012 – 98.7%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$4,213,536 (December 31, 2012 – \$5,118,707). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$102,790	\$622,521

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Global Dividend Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$118,928,737	\$85,178,067
Cash	12,557,112	6,825,347
Accrued investment income	236,699	177,507
Receivable for securities sold	1,218,434	120,836
Subscriptions receivable	264,575	75,942
Receivable for currency spot contracts	—	1
Receivable for currency forward contracts	1,185,900	183,329
	<u>134,391,457</u>	<u>92,561,029</u>
LIABILITIES		
Payable for securities purchased	4,767,828	10,434
Redemptions payable	20,867	13,492
Accrued expenses	109,147	—
Payable for currency spot contracts	536	55
Payable for currency forward contracts	2,905,504	961,785
	<u>7,803,882</u>	<u>985,766</u>
Net Assets	<u>\$126,587,575</u>	<u>\$91,575,263</u>
NET ASSETS PER SERIES		
Series A Units	\$ 61,441,285	\$34,659,203
Series I Units	\$ 65,146,290	\$56,916,060
UNITS OUTSTANDING		
Series A Units	4,778,713	3,004,668
Series I Units	5,087,919	5,010,948
NET ASSETS PER UNIT		
Series A Units	\$ 12.86	\$ 11.54
Series I Units	\$ 12.80	\$ 11.36

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$ 34,659,203	\$22,888,524
Series I Units	56,916,060	56,454,610
	<u>91,575,263</u>	<u>79,343,134</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	4,524,429	1,419,396
Series I Units	7,220,052	4,105,019
	<u>11,744,481</u>	<u>5,524,415</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	26,381,798	5,835,823
Series I Units	2,811,177	539,300
Payments on redemption		
Series A Units	(4,124,145)	(2,508,357)
Series I Units	(1,800,999)	(1,755,504)
	<u>23,267,831</u>	<u>2,111,262</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	26,782,082	4,746,862
Series I Units	8,230,230	2,888,815
	<u>35,012,312</u>	<u>7,635,677</u>
NET ASSETS – END OF PERIOD		
Series A Units	61,441,285	27,635,386
Series I Units	65,146,290	59,343,425
	<u>\$126,587,575</u>	<u>\$86,978,811</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 2,034,092	\$1,454,841
Interest	60,433	99,650
Securities lending	15,142	3,154
Foreign withholding taxes/tax reclaims	(347,988)	(236,975)
Other income	1,915	322
	<u>1,763,594</u>	<u>1,320,992</u>
EXPENSES		
Management fees (note 5)	495,911	255,569
Harmonized Sales Tax/Goods and Services Tax	54,909	32,070
Audit fees	1,356	2,197
Independent Review Committee fees	194	141
Custodian fees	6,672	19,242
Filing fees	8,082	7,969
Legal fees	484	732
Unitholder reporting costs	4,589	5,291
Unitholder administration and service fees	18,679	17,199
Overdraft charges	25	1
	<u>590,901</u>	<u>340,411</u>
Net investment income (loss)	<u>1,172,693</u>	<u>980,581</u>
Net realized gain (loss) on investments sold	7,237,049	(24,801)
Net realized gain (loss) on currency forwards	(1,347,820)	54,094
Net gain (loss) foreign exchange	(69,971)	(47,603)
Transaction costs	(137,578)	(76,544)
Change in unrealized appreciation (depreciation) of investments	5,831,738	4,683,437
Change in unrealized appreciation (depreciation) of currency spots	(482)	(2,775)
Change in unrealized appreciation (depreciation) of currency forwards	(941,148)	(41,974)
Net gain (loss) on investments and transaction costs	<u>10,571,788</u>	<u>4,543,834</u>
Increase (decrease) in Net Assets from operations	<u>\$11,744,481</u>	<u>\$5,524,415</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$ 4,524,429	\$1,419,396
Series I Units	\$ 7,220,052	\$4,105,019
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 1.13	\$ 0.58
Series I Units	\$ 1.44	\$ 0.74

The accompanying notes are an integral part of the financial statements.

Scotia Global Dividend Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 93.4%				EQUITIES (cont'd)			
Australia – 2.8%				Singapore – 1.6%			
247,400	AMP Limited	1,205,380	1,003,993	647,900	Singapore Telecommunications Limited	1,843,126	2,016,697
353,050	Telstra Corporation Limited	1,164,251	1,614,494	South Africa – 0.2%			
85,500	Westfield Group	826,731	936,849	157,900	African Bank Investments Limited	296,781	273,800
		<u>3,196,362</u>	<u>3,555,336</u>	Spain – 0.4%			
Belgium – 1.1%				65,014	Banco Bilbao Vizcaya Argentaria, SA	609,112	568,743
25,300	UCB SA	1,504,803	1,431,111	Sweden – 1.1%			
Brazil – 0.7%				25,300	Atlas Copco AB	623,253	638,415
21,850	Companhia de Bebidas das Americas, Preference	716,336	852,748	30,100	Swedbank AB	626,251	721,795
Canada – 3.5%						<u>1,249,504</u>	<u>1,360,210</u>
9,500	Baytex Energy Corporation	399,387	358,055	Switzerland – 8.5%			
54,400	Husky Energy Inc.	1,501,422	1,523,200	41,600	ABB Limited	813,635	943,326
28,500	Loblaw Companies Limited	1,066,571	1,353,750	28,607	Credit Suisse Group AG	595,120	796,647
16,100	Canadian Imperial Bank of Commerce	1,281,748	1,201,704	44,900	Nestle SA	2,596,979	3,084,654
		<u>4,249,128</u>	<u>4,436,709</u>	37,900	Novartis AG	2,259,480	2,821,225
Denmark – 0.8%				12,100	Roche Holdings AG	2,423,847	3,149,191
10,450	Carlsberg AS, Series B	935,979	979,888			<u>8,689,061</u>	<u>10,795,043</u>
France – 4.8%				Thailand – 1.5%			
16,270	BNP Paribas	924,727	933,862	149,450	Bangkok Bank Public Company Limited	868,972	1,024,040
26,278	Eutelsat Communications	857,798	781,339	127,828	Kasikornbank Public Company Limited	598,392	814,794
52,852	GDF Suez	1,128,789	1,082,602			<u>1,467,364</u>	<u>1,838,834</u>
26,771	Rexel SA	604,423	632,484	Turkey – 0.8%			
12,262	Schneider Electric SA	862,850	928,708	63,200	Turkcell Iletisim Hizmetleri AS ADR	1,044,408	953,561
33,700	Total SA ADR	1,791,186	1,722,267	United Kingdom – 9.3%			
		<u>6,169,773</u>	<u>6,081,262</u>	76,200	Ashmore Group PLC	425,811	416,717
Germany – 6.4%				223,950	Bardays PLC	858,432	1,008,526
5,000	Allianz SE	611,345	768,469	93,900	BHP Billiton PLC	2,764,349	2,533,636
21,600	Bayer AG	1,824,236	2,415,233	27,550	British American Tobacco PLC	1,306,129	1,486,274
3,450	Continental AG	325,161	483,391	36,650	Diageo PLC	872,073	1,104,359
900	Deutsche Telekom AG	10,575	10,998	18,750	Imperial Tobacco Group PLC	630,455	684,390
45,700	Deutsche Telekom AG	582,821	559,963	47,000	National Grid PLC	510,213	558,503
80,700	Rhoen-Klinikum AG	1,698,619	1,955,457	415,400	Royal & Sun Alliance Insurance Group PLC	739,807	791,266
7,800	RTL Group NPV	569,826	673,617	58,900	Royal Dutch Shell PLC	1,913,535	1,974,542
8,200	Siemens AG	908,786	870,420	26,900	Standard Chartered PLC	642,906	610,111
1,800	Volkswagen AG Non-voting	399,489	381,416	12,791	Wolseley PLC	516,872	621,913
		<u>6,930,858</u>	<u>8,118,964</u>			<u>11,180,582</u>	<u>11,790,237</u>
Hong Kong – 0.9%				United States – 43.7%			
59,200	Beijing Enterprises Holdings Ltd.	452,417	446,531	20,100	Chevron Corporation	2,394,040	2,496,265
66,600	China Resources Gas Group Limited	173,491	179,528	29,950	Dow Chemical Company, The	960,103	1,011,707
84,050	ENN Energy Holdings Ltd.	315,785	468,562	32,100	CSX Corporation	730,142	781,125
		<u>941,693</u>	<u>1,094,621</u>	13,950	Danaher Corporation	752,454	927,801
Indonesia – 0.7%				30,350	General Electric Company	615,942	739,497
94,000	PT Bank Mandiri	725,754	880,988	8,150	Honeywell International Inc.	496,216	679,402
Japan – 0.6%				6,950	Stanley Black & Decker Inc.	494,840	564,471
19,300	Nabtesco Corporation	398,044	421,786	23,900	ConAgra Foods, Inc.	811,213	876,898
6,300	Toyota Motor Corporation	382,770	399,628	29,150	Philip Morris International Inc.	2,443,681	2,652,979
		<u>780,814</u>	<u>821,414</u>	14,180	Edison International	664,302	717,530
Netherlands – 3.1%				16,700	PG&E Corporation	695,748	802,407
43,900	Delta Lloyd NV	734,507	918,781	3,800	Apple Inc.	1,712,593	1,581,407
7,842	European Aeronautic Defence and Space Company	442,504	438,072	83,300	Bank of America Corporation Warrants Jan. 16, 2019	493,389	477,000
53,200	Koninklijke Ahold NV	709,260	830,292	44,450	Baxter International Inc.	2,820,117	3,235,147
30,200	Koninklijke Philips Electronics NV	898,981	864,172	6,230	Black Hills Corp.	300,350	319,044
20,200	Nutreco NV	922,123	902,158	5,000	Boeing Company, The	391,370	537,956
		<u>3,707,375</u>	<u>3,953,475</u>	51,800	Cisco Systems, Inc.	1,261,119	1,323,097
Peru – 0.4%				64,400	Citigroup Inc.	2,388,081	3,245,882
3,400	Credicorp Limited	432,648	456,727	26,000	Coca-Cola Company, The	899,186	1,095,456
Russia – 0.6%				13,800	Colgate-Palmolive Company	604,127	828,797
60,050	Sberbank of Russia	737,836	718,644	26,550	Eli Lilly and Company	1,035,360	1,370,251
				16,000	Exxon Mobil Corporation	1,490,285	1,513,170
				17,250	Freeport-McMoRan Copper & Gold Inc.	639,548	500,236
				67,950	Intel Corporation	1,489,258	1,729,182

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Global Dividend Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares/ Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
United States (cont'd)				United States (cont'd)			
219,900	JPMorgan Chase & Co. Warrants Oct. 28, 2018	3,043,322	3,604,350	212,500	Wells Fargo & Company Warrants Oct. 28, 2018	2,376,129	3,025,350
15,816	Kraft Foods Group Inc.	684,740	928,437	21,300	West Corporation	437,822	495,489
8,600	McDonald's Corporation	749,665	893,930			46,723,971	55,259,418
11,700	MetLife, Inc.	418,780	562,411			104,133,268	118,238,430
76,700	Microsoft Corporation	2,153,852	2,782,717				
27,900	Mondelez International, Inc.	702,915	836,340	BOND AND DEBENTURE INSTRUMENTS – 0.5%			
35,050	Newell Rubbermaid Inc.	625,040	965,601		Macquarie Group Limited		
11,300	OGE Energy Corp.	662,971	809,729	600,000	10.25% due Jun. 20, 2017	595,321	690,307
11,900	PepsiCo, Inc.	814,402	1,021,893				
258,984	PNC Financial Services Group, Inc., The Warrants Dec. 31, 2018	2,833,133	4,059,933		TOTAL INVESTMENT PORTFOLIO	104,728,589	118,928,737
37,950	Procter & Gamble Company, The	2,506,308	3,069,893		Currency Spot Contracts – 0.0%		(536)
12,000	Schlumberger Limited	928,931	902,758		Currency Forward Contracts – (1.4%)		(1,719,604)
15,000	Texas Instruments Incorporated	556,214	548,621		OTHER ASSETS, LESS LIABILITIES – 7.4%		9,378,978
8,200	United Parcel Service, Inc., Class B	646,283	745,259		NET ASSETS – 100.0%		126,587,575

CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jul. 11, 2013	Australian Dollar	495,000	Canadian Dollar	471,463	471,513	4,010
Jul. 11, 2013	Australian Dollar	375,000	Canadian Dollar	375,469	375,509	(15,264)
Jul. 11, 2013	Australian Dollar	245,000	Canadian Dollar	252,158	252,184	(16,825)
Jul. 11, 2013	Australian Dollar	169,000	Canadian Dollar	168,058	168,075	(5,725)
Jul. 11, 2013	Australian Dollar	112,000	Canadian Dollar	108,942	108,954	(1,361)
Jul. 11, 2013	British Pound	372,000	Canadian Dollar	591,275	590,910	3,472
Jul. 11, 2013	British Pound	339,000	Canadian Dollar	541,546	541,211	444
Jul. 11, 2013	British Pound	308,000	Canadian Dollar	479,824	479,528	12,595
Jul. 11, 2013	Canadian Dollar	1,558,388	Australian Dollar	1,463,000	1,405,258	153,130
Jul. 11, 2013	Canadian Dollar	1,447,593	Australian Dollar	1,359,000	1,305,363	142,231
Jul. 11, 2013	Canadian Dollar	350,582	Australian Dollar	333,000	319,857	30,725
Jul. 11, 2013	Canadian Dollar	303,521	Australian Dollar	285,000	273,752	29,770
Jul. 11, 2013	Canadian Dollar	152,910	Australian Dollar	146,000	140,238	12,673
Jul. 11, 2013	Canadian Dollar	126,690	Australian Dollar	119,000	114,303	12,387
Jul. 11, 2013	Canadian Dollar	8,129,592	British Pound	5,218,000	8,342,526	(212,935)
Jul. 11, 2013	Canadian Dollar	1,546,099	British Pound	993,000	1,587,606	(41,507)
Jul. 11, 2013	Canadian Dollar	750,261	British Pound	481,000	769,022	(18,761)
Jul. 11, 2013	Canadian Dollar	4,705,515	European Euro	3,539,000	4,842,970	(137,455)
Jul. 11, 2013	Canadian Dollar	3,065,368	European Euro	2,306,000	3,155,662	(90,294)
Jul. 11, 2013	Canadian Dollar	1,498,076	European Euro	1,127,000	1,542,251	(44,175)
Jul. 11, 2013	Canadian Dollar	1,022,213	European Euro	769,000	1,052,343	(30,130)
Jul. 11, 2013	Canadian Dollar	961,334	European Euro	703,000	962,025	(692)
Jul. 11, 2013	Canadian Dollar	935,075	European Euro	699,000	956,551	(21,476)
Jul. 11, 2013	Canadian Dollar	912,886	European Euro	692,000	946,972	(34,086)
Jul. 11, 2013	Canadian Dollar	696,121	European Euro	524,000	717,072	(20,951)
Jul. 11, 2013	Canadian Dollar	672,604	European Euro	511,000	699,282	(26,678)
Jul. 11, 2013	Canadian Dollar	626,086	European Euro	471,000	644,543	(18,457)
Jul. 11, 2013	Canadian Dollar	525,660	European Euro	400,000	547,383	(21,723)
Jul. 11, 2013	Canadian Dollar	253,068	Hong Kong Dollar	1,930,000	261,680	(8,613)
Jul. 11, 2013	Canadian Dollar	79,159	Hong Kong Dollar	602,000	81,623	(2,463)
Jul. 11, 2013	Canadian Dollar	47,855	Hong Kong Dollar	368,000	49,896	(2,040)
Jul. 11, 2013	Canadian Dollar	40,156	Hong Kong Dollar	305,000	41,354	(1,198)
Jul. 11, 2013	Canadian Dollar	8,447,466	Swiss Franc	7,743,032	8,618,403	(170,937)
Jul. 11, 2013	Canadian Dollar	1,125,137	Swiss Franc	1,031,000	1,147,557	(22,421)
Jul. 11, 2013	Canadian Dollar	634,395	Swiss Franc	571,000	635,553	(1,158)
Jul. 11, 2013	Canadian Dollar	369,509	Swiss Franc	347,000	386,229	(16,720)
Jul. 11, 2013	European Euro	529,000	Canadian Dollar	715,774	715,228	8,141
Jul. 11, 2013	European Euro	425,000	Canadian Dollar	585,956	585,510	(4,353)
Jul. 11, 2013	Hong Kong Dollar	460,000	Canadian Dollar	60,944	60,888	1,427
Jul. 11, 2013	Swiss Franc	585,000	Canadian Dollar	639,988	639,381	11,153
Jul. 11, 2013	Swiss Franc	560,000	Canadian Dollar	631,243	630,645	(7,911)
Jul. 11, 2013	Swiss Franc	347,000	Canadian Dollar	374,197	373,842	12,031
Sep. 20, 2013	Canadian Dollar	39,700,228	U.S. Dollar	38,794,000	40,890,023	(1,189,795)
Sep. 20, 2013	Canadian Dollar	14,305,734	U.S. Dollar	13,980,000	14,735,333	(429,599)
Sep. 20, 2013	Canadian Dollar	4,879,717	U.S. Dollar	4,766,000	5,023,505	(143,788)
Sep. 20, 2013	Canadian Dollar	2,618,944	U.S. Dollar	2,558,000	2,696,208	(77,263)
Sep. 20, 2013	Canadian Dollar	2,291,222	U.S. Dollar	2,239,000	2,359,972	(68,750)
Sep. 20, 2013	Canadian Dollar	1,967,936	U.S. Dollar	1,866,000	1,966,819	1,117
Sep. 20, 2013	U.S. Dollar	23,355,000	Canadian Dollar	23,903,259	23,827,426	711,581

For equities, all common shares unless otherwise noted.

The accompanying notes are an integral part of the financial statements.

Scotia Global Dividend Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Sep. 20, 2013	U.S. Dollar	2,453,000	Canadian Dollar	2,580,826	2,572,638	4,719
Sep. 20, 2013	U.S. Dollar	1,121,000	Canadian Dollar	1,147,175	1,143,536	34,294
						<u>(1,719,604)</u>

The currency forward contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A by Standard & Poor's.

CURRENCY SPOT CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jul. 2, 2013	British Pound	68,620	Canadian Dollar	109,798	109,798	(158)
Jul. 2, 2013	Canadian Dollar	352,970	British Pound	221,117	353,302	(332)
Jul. 2, 2013	U.S. Dollar	38,109	Canadian Dollar	40,087	40,087	(46)
						<u>(536)</u>

The currency spot contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A+ by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Equities		
Australia	2.8	4.0
Belgium	1.1	—
Brazil	0.7	1.3
Canada	3.5	4.9
Denmark	0.8	1.0
France	4.8	1.6
Germany	6.4	2.4
Hong Kong	0.9	0.5
Indonesia	0.7	1.0
Italy	—	0.5
Japan	0.6	2.7
Netherlands	3.1	3.8
Peru	0.4	0.5
Puerto Rico	—	0.6
Russia	0.6	0.5
Singapore	1.6	—
South Africa	0.2	—
Spain	0.4	—
Sweden	1.1	1.2
Switzerland	8.5	9.1
Thailand	1.5	2.0
Turkey	0.8	—
United Kingdom	9.3	10.5
United States	43.7	44.3
Bond and debenture instruments	0.5	0.7
Currency forward contracts	(1.4)	(0.9)
Currency spot contracts	0.0	0.0

The accompanying notes are an integral part of the financial statements.

Scotia Global Dividend Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of bond and debenture instruments.

Interest Rate Exposure*	June 30, 2013	December 31, 2012
Less than 1 year	\$ –	\$ –
1-3 years	–	–
3-5 years	690,307	654,072
5-10 years	–	–
> 10 years	–	–
Total	\$690,307	\$654,072

* Excludes cash, money market instruments, and preferred shares as applicable.

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$108,119, or approximately 0.1% of total Net Assets (December 31, 2012 – \$67,217, or approximately 0.1% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	23,433,845	18.5	17,163,920	18.7
European Euro	3,933,475	3.1	3,754,547	4.1
British Pound	2,956,249	2.3	2,007,812	2.2
Singapore Dollar	2,055,561	1.6	–	–
Swiss Franc	1,865,892	1.5	5,447,361	5.9
Thai Baht	1,838,834	1.5	1,801,405	2.0
Australian Dollar	1,441,882	1.1	681,989	0.7
Swedish Krona	1,404,407	1.1	1,150,381	1.3
Danish Krone	999,004	0.8	913,350	1.0
Brazilian Real	852,748	0.7	1,182,829	1.3
Japanese Yen	826,000	0.7	2,485,922	2.7
Hong Kong Dollar	720,957	0.6	340,306	0.4
South African Rand	282,375	0.2	–	–
Polish Zloty	11,450	0.0	–	–
Total	42,622,679	33.7	36,929,822	40.3

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$4,262,268, or approximately 3.4% of total Net Assets, (December 31, 2012 – \$3,692,982, or approximately 4.0% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit ratings of the bond and debenture instruments, excluding cash and money market instruments but including preferred shares, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Preferred Shares and Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Preferred Shares and Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
AA	55.2	0.7	64.4	1.3
BB	44.8	0.5	35.6	0.7
Total	100.0	1.2	100.0	2.0

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 93.4% (December 31, 2012 – 92.4%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$11,823,843 (December 31, 2012 – \$8,452,400). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$4,897,842	\$ 23,926
Payable for currency spot contracts	536	55
Payable for currency forward contracts	2,905,504	961,785
	\$7,803,882	\$985,766

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Global Growth Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$295,240,576	\$265,481,057
Cash	4,195,413	3,787,584
Accrued investment income	320,132	140,016
Receivable for securities sold	3,704,645	—
Subscriptions receivable	39,634	49,794
Receivable for currency spot contracts	875	—
	<u>303,501,275</u>	<u>269,458,451</u>
LIABILITIES		
Payable for securities purchased	831,203	—
Redemptions payable	82,645	60,393
Accrued expenses	162,045	—
Payable for currency spot contracts	9,678	114
	<u>1,085,571</u>	<u>60,507</u>
Net Assets	<u>\$302,415,704</u>	<u>\$269,397,944</u>
NET ASSETS PER SERIES		
Series A Units	\$ 80,410,156	\$ 71,877,456
Advisor Series Units	\$ 34,908	\$ 30,523
Series F Units	\$ 5,587	\$ 4,951
Series I Units	\$221,965,053	\$197,485,014
UNITS OUTSTANDING		
Series A Units	2,218,707	2,271,513
Advisor Series Units	970	970
Series F Units	149	153
Series I Units	5,751,459	5,933,463
NET ASSETS PER UNIT		
Series A Units	\$ 36.24	\$ 31.64
Advisor Series Units	\$ 35.98	\$ 31.46
Series F Units	\$ 37.42	\$ 32.45
Series I Units	\$ 38.59	\$ 33.28

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 3,325,237	\$ 3,389,091
Interest	57,041	151,129
Securities lending	163,567	117,961
Foreign withholding taxes/tax reclaims	(513,208)	(513,752)
Other income	517	323
	<u>3,033,154</u>	<u>3,144,752</u>
EXPENSES		
Management fees (note 5)	762,833	713,619
Harmonized Sales Tax/Goods and Services Tax	97,134	92,135
Audit fees	3,444	4,383
Independent Review Committee fees	501	809
Custodian fees	31,752	36,547
Filing fees	15,242	15,941
Legal fees	1,229	1,435
Unitholder reporting costs	14,007	17,282
Unitholder administration and service fees	92,732	97,719
	<u>1,018,874</u>	<u>979,870</u>
Absorbed expenses	<u>(8,021)</u>	<u>(8,011)</u>
	<u>1,010,853</u>	<u>971,859</u>
Net investment income (loss)	<u>2,022,301</u>	<u>2,172,893</u>
Net realized gain (loss) on investments sold	8,348,054	(807,189)
Net gain (loss) foreign exchange	(13,085)	22,625
Transaction costs	(42,571)	(45,029)
Change in unrealized appreciation (depreciation) of investments	31,112,808	12,103,620
Change in unrealized appreciation (depreciation) of currency spots	(8,689)	(3,124)
	<u>39,396,517</u>	<u>11,270,903</u>
Net gain (loss) on investments and transaction costs	<u>\$41,418,818</u>	<u>\$13,443,796</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$10,333,516	\$ 3,170,831
Advisor Series Units	\$ 4,385	\$ 1,289
Series F Units	\$ 760	\$ 592
Series I Units	\$31,080,157	\$10,271,084
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 4.61	\$ 1.30
Advisor Series Units	\$ 4.52	\$ 1.09
Series F Units	\$ 5.01	\$ 0.64
Series I Units	\$ 5.35	\$ 1.79

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$ 71,877,456	\$ 69,431,815
Advisor Series Units	30,523	33,000
Series F Units	4,951	4,327
Series I Units	197,485,014	172,348,677
	<u>269,397,944</u>	<u>241,817,819</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	10,333,516	3,170,831
Advisor Series Units	4,385	1,289
Series F Units	760	592
Series I Units	31,080,157	10,271,084
	<u>41,418,818</u>	<u>13,443,796</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	5,156,910	3,082,551
Advisor Series Units	—	802
Series F Units	—	25,253
Series I Units	—	1,550,022
Payments on redemption		
Series A Units	(6,957,726)	(5,507,469)
Advisor Series Units	—	(6,876)
Series F Units	(124)	(14)
Series I Units	(6,600,118)	(8,480,095)
	<u>(8,401,058)</u>	<u>(9,335,826)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	8,532,700	745,913
Advisor Series Units	4,385	(4,785)
Series F Units	636	25,831
Series I Units	24,480,039	3,341,011
	<u>33,017,760</u>	<u>4,107,970</u>
NET ASSETS – END OF PERIOD		
Series A Units	80,410,156	70,177,728
Advisor Series Units	34,908	28,215
Series F Units	5,587	30,158
Series I Units	221,965,053	175,689,688
	<u>\$302,415,704</u>	<u>\$245,925,789</u>

The accompanying notes are an integral part of the financial statements.

Scotia Global Growth Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 97.6%				EQUITIES (cont'd)			
CANADIAN EQUITIES – 1.7%				FOREIGN EQUITIES (cont'd)			
Industrials – 0.6%				UNITED STATES (cont'd)			
85,742	Ritchie Bros. Auctioneers Incorporated	1,917,365	1,731,506	Information Technology (cont'd)			
Financials – 1.1%				129,627	FLIR Systems, Inc.	3,769,532	3,673,276
8,587	Fairfax Financial Holdings Limited	3,121,504	3,485,686	5,980	Google Inc.	2,955,688	5,528,241
TOTAL CANADIAN EQUITIES				9,292	MasterCard, Inc., Class A	2,622,771	5,572,369
FOREIGN EQUITIES – 95.9%				26,608	Teradata Corporation	1,741,841	1,404,276
UNITED STATES – 45.8%				91,019	Teradyne, Inc.	1,299,645	1,679,321
Energy – 3.1%				17,099	Visa Inc.	2,478,239	3,279,666
26,776	EOG Resources, Inc.	2,466,946	3,704,611	72,361	Xilinx, Inc.	2,490,219	3,011,525
26,257	National-Oilwell Varco Inc.	1,981,684	1,900,546	134,654	TD Ameritrade Holding Corporation	2,754,881	3,436,560
172,186	Ultra Petroleum Corp.	3,784,017	3,583,929	TOTAL UNITED STATES EQUITIES			
				101,699,711138,489,576			

Scotia Global Growth Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
FOREIGN EQUITIES (cont'd)				FOREIGN EQUITIES (cont'd)			
Russia – 0.4%				Turkey – 1.2%			
102,739	Sberbank of Russia	1,325,666	1,229,522	93,732	BIM Birlesik Magazalar AS	1,361,329	2,132,542
Singapore – 1.0%				332,657	Turkiye Garanti Bankasi AS	981,854	1,521,649
48,000	Jardine Matheson Holdings Limited	2,468,526	3,047,529			2,343,183	3,654,191
South Africa – 3.0%				United Kingdom – 10.6%			
416,204	Clicks Group Ltd.	2,323,815	2,474,260	47,178	Aggreko PLC	576,280	1,242,549
86,953	Naspers Limited N Shares	2,351,391	6,722,077	55,084	British American Tobacco PLC	2,145,387	2,971,684
		4,675,206	9,196,337	114,060	Bunzl PLC	1,511,388	2,338,729
South Korea – 1.4%				167,288	Coca-Cola HBC AG	4,095,898	4,108,293
6,750	Samsung Electronics Co., Ltd. GDR	1,929,045	4,126,160	905,411	Hays Plc.	1,094,044	1,280,538
Sweden – 5.7%				496,914	Prudential PLC	5,081,691	8,581,864
161,747	Atlas Copco AB, Class B	2,752,270	3,624,879	263,381	Rolls-Royce Group PLC	2,706,256	4,787,387
101,021	Investor AB, Class B	2,483,232	2,840,135	31,342,339	Rolls-Royce Holdings PLC*	–	50,079
193,491	Svenska Handelsbanken AB	5,409,669	8,128,986	819,227	Vodafone Group PLC	2,712,377	2,469,742
180,397	Volvo AB, Class B	2,607,052	2,526,273	86,770	Wolseley PLC	3,644,056	4,218,857
		13,252,223	17,120,273			23,567,377	32,049,722
Switzerland – 6.4%					TOTAL FOREIGN EQUITIES	222,507,983	290,023,384
34,605	Compagnie Financiere Richemont SA, Class A	1,237,019	3,188,491		TOTAL INVESTMENT PORTFOLIO	227,546,852	295,240,576
80,012	Nestle SA	3,802,759	5,496,867		Currency Spot Contracts – (0.0)%		(8,803)
25,604	Roche Holdings AG	4,086,435	6,663,791		OTHER ASSETS, LESS LIABILITIES – 2.4%		7,183,931
26,957	Schindler Holdings AG	1,997,173	3,938,285		NET ASSETS – 100.0%		302,415,704
		11,123,386	19,287,434				
Taiwan – 1.5%							
228,796	Taiwan Semiconductor Manufacturing Company Ltd. ADR	2,601,806	4,404,038				

* This security is not actively traded and is considered illiquid.

CURRENCY SPOT CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jul. 2, 2013	Canadian Dollar	1,181,204	U.S. Dollar	1,128,600	1,185,816	(4,612)
Jul. 2, 2013	Canadian Dollar	703,931	Swiss Franc	636,213	707,485	(3,554)
Jul. 2, 2013	Canadian Dollar	556,071	Swiss Franc	500,408	556,467	(396)
Jul. 2, 2013	Canadian Dollar	301,267	Australian Dollar	312,810	300,501	766
Jul. 2, 2013	Canadian Dollar	281,885	British Pound	176,543	282,080	(194)
Jul. 2, 2013	Canadian Dollar	67,036	Japanese Yen	6,330,220	67,051	(15)
Jul. 2, 2013	Canadian Dollar	64,854	Japanese Yen	6,133,870	64,972	(118)
Jul. 2, 2013	Canadian Dollar	45,995	Hong Kong Dollar	340,043	46,064	(69)
Jul. 2, 2013	U.S. Dollar	155,216	Canadian Dollar	162,977	162,976	109
Jul. 2, 2013	U.S. Dollar	154,593	Canadian Dollar	162,941	162,940	(510)
Jul. 3, 2013	Japanese Yen	6,933,356	Canadian Dollar	73,634	73,650	(210)
						(8,803)

The currency spot contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A+ by Standard & Poor's.

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Global Growth Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equities	1.7	2.6
Foreign Equities		
United States	45.8	39.6
Australia	1.0	1.5
Brazil	1.5	3.5
Denmark	1.6	1.7
Germany	0.8	0.8
Greece	–	1.6
Hong Kong	2.9	2.5
India	0.4	–
Indonesia	0.3	0.3
Ireland	2.8	1.9
Japan	5.8	4.4
Mexico	0.8	0.9
Netherlands	–	1.1
Norway	1.0	1.2
Russia	0.4	–
Singapore	1.0	2.1
South Africa	3.0	3.4
South Korea	1.4	1.9
Sweden	5.7	5.6
Switzerland	6.4	7.9
Taiwan	1.5	1.5
Turkey	1.2	1.5
United Kingdom	10.6	11.0
Currency Spot Contracts	(0.0)	0.0

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	166,781,109	55.1	138,932,158	51.6
British Pound	33,173,691	11.0	21,299,544	7.9
Swiss Franc	18,023,482	6.0	21,286,971	7.9
Japanese Yen	17,744,222	5.9	11,750,638	4.4
Swedish Krona	17,120,273	5.7	15,181,749	5.6
South African Rand	9,196,337	3.0	9,104,540	3.4
Hong Kong Dollar	8,841,666	2.9	6,724,806	2.5
Danish Krone	4,738,431	1.6	4,580,229	1.7
Turkish Lira	3,654,192	1.2	4,005,426	1.5
European Euro	3,384,375	1.1	7,511,675	2.8
Brazilian Real	3,331,235	1.1	4,640,880	1.7
Norwegian Krone	3,004,676	1.0	3,150,530	1.2
Australian Dollar	2,768,162	0.9	4,127,217	1.5
Indonesian Rupiah	1,023,180	0.3	865,842	0.3
Singapore Dollar	–	–	2,572,781	1.0
Total	292,785,031	96.8	255,734,986	95.0

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$29,278,503, or approximately 9.7% of total Net Assets, (December 31, 2012 – \$25,573,499, or approximately 9.5% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 97.6% (December 31, 2012 – 98.5%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$29,524,058 (December 31, 2012 – \$26,548,106). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$1,075,893	\$60,393
Payable for currency spot contracts	9,678	114
	\$1,085,571	\$60,507

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Global Small Cap Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$52,452,598	\$47,985,659
Cash	968,012	1,895,699
Accrued investment income	22,629	11,735
Subscriptions receivable	113	489
	<u>53,443,352</u>	<u>49,893,582</u>
LIABILITIES		
Redemptions payable	30,025	1,288
Accrued expenses	7,620	—
Payable for currency forward contracts	—	155,201
	<u>37,645</u>	<u>156,489</u>
Net Assets	<u>\$53,405,707</u>	<u>\$49,737,093</u>
NET ASSETS PER SERIES		
Series A Units	\$ 2,372,983	\$ 2,202,324
Series I Units	<u>\$51,032,724</u>	<u>\$47,534,769</u>
UNITS OUTSTANDING		
Series A Units	362,698	375,793
Series I Units	<u>7,288,176</u>	<u>7,681,208</u>
NET ASSETS PER UNIT		
Series A Units	\$ 6.54	\$ 5.86
Series I Units	<u>\$ 7.00</u>	<u>\$ 6.19</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 337,152	\$ 361,686
Interest	1,052	3,571
Securities lending	2,034	1,176
Foreign withholding taxes/tax reclaims	(34,089)	(41,612)
Other income	91	519
	<u>306,240</u>	<u>325,340</u>
EXPENSES		
Management fees (note 5)	26,625	27,770
Harmonized Sales Tax/Goods and Services Tax	4,410	5,412
Audit fees	638	1,965
Independent Review Committee fees	89	57
Custodian fees	5,043	10,602
Filing fees	7,668	7,617
Legal fees	225	656
Unitholder reporting costs	4,156	3,863
Unitholder administration and service fees	5,968	9,380
Overdraft charges	6,053	2,356
	<u>60,875</u>	<u>69,678</u>
Absorbed expenses	<u>(9,217)</u>	<u>(9,898)</u>
	<u>51,658</u>	<u>59,780</u>
Net investment income (loss)	<u>254,582</u>	<u>265,560</u>
Net realized gain (loss) on investments sold	2,078,065	1,453,261
Net realized gain (loss) on futures contracts	—	(1,871,264)
Net realized gain (loss) on currency forwards	(685,354)	(280,364)
Net gain (loss) foreign exchange	46,426	(61,923)
Transaction costs	(70,534)	(112,992)
Change in unrealized appreciation (depreciation) of investments	4,554,000	2,432,213
Change in unrealized appreciation (depreciation) of currency spots	—	(992)
Change in unrealized appreciation (depreciation) of currency forwards	155,201	79,373
Net gain (loss) on investments and transaction costs	<u>6,077,804</u>	<u>1,637,312</u>
Increase (decrease) in Net Assets from operations	<u>\$6,332,386</u>	<u>\$ 1,902,872</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$ 250,936	\$ 45,354
Series I Units	<u>\$6,081,450</u>	<u>\$ 1,857,518</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.68	\$ 0.11
Series I Units	<u>\$ 0.82</u>	<u>\$ 0.20</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$ 2,202,324	\$ 2,264,835
Series I Units	<u>47,534,769</u>	<u>55,565,906</u>
	<u>49,737,093</u>	<u>57,830,741</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	250,936	45,354
Series I Units	<u>6,081,450</u>	<u>1,857,518</u>
	<u>6,332,386</u>	<u>1,902,872</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	211,284	191,689
Series I Units	—	250,001
Payments on redemption		
Series A Units	(291,561)	(284,211)
Series I Units	<u>(2,583,495)</u>	<u>(874,989)</u>
	<u>(2,663,772)</u>	<u>(717,510)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	170,659	(47,168)
Series I Units	<u>3,497,955</u>	<u>1,232,530</u>
	<u>3,668,614</u>	<u>1,185,362</u>
NET ASSETS – END OF PERIOD		
Series A Units	2,372,983	2,217,667
Series I Units	<u>51,032,724</u>	<u>56,798,436</u>
	<u>\$53,405,707</u>	<u>\$59,016,103</u>

The accompanying notes are an integral part of the financial statements.

Scotia Global Small Cap Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 98.2%			
CANADIAN EQUITIES – 3.9%			
Materials – 3.9%			
442,300	Augusta Resource Corporation	1,918,865	973,060
15,600	Domtar Corporation	1,195,541	1,090,440
	TOTAL CANADIAN EQUITIES	<u>3,114,406</u>	<u>2,063,500</u>
FOREIGN EQUITIES – 94.3%			
United States – 61.8%			
Energy – 5.4%			
23,800	Market Vector Oil Service ETF	1,032,110	1,066,530
38,000	Whiting Petroleum Corporation	1,655,127	1,839,412
		<u>2,687,237</u>	<u>2,905,942</u>
Industrials – 3.0%			
28,200	Jacobs Engineering Group, Inc.	1,361,231	1,633,185
Consumer Discretionary – 14.6%			
23,100	AMC Networks Inc, Class A	965,682	1,586,843
39,600	IAC/InterActive Corporation	1,715,562	1,978,856
18,800	Ingredion Inc.	1,295,075	1,294,815
127,100	Live Nation Entertainment Inc.	1,449,879	2,068,588
21,200	Mattress Firm Holding Corporation	640,315	901,682
		<u>6,066,513</u>	<u>7,830,784</u>
Health Care – 6.4%			
51,400	PerkinElmer, Inc.	1,587,941	1,753,028
23,700	Varian Medical Systems, Inc.	1,541,000	1,679,606
		<u>3,128,941</u>	<u>3,432,634</u>
Financials – 5.5%			
215,100	Janus Capital Group Inc.	1,900,415	1,918,780
31,000	Lazard Ltd.	1,094,314	1,045,548
		<u>2,994,729</u>	<u>2,964,328</u>
Information Technology – 17.7%			
32,500	Dolby Laboratories Inc., Class A	1,092,552	1,141,555
74,500	Fortinet Inc.	1,559,902	1,369,062
97,200	JDS Uniphase Corporation	1,566,265	1,466,553
44,500	Paychex, Inc.	1,413,967	1,705,190
84,300	QLIK Technologies Inc.	2,111,711	2,503,091
58,300	Sony Corporation	1,224,591	1,298,006
		<u>8,968,988</u>	<u>9,483,457</u>
Telecommunication Services – 9.2%			
97,065	Level 3 Communications, Inc.	2,224,377	2,149,860
52,500	Broadbridge Financial Solutions Inc.	1,217,455	1,465,091
32,800	Heartland Payment Systems, Inc.	1,028,851	1,280,983
		<u>4,470,683</u>	<u>4,895,934</u>
	TOTAL UNITED STATES EQUITIES	<u>29,678,322</u>	<u>33,146,264</u>
Austria – 2.9%			
14,500	Schoeller-Bleckmann Oilfield Equipment AG	1,276,592	1,547,743
India – 2.0%			
45,750	Axis Bank Limited	1,195,418	1,080,396
Italy – 2.9%			
82,900	Assicurazione Generali SpA	1,299,508	1,519,770
Mexico – 2.7%			
542,700	Bolsa Mexicana de Valores SA	1,241,700	1,418,318
Netherlands – 2.5%			
35,900	Sensata Technologies Holding NV	1,139,587	1,316,428
Norway – 2.4%			
148,500	Orkla ASA	1,297,742	1,278,142
Singapore – 2.8%			
255,600	Singapore Exchange Limited	1,477,066	1,483,390

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES (cont'd)			
FOREIGN EQUITIES (cont'd)			
Spain – 8.8%			
42,400	Amadeus Global Travel Distribution SA	718,935	1,422,886
53,100	Enagas SA	1,089,415	1,377,951
36,300	Viscofan, SA	1,631,402	1,907,003
		<u>3,439,752</u>	<u>4,707,840</u>
Switzerland – 1.9%			
7,800	Dufry AG	1,055,051	991,294
United Kingdom – 3.6%			
345,400	Kingfisher PLC	1,545,939	1,899,513
	TOTAL FOREIGN EQUITIES	<u>44,646,677</u>	<u>50,389,098</u>
	TOTAL INVESTMENT PORTFOLIO	<u>47,761,083</u>	<u>52,452,598</u>
	OTHER ASSETS, LESS LIABILITIES – 1.8%		953,109
	NET ASSETS – 100.0%		<u>53,405,707</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equities	3.9	6.3
Foreign Equities		
United States	61.8	57.2
Austria	2.9	2.7
India	2.0	2.3
Italy	2.9	3.0
Mexico	2.7	2.2
Netherlands	2.5	2.8
Norway	2.4	–
Singapore	2.8	2.3
South Africa	–	3.7
Spain	8.8	8.9
Switzerland	1.9	2.5
United Kingdom	3.6	2.6
Currency Forward Contracts	–	(0.3)

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Global Small Cap Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	36,183,566	67.8	3,563,361	7.2
European Euro	7,775,351	14.6	7,319,341	14.7
British Pound	1,899,513	3.6	1,294,244	2.6
Singapore Dollar	1,483,390	2.8	1,149,892	2.3
Mexican Peso	1,418,318	2.7	1,076,252	2.2
Norwegian Krone	1,278,142	2.4	–	–
Swiss Franc	991,294	1.9	1,248,335	2.5
South African Rand	–	–	1,850,721	3.7
Total	51,029,574	95.8	17,502,146	35.2

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$5,102,957, or approximately 9.6% of total Net Assets, (December 31, 2012 – \$1,750,215, or approximately 3.5% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 98.2% (December 31, 2012 – 96.5%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$5,245,260 (December 31, 2012 – \$4,798,566). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$37,645	\$ 1,288
Payable for currency forward contracts	–	155,201
	\$37,645	\$156,489

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Global Opportunities Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$67,841,769	\$63,543,326
Cash	4,688,714	4,646,550
Accrued investment income	82,889	28,142
Receivable for securities sold	2,037,548	—
Subscriptions receivable	1,280	13,781
Receivable for currency forward contracts	2,777	23,163
	<u>74,654,977</u>	<u>68,254,962</u>
LIABILITIES		
Redemptions payable	15,949	2,616
Accrued expenses	18,800	—
Payable for currency forward contracts	858,722	189,532
	<u>893,471</u>	<u>192,148</u>
Net Assets	<u>\$73,761,506</u>	<u>\$68,062,814</u>
NET ASSETS PER SERIES		
Series A Units	\$ 6,834,770	\$ 6,469,645
Advisor Series Units	\$ 182,341	\$ 166,427
Series I Units	<u>\$66,744,395</u>	<u>\$61,426,742</u>
UNITS OUTSTANDING		
Series A Units	772,046	800,529
Advisor Series Units	21,233	21,233
Series I Units	<u>7,184,159</u>	<u>7,344,238</u>
NET ASSETS PER UNIT		
Series A Units	\$ 8.85	\$ 8.08
Advisor Series Units	\$ 8.59	\$ 7.84
Series I Units	<u>\$ 9.29</u>	<u>\$ 8.36</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$1,093,625	\$ 514,079
Interest	(26,033)	21,194
Securities lending	3,995	398
Foreign withholding taxes/tax reclaims	(145,661)	(59,686)
Other income	28	152
	<u>925,954</u>	<u>476,137</u>
EXPENSES		
Management fees (note 5)	74,998	70,925
Harmonized Sales Tax/Goods and Services Tax	10,762	10,505
Audit fees	880	2,063
Independent Review Committee fees	123	76
Custodian fees	9,687	15,343
Filing fees	13,360	14,383
Legal fees	308	818
Unitholder reporting costs	4,632	4,760
Unitholder administration and service fees	9,332	12,319
Overdraft charges	185	39
	<u>124,267</u>	<u>131,231</u>
Absorbed expenses	<u>(6,919)</u>	<u>(11,126)</u>
	<u>117,348</u>	<u>120,105</u>
Net investment income (loss)	<u>808,606</u>	<u>356,032</u>
Net realized gain (loss) on investments sold	4,352,540	697,761
Net realized gain (loss) on currency forwards	(729,157)	(157,105)
Net gain (loss) foreign exchange	230,073	(3,732)
Transaction costs	(158,380)	(28,918)
Change in unrealized appreciation (depreciation) of investments	3,537,574	4,088,238
Change in unrealized appreciation (depreciation) of currency spots	—	—
Change in unrealized appreciation (depreciation) of currency forwards	(689,576)	324,542
Net gain (loss) on investments and transaction costs	<u>6,543,074</u>	<u>4,920,786</u>
Increase (decrease) in Net Assets from operations	<u>\$7,351,680</u>	<u>\$5,276,818</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$ 611,540	\$ 428,271
Advisor Series Units	\$ 15,914	\$ 10,618
Series F Units	\$ —	\$ 2,295
Series I Units	<u>\$6,724,226</u>	<u>\$4,835,634</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.78	\$ 0.52
Advisor Series Units	\$ 0.75	\$ 0.50
Series F Units	\$ —	\$ 0.46
Series I Units	<u>\$ 0.93</u>	<u>\$ 0.64</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$ 6,469,645	\$ 6,097,267
Advisor Series Units	166,427	149,621
Series I Units	<u>61,426,742</u>	<u>55,982,225</u>
	<u>68,062,814</u>	<u>62,229,113</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	611,540	428,271
Advisor Series Units	15,914	10,618
Series F Units	—	2,295
Series I Units	<u>6,724,226</u>	<u>4,835,634</u>
	<u>7,351,680</u>	<u>5,276,818</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	511,849	634,250
Advisor Series Units	—	409
Series F Units	—	36,782
Series I Units	<u>100,000</u>	<u>465,005</u>
Payments on redemption		
Series A Units	(758,264)	(714,382)
Series I Units	<u>(1,506,573)</u>	<u>(535,017)</u>
	<u>(1,652,988)</u>	<u>(112,953)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	365,125	348,139
Advisor Series Units	15,914	11,027
Series F Units	—	39,077
Series I Units	<u>5,317,653</u>	<u>4,765,622</u>
	<u>5,698,692</u>	<u>5,163,865</u>
NET ASSETS – END OF PERIOD		
Series A Units	6,834,770	6,445,406
Advisor Series Units	182,341	160,648
Series F Units	—	39,077
Series I Units	<u>66,744,395</u>	<u>60,747,847</u>
	<u>\$73,761,506</u>	<u>\$67,392,978</u>

The accompanying notes are an integral part of the financial statements.

Scotia Global Opportunities Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 92.0%				EQUITIES (cont'd)			
France – 2.1%				United States – 56.3%			
31,300	Legrand SA	1,390,475	1,519,582	29,500	Nucor Corporation	1,411,883	1,342,107
Israel – 6.4%				27,100	Honeywell International Inc.	2,059,745	2,259,116
143,709	Frutarom	1,349,358	2,279,292	17,900	Hershey Company, The	1,394,912	1,679,130
150,900	Strauss Group Ltd.	2,220,504	2,423,308	24,600	Johnson & Johnson	2,127,584	2,219,234
Italy – 3.1%				29,800	Medtronic, Inc.	1,422,747	1,610,625
Japan – 4.1%				28,900	American Express Company	2,031,110	2,267,667
15,300	Tod's SpA	1,662,580	2,262,868	29,500	Berkshire Hathaway Inc., Class B	2,798,975	3,482,348
41,600	Japan Tobacco Inc.	1,503,559	1,544,598	85,200	Morgan Stanley	2,344,187	2,192,328
23,500	Toyota Motor Corporation	1,493,612	1,490,676	5,000	MasterCard, Inc., Class A	2,831,285	2,998,478
Netherlands – 2.3%				49,200	Air Lease Corporation	1,286,168	1,426,244
20,377	ASML Holding NV	1,215,694	1,679,443	34,700	CBS Corporation, Class B	1,429,008	1,781,759
Sweden – 3.0%				23,500	Globe Specialty Metals Inc	490,202	268,395
53,800	Assa Abloy AB Series B	2,135,740	2,203,635	1,700	Google Inc.	1,119,123	1,571,573
Switzerland – 12.5%				40,600	JPMorgan Chase & Co.	2,308,551	2,251,930
6,100	Geberit AG	1,395,494	1,586,293	31,400	MetLife, Inc.	1,454,750	1,509,377
12,900	Inficon Holding AG	2,338,848	4,012,423	52,600	Noble Energy, Inc.	2,819,720	3,318,209
2,400	Schweiter Technologies AG	1,555,641	1,545,665	444,200	Sirius XM Radio Inc.	1,386,402	1,554,175
19,200	Tamedia AG	2,151,836	2,134,342	20,200	Thermo Fisher Scientific, Inc.	1,428,471	1,796,192
United Kingdom – 2.2%				33,000	Walt Disney Company, The	1,987,261	2,189,598
37,440	Spirax-Sarco Engineering PLC	1,409,503	1,599,266	88,600	Wells Fargo & Company	3,741,133	3,841,893
						37,873,217	41,560,378
						59,696,061	67,841,769
							(855,945)
							6,775,682
							73,761,506

Scotia Global Opportunities Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	23,190,395	31.4	11,337,609	16.7
Swiss Franc	9,278,723	12.6	8,993,054	13.2
Israel Shekel	4,702,600	6.4	3,764,163	5.5
European Euro	2,308,920	3.1	6,616,284	9.7
Swedish Krona	2,203,635	3.0	–	–
British Pound	1,599,266	2.2	5,601,045	8.2
Japanese Yen	806,378	1.1	–	–
Total	44,089,917	59.8	36,312,155	53.3

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$4,408,992, or approximately 6.0% of total Net Assets, (December 31, 2012 – \$3,631,216, or approximately 5.3% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 92.0% (December 31, 2012 – 93.3%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$6,784,177 (December 31, 2012 – \$6,354,333). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012	
	Less than 3 months	Less than 3 months	3 months to 1 year
Accounts payable and accrued liabilities	\$ 34,749	\$ 2,616	\$ –
Payable for currency forward contracts	858,722	186,039	3,493
	\$893,471	\$188,655	\$3,493

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Global Climate Change Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$8,215,234	\$7,411,626
Cash	80,556	81,176
Accrued investment income	18,117	12,365
Subscriptions receivable	7,804	9,912
	<u>8,321,711</u>	<u>7,515,079</u>
LIABILITIES		
Redemptions payable	3,052	10,958
Accrued expenses	17,513	—
	<u>20,565</u>	<u>10,958</u>
Net Assets	<u>\$8,301,146</u>	<u>\$7,504,121</u>
NET ASSETS PER SERIES		
Series A Units	\$8,005,323	\$7,232,656
Advisor Series Units	\$ 295,823	\$ 271,465
UNITS OUTSTANDING		
Series A Units	998,943	1,011,649
Advisor Series Units	37,041	38,097
NET ASSETS PER UNIT		
Series A Units	\$ 8.01	\$ 7.15
Advisor Series Units	\$ 7.99	\$ 7.13

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 95,794	\$ 76,200
Interest	222	106
Securities lending	5,280	1,255
Foreign withholding taxes/tax reclaims	(12,737)	1,152
Other income	13	250
	<u>88,572</u>	<u>78,963</u>
EXPENSES		
Management fees (note 5)	78,913	75,502
Harmonized Sales Tax/Goods and Services Tax	10,700	10,952
Audit fees	125	1,331
Independent Review Committee fees	13	62
Custodian fees	7,170	9,632
Filing fees	12,726	12,683
Legal fees	39	545
Unitholder reporting costs	3,196	4,350
Unitholder administration and service fees	8,241	12,612
Overdraft charges	7	—
	<u>121,130</u>	<u>127,669</u>
Absorbed expenses	<u>(11,834)</u>	<u>(22,919)</u>
	<u>109,296</u>	<u>104,750</u>
Net investment income (loss)	<u>(20,724)</u>	<u>(25,787)</u>
Net realized gain (loss) on investments sold	351,112	8,589
Net gain (loss) foreign exchange	4,690	(13,612)
Transaction costs	(5,220)	(14,706)
Change in unrealized appreciation (depreciation) of investments	567,294	467,067
Net gain (loss) on investments and transaction costs	<u>917,876</u>	<u>447,338</u>
Increase (decrease) in Net Assets from operations	<u>\$897,152</u>	<u>\$421,551</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$864,717	\$396,630
Advisor Series Units	\$ 32,435	\$ 24,921
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.87	\$ 0.38
Advisor Series Units	\$ 0.87	\$ 0.47

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$7,232,656	\$6,981,035
Advisor Series Units	271,465	410,327
	<u>7,504,121</u>	<u>7,391,362</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	864,717	396,630
Advisor Series Units	32,435	24,921
	<u>897,152</u>	<u>421,551</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	604,082	479,986
Advisor Series Units	9,212	8,344
Payments on redemption		
Series A Units	(696,132)	(711,206)
Advisor Series Units	(17,289)	(125,829)
	<u>(100,127)</u>	<u>(348,705)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	772,667	165,410
Advisor Series Units	24,358	(92,564)
	<u>797,025</u>	<u>72,846</u>
NET ASSETS – END OF PERIOD		
Series A Units	8,005,323	7,146,445
Advisor Series Units	295,823	317,763
	<u>\$8,301,146</u>	<u>\$7,464,208</u>

The accompanying notes are an integral part of the financial statements.

Scotia Global Climate Change Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 99.0%			
Australia – 2.9%			
19,931	APA Group	105,435	114,240
10,309	Santos Ltd.	131,381	123,713
		<u>236,816</u>	<u>237,953</u>
Belgium – 2.3%			
825	Solvay SA	93,833	113,381
1,745	Umicore	79,254	76,151
		<u>173,087</u>	<u>189,532</u>
Canada – 1.5%			
9,044	Newalta Corp.	124,685	127,882
France – 2.5%			
1,510	Schneider Electric SA	119,247	114,365
6,907	Suez Environment Co.	74,521	93,423
		<u>193,768</u>	<u>207,788</u>
Germany – 4.0%			
1,734	Bayer AG	174,853	193,890
1,814	SAP AG	139,453	139,544
		<u>314,306</u>	<u>333,434</u>
Hong Kong – 1.6%			
24,000	ENN Energy Holdings Ltd.	94,654	133,795
Italy – 1.3%			
5,429	Physmian SpA	97,514	106,041
Japan – 9.2%			
2,700	Aisin Seiki Co., Ltd.	102,387	108,551
5,300	Bridgestone Corporation	103,348	189,782
800	FANUC Corp.	129,951	121,869
600	Kyocera Corporation	61,847	64,164
1,200	Shimano Inc.	76,660	107,032
2,700	Toyota Motor Corporation	124,444	171,269
		<u>598,637</u>	<u>762,667</u>
Netherlands – 1.7%			
5,035	Koninklijke Philips Electronics NV	151,418	144,076
Norway – 1.3%			
12,389	Tomra Systems ASA	88,042	110,357
Philippines – 0.7%			
79,000	Manila Water Company	28,822	62,102
Spain – 1.3%			
19,639	EDP Renovaveis SA	99,283	105,515
Switzerland – 1.4%			
1,532	Swiss Re Ltd.	80,709	119,201
United Kingdom – 9.1%			
4,932	Aggreko PLC	152,960	129,896
12,182	BG Group PLC	261,830	218,416
3,564	Intertek Group PLC	114,558	166,835
3,028	Rotork PLC	106,016	128,689
9,817	United Utilities Group PLC	98,465	107,120
		<u>733,829</u>	<u>750,956</u>
United States – 58.2%			
5,042	Aecom Technology Corp.	137,484	168,199
696	Air Products and Chemicals, Inc.	54,926	66,913
480	Amazon.com, Inc.	103,351	140,049
454	Apple Inc.	252,103	188,937
1,659	BorgWarner, Inc.	109,335	150,168
7,418	Calgon Carbon Corporation	103,846	129,927
1,431	Citrix Systems, Inc.	94,948	90,709
3,719	Danaher Corporation	197,479	247,347
1,971	Deere & Company	148,318	168,262
4,219	eBay Inc.	142,568	229,890

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES (cont'd)			
United States (cont'd)			
3,462	Enterprise Products Partners L.P.	174,516	226,071
839	Equinix, Inc.	142,170	162,828
632	F5 Networks, Inc.	68,477	45,686
4,213	Freeport-McMoRan Copper & Gold Inc.	154,852	122,174
4,683	Hexcel Corporation	114,696	167,245
633	IHS Inc.	53,508	69,409
1,917	Informatica Corporation	72,148	70,456
1,114	IntercontinentalExchange Inc.	126,472	208,391
4,004	InterXion Holding NV	66,408	109,887
1,639	ITC Holdings Corporation	117,707	157,124
1,591	Kansas City Southern	114,360	177,129
1,925	Monsanto Company	145,915	199,791
2,028	Praxair, Inc.	201,665	245,235
2,143	Roper Industries, Inc.	119,218	279,271
750	Telsa Motors Inc.	20,774	84,657
9,109	Trimble Navigation Ltd.	204,175	248,745
7,402	U.S. Bancorp	231,311	280,836
1,313	Union Pacific Corporation	95,489	212,839
2,802	Verisk Analytics, Inc.	144,153	175,760
		<u>3,712,372</u>	<u>4,823,935</u>
TOTAL INVESTMENT PORTFOLIO		<u>6,727,942</u>	<u>8,215,234</u>
OTHER ASSETS, LESS LIABILITIES – 1.0%			<u>85,912</u>
NET ASSETS – 100.0%			<u>8,301,146</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Australia	2.9	3.6
Belgium	2.3	2.4
Canada	1.5	1.8
France	2.5	1.1
Germany	4.0	1.5
Hong Kong	1.6	1.0
Italy	1.3	1.4
Japan	9.2	5.0
Netherlands	1.7	–
Norway	1.3	1.7
Philippines	0.7	0.8
Spain	1.3	1.0
Switzerland	1.4	1.5
United Kingdom	9.1	11.1
United States	58.2	64.9

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia Global Climate Change Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	4,888,118	58.9	5,007,005	66.7
European Euro	1,086,387	9.2	548,660	7.3
Japanese Yen	763,069	9.0	378,080	5.0
British Pound	750,956	13.1	830,629	11.1
Australian Dollar	237,953	2.9	266,728	3.6
Hong Kong Dollar	133,795	1.3	78,201	1.0
Swiss Franc	119,201	1.4	111,035	1.5
Norwegian Krone	110,357	1.6	125,645	1.7
Philippines Peso	62,102	0.7	61,265	0.8
Total	8,151,938	98.1	7,407,248	98.7

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$815,194, or approximately 9.8% of total Net Assets, (December 31, 2012 – \$740,725, or approximately 9.9% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.0% (December 31, 2012 – 98.8%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$821,523 (December 31, 2012 – \$741,163). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$20,565	\$10,958

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Canadian Bond Index Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$574,628,313	\$648,097,753
Cash	773,802	60,035
Accrued investment income	3,515,050	3,740,390
Receivable for securities sold	643,391	—
Subscriptions receivable	148,289	873,333
	<u>579,708,845</u>	<u>652,771,511</u>
LIABILITIES		
Payable for securities purchased	698,084	1,617,836
Distributions payable	39,773	—
Redemptions payable	1,250,455	181,040
Accrued expenses	370,342	—
	<u>2,358,654</u>	<u>1,798,876</u>
Net Assets	<u>\$577,350,191</u>	<u>\$650,972,635</u>
NET ASSETS PER SERIES		
Series A Units	\$545,119,006	\$615,655,673
Series F Units	\$ 27,716	\$ 105,333
Series I Units	\$ 32,203,469	\$ 35,211,629
UNITS OUTSTANDING		
Series A Units	48,459,205	52,793,568
Series F Units	2,454	9,005
Series I Units	2,872,248	3,028,298
NET ASSETS PER UNIT		
Series A Units	\$ 11.25	\$ 11.66
Series F Units	\$ 11.29	\$ 11.70
Series I Units	\$ 11.21	\$ 11.63

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Interest	\$ 11,066,796	\$10,403,067
Securities lending	35,932	18,017
Other income	5,693	10,100
	<u>11,108,421</u>	<u>10,431,184</u>
EXPENSES		
Management fees (note 5)	2,039,324	1,865,703
Harmonized Sales Tax/Goods and Services Tax	258,197	223,744
Audit fees	7,361	7,557
Independent Review Committee fees	1,083	939
Custodian fees	9,935	5,927
Filing fees	18,586	12,879
Legal fees	2,623	2,452
Unitholder reporting costs	16,805	16,744
Unitholder administration and service fees	119,723	101,914
	<u>2,473,637</u>	<u>2,237,859</u>
Absorbed expenses	<u>(1,632)</u>	<u>(1,589)</u>
	<u>2,472,005</u>	<u>2,236,270</u>
Net investment income (loss)	<u>8,636,416</u>	<u>8,194,914</u>
Net realized gain (loss) on investments sold	(198,738)	2,252,077
Change in unrealized appreciation (depreciation) of investments	(20,791,262)	(870,066)
Net gain (loss) on investments	<u>(20,990,000)</u>	<u>1,382,011</u>
Increase (decrease) in Net Assets from operations	<u>\$(12,353,584)</u>	<u>\$ 9,576,925</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$(11,812,832)	\$ 8,863,534
Series F Units	\$ (593)	1,031
Series I Units	\$ (540,159)	\$ 712,360
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ (0.23)	\$ 0.19
Series F Units	\$ (0.15)	\$ 0.19
Series I Units	\$ (0.18)	\$ 0.22

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$ 615,655,673	\$461,746,915
Series F Units	105,333	63,594
Series I Units	35,211,629	39,307,950
	<u>650,972,635</u>	<u>501,118,459</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	(11,812,832)	8,863,534
Series F Units	(593)	1,031
Series I Units	(540,159)	712,360
	<u>(12,353,584)</u>	<u>9,576,925</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series A Units	(8,784,444)	(8,088,353)
Series F Units	(572)	(991)
Series I Units	(656,094)	(729,272)
	<u>(9,441,110)</u>	<u>(8,818,616)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	53,061,169	157,580,162
Series I Units	180,008	486,008
Reinvested distributions		
Series A Units	8,492,557	7,803,589
Series F Units	133	991
Series I Units	656,094	729,225
Payments on redemption		
Series A Units	(111,493,117)	(53,634,557)
Series F Units	(76,585)	—
Series I Units	(2,648,009)	(4,151,482)
	<u>(51,827,750)</u>	<u>108,813,936</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	(70,536,667)	112,524,375
Series F Units	(77,617)	1,031
Series I Units	(3,008,160)	(2,953,161)
	<u>(73,622,444)</u>	<u>109,572,245</u>
NET ASSETS – END OF PERIOD		
Series A Units	545,119,006	574,271,290
Series F Units	27,716	64,625
Series I Units	32,203,469	36,354,789
	<u>\$ 577,350,191</u>	<u>\$610,690,704</u>

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Bond Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBTURE INSTRUMENTS – 99.5%				BOND AND DEBTURE INSTRUMENTS (cont'd)			
Federal Bonds – 38.0%				Provincial Bonds – 29.4%			
	Business Development Bank of Canada				Alberta Capital Finance Authority		
87,000	4.75% due Jul. 26, 2021	105,024	100,646	303,000	3.05% due Jun. 15, 2015	307,340	312,637
53,000	4.35% due Feb. 28, 2022	55,707	59,164	51,000	4.35% due Jun. 15, 2016	50,648	54,903
	Canada Housing Trust No. 1			73,000	4.65% due Jun. 15, 2017	72,768	80,313
1,835,000	2.75% due Sep. 15, 2014	1,887,530	1,868,277	15,000	4.45% due Dec. 15, 2025	14,953	16,356
21,355,000	2.95% due Mar. 15, 2015	21,874,434	21,947,514		Financement-Quebec		
1,710,000	3.15% due Jun. 15, 2015	1,707,743	1,769,476	87,000	4.25% due Dec. 1, 2015	87,758	92,428
4,730,000	2.45% due Dec. 15, 2015	4,805,153	4,839,691	2,483,000	3.50% due Dec. 1, 2016	2,621,177	2,613,959
5,129,000	2.75% due Dec. 15, 2015	5,249,968	5,284,805	809,000	3.50% due Dec. 1, 2017	842,859	851,234
5,600,000	2.75% due Jun. 15, 2016	5,696,205	5,781,571	824,000	2.40% due Dec. 1, 2018	818,988	818,823
6,000,000	1.85% due Dec. 15, 2016	6,072,981	6,018,079	819,000	2.45% due Dec. 1, 2019	818,260	803,811
5,045,000	2.05% due Jun. 15, 2017	5,084,593	5,078,185	680,000	5.25% due Jun. 1, 2034	708,696	793,250
5,258,000	1.70% due Dec. 15, 2017	5,252,801	5,185,304		Hydro-Quebec		
3,072,000	1.75% due Jun. 15, 2018	3,070,648	3,015,728	350,000	11.00% due Aug. 15, 2020	557,550	530,340
2,500,000	2.05% due Jun. 15, 2018	2,496,950	2,489,248	259,000	10.50% due Oct. 15, 2021	410,689	396,944
4,250,000	4.10% due Dec. 15, 2018	4,510,382	4,650,818	403,000	9.63% due Jul. 15, 2022	597,978	599,975
2,412,000	3.75% due Mar. 15, 2020	2,396,645	2,602,225	40,000	6.00% due Aug. 15, 2031	37,938	50,573
1,630,000	3.35% due Dec. 15, 2020	1,622,887	1,714,495	1,328,000	6.50% due Feb. 15, 2035	1,777,550	1,805,779
3,385,000	3.80% due Jun. 15, 2021	3,621,358	3,657,929	711,000	6.00% due Feb. 15, 2040	828,532	938,347
3,741,000	2.65% due Mar. 15, 2022	3,777,514	3,707,356	760,000	5.00% due Feb. 15, 2045	812,796	896,891
3,422,000	2.40% due Dec. 15, 2022	3,383,195	3,291,676	2,491,000	5.00% due Feb. 15, 2050	2,983,262	2,988,328
970,000	2.35% due Sep. 15, 2023	965,693	920,268		Newfoundland and Labrador Hydro		
	Canada Mortgage and Housing Corporation			40,000	4.33% due Oct. 13, 2016	39,910	43,142
35,000	4.25% due Feb. 1, 2016	34,106	37,397	60,000	10.25% due Jul. 14, 2017	83,494	78,678
	Canada Post Corporation			175,000	6.65% due Aug. 27, 2031	174,729	238,871
275,000	4.08% due Jul. 16, 2025	291,501	302,977		Ontario Electricity Financial Corporation		
	Export Development Canada			100,000	10.00% due Feb. 6, 2020	137,618	142,752
80,000	5.10% due Jun. 2, 2014	79,994	82,811	11,000	10.75% due Aug. 6, 2021	18,216	16,963
50,000	4.30% due Jun. 1, 2016	49,842	53,804	113,000	10.13% due Oct. 15, 2021	181,665	170,613
	Farm Credit Canada			236,000	8.90% due Aug. 18, 2022	326,413	339,635
231,000	4.55% due Apr. 12, 2021	266,130	261,557	155,000	8.50% due May 26, 2025	194,424	228,000
	Farm Credit Corporation			505,000	8.25% due Jun. 22, 2026	736,799	742,764
303,000	4.60% due Jun. 1, 2021	361,094	344,343		Ontario School Boards Financing Corporation		
	Government of Canada			40,000	5.30% due Nov. 7, 2013	40,000	40,544
4,100	5.00% due Jun. 1, 2014	4,272	4,243	25,000	5.70% due Oct. 11, 2017	24,935	28,278
650,000	1.00% due Nov. 1, 2014	648,505	648,408	26,017	5.90% due Oct. 11, 2027	25,878	29,647
17,790,000	2.00% due Dec. 1, 2014	18,171,000	17,990,223	39,817	5.48% due Nov. 26, 2029	39,818	44,484
47,000	1.00% due Feb. 1, 2015	46,383	46,854	16,235	4.79% due Aug. 8, 2030	16,235	16,850
3,637,000	4.50% due Jun. 1, 2015	4,005,361	3,862,515	21,625	5.07% due Apr. 18, 2031	21,625	23,172
193,000	11.25% due Jun. 1, 2015	297,492	229,538	33,717	5.38% due Jun. 25, 2032	33,717	36,775
778,000	1.50% due Aug. 1, 2015	785,780	782,396		Ontario Strategic Infrastructure Finance Authority		
14,197,000	3.00% due Dec. 1, 2015	14,962,211	14,762,183	100,000	4.60% due Jun. 1, 2015	99,699	105,357
99,000	2.00% due Jun. 1, 2016	100,917	100,652		OPB Finance Trust		
3,378,000	4.00% due Jun. 1, 2016	3,717,188	3,626,650	101,000	3.89% due Jul. 4, 2042	100,929	94,050
5,068,000	2.75% due Sep. 1, 2016	5,356,866	5,267,286		Ornge Issuer Trust		
10,192,000	4.00% due Jun. 1, 2017	11,438,007	11,099,288	135,722	5.73% due Jun. 11, 2034	144,928	148,422
1,784,000	1.50% due Sep. 1, 2017	1,794,917	1,766,843		Province of Alberta		
351,000	1.25% due Mar. 1, 2018	346,991	342,392	1,700,000	2.75% due Dec. 1, 2014	1,775,150	1,735,143
1,261,000	4.25% due Jun. 1, 2018	1,455,107	1,404,320	164,000	1.85% due Sep. 1, 2016	163,780	164,865
8,212,000	3.75% due Jun. 1, 2019	9,332,127	9,014,241	503,000	1.75% due Jun. 15, 2017	503,284	499,547
6,373,000	3.50% due Jun. 1, 2020	7,198,817	6,929,146	649,000	1.70% due Dec. 15, 2017	645,042	637,612
1,000	10.50% due Mar. 15, 2021	1,680	1,584	250,000	1.60% due Jun. 15, 2018	249,405	242,427
7,460,000	3.25% due Jun. 1, 2021	8,399,430	7,994,777	1,115,000	4.00% due Dec. 1, 2019	1,205,763	1,208,872
203,000	9.75% due Jun. 1, 2021	305,701	313,423	1,064,000	2.55% due Dec. 15, 2022	1,054,487	1,014,129
7,235,000	2.75% due Jun. 1, 2022	7,719,919	7,462,257	354,000	2.90% due Sep. 20, 2029	345,441	324,119
111,000	9.25% due Jun. 1, 2022	185,696	172,630	200,000	4.50% due Dec. 1, 2040	198,230	224,357
1,849,000	1.50% due Jun. 1, 2023	1,759,187	1,696,781	250,000	3.45% due Dec. 1, 2043	248,735	235,985
515,000	8.00% due Jun. 1, 2023	719,439	767,936		Province of British Columbia		
577,000	9.00% due Jun. 1, 2025	842,705	958,507	90,000	4.70% due Dec. 1, 2017	89,674	99,888
965,800	8.00% due Jun. 1, 2027	1,386,879	1,561,886	100,000	5.60% due Jun. 1, 2018	108,177	115,284
5,396,000	5.75% due Jun. 1, 2029	7,841,511	7,472,299	1,500,000	4.65% due Dec. 18, 2018	1,566,100	1,678,319
5,650,000	5.75% due Jun. 1, 2033	8,181,690	8,114,881	30,000	5.30% due Jun. 17, 2019	30,065	34,501
5,336,000	5.00% due Jun. 1, 2037	7,646,571	7,257,012	827,000	4.10% due Dec. 18, 2019	848,462	901,075
6,334,000	4.00% due Jun. 1, 2041	8,281,480	7,665,231	546,000	3.70% due Dec. 18, 2020	544,140	579,353
4,201,000	3.50% due Dec. 1, 2045	5,098,093	4,733,990	100,000	9.95% due May 15, 2021	152,708	148,639
		<u>222,752,000</u>	<u>219,115,716</u>				

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Bond Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBENTURE INSTRUMENTS (cont'd)				BOND AND DEBENTURE INSTRUMENTS (cont'd)			
Provincial Bonds (cont'd)				Provincial Bonds (cont'd)			
Province of British Columbia (cont'd)				Province of Nova Scotia			
185,000	4.80% due Jun. 15, 2021	207,134	208,806	40,000	4.70% due Jan. 14, 2015	39,877	42,003
629,000	3.25% due Dec. 18, 2021	633,365	641,520	60,000	4.60% due Aug. 18, 2016	59,648	65,170
68,000	9.50% due Jun. 9, 2022	107,740	101,317	120,000	4.15% due Nov. 25, 2019	119,035	130,207
1,235,000	2.70% due Dec. 18, 2022	1,236,841	1,190,112	506,000	4.10% due Jun. 1, 2021	531,677	544,219
290,000	6.15% due Nov. 19, 2027	273,509	372,434	217,000	4.45% due Oct. 24, 2021	233,836	237,621
201,000	4.95% due Dec. 1, 2027	220,589	223,438	130,000	9.60% due Jan. 30, 2022	179,967	191,920
1,550,000	5.70% due Jun. 18, 2029	1,930,235	1,929,507	180,000	6.60% due Jun. 1, 2027	218,828	236,574
620,000	6.35% due Jun. 18, 2031	797,864	827,784	450,000	5.80% due Jun. 1, 2033	512,915	566,242
234,000	5.40% due Jun. 18, 2035	281,452	287,939	55,000	4.90% due Jun. 1, 2035	55,465	62,642
603,000	4.70% due Jun. 18, 2037	705,338	682,127	405,000	4.50% due Jun. 1, 2037	442,075	438,107
966,000	4.95% due Jun. 18, 2040	1,062,058	1,140,417	117,000	4.70% due Jun. 1, 2041	128,542	131,543
1,485,000	4.30% due Jun. 18, 2042	1,628,847	1,601,602	472,000	4.40% due Jun. 1, 2042	514,306	508,042
523,000	3.20% due Jun. 18, 2044	501,559	462,914	705,000	3.50% due Jun. 2, 2062	700,974	645,539
Province of Manitoba				Province of Ontario			
126,000	3.05% due Sep. 1, 2014	130,479	128,564	1,066,500	4.50% due Mar. 8, 2015	1,063,914	1,121,176
40,000	4.80% due Dec. 3, 2014	39,764	41,958	3,696,000	3.15% due Sep. 8, 2015	3,882,516	3,826,120
40,000	5.20% due Dec. 3, 2015	42,873	43,474	4,000	4.40% due Mar. 8, 2016	4,131	4,287
1,082,000	4.30% due Mar. 1, 2016	1,136,824	1,157,977	695,000	3.20% due Sep. 8, 2016	717,560	725,324
303,000	2.05% due Dec. 1, 2016	303,755	305,620	2,184,000	4.30% due Mar. 8, 2017	2,271,944	2,365,052
152,000	1.85% due Jun. 1, 2017	151,743	151,211	2,124,000	1.90% due Sep. 8, 2017	2,122,787	2,102,073
1,325,000	4.70% due Sep. 22, 2017	1,429,519	1,462,293	2,698,000	4.20% due Mar. 8, 2018	2,921,851	2,925,610
45,000	4.25% due Mar. 5, 2018	44,811	48,997	1,260,000	2.10% due Sep. 8, 2018	1,259,990	1,240,996
145,000	1.85% due Sep. 5, 2018	144,797	141,529	3,885,000	4.40% due Jun. 2, 2019	4,155,631	4,263,918
240,000	4.75% due Feb. 11, 2020	267,584	269,214	4,488,000	4.20% due Jun. 2, 2020	4,622,573	4,871,133
404,000	4.15% due Jun. 3, 2020	410,160	438,930	4,750,000	4.00% due Jun. 2, 2021	4,975,145	5,072,823
269,000	3.85% due Dec. 1, 2021	291,584	285,097	5,531,000	3.15% due Jun. 2, 2022	5,627,407	5,508,171
140,000	2.55% due Jun. 2, 2023	139,469	131,441	569,000	9.50% due Jul. 13, 2022	849,012	845,937
155,000	4.40% due Sep. 5, 2025	154,430	168,362	3,137,000	2.85% due Jun. 2, 2023	3,105,126	3,009,210
150,000	7.75% due Dec. 22, 2025	175,083	212,574	759,000	8.10% due Sep. 8, 2023	1,026,669	1,065,389
71,000	10.50% due Mar. 5, 2031	139,014	131,895	51,000	7.50% due Feb. 7, 2024	73,933	69,185
125,000	5.70% due Mar. 5, 2037	141,079	159,791	2,249,000	7.60% due Jun. 2, 2027	3,132,991	3,210,030
718,000	4.60% due Mar. 5, 2038	755,418	797,990	110,000	6.25% due Aug. 25, 2028	110,879	140,816
280,000	4.65% due Mar. 5, 2040	291,451	314,886	2,800,000	6.50% due Mar. 8, 2029	3,599,812	3,712,554
702,000	4.10% due Mar. 5, 2041	737,253	727,479	90,000	6.20% due Jun. 2, 2031	89,415	117,296
130,000	4.40% due Mar. 5, 2042	129,659	141,584	2,289,000	5.85% due Mar. 8, 2033	2,714,496	2,904,863
153,000	3.35% due Mar. 5, 2043	152,237	139,046	2,722,000	5.60% due Jun. 2, 2035	3,357,522	3,394,151
100,000	4.70% due Mar. 5, 2050	101,146	116,166	2,365,000	4.70% due Jun. 2, 2037	2,529,228	2,644,653
Province of New Brunswick				2,510,000	4.60% due Jun. 2, 2039	2,626,916	2,776,905
100,000	4.50% due Feb. 4, 2015	99,358	104,854	3,755,000	4.65% due Jun. 2, 2041	4,289,266	4,213,317
130,000	8.75% due May 12, 2015	159,667	147,263	5,497,000	3.50% due Jun. 2, 2043	5,521,372	5,098,775
92,000	4.30% due Dec. 3, 2015	91,810	97,910	788,000	3.45% due Jun. 2, 2045	758,360	723,503
168,000	4.70% due Jul. 21, 2016	175,993	182,599	Province of Prince Edward Island			
175,000	6.00% due Dec. 27, 2017	197,531	202,719	51,000	3.20% due Jun. 2, 2014	52,818	51,880
1,500,000	4.45% due Mar. 26, 2018	1,602,330	1,641,573	31,000	3.70% due Sep. 2, 2020	30,836	32,418
455,000	4.40% due Jun. 3, 2019	472,078	498,355	50,000	6.80% due Feb. 21, 2030	49,690	67,300
669,000	4.50% due Jun. 2, 2020	669,245	736,328	20,000	5.70% due Jun. 15, 2035	19,982	24,684
536,000	3.35% due Dec. 3, 2021	546,551	543,162	36,000	5.30% due May 19, 2036	39,761	42,453
263,000	2.85% due Jun. 2, 2023	261,735	250,972	270,000	4.65% due Nov. 19, 2037	297,241	292,594
35,867	6.47% due Nov. 30, 2027	45,123	42,895	80,000	4.60% due May 19, 2041	83,564	86,463
50,000	5.65% due Dec. 27, 2028	45,795	60,531	101,000	3.65% due Jun. 27, 2042	100,725	93,322
490,000	5.50% due Jan. 27, 2034	598,978	591,843	Province of Quebec			
364,000	4.65% due Sep. 26, 2035	386,147	397,149	2,330,000	5.50% due Dec. 1, 2014	2,582,154	2,464,671
792,000	4.55% due Mar. 26, 2037	877,449	852,689	875,000	5.00% due Dec. 1, 2015	936,324	945,621
430,000	4.80% due Sep. 26, 2039	452,350	481,748	2,476,000	4.50% due Dec. 1, 2017	2,660,504	2,713,312
390,000	4.80% due Jun. 3, 2041	398,145	439,357	2,099,000	4.50% due Dec. 1, 2018	2,268,337	2,312,357
154,000	3.55% due Jun. 3, 2043	153,486	141,347	2,319,000	4.50% due Dec. 1, 2019	2,494,775	2,560,185
80,000	3.55% due Jun. 3, 2055	81,398	71,982	4,450,000	4.50% due Dec. 1, 2020	4,872,748	4,907,517
Province of Newfoundland and Labrador				3,485,000	4.25% due Dec. 1, 2021	3,842,902	3,768,947
152,000	5.25% due Jun. 4, 2014	164,040	157,514	1,883,000	3.50% due Dec. 1, 2022	1,954,741	1,911,475
75,000	10.13% due Nov. 22, 2014	102,518	83,944	500,000	9.38% due Jan. 16, 2023	712,250	743,201
65,000	10.95% due Apr. 15, 2021	96,801	100,509	2,524,000	3.00% due Sep. 1, 2023	2,516,721	2,433,140
35,000	6.15% due Apr. 17, 2028	33,447	44,688	330,000	5.35% due Jun. 1, 2025	390,555	383,438
750,000	6.55% due Oct. 17, 2030	920,615	1,011,343	750,000	8.50% due Apr. 1, 2026	1,031,813	1,113,889
151,000	5.70% due Oct. 17, 2035	206,221	190,839	1,050,000	6.00% due Oct. 1, 2029	1,309,016	1,323,369
95,000	4.50% due Apr. 17, 2037	98,987	103,357	1,677,000	6.25% due Jun. 1, 2032	2,008,849	2,186,941
177,000	4.65% due Oct. 17, 2040	205,538	198,350				

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Bond Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBENTURE INSTRUMENTS (cont'd)				BOND AND DEBENTURE INSTRUMENTS (cont'd)			
Provincial Bonds (cont'd)				Municipal Bonds (cont'd)			
Province of Quebec (cont'd)				Municipal Finance Authority of British Columbia (cont'd)			
1,537,000	5.75% due Dec. 1, 2036	1,904,859	1,939,406	155,000	4.15% due Jun. 1, 2021	162,635	164,987
2,042,000	5.00% due Dec. 1, 2038	2,260,254	2,353,172	60,000	3.35% due Jun. 1, 2022	59,930	59,830
3,245,000	5.00% due Dec. 1, 2041	3,738,935	3,781,006	Municipality of Metropolitan Toronto			
1,617,000	4.25% due Dec. 1, 2043	1,790,213	1,687,265	100,000	8.65% due Jun. 8, 2015	124,070	113,147
753,000	3.50% due Dec. 1, 2045	737,357	686,243	Peel Region Municipal of Ontario			
Province of Saskatchewan				125,000	3.50% due Dec. 1, 2021	128,015	125,815
30,000	4.25% due Dec. 3, 2015	29,797	31,960	173,000	5.10% due Jun. 29, 2040	173,897	195,422
60,000	4.50% due Aug. 23, 2016	59,590	65,224	159,000	3.85% due Oct. 30, 2042	158,103	147,677
636,000	9.60% due Feb. 1, 2022	1,005,586	949,641	Regional Municipality of Halton Canada			
206,000	5.75% due Mar. 5, 2029	268,776	259,467	38,000	4.05% due Oct. 11, 2041	37,817	36,435
253,000	6.40% due Sep. 5, 2031	320,191	343,329	Regional Municipality of York			
623,000	5.60% due Sep. 5, 2035	698,841	794,964	30,000	4.50% due Sep. 28, 2016	29,921	32,287
315,000	5.00% due Mar. 5, 2037	333,667	375,262	344,000	5.00% due Apr. 29, 2019	391,008	383,635
210,000	4.75% due Jun. 1, 2040	219,826	244,466	99,000	4.50% due Jun. 30, 2020	102,609	107,492
405,000	3.40% due Feb. 3, 2042	407,874	379,697	175,000	4.00% due Jun. 30, 2021	178,550	183,742
		<u>167,739,079</u>	<u>169,723,193</u>	142,000	4.00% due May 31, 2032	143,639	137,159
Municipal Bonds – 1.6%				Toronto Hospital			
55 Ontario School Board Trust				25,956	5.64% due Dec. 8, 2022	25,385	29,068
135,000	5.90% due Jun. 2, 2033	134,906	163,132	Ville de Montreal			
City of Edmonton				25,000	4.60% due Jun. 1, 2017	24,950	26,976
58,000	8.50% due Sep. 14, 2018	78,153	73,949	108,000	5.00% due Dec. 1, 2017	108,530	118,834
City of Montreal				50,000	5.00% due Dec. 1, 2018	49,574	55,390
135,000	4.95% due Dec. 10, 2014	145,476	141,423	293,000	5.45% due Dec. 1, 2019	336,995	333,221
410,000	4.50% due Dec. 1, 2021	433,356	438,694	140,000	3.50% due Sep. 1, 2023	139,161	136,528
170,000	4.25% due Dec. 1, 2032	171,971	168,303	Windsor Canada Utilities Ltd.			
272,000	6.00% due Jun. 1, 2043	331,795	345,346	50,000	4.13% due Nov. 6, 2042	50,000	46,082
City of Ottawa				Winnipeg Airports Authority Inc.			
31,000	5.05% due Aug. 13, 2030	35,946	34,048	200,000	4.57% due Nov. 20, 2019	222,180	216,640
140,000	4.60% due Jul. 14, 2042	149,528	147,233	51,422	6.45% due Jun. 4, 2024	63,510	60,212
City of Toronto						<u>9,360,127</u>	<u>9,468,627</u>
130,000	5.30% due May 21, 2014	129,753	134,358	Corporate Bonds – 30.5%			
30,000	4.55% due May 20, 2015	29,826	31,591	407 East Development Group			
227,000	4.85% due Jul. 28, 2016	245,553	246,468	224,000	2.81% due Dec. 23, 2015	224,000	227,451
368,000	5.05% due Jul. 18, 2017	410,863	405,943	61,000	4.47% due Jun. 23, 2045	61,000	58,694
219,000	4.95% due Jun. 27, 2018	241,393	242,808	407 International Inc.			
100,000	4.50% due Dec. 2, 2019	99,691	108,801	290,000	3.88% due Jun. 15, 2015	301,704	301,892
67,000	6.80% due Jul. 26, 2021	87,322	83,099	110,000	3.87% due Nov. 24, 2017	109,967	115,446
336,000	3.50% due Dec. 6, 2021	339,846	338,053	440,000	4.99% due Jun. 16, 2020	489,714	491,917
14,763	5.34% due Jul. 18, 2027	14,763	16,320	371,000	4.30% due May 26, 2021	382,141	397,205
557,000	5.20% due Jun. 1, 2040	639,961	638,550	350,000	6.47% due Jul. 27, 2029	445,745	445,057
151,000	4.70% due Jun. 10, 2041	153,992	161,251	180,000	5.96% due Dec. 3, 2035	192,182	223,088
162,000	3.80% due Dec. 13, 2042	161,452	149,477	79,000	5.75% due Feb. 14, 2036	78,899	92,963
City of Vancouver				205,000	3.98% due Sep. 11, 2052	204,004	189,654
25,000	4.70% due Dec. 1, 2017	24,852	27,330	407 International Inc. (callable)			
300,000	4.50% due Jun. 1, 2020	298,854	326,000	324,000	4.45% due Nov. 15, 2041-(Aug. 15, 2041)	337,624	328,431
54,000	3.45% due Dec. 2, 2021	53,923	54,221	203,000	4.19% due Apr. 25, 2042-(Jan. 25, 2042)	202,724	197,087
40,000	3.70% due Oct. 18, 2052	39,727	35,816	Aéroports de Montreal			
City of Winnipeg				115,843	6.95% due Apr. 16, 2032	131,529	146,017
40,000	6.25% due Nov. 17, 2017	47,860	46,160	450,000	5.17% due Sep. 17, 2035	488,139	502,750
30,000	5.90% due Feb. 2, 2029	37,712	36,051	200,000	5.67% due Oct. 16, 2037	233,759	239,688
81,000	5.20% due Jul. 17, 2036	95,352	90,803	130,000	3.92% due Sep. 26, 2042	130,000	120,955
Durham District School Board				AGT Limited			
44,000	6.75% due Nov. 19, 2019	51,401	53,088	99,000	8.80% due Sep. 22, 2025	143,272	140,010
Hydro Ottawa Holding Inc. (callable)				Aimia Inc			
65,000	3.99% due May 14, 2043-(Nov. 14, 2042)	65,000	60,400	140,000	4.35% due Jan. 22, 2018	139,693	138,516
Municipal Finance Authority of British Columbia				103,000	5.60% due May 17, 2019	102,924	106,153
30,000	4.90% due Dec. 2, 2014	29,987	31,427	Algonquin Power & Utilities Corporation			
25,000	4.15% due Oct. 13, 2015	24,968	26,374	275,000	4.82% due Feb. 15, 2021	274,835	277,006
162,000	4.65% due Apr. 19, 2016	164,721	174,419	Alimentation Couche-Tard			
1,085,000	4.80% due Dec. 1, 2017	1,147,784	1,195,038	275,000	2.86% due Nov. 1, 2017	275,000	271,716
213,000	4.60% due Apr. 23, 2018	239,606	233,467	415,000	3.32% due Nov. 1, 2019	415,000	406,163
99,000	4.88% due Jun. 3, 2019	112,977	110,250	Alliance Pipeline LP			
173,000	4.45% due Jun. 1, 2020	179,378	188,357	50,310	7.23% due Jun. 30, 2015	51,823	52,599

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Bond Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBT INSTRUMENTS (cont'd)				BOND AND DEBT INSTRUMENTS (cont'd)			
Corporate Bonds (cont'd)				Corporate Bonds (cont'd)			
	Alliance Pipeline LP (cont'd)				bdlMC Realty Corporation (cont'd)		
36,671	7.18% due Jun. 30, 2023	38,502	43,496	227,000	2.96% due Mar. 7, 2019	226,914	227,194
26,292	5.55% due Dec. 31, 2023	26,292	28,690	75,000	3.51% due Jun. 29, 2022	74,981	74,620
70,356	6.77% due Dec. 31, 2025	70,356	82,167		Bell Aliant Regional Communications, Limited Partnership		
52,766	7.22% due Dec. 31, 2025	55,800	63,250	265,000	6.29% due Feb. 17, 2015	264,894	281,974
	AltaGas Income Trust			385,000	5.41% due Sep. 26, 2016	410,845	417,421
100,000	7.42% due Apr. 29, 2014	99,984	103,993	400,000	4.88% due Apr. 26, 2018	416,640	428,649
90,000	4.10% due Mar. 24, 2016	89,968	94,009	60,000	3.54% due Jun. 12, 2020	60,000	58,783
251,000	5.49% due Mar. 27, 2017	273,681	275,094	113,000	6.17% due Feb. 26, 2037	112,895	117,743
100,000	4.60% due Jan. 15, 2018	99,931	106,895		Bell Canada		
121,000	4.55% due Jan. 17, 2019	123,728	129,159	340,000	3.60% due Dec. 2, 2015	339,429	351,215
	AltaGas Ltd.			860,000	3.65% due May 19, 2016	889,196	890,685
153,000	4.07% due Jun. 1, 2020	155,787	158,376	600,000	5.00% due Feb. 15, 2017	651,927	648,763
280,000	3.72% due Sep. 28, 2021	279,916	279,258	345,000	4.40% due Mar. 16, 2018	344,710	365,889
	AltaGas Ltd. (callable)			515,000	3.35% due Jun. 18, 2019	514,171	514,299
106,000	3.57% due Jun. 12, 2023 (Mar. 12, 2023)	105,921	102,136	471,000	3.25% due Jun. 17, 2020	470,647	460,580
	AltaLink Investments LP (callable)			160,000	4.95% due May 19, 2021	159,414	172,129
107,000	3.27% due Jun. 5, 2020 (Mar. 5, 2020)	106,995	102,971	515,000	3.35% due Mar. 22, 2023	514,130	482,981
	AltaLink LP			87,000	6.55% due May 1, 2029	87,635	102,006
200,000	5.24% due May 29, 2018	205,148	222,885	130,000	7.85% due Apr. 2, 2031	152,181	170,825
145,000	2.98% due Nov. 28, 2022	145,000	138,965	150,000	7.30% due Feb. 23, 2032	181,800	189,390
100,000	5.25% due Sep. 22, 2036	119,279	112,500	352,000	6.10% due Mar. 16, 2035	326,333	397,999
62,000	5.38% due Mar. 26, 2040	62,000	71,683		BMO Subordinated Notes Trust		
65,000	4.87% due Nov. 15, 2040	65,000	69,937	250,000	5.75% due Sep. 26, 2022	249,963	279,102
95,000	4.46% due Nov. 8, 2041	95,000	96,394		BMW Canada Auto Trust		
99,000	3.99% due Jun. 30, 2042	99,000	92,697	41,000	2.88% due Aug. 9, 2016	40,998	41,745
	American Express Canada				BMW Canada Inc.		
295,000	2.31% due Mar. 29, 2018	294,917	287,511	125,000	2.11% due May 26, 2016	124,963	124,803
	American Express Canada Credit Corporation			125,000	2.39% due Nov. 27, 2017	124,994	123,579
650,000	4.85% due Oct. 3, 2014	656,825	675,008	80,000	2.33% due May 23, 2018	79,985	78,218
	American Express Company				Borealis Infrastructure Trust		
245,000	3.60% due Jun. 3, 2016	247,394	254,431	29,370	6.35% due Dec. 1, 2020	32,843	32,677
	Aon Corporation				British Columbia Ferry Services Inc.		
207,000	4.76% due Mar. 8, 2018	206,903	218,712	40,000	6.25% due Oct. 13, 2034	39,952	49,123
	Arrow Lakes Power Corporation			400,000	5.02% due Mar. 20, 2037	457,096	428,631
100,000	5.52% due Apr. 5, 2041	100,000	110,724	35,000	5.58% due Jan. 11, 2038	35,000	40,170
	Asian Development Bank				Brookfield Asset Management Inc.		
55,000	4.75% due Jun. 15, 2017	54,909	60,326	127,000	3.95% due Apr. 9, 2019	126,992	129,083
101,000	4.65% due Feb. 16, 2027	101,062	111,100	224,000	5.30% due Mar. 1, 2021	229,546	241,306
	Bank of Montreal (callable)			445,000	4.54% due Mar. 31, 2023	448,425	447,994
615,000	6.17% due Mar. 28, 2020 (2018)	697,466	701,657	90,000	5.95% due Jun. 14, 2035	83,550	89,753
90,000	4.87% due Apr. 22, 2020 (2015)	89,986	94,526		Brookfield Power Corporation		
	Bank of Montreal			62,000	5.84% due Nov. 5, 2036	56,687	60,757
500,000	3.93% due Apr. 27, 2015	500,000	518,460		BRP Finance ULC		
1,500,000	5.18% due Jun. 10, 2015	1,646,895	1,594,199	500,000	5.14% due Oct. 13, 2020	502,100	535,051
1,275,000	1.89% due Oct. 5, 2015	1,274,962	1,273,821	218,000	4.79% due Feb. 7, 2022	217,983	226,147
1,279,000	3.10% due Mar. 10, 2016	1,299,300	1,313,134		Cadillac Fairview Finance Trust		
95,000	5.10% due Apr. 21, 2016	95,000	102,023	430,000	3.24% due Jan. 25, 2016	429,979	444,117
811,000	3.49% due Jun. 10, 2016	828,771	841,017	185,000	3.64% due May 9, 2018	184,978	193,598
638,000	3.98% due Jul. 8, 2016	643,018	665,895	255,000	4.31% due Jan. 25, 2021	254,939	275,808
965,000	2.96% due Aug. 2, 2016	971,253	985,500		Caisse Centrale Desjardins		
520,000	2.39% due Jul. 12, 2017	520,000	517,036	300,000	3.79% due Jun. 8, 2015	312,831	310,843
668,000	5.45% due Jul. 17, 2017	705,271	741,712	410,000	2.28% due Oct. 17, 2016	410,000	409,383
95,000	4.55% due Aug. 1, 2017	94,991	102,317	205,000	3.50% due Oct. 5, 2017	205,000	211,753
1,039,000	2.24% due Dec. 11, 2017	1,035,122	1,020,093		Calloway Real Estate Investment Trust		
400,000	6.02% due May 2, 2018	472,820	457,980	78,000	4.05% due Jul. 27, 2020	78,127	77,685
456,000	2.84% due Jun. 4, 2020	455,886	445,378		Cameco Corporation		
474,000	4.61% due Sep. 10, 2025	508,165	512,370	45,000	4.70% due Sep. 16, 2015	45,150	47,456
	Bank of Montreal Capital Trust (callable)			290,000	5.67% due Sep. 2, 2019	291,230	319,876
70,000	4.63% due Dec. 31, 2049 (2015)	70,000	73,992	355,000	3.75% due Nov. 14, 2022	354,972	336,002
635,000	5.47% due Dec. 31, 2049 (2014)	650,080	667,294		Canada Post Corporation		
	Bayerische Motoren Werke AG			356,000	4.36% due Jul. 16, 2040	414,123	409,058
460,000	3.15% due Apr. 1, 2015	468,071	470,112		Canadian Credit Card Trust		
	bdlMC Realty Corporation			164,000	2.31% due Apr. 24, 2015	164,000	165,555
50,000	4.65% due Feb. 10, 2015	49,965	52,107	171,000	3.44% due Jul. 24, 2015	171,000	176,602
225,000	2.65% due Jun. 29, 2017	224,957	226,170	213,000	1.60% due Sep. 24, 2015	213,000	211,796

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Bond Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBT INSTRUMENTS (cont'd)				BOND AND DEBT INSTRUMENTS (cont'd)			
Corporate Bonds (cont'd)				Corporate Bonds (cont'd)			
400,000	Canadian Imperial Bank of Commerce			35,000	Choice Properties Real Estate Investment Trust (callable)		
230,000	3.30% due Nov. 19, 2014	399,892	408,560		4.90% due Jul. 5, 2023-(Apr. 5, 2023)	35,000	35,223
675,000	4.75% due Dec. 22, 2014	245,194	239,986		CIBC Capital Trust		
419,000	3.10% due Mar. 2, 2015	682,589	689,089	507,000	2.20% due May 22, 2015	506,371	510,139
1,155,000	1.75% due Jun. 1, 2016	418,677	413,905	2,159,000	3.40% due Jan. 14, 2016	2,224,473	2,229,579
395,000	2.65% due Nov. 8, 2016	1,157,373	1,166,790		CIBC Capital Trust (callable)		
1,010,000	3.95% due Jul. 14, 2017	400,026	416,173	670,000	9.98% due Jun. 30, 2108-(2019)	792,655	885,379
765,000	2.35% due Oct. 18, 2017	1,011,192	998,293	435,000	10.25% due Jun. 30, 2108-(2039)	644,348	611,493
500,000	2.22% due Mar. 7, 2018	761,760	746,837		Cogeco Cable Inc.		
	3.15% due Nov. 2, 2020	498,945	510,006	90,000	5.15% due Nov. 16, 2020	89,826	94,690
	Canadian Imperial Bank of Commerce (callable)			91,000	4.93% due Feb. 14, 2022	91,035	93,504
382,000	4.11% due Apr. 30, 2020-(2015)	385,994	396,365		Cogeco Cable Inc. (callable)		
1,488,000	6.00% due Jun. 6, 2023-(2018)	1,629,164	1,693,172	250,000	4.18% due May 26, 2023-(Feb. 27, 2023)	250,183	237,539
	Canadian Natural Resources Limited				Comber Wind Financial Corporation		
220,000	4.95% due Jun. 1, 2015	232,619	232,584	220,531	5.13% due Nov. 15, 2030	220,513	219,797
255,000	3.05% due Jun. 19, 2019	254,839	253,299		Cominar Real Estate Investment Trust		
250,000	2.89% due Aug. 14, 2020	250,008	242,406	265,000	4.23% due Dec. 4, 2019	262,848	258,250
	Canadian Pacific Railway Company				Concordia University		
170,000	6.25% due Jun. 1, 2018	191,140	194,704	30,000	6.55% due Sep. 2, 2042	29,996	38,881
60,000	5.10% due Jan. 14, 2022	60,079	65,638		CU Inc.		
250,000	6.45% due Nov. 17, 2039	264,158	307,354	20,000	5.43% due Jan. 23, 2019	20,000	22,694
	Canadian Tire Corporation, Limited			54,000	4.80% due Nov. 22, 2021	59,387	59,917
250,000	4.95% due Jun. 1, 2015	267,573	263,674	150,000	6.22% due Mar. 6, 2024	150,000	182,323
100,000	5.65% due Jun. 1, 2016	99,960	109,325	190,000	5.56% due May 26, 2028	204,700	219,875
105,000	6.32% due Feb. 24, 2034	110,230	117,179	31,000	5.18% due Nov. 21, 2035	31,000	34,700
155,000	5.61% due Sep. 4, 2035	160,789	159,570	28,000	5.03% due Nov. 20, 2036	28,000	30,824
	Canadian Utilities Limited			113,000	5.56% due Oct. 30, 2037	114,575	133,422
100,000	6.15% due Nov. 22, 2017	117,890	114,915	100,000	5.58% due May 26, 2038	121,153	118,656
160,000	6.80% due Aug. 13, 2019	202,432	194,630	329,000	4.54% due Oct. 24, 2041	343,879	339,502
210,000	9.92% due Apr. 1, 2022	327,241	306,374	270,000	3.81% due Sep. 10, 2042	270,000	245,981
100,000	3.12% due Nov. 9, 2022	100,000	96,689	80,000	4.95% due Nov. 18, 2050	80,000	88,783
	Canadian Western Bank			45,000	4.59% due Oct. 24, 2061	45,000	47,188
45,000	2.57% due Nov. 4, 2014	45,000	45,395	105,000	3.83% due Sep. 11, 2062	105,000	93,417
103,000	2.38% due Sep. 14, 2015	103,000	103,562		Daimler Canada Finance Inc.		
67,000	3.05% due Jan. 18, 2017	67,000	67,853	99,000	3.02% due Jan. 7, 2015	98,995	100,646
	Canadian Western Bank (callable)			200,000	2.33% due Sep. 14, 2015	199,994	201,427
99,000	4.39% due Nov. 30, 2020-(2015)	99,000	103,008	255,000	2.23% due Apr. 18, 2016	255,005	255,048
	Capital City Link General Partnership			152,000	3.28% due Sep. 15, 2016	152,000	156,203
148,000	4.39% due Mar. 31, 2046	148,006	144,473		Duke Energy Corporation		
	Capital Desjardins Inc. (callable)			610,000	8.50% due Nov. 23, 2015	738,392	696,382
425,000	3.80% due Nov. 23, 2020-(2015)	425,000	439,385	100,000	8.75% due Aug. 3, 2018	133,700	126,630
775,000	5.54% due Jun. 1, 2021-(2016)	775,000	842,623		Emera Inc.		
	Capital Desjardins Inc.			125,000	4.10% due Oct. 20, 2014	129,830	128,573
360,000	5.19% due May 5, 2020	394,344	399,183	102,000	2.96% due Dec. 13, 2016	102,426	103,700
85,000	4.95% due Dec. 15, 2021	85,000	93,223	170,000	4.83% due Dec. 2, 2019	183,039	183,026
	Capital Power L.P.				Empire Life Insurance Company, The (callable)		
117,000	4.85% due Feb. 21, 2019	116,863	119,814	76,000	2.87% due May 31, 2023-(2018)	76,000	74,673
130,000	5.28% due Nov. 16, 2020	130,000	133,664		Enbridge Gas Distribution Inc.		
	Cards II Trust			30,000	5.16% due Sep. 24, 2014	29,984	31,301
486,000	3.10% due Sep. 15, 2015	497,172	499,443	370,000	5.16% due Dec. 4, 2017	423,442	411,665
555,000	1.98% due Jan. 15, 2016	555,000	555,539	282,000	4.77% due Dec. 17, 2021	318,166	311,828
	Caterpillar Financial Services Limited			70,000	7.60% due Oct. 29, 2026	91,571	95,567
99,000	2.20% due Jun. 1, 2015	98,991	99,580	50,000	6.90% due Nov. 15, 2032	62,313	66,809
100,000	2.63% due Jun. 1, 2017	99,977	100,348	50,000	5.21% due Feb. 25, 2036	49,932	56,293
110,000	2.29% due Jun. 1, 2018	109,979	107,297		Enbridge Inc.		
	CBC Monetization Trust			250,000	5.17% due May 19, 2016	249,855	270,439
86,079	4.69% due May 15, 2027	86,079	94,445	70,000	5.00% due Aug. 9, 2016	69,684	75,701
	CDP Financial Inc.			300,000	4.77% due Sep. 2, 2019	299,859	327,413
220,000	4.60% due Jul. 15, 2020	219,547	241,235	270,000	4.53% due Mar. 9, 2020	269,957	290,165
	Centre hospitalier de l'Université de Montréal			430,000	4.04% due Nov. 23, 2020	450,529	455,456
38,000	4.45% due Oct. 1, 2049	38,002	37,207	65,000	4.26% due Feb. 1, 2021	64,971	68,321
	CHIP Mortgage Trust			250,000	3.19% due Dec. 5, 2022	249,830	238,308
61,000	3.97% due Feb. 1, 2016	61,000	63,110	63,000	7.22% due Jul. 24, 2030	77,413	82,523
	Choice Properties Real Estate Investment Trust			84,000	7.20% due Jun. 18, 2032	113,870	111,498
120,000	3.55% due Jul. 5, 2018	120,000	120,552	24,000	5.57% due Nov. 14, 2035	23,969	27,088
				83,000	5.75% due Sep. 2, 2039	83,743	96,914

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Bond Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBENTURE INSTRUMENTS (cont'd)				BOND AND DEBENTURE INSTRUMENTS (cont'd)			
Corporate Bonds (cont'd)				Corporate Bonds (cont'd)			
	Enbridge Inc. (cont'd)				GE Capital Canada Funding Company (cont'd)		
135,000	5.12% due Sep. 28, 2040	147,305	144,947	825,000	5.53% due Aug. 17, 2017	821,505	917,031
278,000	4.24% due Aug. 27, 2042	273,049	259,248	270,000	4.40% due Feb. 8, 2018	281,950	288,078
151,000	4.95% due Nov. 22, 2050	156,114	167,431	365,000	5.68% due Sep. 10, 2019	382,143	415,093
	Enbridge Inc. (callable)			722,000	5.73% due Oct. 22, 2037	766,147	841,978
188,000	3.94% due Jun. 30, 2023-(Mar. 30, 2023)	188,000	190,333		General Electric Capital Corporation		
	Enbridge Income Fund			205,000	2.42% due May 31, 2018	204,990	200,534
89,000	4.10% due Feb. 22, 2019	88,829	92,469	160,000	3.55% due Jun. 11, 2019	159,637	163,420
150,000	4.85% due Feb. 22, 2022	149,813	158,489	247,000	4.60% due Jan. 26, 2022	246,941	262,648
	Enbridge Pipelines Inc.				General Electric Company		
375,000	6.62% due Nov. 19, 2018	465,892	448,068	170,000	4.24% due Jun. 8, 2015	177,140	177,424
347,000	6.35% due Nov. 17, 2023	396,053	426,626	830,000	3.35% due Nov. 23, 2016	849,974	856,064
200,000	8.20% due Feb. 15, 2024	289,186	275,451		Genworth MI Canada Inc.		
96,000	6.10% due Jul. 14, 2028	82,368	112,555	65,000	4.59% due Dec. 15, 2015	65,000	66,944
26,000	5.08% due Dec. 19, 2036	25,980	28,841		George Weston Limited		
250,000	5.33% due Apr. 6, 2040	291,750	289,317	220,000	3.78% due Oct. 25, 2016	225,326	229,093
	EnCana Corporation			150,000	7.10% due Feb. 5, 2032	168,992	173,761
280,000	5.80% due Jan. 18, 2018	306,811	311,502		Glacier Credit Card Trust		
	EnerCare Solutions Inc.			210,000	3.16% due Nov. 20, 2015	210,000	215,689
72,000	4.30% due Nov. 30, 2017	71,941	73,746	164,000	2.81% due May 20, 2017	164,000	165,960
120,000	4.60% due Feb. 3, 2020	119,928	121,590	285,000	2.39% due Oct. 20, 2017	285,000	282,234
	Enersource Corporation				Golden Credit Card Trust		
35,000	4.52% due Apr. 29, 2021	35,000	37,749	735,000	3.51% due May 15, 2016	752,424	764,746
60,000	5.30% due Apr. 29, 2041	60,000	68,306		Great-West Lifeco Finance (Delaware) LP		
	EPCOR Utilities Inc.			200,000	5.69% due Jun. 21, 2017	198,780	219,402
240,000	5.80% due Jan. 31, 2018	270,789	271,782		Great-West Lifeco Inc.		
33,000	5.65% due Nov. 16, 2035	32,830	37,981	350,000	6.14% due Mar. 21, 2018	399,140	400,703
100,000	6.65% due Apr. 15, 2038	110,800	131,100	180,000	7.13% due Jun. 26, 2018	202,021	211,993
85,000	5.75% due Nov. 24, 2039	89,719	100,252	368,000	4.65% due Aug. 13, 2020	385,410	398,576
273,000	4.55% due Feb. 28, 2042	272,866	273,774	100,000	6.74% due Nov. 24, 2031	99,885	126,643
	ERAC Canada Finance Ltd.			190,000	6.67% due Mar. 21, 2033	212,812	240,827
45,000	5.38% due Feb. 26, 2016	44,969	47,544	400,000	5.00% due Nov. 16, 2039	427,146	488,316
	Fairfax Financial Holdings Limited				Greater Toronto Airports Authority		
816,000	5.84% due Oct. 14, 2022	826,048	842,405	40,000	5.00% due Jun. 1, 2015	39,704	42,402
	Finning International Inc.			85,000	4.70% due Feb. 15, 2016	84,937	90,883
75,000	5.08% due Jun. 13, 2042	75,000	76,017	350,000	4.85% due Jun. 1, 2017	391,556	381,704
	First Capital Realty Inc.			1,321,000	5.26% due Apr. 17, 2018	1,510,644	1,475,723
45,000	5.48% due Jul. 30, 2019	45,042	49,362	500,000	5.96% due Nov. 20, 2019	499,885	586,466
88,000	4.50% due Mar. 1, 2021	88,341	90,161	255,000	3.04% due Sep. 21, 2022	254,977	247,623
78,000	4.43% due Jan. 31, 2022	78,464	78,295	799,000	6.45% due Dec. 3, 2027	842,785	1,007,841
	Ford Credit Canada Limited			308,000	7.05% due Jun. 12, 2030	376,851	410,107
800,000	3.32% due Dec. 19, 2017	799,672	790,376	249,000	7.10% due Jun. 4, 2031	294,014	334,440
	Fortis Inc.			280,000	6.98% due Oct. 15, 2032	396,340	375,512
70,000	6.51% due Jul. 4, 2039	69,954	90,649	100,000	6.47% due Feb. 2, 2034	99,316	128,259
141,000	4.25% due Dec. 9, 2041	145,565	138,607	125,000	5.63% due Jun. 7, 2040	124,874	150,163
	FortisAlberta Inc.			379,000	5.30% due Feb. 25, 2041	432,085	435,366
530,000	5.33% due Oct. 31, 2014	567,383	555,522	189,000	4.53% due Dec. 2, 2041	191,087	193,958
30,000	6.22% due Oct. 31, 2034	29,991	37,766		H&R Real Estate Investment Trust		
18,000	5.40% due Apr. 21, 2036	17,987	20,674	55,000	4.78% due Jul. 27, 2016	55,111	57,779
45,000	7.06% due Feb. 14, 2039	58,037	63,670	80,000	3.34% due Jun. 20, 2018	80,073	78,711
75,000	5.37% due Oct. 30, 2039	74,967	86,846	90,000	4.45% due Mar. 2, 2020	90,063	91,099
111,000	4.54% due Oct. 18, 2041	123,880	114,277		Halifax International Airport Authority		
42,000	4.80% due Oct. 27, 2050	41,970	45,252	83,000	5.50% due Jul. 19, 2041	96,851	97,980
80,000	3.98% due Oct. 23, 2052	79,952	74,099	48,000	4.89% due Nov. 15, 2050	47,999	52,536
	FortisBC Inc.				Health Montreal Collective Limited Partnership		
116,000	5.60% due Nov. 9, 2035	139,640	135,213	550,000	6.72% due Sep. 30, 2049	658,900	663,975
115,000	5.00% due Nov. 24, 2050	114,802	126,910		Honda Canada Finance Inc.		
	Gaz Metro Inc.			222,000	2.28% due Dec. 11, 2017	222,000	218,353
238,000	4.93% due Jun. 18, 2019	267,235	263,331	138,000	2.35% due Jun. 4, 2018	138,000	135,210
391,000	5.45% due Jul. 12, 2021	455,079	449,258		Hospital for Sick Children		
30,000	6.30% due Oct. 31, 2033	29,824	37,629	150,000	5.22% due Dec. 16, 2049	150,000	170,538
29,000	5.70% due Jul. 10, 2036	28,954	34,515		Hospital Infrastructure Partners (NOH) Partnership		
	GE Capital Canada Funding Company			195,000	5.44% due Jan. 31, 2045	201,560	215,775
250,000	4.65% due Feb. 11, 2015	257,461	260,941		HSBC Bank of Canada		
1,012,000	5.10% due Jun. 1, 2016	1,097,299	1,092,918	155,000	3.86% due May 21, 2015	154,958	160,524
596,000	4.55% due Jan. 17, 2017	551,058	638,545	507,000	2.57% due Nov. 23, 2015	507,000	513,220

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Bond Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBENTURE INSTRUMENTS (cont'd)				BOND AND DEBENTURE INSTRUMENTS (cont'd)			
Corporate Bonds (cont'd)				Corporate Bonds (cont'd)			
	HSBC Bank of Canada (cont'd)				Loblaw Companies Limited (cont'd)		
662,000	2.90% due Jan. 13, 2017	664,435	672,450	94,000	6.54% due Feb. 17, 2033	109,162	107,036
805,000	3.56% due Oct. 4, 2017	818,044	833,247	100,000	6.15% due Jan. 29, 2035	104,611	109,732
700,000	2.94% due Jan. 14, 2020	700,000	686,870	60,000	5.90% due Jan. 18, 2036	59,915	64,061
	HSBC Canada Asset Trust (callable)			45,000	6.45% due Mar. 1, 2039	48,983	51,930
30,000	5.15% due Jun. 30, 2049-(2015)	30,000	31,523		Lower Mattagami Energy		
	Husky Energy Inc.			125,000	2.23% due Oct. 23, 2017	125,000	123,422
730,000	5.00% due Mar. 12, 2020	735,548	799,671	290,000	4.18% due Feb. 23, 2046	290,000	279,759
	Hydro One Inc.				Lower Mattagami Energy Limited Partnership		
400,000	3.13% due Nov. 19, 2014	408,960	408,164	222,000	4.33% due May 18, 2021	235,491	236,667
170,000	2.95% due Sep. 11, 2015	169,288	174,323	81,000	5.14% due May 18, 2041	81,000	90,583
129,000	4.64% due Mar. 3, 2016	128,705	138,049	114,000	4.18% due Apr. 23, 2052	114,000	108,848
310,000	5.18% due Oct. 18, 2017	333,191	343,965		Manitoba Telecom Services Inc.		
270,000	4.40% due Jun. 1, 2020	279,180	292,867	115,000	4.59% due Oct. 1, 2018	121,594	122,005
269,000	3.20% due Jan. 13, 2022	270,797	267,036	450,000	5.63% due Dec. 16, 2019	488,828	501,672
260,000	7.35% due Jun. 3, 2030	302,065	355,741		Manufacturers Life Insurance Company, The (callable)		
215,000	6.93% due Jun. 1, 2032	259,616	287,564	215,000	4.21% due Nov. 18, 2021-(2016)	215,000	225,343
20,000	6.35% due Jan. 31, 2034	20,151	25,507	147,000	2.82% due Feb. 26, 2023-(2018)	147,000	144,650
299,000	5.36% due May 20, 2036	341,719	343,331		Manulife Financial (Delaware) LP (callable)		
200,000	4.89% due Mar. 13, 2037	222,927	216,169	100,000	4.45% due Dec. 15, 2026-(2016)	100,000	104,947
145,000	6.03% due Mar. 3, 2039	162,245	182,722	355,000	5.06% due Dec. 15, 2041-(2036)	324,127	342,674
451,000	5.49% due Jul. 16, 2040	466,905	533,330		Manulife Financial Capital Trust II (callable)		
225,000	4.39% due Sep. 26, 2041	234,901	227,037	425,000	7.41% due Dec. 31, 2108-(2019)	454,635	504,054
110,000	5.00% due Oct. 19, 2046	107,252	122,633		Manulife Financial Corporation		
63,000	4.00% due Dec. 22, 2051	63,011	58,720	450,000	5.16% due Jun. 26, 2015	473,639	477,132
123,000	3.79% due Jul. 31, 2062	122,642	109,178	453,000	4.08% due Aug. 20, 2015	458,643	471,826
	Hydro Ottawa Holding Inc.			200,000	5.51% due Jun. 26, 2018	211,778	222,002
15,000	4.93% due Feb. 9, 2015	14,994	15,731	390,000	7.77% due Apr. 8, 2019	430,829	479,321
	IGM Financial Inc.				Manulife Financial Corporation (callable)		
300,000	6.58% due Mar. 7, 2018	346,011	346,285	155,000	4.17% due Jun. 1, 2022 - (2017)	155,000	161,944
475,000	7.35% due Apr. 8, 2019	549,272	576,731		Master Credit Card Trust		
	Industrial Alliance Capital Trust (callable)			250,000	3.50% due May 21, 2016	250,000	259,947
30,000	5.13% due Jun. 30, 2019-(2014)	30,076	30,801	605,000	2.63% due Jan. 21, 2017	608,184	612,209
	Intact Financial Corporation				McGill University		
300,000	5.41% due Sep. 3, 2019	321,166	336,565	93,000	5.36% due Dec. 31, 2043	92,959	104,460
240,000	4.70% due Aug. 18, 2021	246,693	257,851		McMaster University		
134,000	6.40% due Nov. 23, 2039	140,324	157,431	20,000	6.15% due Oct. 7, 2052	19,981	25,712
102,000	5.16% due Jun. 16, 2042	101,907	102,543		METRO Inc.		
	Integrated Team Solutions SJHC Partnership			180,000	4.98% due Oct. 15, 2015	193,444	191,532
50,000	5.95% due Nov. 30, 2042	50,000	57,381	215,000	5.97% due Oct. 15, 2035	221,850	236,612
	Inter Pipeline Fund				Milit-Air Inc.		
70,000	3.84% due Jul. 30, 2018	70,000	72,669	34,956	5.75% due Jun. 30, 2019	33,121	38,461
125,000	4.97% due Feb. 2, 2021	125,000	136,293		Molson Coors Capital Finance ULC		
188,000	3.78% due May 30, 2022	188,000	186,892	320,000	5.00% due Sep. 22, 2015	319,203	338,807
	Inter-American Development Bank				National Bank of Canada		
464,000	4.40% due Jan. 26, 2026	509,623	499,511	1,014,000	2.23% due Jan. 30, 2015	1,017,506	1,020,482
	Investors Group Inc.			750,000	3.15% due Feb. 11, 2015	750,000	765,458
60,000	7.45% due May 9, 2031	63,120	77,297	535,000	4.03% due May 26, 2015	565,318	556,050
50,000	7.11% due Mar. 7, 2033	50,229	62,990	400,000	2.05% due Jan. 11, 2016	400,000	399,678
	John Deere Canada Funding Inc.			240,000	3.58% due Apr. 26, 2016	240,000	249,179
100,000	1.95% due Jan. 14, 2016	99,858	99,821	469,000	2.70% due Dec. 15, 2016	471,088	474,445
94,000	1.95% due Apr. 12, 2017	93,935	92,491	393,000	2.69% due Aug. 21, 2017	393,000	393,927
	John Deere Credit Inc.				National Bank of Canada (callable)		
352,000	3.25% due Apr. 8, 2015	361,916	360,862	500,000	4.70% due Nov. 2, 2020-(2015)	535,500	527,652
150,000	5.45% due Sep. 16, 2015	168,375	161,482	453,000	3.26% due Apr. 11, 2022-(2017)	453,000	462,006
100,000	2.30% due Jul. 5, 2016	99,977	100,484		NAV Canada		
	Kellogg Company			80,000	4.71% due Feb. 24, 2016	80,000	85,647
51,000	2.10% due May 22, 2014	50,988	51,138	175,000	1.95% due Apr. 19, 2018	175,000	170,158
	Laurentian Bank of Canada			200,000	5.30% due Apr. 17, 2019	229,842	226,334
91,000	2.45% due Feb. 13, 2015	90,914	91,536	95,000	4.40% due Feb. 18, 2021	95,000	102,989
	Laurentian Bank of Canada (callable)			174,300	7.56% due Mar. 1, 2027	216,303	218,926
90,000	3.70% due Nov. 2, 2020-(2015)	89,760	92,116	30,000	7.40% due Jun. 1, 2027	33,804	41,119
110,000	3.13% due Oct. 19, 2022-(2017)	110,000	109,304		NBC Asset Trust (callable)		
	Loblaw Companies Limited			500,000	7.45% due Jun. 30, 2049-(2020)	529,850	610,053
600,000	7.10% due Jun. 1, 2016	680,936	679,765		NOVA Gas Transmission Ltd.		
600,000	6.65% due Nov. 8, 2027	588,805	688,223	200,000	12.20% due Feb. 28, 2016	273,960	249,887
50,000	6.85% due Mar. 1, 2032	53,885	58,826	15,000	9.90% due Dec. 16, 2024	19,238	22,820

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Bond Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBENTURE INSTRUMENTS (cont'd)				BOND AND DEBENTURE INSTRUMENTS (cont'd)			
Corporate Bonds (cont'd)				Corporate Bonds (cont'd)			
	Nova Scotia Power Inc.				Royal Bank of Canada (cont'd)		
100,000	6.95% due Aug. 25, 2033	105,394	132,850	786,000	2.05% due Jan. 13, 2015	786,304	789,497
43,000	5.67% due Nov. 14, 2035	47,032	50,333	750,000	3.18% due Mar. 16, 2015	749,723	768,589
101,000	5.95% due Jul. 27, 2039	120,307	124,178	1,100,000	4.35% due Jun. 15, 2020	1,134,100	1,146,693
210,000	5.61% due Jun. 15, 2040	253,645	248,144	725,000	3.36% due Jan. 11, 2016	723,823	747,962
145,000	4.15% due Mar. 6, 2042	144,877	137,963	301,000	2.07% due Jun. 17, 2016	300,931	300,052
	Omers Realty Corporation			670,000	3.03% due Jul. 26, 2016	677,105	685,291
110,000	2.50% due Jun. 5, 2018	110,000	108,537	908,000	2.68% due Dec. 8, 2016	910,869	917,599
150,000	3.36% due Jun. 5, 2023	150,000	145,594	2,903,000	3.66% due Jan. 25, 2017	3,046,582	3,027,120
	OPB Finance Trust			680,000	2.58% due Apr. 13, 2017	679,905	682,999
152,000	2.90% due May 24, 2023	151,895	145,490	1,015,000	2.36% due Sep. 21, 2017	1,015,000	1,004,103
	Pembina Pipeline Corp. (callable)			1,400,000	2.26% due Mar. 12, 2018	1,404,559	1,369,354
235,000	4.75% due Apr. 30, 2043-(Oct. 30, 2042)	234,441	226,615	380,000	3.77% due Mar. 30, 2018	379,954	398,541
	Pembina Pipeline Corporation			413,000	2.98% due May 7, 2019	413,000	412,880
114,000	4.89% due Mar. 29, 2021	121,883	123,180	1,030,000	4.93% due Jul. 16, 2025	1,118,397	1,140,860
275,000	3.77% due Oct. 24, 2022	274,953	271,089		Royal Office Finance LP		
	Penske Truck Leasing Canada			1,182,068	5.21% due Nov. 12, 2032	1,196,538	1,338,284
200,000	3.65% due Feb. 1, 2018	199,774	200,397		Shaw Communications Inc.		
	Plenary Health Care Partnerships Humber LP			103,000	6.50% due Jun. 2, 2014	102,695	106,922
277,000	2.63% due May 18, 2015	276,885	279,257	125,000	6.15% due May 9, 2016	140,773	137,115
130,000	4.90% due May 31, 2039	130,000	136,103	140,000	5.70% due Mar. 2, 2017	154,490	153,561
	Plenary Health Hamilton LP			605,000	5.65% due Oct. 1, 2019	615,672	671,198
85,000	5.80% due May 31, 2043	85,000	97,191	423,000	5.50% due Dec. 7, 2020	435,828	465,577
74,000	4.82% due Nov. 30, 2044	74,596	75,874	724,000	6.75% due Nov. 9, 2039	720,236	804,561
	Plenary Properties LTAP LP				Shoppers Drug Mart Corporation		
419,000	6.29% due Jan. 31, 2044	484,731	517,190	60,000	2.01% due May 24, 2016	59,988	59,650
	Power Corporation of Canada			130,000	2.36% due May 24, 2018	129,951	127,546
200,000	8.57% due Apr. 22, 2039	199,848	295,493		Simon Fraser University		
	Power Financial Corporation			50,000	5.61% due Jun. 10, 2043	50,000	59,392
150,000	6.90% due Mar. 11, 2033	177,642	189,955		SNC-Lavalin Group Inc.		
	Powerstream Inc.			294,000	6.19% due Jul. 3, 2019	318,874	328,385
105,000	3.96% due Jul. 30, 2042	105,000	96,659		Sobeys Inc.		
	PSP Capital Inc.			47,000	6.64% due Jun. 7, 2040	46,976	51,359
400,000	2.94% due Dec. 3, 2015	399,832	410,731		South Coast British Columbia Transportation Authority		
184,000	2.26% due Feb. 16, 2017	183,948	184,670	100,000	3.80% due Nov. 2, 2020	99,926	104,000
	RBC Capital Trust				Standard Life Canada (callable)		
550,000	4.87% due Dec. 31, 2015	538,638	584,633	215,000	3.94% due Sep. 21, 2022-(2017)	215,000	221,490
	RBC Capital Trust (callable)				Sun Life Capital Trust II		
100,000	6.82% due Jun. 30, 2049-(2018)	100,000	117,285	500,000	5.86% due Dec. 31, 2019	508,555	558,687
	Reliance LP				Sun Life Financial Inc. (callable)		
550,000	4.57% due Mar. 15, 2017	550,000	568,243	95,000	4.80% due Nov. 23, 2035-(2015)	94,985	99,582
	RioCan Real Estate Investment Trust			492,000	4.95% due Jun. 1, 2036-(2016)	501,063	520,649
75,000	4.50% due Jan. 21, 2016	75,056	78,528	227,000	5.40% due May 29, 2042-(2037)	212,440	237,614
525,000	2.87% due Mar. 5, 2018	526,386	513,241		Sun Life Financial Inc.		
57,000	3.85% due Jun. 28, 2019	57,191	57,262	209,000	4.38% due Mar. 2, 2017	208,954	219,499
117,000	3.72% due Dec. 13, 2021	117,284	112,079	120,000	5.70% due Jul. 2, 2019	119,918	135,889
110,000	3.73% due Apr. 18, 2023	110,201	102,294	200,000	4.57% due Aug. 23, 2021	201,388	212,967
	Rogers Communications Inc.			600,000	5.59% due Jan. 30, 2023	651,342	660,674
487,000	5.80% due May 26, 2016	485,865	532,394		Suncor Energy, Inc.		
249,000	3.00% due Jun. 6, 2017	248,803	251,158	415,000	5.80% due May 22, 2018	459,289	468,555
290,000	5.38% due Nov. 4, 2019	292,980	320,139	250,000	5.39% due Mar. 26, 2037	264,000	272,362
395,000	4.70% due Sep. 29, 2020	402,926	418,842		TD Capital Trust (callable)		
825,000	5.34% due Mar. 22, 2021	862,604	902,541	491,000	6.63% due Jun. 30, 2108-(2021)	540,519	582,325
299,000	4.00% due Jun. 6, 2022	297,804	296,353		TD Capital Trust III (callable)		
255,000	6.68% due Nov. 4, 2039	264,881	299,790	300,000	7.24% due Dec. 31, 2049-(2018)	300,000	362,352
269,000	6.11% due Aug. 25, 2040	270,974	294,344		TD Capital Trust IV (callable)		
345,000	6.56% due Mar. 22, 2041	382,480	401,027	274,000	9.52% due Jun. 30, 2108-(2019)	349,191	359,674
	Royal Bank of Canada (callable)			260,000	10.00% due Jun. 30, 2108-(2039)	332,196	362,457
160,000	5.45% due Nov. 4, 2018-(2013)	160,000	162,049		Telus Communication Inc.		
840,000	3.18% due Nov. 2, 2020-(2015)	845,512	857,246	32,000	10.65% due Jun. 19, 2021	41,509	47,026
1,055,000	2.99% due Dec. 6, 2024-(2019)	1,055,000	1,035,808	290,000	9.65% due Apr. 8, 2022	400,406	410,457
	Royal Bank of Canada				TELLUS Corporation		
138,000	4.97% due Jun. 5, 2014	137,943	142,379	350,000	5.95% due Apr. 15, 2015	387,555	374,245
100,000	5.95% due Jun. 18, 2014	100,000	103,880	500,000	3.65% due May 25, 2016	512,500	518,851
295,000	3.27% due Nov. 10, 2014	294,959	301,416	250,000	4.95% due Mar. 15, 2017	235,000	270,405
430,000	4.71% due Dec. 22, 2014	456,052	448,663				

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Bond Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBT INSTRUMENTS (cont'd)				BOND AND DEBT INSTRUMENTS (cont'd)			
Corporate Bonds (cont'd)				Corporate Bonds (cont'd)			
TELUS Corporation (cont'd)				TransCanada PipeLines Limited (cont'd)			
499,000	5.05% due Dec. 4, 2019	496,101	546,550	120,000	8.23% due Jan. 16, 2031	140,932	169,243
350,000	5.05% due Jul. 23, 2020	380,527	382,756	450,000	8.05% due Feb. 17, 2039	612,211	675,699
TELUS Corporation (callable)				44,000	4.55% due Nov. 15, 2041	45,307	44,262
265,000	3.35% due Mar. 15, 2023-(Dec. 15, 2022)	264,690	250,667	TransLink			
565,000	3.35% due Apr. 1, 2024-(Jan. 2, 2024)	561,808	524,587	65,000	4.65% due Jun. 20, 2041	64,938	68,842
305,000	4.40% due Apr. 1, 2043-(Oct. 1, 2042)	304,292	278,766	159,000	3.85% due Feb. 9, 2052	158,141	145,624
Teranet Holdings LP				Union Gas Limited			
170,000	3.53% due Dec. 16, 2015	170,332	175,284	180,000	4.64% due Jun. 30, 2016	195,726	192,915
170,000	4.81% due Dec. 16, 2020	170,818	181,735	575,000	9.70% due Nov. 6, 2017	785,999	734,241
120,000	5.75% due Dec. 17, 2040	123,553	128,563	100,000	5.35% due Apr. 27, 2018	99,870	111,800
90,000	6.10% due Jun. 17, 2041	89,960	99,805	241,000	4.85% due Apr. 25, 2022	272,755	264,616
Terasen Gas Inc.				25,000	8.65% due Nov. 10, 2025	29,500	36,013
75,000	5.90% due Feb. 26, 2035	86,067	91,283	50,000	5.46% due Sep. 11, 2036	50,000	57,525
20,000	5.55% due Sep. 25, 2036	19,997	23,463	95,000	6.05% due Sep. 2, 2038	113,050	118,370
85,000	6.00% due Oct. 2, 2037	95,002	105,729	125,000	5.20% due Jul. 23, 2040	140,398	140,582
35,000	6.05% due Feb. 15, 2038	34,976	43,212	Union Gas Ltd. (callable)			
400,000	5.80% due May 13, 2038	421,180	487,380	96,000	3.79% due Jul. 10, 2023-(Apr. 10, 2023)	95,967	96,551
60,000	5.20% due Dec. 6, 2040	59,828	68,108	100,000	4.88% due Jun. 21, 2041-(Dec. 21, 2040)	99,875	107,547
Thomson Reuters Corporation				University of British Columbia			
323,000	5.20% due Dec. 1, 2014	330,953	337,991	20,000	4.82% due Jul. 26, 2035	20,000	21,210
350,000	5.70% due Jul. 15, 2015	390,404	375,766	University of Guelph			
250,000	6.00% due Mar. 31, 2016	278,590	274,166	20,000	6.24% due Oct. 10, 2042	19,974	25,251
372,000	4.35% due Sep. 30, 2020	382,043	392,700	University of Ontario Institute of Technology			
Tim Hortons, Inc.				43,653	6.35% due Oct. 15, 2034	43,653	48,257
63,000	4.20% due Jun. 1, 2017	62,989	66,557	University of Toronto			
Toronto Community Housing Corporation Issuer Trust				40,000	4.25% due Dec. 7, 2051	40,000	38,030
50,000	4.88% due May 11, 2037	49,998	53,343	University of Western Ontario			
Toronto Hydro Corporation				35,000	4.80% due May 24, 2047	35,000	36,555
350,000	5.15% due Nov. 14, 2017	400,511	388,216	University of Windsor			
300,000	4.49% due Nov. 12, 2019	331,417	325,770	25,000	5.37% due Jun. 29, 2046	25,000	27,919
108,000	3.54% due Nov. 18, 2021	107,946	109,529	Vancouver International Airport Authority			
160,000	5.54% due May 21, 2040	183,782	188,931	220,000	4.42% due Dec. 7, 2018	238,367	239,070
Toronto Hydro Corporation (callable)				Veresen Inc.			
293,000	2.91% due Apr. 10, 2023-(Jan. 10, 2023)	292,950	276,932	70,000	5.60% due Jul. 28, 2014	69,982	72,376
157,000	3.96% due Apr. 9, 2063-(Oct. 9, 2062)	156,830	143,110	23,000	3.95% due Mar. 14, 2017	22,987	23,615
Toronto-Dominion Bank, The				71,000	4.00% due Nov. 22, 2018	70,799	72,248
50,000	10.05% due Aug. 4, 2014	64,390	54,315	VW Credit Canada, Inc.			
1,000,000	2.95% due Aug. 2, 2016	1,010,916	1,024,674	104,000	2.50% due Jun. 1, 2015	103,985	105,152
765,000	2.17% due Apr. 2, 2018	764,998	748,374	490,000	3.60% due Feb. 1, 2016	503,059	508,077
500,000	5.83% due Jul. 9, 2018	569,498	568,361	80,000	2.20% due Oct. 11, 2016	79,918	79,675
50,000	9.15% due May 26, 2025	62,200	74,235	35,000	2.90% due Jun. 1, 2017	35,000	35,437
Toronto-Dominion Bank, The (callable)				Wells Fargo Financial Canada Corporation			
395,000	5.48% due Apr. 2, 2020-(2015)	423,750	418,812	770,000	3.97% due Nov. 3, 2014	769,969	792,251
335,000	3.37% due Nov. 2, 2020-(2015)	334,998	343,694	160,000	4.38% due Jun. 30, 2015	159,926	167,694
523,000	4.97% due Oct. 30, 2104-(2015)	540,004	556,189	160,000	3.70% due Mar. 30, 2016	159,934	166,361
1,025,000	4.78% due Dec. 14, 2105-(2016)	1,086,355	1,101,684	840,000	2.77% due Feb. 9, 2017	840,573	848,511
997,000	5.76% due Dec. 18, 2106-(2017)	1,045,171	1,119,220	780,000	2.94% due Jul. 25, 2019	780,000	770,575
Toyota Credit Canada Inc.				248,000	3.46% due Jan. 24, 2023	248,000	241,145
110,000	3.55% due Feb. 22, 2016	109,880	114,317	Westcoast Energy Inc.			
222,000	2.45% due Feb. 27, 2017	221,980	222,799	123,000	3.28% due Jan. 15, 2016	122,893	126,453
355,000	2.20% due Oct. 19, 2017	354,649	349,034	231,000	4.57% due Jul. 2, 2020	247,395	248,614
TransAlta Corporation				400,000	3.12% due Dec. 5, 2022	393,136	381,692
120,000	6.40% due Nov. 18, 2019	135,576	131,743	50,000	7.15% due Mar. 20, 2031	50,325	65,894
105,000	6.90% due Nov. 15, 2030	108,995	104,373	150,000	4.79% due Oct. 28, 2041	165,327	155,443
TransCanada Corporation				Wilfrid Laurier University			
80,000	3.65% due Nov. 15, 2021	79,894	81,553	20,000	5.43% due Feb. 1, 2045	20,000	23,090
TransCanada PipeLines Limited				Winnipeg Airports Authority Inc.			
70,000	4.65% due Oct. 3, 2016	69,983	75,327	19,122	5.21% due Sep. 28, 2040	19,122	20,677
30,000	5.10% due Jan. 11, 2017	29,955	32,802	York University			
110,000	9.45% due Mar. 20, 2018	132,946	140,525	100,000	6.48% due Mar. 7, 2042	99,972	131,362
490,000	11.80% due Nov. 20, 2020	784,566	753,049				
350,000	7.90% due Apr. 15, 2027	479,253	478,237				
40,000	6.28% due May 26, 2028	35,490	48,018				
65,000	7.34% due Jul. 18, 2028	67,506	84,909				
50,000	6.50% due Dec. 9, 2030	57,417	61,612				

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Bond Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBENTURE INSTRUMENTS (cont'd)			
Corporate Bonds (cont'd)			
31,000	Yukon Development Corporation 5.00% due Jun. 29, 2040	30,790	34,461
		172,014,400	176,320,777
	TOTAL INVESTMENT PORTFOLIO	571,865,606	574,628,313
	OTHER ASSETS, LESS LIABILITIES – 0.5%		2,721,878
	NET ASSETS – 100.0%		577,350,191

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Federal Bonds	38.0	40.7
Provincial Bonds	29.4	28.9
Municipal Bonds	1.6	1.6
Corporate Bonds	30.5	28.2
Money Market Instruments	–	0.2

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of bond and debenture instruments.

Interest Rate Exposure*	June 30, 2013	December 31, 2012
Less than 1 year	\$ 1,141,710	\$ 4,922,008
1-3 years	142,800,616	170,817,866
3-5 years	113,251,498	116,905,995
5-10 years	157,921,063	166,736,954
> 10 years	159,513,426	187,714,903
Total	\$574,628,313	\$647,097,726

* Excludes cash, money market instruments and preferred shares as applicable.

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$10,690,099, or approximately 1.9% of total Net Assets (December 31, 2012 – \$11,272,761, or approximately 1.7% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit ratings of the bond and debenture instruments, excluding cash and money market instruments but including preferred shares, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
AAA	41.7	41.5	44.0	43.7
AA	26.4	26.3	25.6	25.5
A	27.2	27.0	26.4	26.2
BBB	4.7	4.7	4.0	4.0
Total	100.0	99.5	100.0	99.4

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$2,358,654	\$1,798,876

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Canadian Index Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$250,193,568	\$266,123,031
Cash	803,042	238,889
Accrued investment income	800,673	786,723
Subscriptions receivable	65,939	174,142
	<u>251,863,222</u>	<u>267,322,785</u>
LIABILITIES		
Redemptions payable	141,192	249,685
Distributions payable	—	1,070
Accrued expenses	181,836	—
	<u>323,028</u>	<u>250,755</u>
Net Assets	<u>\$251,540,194</u>	<u>\$267,072,030</u>
NET ASSETS PER SERIES		
Series A Units	\$233,071,605	\$246,951,267
Series F Units	\$ 163,173	\$ 119,729
Series I Units	\$ 18,305,416	\$ 20,001,034
UNITS OUTSTANDING		
Series A Units	11,004,183	11,499,076
Series F Units	7,729	5,601
Series I Units	876,803	949,338
NET ASSETS PER UNIT		
Series A Units	\$ 21.18	\$ 21.48
Series F Units	\$ 21.11	\$ 21.38
Series I Units	\$ 20.88	\$ 21.07

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 4,082,212	\$ 3,885,561
Interest	81,180	52,596
Capital gains distributions received	30,998	2,624
Securities lending	52,634	23,169
Foreign withholding taxes/tax reclaims	(79)	—
Other income	3,226	1,842
	<u>4,250,171</u>	<u>3,965,792</u>
EXPENSES		
Management fees (note 5)	962,713	967,239
Harmonized Sales Tax/Goods and Services Tax	121,531	118,456
Audit fees	3,134	4,465
Independent Review Committee fees	456	772
Custodian fees	3,549	3,353
Filing fees	10,270	10,708
Legal fees	1,112	1,373
Unitholder reporting costs	12,640	16,382
Unitholder administration and service fees	88,325	91,547
Overdraft charges	1,700	120
	<u>1,205,430</u>	<u>1,214,415</u>
Absorbed expenses	<u>(1,491)</u>	<u>(1,504)</u>
	<u>1,203,939</u>	<u>1,212,911</u>
Net investment income (loss)	<u>3,046,232</u>	<u>2,752,881</u>
Net realized gain (loss) on investments sold	2,784,192	202,070
Net gain (loss) foreign exchange	(77)	—
Transaction costs	(7,277)	(6,204)
Change in unrealized appreciation (depreciation) of investments	(8,977,262)	(8,224,407)
Net gain (loss) on investments and transaction costs	<u>(6,200,424)</u>	<u>(8,028,541)</u>
Increase (decrease) in Net Assets from operations	<u>\$(3,154,192)</u>	<u>\$(5,275,660)</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$(3,022,545)	\$(5,049,910)
Series F Units	\$ (2,056)	\$ (2,290)
Series I Units	\$ (129,591)	\$ (223,460)
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ (0.27)	\$ (0.43)
Series F Units	\$ (0.32)	\$ (0.38)
Series I Units	\$ (0.14)	\$ (0.21)

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$246,951,267	\$237,433,864
Series F Units	119,729	125,094
Series I Units	20,001,034	22,265,096
	<u>267,072,030</u>	<u>259,824,054</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	(3,022,545)	(5,049,910)
Series F Units	(2,056)	(2,290)
Series I Units	(129,591)	(223,460)
	<u>(3,154,192)</u>	<u>(5,275,660)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	16,265,183	20,972,162
Series F Units	45,500	2,500
Series I Units	1,500	854,991
Payments on redemption		
Series A Units	(27,122,300)	(18,619,444)
Series F Units	—	(4,479)
Series I Units	(1,567,527)	(2,399,009)
	<u>(12,377,644)</u>	<u>806,721</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	(13,879,662)	(2,697,192)
Series F Units	43,444	(4,269)
Series I Units	(1,695,618)	(1,767,478)
	<u>(15,531,836)</u>	<u>(4,468,939)</u>
NET ASSETS – END OF PERIOD		
Series A Units	233,071,605	234,736,672
Series F Units	163,173	120,825
Series I Units	18,305,416	20,497,618
	<u>\$251,540,194</u>	<u>\$255,355,115</u>

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 99.5%				EQUITIES (cont'd)			
Energy – 24.8%				Materials (cont'd)			
32,343	Advantage Oil & Gas Ltd.	444,171	132,283	21,600	Alamos Gold Inc.	209,699	273,240
20,300	AltaGas Ltd.	546,155	747,446	24,800	Argonaut Gold, Inc.	213,032	138,880
53,681	ARC Resources Ltd.	1,278,530	1,470,859	41,729	AuRico Gold Inc.	382,001	191,536
56,000	Athabasca Oil Sands Corporation	845,095	363,440	99,300	B2Gold Corporation	359,795	219,453
45,700	Bankers Petroleum Ltd.	391,239	119,277	173,100	Barrick Gold Corporation	5,953,283	2,863,074
21,356	Baytex Energy Corporation	518,640	804,908	25,500	Canexus Corp.	181,555	234,345
17,300	Birdcliff Energy Ltd.	202,326	141,168	14,413	Canfor Corporation	141,289	268,082
43,600	BlackPearl Resources Inc.	150,347	68,016	57,300	Capstone Mining Corp.	224,895	101,994
30,900	Bonavista Energy Corporation	876,835	421,785	4,200	CCL Industries Inc., Class B	66,979	272,496
3,900	Bonterra Energy Corp.	224,353	192,270	29,013	Centerra Gold Inc.	308,762	96,033
5,330	Calfrac Well Services Ltd.	121,426	160,486	43,430	China Gold International Resources Corp., Ltd.	227,434	121,170
68,440	Cameco Corporation	1,019,468	1,485,832	23,739	Detour Gold Corporation	435,597	193,473
187,925	Canadian Natural Resources Ltd.	3,183,560	5,571,976	14,680	Dominion Diamond Corporation	197,529	217,998
77,519	Canadian Oil Sands Ltd.	2,270,381	1,507,745	19,000	Dundee Precious Metals Inc.	187,162	80,180
130,181	Enovus Energy Inc.	2,234,621	3,900,223	123,712	Eldorado Gold Corporation	1,123,944	797,942
65,985	Crescent Point Energy Corp.	2,281,519	2,352,365	14,500	Endeavour Silver Corporation	124,986	51,475
23,000	Crew Energy Inc.	302,493	118,910	21,200	First Majestic Silver Corp.	324,355	232,140
141,784	Enbridge Inc.	2,130,064	6,245,585	102,075	First Quantum Minerals Ltd.	1,261,375	1,590,329
7,204	Enbridge Income Fund Holdings Inc.	166,582	170,807	24,800	Fortuna Silver Mines Inc.	146,234	86,304
127,516	EnCana Corporation	2,311,289	2,267,234	25,308	Franco-Nevada Corporation	817,995	950,822
12,565	Enerflex Ltd.	83,360	167,743	140,444	Goldcorp, Inc.	3,377,355	3,645,926
35,330	Enerplus Corp.	1,604,217	548,675	31,800	HudBay Minerals, Inc.	391,653	221,646
21,300	Ensign Resource Service, Inc.	145,768	341,439	65,332	IAMGOLD Corporation	564,614	287,461
8,000	Freehold Royalties Ltd.	160,933	187,200	195,901	Kinross Gold Corporation	2,081,604	1,048,070
21,100	Gibson Energy Inc.	457,895	512,097	10,700	Labrador Iron Ore Royalty Corp	139,802	312,975
50,980	Husky Energy Inc.	896,760	1,427,440	85,306	Lundin Mining Corporation	608,241	340,371
44,017	Imperial Oil Ltd.	1,150,001	1,765,082	15,200	Major Drilling Group International Inc.	198,631	107,768
47,900	Inter Pipeline Fund, Class A	440,360	1,036,556	16,100	Methanex Corporation	211,121	720,475
13,520	Keyera Corp.	326,412	753,875	33,822	Nexsun Resources Ltd.	170,855	103,157
22,093	Legacy Oil & Gas Inc.	314,162	109,139	80,798	New Gold Inc.	470,985	542,963
31,702	Lightstream Resources Ltd.	591,787	248,227	4,300	Norbord Inc.	144,090	130,849
23,800	MEG Energy Corporation	1,130,976	683,536	41,800	NovaGold Resources Inc.	310,685	91,960
15,200	Mullen Group Limited	338,010	344,736	43,035	OceanGold Corporation	154,558	53,794
8,751	Niko Resources Ltd.	363,149	74,208	75,048	Osisko Mining Corporation	647,397	259,666
56,279	Pacific Rubiales Energy Corporation	774,542	1,039,473	26,557	Pan American Silver Corporation	447,009	320,809
6,500	Paramount Resources Ltd.	201,124	231,140	149,022	Potash Corporation of Saskatchewan Inc.	2,864,109	5,975,782
12,700	Parkland Fuel Corporation	159,469	217,043	13,100	Pretium Resources Inc.	216,767	90,783
11,000	Pason Systems Inc.	125,272	209,110	28,700	Rio Alto Mining Limited	147,759	55,678
53,077	Pembina Pipeline Corporation	1,032,374	1,705,895	48,499	Rubicon Minerals Corporation	203,115	64,989
88,812	Pengrowth Energy Corp.	1,314,173	452,941	49,461	SEMAFO Inc.	236,186	76,170
83,504	Penn West Petroleum Ltd.	2,667,874	925,224	54,159	Sherritt International Corporation	494,838	210,679
13,681	Petrominerales Ltd.	359,068	82,086	15,300	Silver Standard Resources Inc.	349,475	99,756
24,600	Peyto Exploration & Development Corporation	497,451	744,888	61,201	Silver Wheaton Corporation	860,200	1,261,353
40,500	Precision Drilling Corporation	609,213	362,475	32,800	Silvercorp Metals Inc.	249,711	93,152
15,600	Savanna Energy Services Corp.	236,572	105,300	14,600	Tahoe Resources Inc.	259,773	214,328
15,500	Secure Energy Services Inc.	156,215	208,475	33,510	Taseko Mines Ltd.	156,488	66,015
10,200	ShawCor Ltd.	175,233	419,832	81,987	Teck Resources Ltd., Class B	1,563,616	1,840,608
259,708	Suncor Energy, Inc.	5,116,428	8,048,351	30,400	Thompson Creek Metals Company, Inc.	370,987	94,544
178,063	Talisman Energy Inc.	1,811,943	2,136,756	106,300	Torex Gold Resources Inc.	218,324	135,001
24,700	Tourmaline Oil Corp.	747,475	1,037,400	62,987	Turquoise Hill Resources Ltd.	527,661	392,409
121,832	TransCanada Corporation	3,480,124	5,512,898	5,413	West Fraser Timber Co., Ltd.	216,116	429,792
14,300	TransGlobe Energy Corporation	218,844	90,090	131,022	Yamana Gold Inc.	1,370,840	1,308,910
26,500	Trican Well Service Ltd.	198,477	369,940			35,454,520	32,892,655
9,522	Trilogy Energy Corporation	210,746	295,182	Industrials – 7.2%			
19,900	Trinidad Drilling Ltd.	242,888	152,434	9,400	Aecon Group Inc.	179,416	101,144
34,200	Veresen Inc.	404,699	426,474	5,222	Black Diamond Group Ltd.	116,356	115,981
17,000	Vermilion Energy, Inc.	546,301	872,610	257,060	Bombardier Inc., Class B	2,511,006	1,200,470
25,432	Whitecap Resources, Inc.	225,412	275,429	44,100	CAE, Inc.	304,096	480,249
		51,015,401	62,364,014	73,024	Canadian National Railway Company	2,417,362	7,452,099
Materials – 13.1%				25,908	Canadian Pacific Railway Limited	802,936	3,303,270
30,269	Agnico-Eagle Mines Limited	1,053,556	874,169	29,600	Finning International Inc.	360,942	640,840
25,863	Agrium Inc.	972,007	2,358,188	6,200	Genivar, Inc.	142,032	148,304
37,382	Alacer Gold Corporation	316,491	81,493	19,557	Progressive Waste Solutions Ltd.	421,793	442,966

For equities, all common shares unless otherwise noted.

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
Industrials (cont'd)				Financials (cont'd)			
17,300	Ritchie Bros. Auctioneers Incorporated	361,039	347,211	17,549	Calloway Real Estate Investment Trust	349,888	451,185
10,300	Russel Metals Inc.	135,436	244,625	17,300	Canadian Apartment Properties Real Estate Investment Trust	265,104	386,828
25,845	SNC-Lavalin Group Inc.	485,845	1,147,001	68,860	Canadian Imperial Bank of Commerce	3,603,273	5,139,710
8,250	Stantec Inc.	215,116	364,650	11,600	Canadian Real Estate Investment Trust	250,267	502,164
21,700	Superior Plus Corporation	383,826	267,127	14,000	Canadian Western Bank	197,738	387,660
12,765	Toromont Industries Ltd.	135,257	296,659	30,600	Chartwell Seniors Housing Real Estate Investment Trust	271,807	298,350
11,300	Transcontinental Inc., Class A	117,052	143,623	25,300	CI Financial Corporation	383,637	764,060
13,283	TransForce, Inc.	213,445	272,434	20,400	Cominar Real Estate Investment Trust	402,095	423,300
2,798	Wajax Corporation	132,322	88,361	8,900	Crombie Real Estate Investment Trust	129,586	121,307
21,300	Westjet Airlines Ltd.	248,870	486,705	10,500	Davis + Henderson Income Corporation	189,921	237,090
8,000	Westport Innovations Inc.	155,230	280,960	6,962	Dream Unlimited Corp.	94,683	76,234
11,204	Westshore Terminals Investment Corp.	136,422	321,555	6,962	Dundee Corporation, Class A	40,568	146,968
		9,975,799	18,146,234	16,100	Dundee International Real Estate Investment Trust	169,200	157,619
Consumer Discretionary – 5.6%				17,400	Dundee Real Estate Investment Trust	505,473	566,544
29,737	Aimia Inc.	487,672	461,221	20,900	Element Financial Corp.	181,830	250,173
9,800	Astral Media Inc., Class A	192,788	489,412	3,392	Fairfax Financial Holdings Limited	973,935	1,378,848
14,060	Canadian Tire Corporation, Limited, Class A	490,849	1,106,522	14,200	First Capital Realty, Inc.	217,848	251,908
11,100	Cineplex, Inc.	181,067	408,369	4,100	FirstService Corporation	84,096	134,808
3,990	Cogeco Cable Inc.	139,252	178,393	6,638	Genworth MI Canada Inc.	168,815	162,631
14,500	Corus Entertainment Inc., Class B	289,944	348,580	8,200	Granite Real Estate Investment Trust	295,224	295,610
11,700	Dollarama Inc.	365,915	859,950	44,772	Great-West Lifeco Inc.	822,638	1,271,525
4,200	Dorel Industries Inc., Class B	111,628	154,014	44,799	H&R Real Estate Investment Trust	858,646	983,786
19,048	Gildan Activewear Inc.	336,885	798,873	5,400	Home Capital Group Inc.	183,791	299,322
7,500	Linamar Corporation	138,159	220,800	16,336	IGM Financial, Inc.	417,613	733,813
40,116	Magna International Inc.	1,419,357	2,999,473	16,800	Industrial Alliance Insurance and Financial Services Inc.	401,915	697,536
13,773	Martina International Inc.	119,161	149,437	22,892	Intact Financial Corporation	898,707	1,351,315
7,800	Quebecor Inc., Class B	250,059	360,126	4,700	Laurentian Bank of Canada	123,763	205,155
10,600	Reitmans (Canada) Ltd., Class A	195,901	94,340	316,438	Manulife Financial Corporation	6,650,709	5,319,323
21,290	RONA Inc.	297,079	231,209	28,118	National Bank of Canada	982,598	2,106,038
64,463	Shaw Communications, Inc., Class B	1,079,317	1,611,575	5,380	Northern Property Real Estate Investment Trust	179,020	147,304
64,440	Thomson Reuters Corporation	2,489,657	2,206,426	15,100	Onex Corporation	279,052	719,213
26,420	Tim Hortons, Inc.	845,767	1,500,392	59,828	Power Corporation of Canada	1,117,921	1,687,748
		9,430,457	14,179,112	40,891	Power Financial Corporation	728,331	1,243,904
Consumer Staples – 3.2%				52,100	RioCan Real Estate Investment Trust	942,638	1,315,525
23,900	Alimentation Couche-Tard Inc., Class B	252,414	1,472,240	248,912	Royal Bank of Canada	8,411,478	15,250,837
15,238	Cott Corporation	136,267	123,428	103,641	Sun Life Financial Inc.	3,090,318	3,212,871
5,000	Empire Company Limited, Class A	162,136	398,750	4,100	TMX Group Inc.	149,673	188,354
8,200	George Weston Limited	504,274	685,438	159,161	Toronto-Dominion Bank, The	7,939,127	13,441,145
15,900	Jean Coutu Group (PJC) Inc., The, Class A	198,697	280,794			58,049,822	86,343,186
17,300	Loblaw Companies Limited	710,369	821,750	Information Technology – 1.6%			
12,100	Maple Leaf Foods Inc.	141,075	175,571	27,460	Celestica Inc.	1,093,350	269,108
16,358	Metro Inc., Class A	337,496	1,151,930	47,593	CGI Group Inc., Class A	713,041	1,461,105
8,300	North West Company, Inc.	144,000	193,971	2,100	Constellation Software Inc.	218,313	304,374
21,696	Saputo Inc.	433,724	1,048,351	6,173	MacDonald, Dettwiler and Associates Ltd.	214,856	428,962
34,776	Shoppers Drug Mart Corporation	1,176,342	1,683,506	10,300	Open Text Corporation	295,743	739,540
		4,196,794	8,035,729	71,368	Research In Motion Limited	2,894,188	783,621
Health Care – 2.6%				20,200	WI-LAN Inc.	141,129	97,768
35,570	Catamaran Corporation	903,365	1,817,627			5,570,620	4,084,478
15,800	CML Healthcare, Inc.	224,876	166,690	Telecommunication Services – 5.1%			
14,200	Extendicare Inc Cda Com	144,800	91,732	133,732	BCE Inc.	4,390,208	5,766,524
49,585	Valeant Pharmaceuticals International, Inc.	1,764,341	4,482,484	22,179	Bell Aliant, Inc.	728,638	625,670
		3,037,382	6,558,533	11,800	Manitoba Telecom Services Inc.	364,809	419,844
Financials – 34.4%				63,013	Rogers Communications, Inc., Class B	1,447,704	2,594,875
11,700	AGF Management Limited, Class B	241,009	130,923	112,822	TELUS Corporation	1,975,686	3,463,635
11,699	Allied Properties Real Estate Investment Trust	273,490	373,315			8,907,045	12,870,548
20,506	Artis Real Estate Investment Trust	259,387	307,590	Utilities – 1.9%			
111,870	Bank of Montreal	4,748,915	6,821,833	26,776	Algonquin Power & Utilities Corp.	178,617	194,126
206,365	Bank of Nova Scotia, The	7,469,815	11,597,713	13,200	ATCO Ltd., Class I	174,449	569,184
6,700	Boardwalk Real Estate Investment Trust	107,332	390,409	21,599	Atlantic Power Corporation	295,569	88,988
96,713	Brookfield Asset Management Inc., Class A	1,424,348	3,655,751	21,200	Canadian Utilities Limited, Class A	317,627	778,888
43,435	Brookfield Properties Corporation, Inc.	572,600	757,941	11,800	Capital Power Corporation	301,229	242,844
				22,800	Emera Inc.	432,927	752,856

For equities, all common shares unless otherwise noted.

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES (cont'd)			
Utilities (cont'd)			
33,100	Fortis, Inc.	668,599	1,065,158
25,895	Just Energy Group, Inc.	431,469	161,067
12,700	Northland Power Inc.	170,218	214,757
45,223	TransAlta Corporation	923,418	651,211
		<u>3,894,122</u>	<u>4,719,079</u>
	TOTAL INVESTMENT PORTFOLIO	<u>189,531,962</u>	<u>250,193,568</u>
	OTHER ASSETS, LESS LIABILITIES – 0.5%		<u>1,346,626</u>
	NET ASSETS – 100.0%		<u>251,540,194</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Energy	24.8	25.2
Materials	13.1	18.5
Industrials	7.2	6.1
Consumer Discretionary	5.6	4.6
Consumer Staples	3.2	2.7
Health Care	2.6	1.9
Financials	34.4	32.3
Information Technology	1.6	1.3
Telecommunication Services	5.1	5.1
Utilities	1.9	1.9

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.5% (December 31, 2012 – 99.6%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$25,019,357 (December 31, 2012 – \$26,612,303). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$323,028	\$250,755

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia U.S. Index Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$71,634,922	\$54,358,565
Cash	709,577	193,267
Accrued investment income	74,851	51,331
Receivable for securities sold	9,962	6,030
Subscriptions receivable	130,107	86,633
	<u>72,559,419</u>	<u>54,695,826</u>
LIABILITIES		
Payable for securities purchased	317,775	—
Distributions payable	—	187
Redemptions payable	97,625	22,399
Accrued expenses	53,511	—
	<u>468,911</u>	<u>22,586</u>
Net Assets	<u>\$72,090,508</u>	<u>\$54,673,240</u>
NET ASSETS PER SERIES		
Series A Units	\$65,488,296	\$47,408,747
Series I Units	\$ 6,602,212	\$ 7,264,493
UNITS OUTSTANDING		
Series A Units	4,271,760	3,692,947
Series I Units	426,944	563,835
NET ASSETS PER UNIT		
Series A Units	\$ 15.33	\$ 12.84
Series I Units	\$ 15.46	\$ 12.88

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 694,378	\$ 561,640
Interest	—	440
Securities lending	213	394
Foreign withholding taxes/tax reclaims	(100,143)	(82,091)
Other income	950	499
	<u>595,398</u>	<u>480,882</u>
EXPENSES		
Management fees (note 5)	225,184	173,497
Harmonized Sales Tax/Goods and Services Tax	31,028	24,576
Audit fees	782	1,767
Independent Review Committee fees	111	320
Custodian fees	1,804	1,760
Filing fees	8,035	8,800
Legal fees	279	649
Unitholder reporting costs	6,727	9,078
Unitholder administration and service fees	38,794	43,625
Overdraft charges	233	290
	<u>312,977</u>	<u>264,362</u>
Absorbed expenses	—	(11,715)
	<u>312,977</u>	<u>252,647</u>
Net investment income (loss)	<u>282,421</u>	<u>228,235</u>
Net realized gain (loss) on investments sold	(1,463)	(62,763)
Net gain (loss) foreign exchange	(5,395)	(1,265)
Transaction costs	(1,612)	(735)
Change in unrealized appreciation (depreciation) of investments	10,805,079	4,027,990
Change in unrealized appreciation (depreciation) of currency spots	—	196
Net gain (loss) on investments and transaction costs	<u>10,796,609</u>	<u>3,963,423</u>
Increase (decrease) in Net Assets from operations	<u>\$11,079,030</u>	<u>\$4,191,658</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$ 9,779,590	\$3,479,522
Series F Units	\$ —	\$ 2,379
Series I Units	\$ 1,299,440	\$ 709,757
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 2.45	\$ 0.98
Series F Units	\$ —	\$ 0.32
Series I Units	\$ 2.67	\$ 1.12

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$47,408,747	\$39,682,269
Series I Units	7,264,493	8,070,367
	<u>54,673,240</u>	<u>47,752,636</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	9,779,590	3,479,522
Series F Units	—	2,379
Series I Units	1,299,440	709,757
	<u>11,079,030</u>	<u>4,191,658</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	13,097,975	5,748,161
Series F Units	—	88,889
Payments on redemption		
Series A Units	(4,798,016)	(3,103,163)
Series F Units	—	(91,268)
Series I Units	(1,961,721)	(1,150,018)
	<u>6,338,238</u>	<u>1,492,601</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	18,079,549	6,124,520
Series I Units	(662,281)	(440,261)
	<u>17,417,268</u>	<u>5,684,259</u>
NET ASSETS – END OF PERIOD		
Series A Units	65,488,296	45,806,789
Series I Units	6,602,212	7,630,106
	<u>\$72,090,508</u>	<u>\$53,436,895</u>

The accompanying notes are an integral part of the financial statements.

Scotia U.S. Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES – 99.4%				EQUITIES (cont'd)			
Energy – 10.5%				Materials (cont'd)			
2,360	Anadarko Petroleum Corporation	118,939	213,076	2,539	Monsanto Company	142,730	263,517
1,832	Apache Corporation	109,509	161,362	1,293	Mosaic Company, The	76,050	73,063
2,149	Baker Hughes Incorporated	101,397	104,159	2,299	Newmont Mining Corporation	94,514	72,346
1,037	Cabot Oil & Gas Corporation	39,275	77,381	1,468	Nucor Corporation	69,836	66,787
1,163	Cameron International Corporation	53,719	74,735	893	Owens-Illinois, Inc.	28,197	26,046
2,394	Chesapeake Energy Corporation	76,116	51,188	675	PPG Industries, Inc.	51,776	103,660
9,253	Chevron Corporation	714,610	1,149,151	1,380	Praxair, Inc.	73,914	166,876
5,797	ConocoPhillips	243,357	368,316	790	Sealed Air Corporation	30,622	19,863
1,098	CONSOL Energy Inc.	54,725	31,264	413	Sherwin-Williams Company, The	30,719	76,629
1,801	Denbury Resources Inc.	34,123	32,756	575	Sigma-Aldrich Corporation	30,182	48,550
1,836	Devon Energy Corporation	104,570	100,003	621	United States Steel Corporation	37,267	11,425
300	Diamond Offshore Drilling, Inc.	26,443	21,683	627	Vulcan Materials Company	38,002	31,892
1,164	EnSCO PLC	64,816	71,081				
1,290	EOG Resources, Inc.	91,845	178,479			2,012,725	2,320,541
734	EQT Corporation	33,686	61,211	Industrials – 10.2%			
21,207	Exxon Mobil Corporation	1,457,849	2,005,611	3,011	3M Co.	226,089	345,945
1,163	FMC Technologies, Inc.	32,634	68,039	551	Avery Dennison Corporation	36,766	24,755
4,419	Halliburton Company	132,496	193,707	3,237	Boeing Company, The	222,700	348,273
505	Heilemich & Payne, Inc.	24,291	33,136	700	C.H. Robinson Worldwide, Inc.	42,318	41,415
1,463	Hess Corporation	81,809	102,206	3,105	Caterpillar Inc.	160,276	269,116
2,953	Kinder Morgan Inc/Delaware	98,003	118,368	567	Cintas Corporation	23,968	27,130
3,425	Marathon Oil Corporation	66,381	124,333	4,969	CSX Corporation	66,471	120,916
1,545	Marathon Petroleum Corporation	39,776	114,964	817	Cummins Inc.	52,348	93,267
887	Murphy Oil Corporation	57,208	56,748	2,740	Danaher Corporation	92,570	182,235
1,397	Nabors Industries Ltd.	40,499	22,472	1,823	Deere & Company	75,873	155,628
2,026	National-Oilwell Varco Inc.	98,135	146,647	1,345	Delphi Automotive PLC	48,298	71,634
500	Newfield Exploration Company	35,990	12,551	827	Dover Corporation	43,659	67,481
1,329	Noble Corporation	48,959	52,476	227	Dun & Bradstreet Corporation, The	21,018	23,243
1,750	Noble Energy, Inc.	69,370	110,397	2,243	Eaton Corporation	90,573	154,412
3,820	Occidental Petroleum Corporation	198,063	358,139	3,408	Emerson Electric Co.	146,686	195,152
1,100	Peabody Energy Corporation	47,308	16,920	573	Equifax Inc.	23,876	35,479
2,910	Phillips 66 Company	74,325	180,119	1,021	Expeditors International of Washington, Inc.	46,180	40,743
648	Pioneer Natural Resources Company	45,660	98,553	1,316	Fastenal Company	36,413	63,356
850	QEP Resources Inc.	25,861	24,810	1,394	FedEx Corp.	99,700	144,446
761	Range Resources Corporation	42,676	61,824	759	Flowserve Corporation	27,012	43,072
516	Rowan Companies plc	17,278	18,471	772	Fluor Corporation	33,491	48,109
6,303	Schlumberger Limited	370,528	474,174	1,559	General Dynamics Corporation	88,443	128,307
1,726	Southwestern Energy Company	75,179	66,283	49,340	General Electric Company	1,792,734	1,202,201
3,085	Spectra Energy Corporation	90,070	111,699	3,727	Honeywell International Inc.	232,888	310,691
600	Tesoro Corporation	30,237	32,965	1,953	Illinois Tool Works Inc.	95,525	141,794
2,557	Valero Energy Corporation	75,896	93,414	1,329	Ingersoll-Rand PLC	57,185	77,317
3,295	Williams Companies Inc., The	102,345	112,447	908	Iron Mountain Incorporated	24,351	25,406
781	WPX Energy Inc.	15,802	15,542	609	Jacobs Engineering Group, Inc.	40,402	35,270
		5,361,758	7,522,860	450	Joy Global Inc.	41,371	22,917
Materials – 3.2%				500	Kansas City Southern	57,652	55,666
977	Air Products and Chemicals, Inc.	67,182	93,928	418	L-3 Communications Holdings, Inc.	39,451	37,656
324	Airgas, Inc.	18,964	32,497	1,255	Lockheed Martin Corporation	92,165	143,018
5,356	Alcoa Inc.	131,797	44,064	1,916	Masco Corporation	60,593	39,216
483	Allegheny Technologies, Inc.	37,433	13,347	1,541	Norfolk Southern Corporation	68,858	117,629
721	Ball Corporation	24,360	31,469	1,098	Northrop Grumman Corporation	60,152	95,523
494	Bemis Company, Inc.	14,155	20,315	1,684	PACCAR Inc.	46,361	94,945
291	CF Industries Holdings, Inc.	43,363	52,519	524	Pall Corporation	18,803	36,464
600	Cliffs Natural Resources Inc.	29,962	10,244	675	Parker-Hannifin Corporation	28,260	68,064
5,806	Dow Chemical Company, The	212,778	196,126	1,029	Pentair Ltd.	47,170	62,372
4,359	E.I. du Pont de Nemours and Company	249,655	240,449	1,054	Pitney Bowes Inc.	53,493	16,257
706	Eastman Chemical Company	26,163	51,911	684	Precision Castparts Corp.	88,770	161,982
1,288	Ecolab Inc.	67,028	115,274	1,032	Quanta Services, Inc.	27,802	28,691
600	FMC Corporation	16,614	38,493	1,581	Raytheon Company	90,725	109,835
4,820	Freeport-McMoRan Copper & Gold Inc.	140,434	139,776	1,321	Republic Services, Inc.	43,050	47,011
368	International Flavors & Fragrances Inc.	20,003	29,061	586	Robert Half International, Inc.	23,578	20,460
2,109	International Paper Company	98,552	98,187	643	Rockwell Automation, Inc.	43,647	56,169
1,775	LyondellBasell Industries NV, Class A	86,063	124,022	653	Rockwell Collins, Inc.	26,802	43,506
787	MeadWestvaco Corporation	24,410	28,205	479	Roper Industries, Inc.	32,654	62,422
				297	Ryder System, Inc.	17,265	18,957

For equities, all common shares unless otherwise noted.

The accompanying notes are an integral part of the financial statements.

Scotia U.S. Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
Industrials (cont'd)				Consumer Discretionarys (cont'd)			
284	Snap-on Incorporated	14,376	26,656	1,244	McGraw-Hill Companies, Inc., The	46,409	69,523
3,588	Southwest Airlines Co.	56,272	48,594	265	Netflix Inc.	50,827	58,775
813	Stanley Black & Decker Inc.	49,730	66,031	1,483	Newell Rubbermaid Inc.	53,243	40,856
400	Stericycle, Inc.	30,944	46,411	9,504	News Corporation, Class A	187,450	325,338
1,330	Textron Inc.	45,427	36,375	3,423	NIKE, Inc., Class B	93,561	229,027
997	The ADT Corporation	36,198	41,703	656	Nordstrom, Inc.	12,033	41,314
2,196	Tyco International Ltd.	85,939	75,473	545	O'Reilly Automotive, Inc.	23,136	64,490
2,237	Union Pacific Corporation	127,247	362,621	1,305	Omnicom Group Inc.	64,456	86,205
3,400	United Parcel Service, Inc., Class B	290,708	309,010	509	PetSmart Inc.	33,913	35,827
4,010	United Technologies Corporation	238,361	391,583	290	Polo Ralph Lauren Corporation	34,639	52,939
282	W.W. Grainger, Inc.	38,025	74,720	242	priceline.com Incorporated	75,189	210,026
2,004	Waste Management, Inc.	85,014	84,813	1,617	PulteGroup Inc.	24,656	32,213
1,001	Xylem, Inc.	26,959	28,334	400	PVH Corporation	48,246	52,640
		6,081,635	7,347,877	1,000	Ross Stores, Inc.	22,868	68,096
Consumer Discretionary – 12.1%				456	Scripps Networks Interactive	22,135	31,986
400	Abercrombie & Fitch Co.	35,290	19,018	3,249	Staples, Inc.	72,062	54,141
1,741	Amazon.com, Inc.	196,074	507,968	3,589	Starbucks Corporation	82,460	246,959
184	AutoNation, Inc.	7,085	8,389	1,000	Starwood Hotels & Resorts Worldwide, Inc.	52,660	66,393
179	AutoZone, Inc.	46,213	79,620	3,107	Target Corporation	150,108	224,533
1,142	Bed Bath & Beyond Inc.	40,319	85,073	557	Tiffany & Co.	27,053	42,523
1,330	Best Buy Co., Inc.	54,131	38,178	1,366	Time Warner Cable Inc.	177,377	161,437
589	BorgWarner, Inc.	41,819	53,315	4,483	Time Warner Inc.	426,093	272,348
900	Cablevision Systems Corporation	21,842	15,905	3,494	TJX Companies, Inc., The	58,909	183,777
1,200	CarlMax, Inc.	36,696	58,200	567	TripAdvisor Inc.	21,541	36,263
2,155	Carnival Corporation	98,384	77,596	586	Urban Outfitters, Inc.	21,711	24,764
2,822	CBS Corporation, Class B	120,837	144,903	415	VF Corporation	34,205	84,265
151	Chipotle Mexican Grill, Inc.	41,060	57,750	2,128	Viacom Inc., Class B	123,236	152,085
1,358	Coach, Inc.	44,385	81,430	8,538	Walt Disney Company, The	345,697	566,509
12,485	Comcast Corporation, Class A	324,734	547,412	25	Washington Post Company, The, Class B	19,866	12,707
1,335	D.R. Horton, Inc.	50,986	29,835	391	Whirlpool Corporation	35,446	46,978
615	Darden Restaurants, Inc.	16,285	32,593	593	Wyndham Worldwide Corporation	34,648	35,658
2,738	DIRECTV	86,565	177,125	356	Wynn Resorts Limited	21,040	47,856
1,171	Discovery Communications, Inc.	45,817	94,996	2,136	Yum! Brands, Inc.	53,973	155,776
1,451	Dollar General Corp.	73,078	76,990			6,124,942	8,746,553
1,000	Dollar Tree, Inc.	42,939	53,365	Consumer Staples – 10.4%			
400	Expedia, Inc.	11,320	25,267	9,523	Altria Group, Inc.	150,559	350,202
547	Family Dollar Stores, Inc.	27,330	35,806	3,096	Archer-Daniels-Midland Company	75,212	110,178
18,534	Ford Motor Company	322,451	300,867	2,134	Avon Products, Inc.	60,363	47,153
261	Fossil, Inc.	33,097	28,331	788	Beam Inc.	34,129	52,252
500	GameStop Corporation	22,764	22,080	702	Brown-Forman Corporation, Class B	26,931	49,824
1,150	Gannett Co., Inc.	77,938	29,555	924	Campbell Soup Company	43,279	43,474
1,331	GAP Inc., The	53,621	58,344	624	Clorox Company, The	41,144	54,509
3,650	General Motors Co.	128,675	127,745	18,289	Coca-Cola Company, The	650,914	770,569
756	Genuine Parts Company	33,951	62,013	1,268	Coca-Cola Enterprises Inc.	37,404	46,843
1,228	Goodyear Tire & Rubber Company, The	41,213	19,715	4,157	Colgate-Palmolive Company	159,695	249,660
1,196	H&R Block, Inc.	21,479	34,859	2,075	ConAgra Foods, Inc.	66,784	76,132
1,111	Harley-Davidson, Inc.	53,061	63,888	806	Constellation Brands, Inc., Class A	31,329	44,096
300	Harman International Industries, Incorporated	37,749	17,084	2,070	Costco Wholesale Corporation	138,078	240,483
503	Hasbro, Inc.	16,908	23,693	5,805	CVS Caremark Corporation	193,414	348,635
6,941	Home Depot Inc., The	338,543	562,062	970	Dr. Pepper Snapple Group, Inc.	34,533	46,811
1,140	International Game Technology	25,613	19,991	1,176	Estee Lauder Companies Inc., The	34,674	81,267
1,829	Interpublic Group of Companies, Inc., The	94,900	27,961	3,056	General Mills, Inc.	102,413	155,730
547	J.C. Penney Company, Inc.	22,254	9,805	711	Hershey Company, The	30,400	66,696
3,306	Johnson Controls, Inc.	68,962	124,216	600	Hormel Foods Corporation	11,925	24,322
1,001	Kohl's Corporation	62,094	53,124	500	J.M. Smucker Company, The	26,055	54,190
677	Leggett & Platt, Incorporated	21,092	22,115	1,197	Kellogg Company	59,932	80,781
700	Lennar Corporation, Class A	50,332	26,485	1,823	Kimberly-Clark Corporation	138,819	185,738
1,136	Limited Brands, Inc.	30,314	58,784	2,818	Kraft Foods Group Inc.	101,278	165,423
5,167	Lowe's Companies, Inc.	127,429	221,881	2,445	Kroger Co., The	76,252	88,732
1,857	Macy's, Inc.	55,893	93,635	1,857	Lorillard, Inc.	51,330	85,167
1,185	Marriott International Inc., Class A	31,926	50,197	609	McCormick & Company, Inc.	25,243	45,022
1,677	Mattel, Inc.	45,539	79,837	960	Mead Johnson Nutrition Company	49,066	79,917
4,746	McDonald's Corporation	293,109	493,325	787	Molson Coors Brewing Company, Class B	37,811	39,575

For equities, all common shares unless otherwise noted.

The accompanying notes are an integral part of the financial statements.

Scotia U.S. Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
Consumer Staples (cont'd)				Health Care (cont'd)			
8,386	Mondelez International, Inc.	194,871	251,382	482	Varian Medical Systems, Inc.	26,326	34,159
700	Monster Beverage Corporation	49,632	44,688	408	Waters Corporation	24,466	42,886
7,332	PepsiCo, Inc.	442,978	629,624	1,424	WellPoint Inc.	71,658	122,448
7,779	Philip Morris International Inc.	305,902	707,977	839	Zimmer Holdings, Inc.	42,484	66,062
13,080	Procter & Gamble Company, The	830,401	1,058,080	2,158	Zoetis Inc.	65,331	69,541
1,504	Reynolds American Inc.	44,290	76,294				
1,174	Safeway Inc.	67,409	29,185			7,363,906	9,146,261
2,814	Sysco Corporation	80,289	100,940	Financials – 16.5%			
1,407	Tyson Foods, Inc.	30,689	37,904	1,641	ACE Limited	101,197	154,281
7,817	Wal-Mart Stores, Inc.	496,656	611,233	2,194	Alliac, Inc.	92,266	133,865
4,066	Walgreen Company	161,295	188,572	2,253	Allstate Corporation, The	95,537	113,863
1,594	Whole Foods Markets, Inc.	57,417	86,219	4,511	American Express Company	234,208	353,960
		5,250,795	7,505,479	7,000	American International Group, Inc.	655,031	328,983
Health Care – 12.7%				1,847	American Tower Corporation	81,745	141,996
7,468	Abbott Laboratories	212,725	273,689	960	Ameriprise Financial, Inc.	40,361	81,581
7,509	AbbVie Inc.	234,892	327,422	1,494	Aon PLC	72,521	101,028
644	Actavis Inc.	35,685	85,407	582	Apartment Investment & Management Company	15,592	18,370
1,840	Aetna Inc.	52,406	122,841	400	Assurant, Inc.	23,597	21,396
1,674	Agilent Technologies, Inc.	114,921	75,209	574	AvalonBay Communities, Inc.	76,330	81,364
909	Alexion Pharmaceuticals, Inc.	86,647	88,097	51,111	Bank of America Corporation	1,335,049	690,609
1,442	Allergan, Inc.	83,857	127,526	5,403	Bank of New York Mellon Corporation, The	232,261	159,067
1,112	AmerisourceBergen Corporation	27,243	65,195	3,450	BB&T Corporation	128,465	122,703
3,556	Amgen Inc.	235,740	368,621	8,707	Berkshire Hathaway Inc., Class B	723,802	1,027,824
2,559	Baxter International Inc.	147,146	186,248	595	BlackRock, Inc.	112,772	160,573
923	Becton, Dickinson and Company	52,646	95,806	753	Boston Properties, Inc.	71,605	83,445
1,114	Biogen Idec Inc.	91,034	251,886	2,728	Capital One Financial Corporation	151,580	180,032
6,579	Boston Scientific Corporation	112,689	64,079	1,300	CB Richard Ellis Group, Inc.	30,067	31,894
7,788	Bristol-Myers Squibb Company	493,385	365,690	5,335	Charles Schwab Corporation, The	134,350	118,892
394	C. R. Bard, Inc.	24,595	44,991	1,250	Chubb Corporation, The	66,743	111,177
1,722	Cardinal Health, Inc.	95,686	85,453	773	Cincinnati Financial Corporation	33,644	37,279
1,069	CareFusion Corporation	26,626	41,390	14,427	Citigroup Inc.	1,343,074	727,148
2,000	Celgene Corporation	124,945	245,674	1,482	CME Group Inc.	124,196	118,171
737	Cerner Corporation	39,532	74,409	939	Comerica Incorporated	50,288	39,287
1,353	CIGNA Corporation	55,301	103,051	2,326	Discover Financial Services	61,410	116,404
2,264	Covidien PLC	116,649	149,482	1,229	E*Trade Financial Corporation	37,943	16,348
400	DaVita, Inc.	23,282	50,761	1,552	Equity Residential Real Estate Investment Trust	72,147	94,677
674	DENTSPLY International Inc.	25,148	29,007	4,244	Fifth Third Bancorp	140,565	80,488
524	Edwards Lifesciences Corporation	45,211	36,998	5	First Horizon National Corporation	143	55
4,757	Eli Lilly and Company	355,327	245,510	650	Franklin Resources, Inc.	68,113	92,841
3,870	Express Scripts, Inc.	151,721	250,844	2,413	Genworth Financial Inc., Class A	62,591	28,877
1,196	Forest Laboratories, Inc.	51,779	51,522	2,050	Goldman Sachs Group, Inc., The	292,160	325,674
7,232	Gilead Sciences, Inc.	151,632	389,126	2,239	Hartford Financial Services Group, Inc., The	96,112	72,669
871	Hospira, Inc.	33,262	35,060	2,119	HCP, Inc. Real Estate Investment Trust	74,826	101,169
786	Humana Inc.	36,353	69,627	1,348	Health Care Real Estate Investment Trust, Inc.	71,726	94,937
186	Intuitive Surgical, Inc.	57,867	98,813	3,531	Host Hotels & Resorts Inc.	74,659	62,551
13,403	Johnson & Johnson	897,415	1,209,121	2,345	Hudson City Bancorp, Inc.	34,811	22,569
475	Laboratory Corporation of America Holdings	32,938	49,933	4,211	Huntington Bancshares Incorporated	41,716	34,821
786	Life Technologies Corporation	31,384	61,104	344	IntercontinentalExchange Inc.	48,939	64,351
1,076	McKesson Corporation	70,377	129,448	2,061	Invesco Limited	51,832	68,776
4,795	Medtronic, Inc.	254,577	259,159	18,047	JPMorgan Chase & Co.	903,182	1,000,999
14,316	Merck & Co., Inc.	793,288	698,690	4,400	KeyCorp.	68,369	50,992
1,968	Mylan Inc.	48,497	64,163	2,100	Kimco Realty Corporation	48,557	47,240
444	Patterson Companies Inc.	15,572	17,541	600	Legg Mason, Inc.	52,080	19,543
529	PerkinElmer, Inc.	14,215	18,042	1,539	Leucadia National Corporation	51,099	42,398
400	Perrigo Company	40,722	50,854	1,198	Lincoln National Corporation	59,194	45,906
32,120	Pfizer Inc.	1,034,349	947,654	1,570	Lovens Corporation	52,790	73,242
738	Quest Diagnostics Incorporated	39,232	46,998	613	M&T Bank Corporation	57,557	71,976
367	Regeneron Pharmaceuticals, Inc.	84,020	86,715	600	Macerich Company, The	42,325	38,437
1,415	St. Jude Medical, Inc.	47,978	67,840	2,578	Marsh & McLennan Companies, Inc.	126,082	108,131
1,390	Stryker Corporation	67,864	94,463	5,165	MetLife, Inc.	234,457	248,278
523	Tenet Healthcare Corporation	32,474	25,294	912	Moody's Corporation	14,958	58,385
1,673	Thermo Fisher Scientific, Inc.	79,466	148,764	6,581	Morgan Stanley	286,116	169,339
4,883	UnitedHealth Group Incorporated	153,341	335,948	600	NASDAQ OMX Group, Inc., The	18,739	20,665
				1,032	Northern Trust Corporation	74,297	62,782

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia U.S. Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
Financials (cont'd)				Information Technology (cont'd)			
1,162	NYSE Euronext	78,504	50,546	1,121	JDS Uniphase Corporation	923,466	16,914
1,607	People's United Financial Inc.	33,123	25,158	2,300	Juniper Networks, Inc.	51,501	46,592
772	Plum Creek Timber Company, Inc.	34,032	37,856	795	KLA-Tencor Corporation	44,222	46,551
2,542	PNC Financial Services Group, Inc., The	231,760	194,760	770	Lam Research Corporation	29,903	35,873
1,300	Principal Financial Group, Inc.	43,402	51,112	1,149	Linear Technology Corporation	58,558	44,463
2,495	Progressive Corporation, The	38,600	66,586	2,144	LSI Corporation	89,550	16,062
2,366	Prologis	100,837	93,770	501	MasterCard, Inc., Class A	141,937	300,447
2,185	Prudential Financial, Inc.	110,846	167,522	976	Microchip Technology Incorporated	38,842	38,199
667	Public Storage Real Estate Investment Trust	61,592	107,456	4,728	Micron Technology, Inc.	112,234	71,187
6,558	Regions Financial Corporation	99,911	65,666	35,766	Microsoft Corporation	1,329,986	1,297,610
1,472	Simon Property Group, Inc.	130,665	244,243	575	Molex Incorporated	23,339	17,726
2,283	SLM Corporation	43,986	54,835	1,382	Motorola Solutions, Inc.	141,497	83,784
2,140	State Street Corporation	135,935	146,624	1,763	NetApp, Inc.	77,836	69,983
2,555	SunTrust Banks, Inc.	117,436	84,670	2,983	NVIDIA Corporation	65,530	43,973
1,206	T. Rowe Price Group Inc.	46,255	92,691	17,451	Oracle Corporation	449,949	563,273
462	Torchmark Corporation	12,991	31,620	1,641	Paychex, Inc.	63,186	62,881
1,811	Travelers Companies, Inc., The	108,460	152,073	8,192	QUALCOMM, Inc.	441,355	525,476
8,853	U.S. Bancorp	271,063	335,888	853	Red Hat, Inc.	23,705	42,858
1,311	Unum Group	53,192	40,415	1,100	SAC, Inc.	22,102	16,088
1,432	Ventas, Inc.	68,687	104,464	2,536	Salesforce.com, Inc.	73,423	101,733
777	Vornado Realty Trust Real Estate Investment Trust	65,625	67,638	1,108	SanDisk Corporation	61,748	71,131
23,510	Wells Fargo & Company	990,697	1,019,446	1,600	Seagate Technology PLC	40,258	75,331
2,597	Weyerhaeuser Company	91,759	77,712	3,239	Symantec Corporation	103,722	76,402
1,264	XL Group PLC	79,994	40,267	759	Teradata Corporation	25,066	40,057
902	Zions Bancorporation	31,587	27,351	883	Teradyne, Inc.	39,353	16,292
		12,426,715	11,854,677	5,259	Texas Instruments Incorporated	270,491	192,347
Information Technology – 17.7%				772	Total System Services, Inc.	15,447	19,857
3,127	Accenture PLC, Class A	192,150	236,427	2,010	Tyco Electronics Ltd.	68,909	96,155
2,363	Adobe Systems Incorporated	67,544	113,116	700	VeriSign, Inc.	18,487	32,795
2,400	Advanced Micro Devices, Inc.	56,985	10,314	2,442	Visa Inc.	250,399	468,387
898	Akamai Technologies, Inc.	36,474	40,147	1,056	Western Digital Corporation	36,799	68,891
1,624	Altera Corporation	75,229	56,258	2,743	Western Union Company	59,285	49,312
758	Amphenol Corporation	33,855	62,137	5,616	Xerox Corporation	134,154	53,460
1,461	Analog Devices, Inc.	77,607	69,155	1,247	Xilinx, Inc.	72,491	51,898
4,477	Apple Inc.	823,059	1,863,147	4,706	Yahoo! Inc.	278,219	124,109
5,520	Applied Materials, Inc.	147,873	86,418			13,013,831	12,772,014
1,165	Autodesk, Inc.	23,356	41,545	Telecommunication Services – 2.8%			
2,300	Automatic Data Processing, Inc.	133,123	166,214	25,680	AT&T Inc.	1,432,528	955,158
762	BMC Software, Inc.	36,108	36,124	2,925	CenturyLink Inc.	281,229	108,610
2,479	Broadcom Corporation	279,630	87,934	1,408	Crown Castle International Corp.	81,103	107,092
1,538	CA, Inc.	75,679	46,184	4,730	Frontier Communications Corporation	67,095	20,078
25,338	Cisco Systems, Inc.	964,729	647,194	13,908	Sprint Nextel Corporation	511,572	102,730
922	Citrix Systems, Inc.	53,825	58,444	13,565	Verizon Communications Inc.	686,903	717,481
1,459	Cognizant Technology Solutions Corporation	69,523	95,979	2,771	Windstream Corporation	33,781	22,448
717	Computer Sciences Corporation	57,689	32,944			3,094,211	2,033,597
7,050	Corning Incorporated	266,628	105,407	Utilities – 3.3%			
6,958	Dell Inc.	243,539	97,379	3,069	AES Corporation, The	115,177	38,663
5,516	eBay Inc.	143,971	300,562	616	AGL Resources Inc.	21,352	27,740
1,300	Electronic Arts Inc.	48,395	31,375	1,118	Ameren Corporation	49,073	40,456
10,070	EMC Corporation	360,684	249,912	2,252	American Electric Power Company, Inc.	95,767	105,957
356	F5 Networks, Inc.	48,339	25,734	2,184	CentrePoint Energy, Inc.	50,967	53,903
1,448	Fidelity National Information Service, Inc.	44,742	65,177	1,163	CMS Energy Corporation	56,129	33,201
385	First Solar, Inc.	40,004	18,094	1,443	Consolidated Edison, Inc.	72,833	88,346
628	Fiserv, Inc.	31,010	57,676	2,739	Dominion Resources, Inc.	114,332	163,433
600	FLIR Systems, Inc.	19,365	17,002	837	DTE Energy Company	44,911	58,922
500	Garmin Ltd.	20,901	18,997	3,362	Duke Energy Corporation	212,091	238,192
1,282	Google Inc.	708,105	1,185,151	1,505	Edison International	57,590	76,155
551	Harris Corporation	25,829	28,501	917	Entergy Corporation	54,571	67,136
9,313	Hewlett-Packard Company	461,681	242,378	4,039	Exelon Corporation	172,542	131,047
23,568	Intel Corporation	872,585	599,755	1,975	FirstEnergy Corp.	104,187	77,506
4,974	International Business Machines Corporation	717,453	998,772	388	Integrus Energy Group, Inc.	21,353	23,861
1,289	Intuit Inc.	57,037	82,642	1,981	NextEra Energy, Inc.	106,342	169,595
921	Jabil Circuit, Inc.	22,176	19,722				

For equities, all common shares unless otherwise noted.
The accompanying notes are an integral part of the financial statements.

Scotia U.S. Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Number of Shares	Issuer	Average Cost (\$)	Fair Value (\$)
EQUITIES (cont'd)			
Utilities (cont'd)			
1,485	NISource Inc.	46,608	44,671
1,491	Northeast Utilities	49,279	65,828
1,500	NRG Energy, Inc.	37,956	42,065
1,029	ONEOK, Inc.	29,996	44,663
1,288	Peppo Holdings, Inc.	27,462	27,269
2,146	PG&E Corporation	89,371	103,112
615	Pinnacle West Capital Corporation	31,243	35,837
2,869	PPL Corporation	82,402	91,157
2,392	Public Service Enterprise Group Incorporated	69,209	82,209
723	SCANA Corporation	31,937	37,299
1,079	Sempra Energy	52,280	92,691
4,127	Southern Company	155,917	191,314
1,069	TECO Energy, Inc.	35,759	19,285
1,000	Wisconsin Energy Corporation	25,782	43,068
2,367	Xcel Energy, Inc.	67,178	70,482
		<u>2,181,596</u>	<u>2,385,063</u>
	TOTAL INVESTMENT PORTFOLIO	<u>62,912,114</u>	<u>71,634,922</u>
	OTHER ASSETS, LESS LIABILITIES – 0.6%		<u>455,586</u>
	NET ASSETS – 100.0%		<u>72,090,508</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Energy	10.5	10.9
Materials	3.2	3.6
Industrials	10.2	10.2
Consumer Discretionary	12.1	11.3
Consumer Staples	10.4	10.6
Health Care	12.7	11.9
Financials	16.5	15.6
Information Technology	17.7	19.0
Telecommunication Services	2.8	3.0
Utilities	3.3	3.4

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currency to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	71,994,576	99.9	54,432,145	99.6

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$7,199,458, or approximately 10.0% of total Net Assets, (December 31, 2012 – \$5,443,215, or approximately 10.0% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.4% (December 31, 2012 – 99.5%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$7,163,492 (December 31, 2012 – \$5,435,857). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$468,911	\$22,586

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia CanAm Index Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$63,546,890	\$56,305,224
Cash	89,008	128,774
Accrued investment income	186	89
Subscriptions receivable	7,836	6,740
Receivable for futures contracts	3,752,802	1,802,090
	<u>67,396,722</u>	<u>58,242,917</u>
LIABILITIES		
Redemptions payable	26,643	57,539
Accrued expenses	59,251	—
	<u>85,894</u>	<u>57,539</u>
Net Assets	<u>\$67,310,828</u>	<u>\$58,185,378</u>
NET ASSETS PER SERIES		
Series A Units	<u>\$67,310,828</u>	<u>\$58,185,378</u>
UNITS OUTSTANDING		
Series A Units	<u>6,500,432</u>	<u>6,712,068</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 10.35</u>	<u>\$ 8.67</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Interest	\$ 299,736	\$ 259,585
Index futures contracts income	7,728,918	5,102,865
Securities lending	6,484	7,469
Other income	311	122
	<u>8,035,449</u>	<u>5,370,041</u>
EXPENSES		
Management fees (note 5)	252,430	233,405
Harmonized Sales Tax/Goods and Services Tax	35,033	33,429
Audit fees	770	1,839
Independent Review Committee fees	111	520
Custodian fees	641	685
Filing fees	6,862	8,636
Legal fees	273	644
Unitholder reporting costs	8,846	12,637
Unitholder administration and service fees	59,622	69,072
Overdraft charges	635	809
	<u>365,223</u>	<u>361,676</u>
Absorbed expenses	(13)	(26,829)
	<u>365,210</u>	<u>334,847</u>
Net investment income (loss)	<u>7,670,239</u>	<u>5,035,194</u>
Net realized gain (loss) on futures contracts	(1,041)	86,528
Net gain (loss) foreign exchange	213,986	(87,616)
Transaction costs	(13,051)	(12,008)
Change in unrealized appreciation (depreciation) of currency futures	3,330,546	(128,555)
Net gain (loss) on investments and transaction costs	<u>3,530,440</u>	<u>(141,651)</u>
Increase (decrease) in Net Assets from operations	<u>\$11,200,679</u>	<u>\$4,893,543</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>\$11,200,679</u>	<u>\$4,893,535</u>
Series F Units	<u>\$ —</u>	<u>\$ 8</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	<u>\$ 1.69</u>	<u>\$ 0.68</u>
Series F Units	<u>\$ —</u>	<u>\$ 0.75</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$58,185,378	\$57,175,782
Series F Units	—	84
	<u>58,185,378</u>	<u>57,175,866</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	11,200,679	4,893,535
Series F Units	—	8
	<u>11,200,679</u>	<u>4,893,543</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	3,121,185	1,263,663
Payments on redemption		
Series A Units	(5,196,414)	(4,563,941)
Series F Units	—	(92)
	<u>(2,075,229)</u>	<u>(3,300,370)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	9,125,450	1,593,257
Series F Units	—	(84)
	<u>9,125,450</u>	<u>1,593,173</u>
NET ASSETS – END OF PERIOD		
Series A Units	67,310,828	58,769,039
Series F Units	—	—
	<u>\$67,310,828</u>	<u>\$58,769,039</u>

The accompanying notes are an integral part of the financial statements.

Scotia CanAm Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
MONEY MARKET INSTRUMENTS – 94.4%			
63,600,000	Government of Canada Treasury Bills		
	0.97% to 1.02% due from Jul. 18, 2013 to Aug. 15, 2013	63,352,173	63,546,890
	TOTAL INVESTMENT PORTFOLIO	63,352,173	63,546,890
	Futures Contracts – 5.6%		3,752,802
	OTHER ASSETS, LESS LIABILITIES – 0.0%		11,136
	NET ASSETS – 100.0%		67,310,828

INDEX FUTURES CONTRACTS

Note: As at June 30, 2013, 2012 the Scotia CanAm Index Fund held 81 futures contracts to purchase the Standard & Poor's 500 Stock Index ("S&P 500 Index") and held 392 futures contracts to purchase the S&P 500 Index E-Mini futures contracts for settlement in September 2013. These futures contracts are financial agreements to purchase the S&P 500 Index at a contracted price on a specific future date. However, the Fund does not intend to purchase the S&P 500 Index on settlement. Rather, it intends to close out each futures contract before settlement by entering into equal, but offsetting futures contracts.

Number of Futures Contracts	Contract Issuer	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
81	S&P 500 Composite Stock Index			
392	Futures Contracts — Sep. 2013	34,257,916	34,027,660	(230,256)
	E-Mini Futures Contracts — Sep. 2013	33,501,460	32,935,414	(566,047)
				(796,303)

CURRENCY FUTURES CONTRACTS

Number of Contracts	Settlement Date	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
(641)	Canadian \$ against U.S.\$	Sep. 2013	(65,942,125)	(63,975,403)
				1,966,722

The above currency futures contracts are financial agreements to purchase/sell the foreign currency at a contracted price on a specific future date. However, the Fund does not intend to purchase/sell the foreign currency on settlement. Rather, it intends to close out each currency futures contract before settlement by entering into equal, but offsetting currency futures contracts.

With respect to the above futures contracts, \$6,076,000 of the August 1, 2013 Government of Canada Treasury Bills are held on margin.

The futures contracts outstanding at June 30, 2013 are placed with a financial institution with a minimum credit rating of A by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Treasury Bills	94.4	96.8
Futures Contracts	5.6	3.1

Scotia CanAm Index Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of bond and debenture instruments.

Interest Rate Exposure*	June 30, 2013	December 31, 2012
Less than 1 year	\$63,546,890	\$56,305,224
1-3 years	–	–
3-5 years	–	–
5-10 years	–	–
> 10 years	–	–
Total	\$63,546,890	\$56,305,224

* Excludes cash and preferred shares as applicable.

Currency risk (note 3)

The table below indicates the currency to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	3,315,408	4.9	906,063	1.6

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$331,541, or approximately 0.5% of total Net Assets, (December 31, 2012 – \$90,606, or approximately 0.2% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.5% (December 31, 2012 – 99.8%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$6,696,307 (December 31, 2012 – \$5,806,319). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit ratings of the bond and debenture instruments, excluding cash but including preferred shares, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
R1-High	100.0	94.4	100.0	96.8

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$85,894	\$57,539

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Nasdaq Index Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$21,800,096	\$17,824,726
Cash	358,575	321,564
Accrued investment income	106	108
Subscriptions receivable	43,866	13,226
Receivable for futures contracts	457,383	770,253
	<u>22,660,026</u>	<u>18,929,877</u>
LIABILITIES		
Distribution payable	—	917
Redemptions payable	2,701	35,169
Accrued expenses	19,603	—
	<u>22,304</u>	<u>36,086</u>
Net Assets	<u>\$22,637,722</u>	<u>\$18,893,791</u>
NET ASSETS PER SERIES		
Series A Units	\$22,621,836	\$18,880,024
Series F Units	\$ 15,886	\$ 13,767
UNITS OUTSTANDING		
Series A Units	3,524,341	3,387,629
Series F Units	2,453	2,453
NET ASSETS PER UNIT		
Series A Units	\$ 6.42	\$ 5.57
Series F Units	\$ 6.48	\$ 5.61

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$18,880,024	\$13,943,326
Series F Units	13,767	12,102
	<u>18,893,791</u>	<u>13,955,428</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	2,922,930	2,035,028
Series F Units	2,119	1,756
	<u>2,925,049</u>	<u>2,036,784</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	3,369,335	3,802,730
Payments on redemption		
Series A Units	(2,550,453)	(2,018,283)
	<u>818,882</u>	<u>1,784,447</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	3,741,812	3,819,475
Series F Units	2,119	1,756
	<u>3,743,931</u>	<u>3,821,231</u>
NET ASSETS – END OF PERIOD		
Series A Units	22,621,836	17,762,801
Series F Units	15,886	13,858
	<u>\$22,637,722</u>	<u>\$17,776,659</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Interest	9,655	6,543
Index futures contracts income	1,834,614	2,039,498
Securities lending	6	130
Other income	495	2,673
	<u>1,844,770</u>	<u>2,048,844</u>
EXPENSES		
Management fees (note 5)	82,497	66,100
Harmonized Sales Tax/Goods and Services Tax	11,402	9,224
Audit fees	289	1,447
Independent Review Committee fees	36	81
Custodian fees	270	306
Filing fees	7,764	7,735
Legal fees	97	506
Unitholder reporting costs	3,675	4,613
Unitholder administration and service fees	14,444	14,197
Overdraft charges	115	525
	<u>120,589</u>	<u>104,734</u>
Absorbed expenses	<u>(1,853)</u>	<u>(4,704)</u>
	<u>118,736</u>	<u>100,030</u>
Net investment income (loss)	<u>1,726,034</u>	<u>1,948,814</u>
Net realized gain (loss) on futures contracts	(1,939)	4,643
Net gain (loss) foreign exchange	938,789	(29,698)
Transaction costs	(2,861)	(2,408)
Change in unrealized appreciation (depreciation) of investments	265,026	115,433
Net gain (loss) on investments and transaction costs	<u>1,199,015</u>	<u>87,970</u>
Increase (decrease) in Net Assets from operations	<u>\$2,925,049</u>	<u>\$2,036,784</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$2,922,930	\$2,035,028
Series F Units	\$ 2,119	\$ 1,756
	<u>\$ 2,925,049</u>	<u>\$ 2,036,784</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.84	\$ 0.70
Series F Units	\$ 0.86	\$ 0.75

The accompanying notes are an integral part of the financial statements.

Scotia Nasdaq Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
MONEY MARKET INSTRUMENTS – 96.3%			
20,750,000 (U.S.)	United States Treasury Bill		
	0.02% to 0.10% due from Jul. 25, 2013 to Oct. 10, 2013	21,503,629	21,800,096
	TOTAL INVESTMENT PORTFOLIO	21,503,629	21,800,096
	Futures Contracts – 2.0%		457,383
	OTHER ASSETS, LESS LIABILITIES – 1.7%		380,243
	NET ASSETS – 100.0%		22,637,722

INDEX FUTURES CONTRACTS

Note: As at June 30, 2013 the Fund held 19 futures contracts to purchase the Nasdaq 100 Index and held 274 futures contracts to purchase the Nasdaq 100 Index E-Mini futures contracts for settlement in September 2013. These futures contracts are financial agreements to purchase the Nasdaq 100 Index at a contracted price on a specific future date. However, the Fund does not intend to purchase the Nasdaq 100 Index on settlement. Rather, it intends to close out each futures contract before settlement by entering into equal, but offsetting futures contracts.

Number of Futures Contracts	Contract Issuer	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
	Nasdaq 100 Index			
19	Futures Contracts – Sep. 2013	5,819,180	5,791,332	(27,849)
274	E-Mini Futures Contracts – Sep. 2013	16,950,057	16,703,420	(246,637)
				(274,486)

With respect to the above futures contracts, \$350,000 of the August 1, 2013 and \$744,000 of the September 19, 2013 U.S. Treasury Bills are held on margin.

The futures contracts outstanding at December 31, 2012 are placed with a financial institution with a minimum credit rating of A by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Money Market Instruments	96.3	94.3
Futures Contracts	2.0	4.1

Scotia Nasdaq Index Fund (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of money market instruments.

Interest Rate Exposure*	June 30, 2013	December 31, 2012
Less than 1 year	\$21,800,096	\$17,824,726
1-3 years	—	—
3-5 years	—	—
5-10 years	—	—
> 10 years	—	—
Total	\$21,800,096	\$17,824,726

* Excludes cash and preferred shares as applicable.

Currency risk (note 3)

The table below indicates the currency to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	22,527,291	99.5	18,799,092	99.5

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$2,252,729, or approximately 10.0% of total Net Assets, (December 31, 2012 – \$1,879,909, or approximately 10.0% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.4% (December 31, 2012 – 99.7%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$2,249,475 (December 31, 2012 – \$1,883,717). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit rating of the money market instruments, excluding cash but including preferred shares, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
R1-High	100.0	96.3	100.0	94.3

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$22,304	\$36,086

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia International Index Fund (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$33,330,557	\$32,113,091
Cash	34,700	332,205
Accrued investment income	6,656	87
Subscriptions receivable	15,996	8,298
Receivable for index futures and currency futures contracts	1,822,903	2,314,006
	<u>35,210,812</u>	<u>34,767,687</u>
LIABILITIES		
Redemptions payable	22,716	30,430
Accrued expenses	21,214	—
	<u>43,930</u>	<u>30,430</u>
Net Assets	<u>\$35,166,882</u>	<u>\$34,737,257</u>
NET ASSETS PER SERIES		
Series A Units	\$21,968,473	\$20,358,798
Series F Units	\$ —	\$ 1,616
Series I Units	\$13,198,409	\$14,376,843
UNITS OUTSTANDING		
Series A Units	2,936,836	2,975,878
Series F Units	—	234
Series I Units	<u>1,617,724</u>	<u>1,937,559</u>
NET ASSETS PER UNIT		
Series A Units	\$ 7.48	\$ 6.84
Series F Units	\$ —	\$ 6.90
Series I Units	<u>\$ 8.16</u>	<u>\$ 7.42</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Interest	\$ 211,924	\$ 204,033
Index futures contracts income	3,342,552	1,412,810
Securities lending	1,787	709
Other income	556	125
	<u>3,556,819</u>	<u>1,617,677</u>
EXPENSES		
Management fees (note 5)	85,944	77,945
Harmonized Sales Tax/Goods and Services Tax	12,220	11,204
Audit fees	465	1,630
Independent Review Committee fees	62	182
Custodian fees	801	715
Filing fees	7,631	8,574
Legal fees	167	604
Unitholder reporting costs	4,749	6,601
Unitholder administration and service fees	21,806	27,045
Overdraft charges	3,965	3,209
	<u>137,810</u>	<u>137,709</u>
Absorbed expenses	<u>(417)</u>	<u>(1,676)</u>
	<u>137,393</u>	<u>136,033</u>
Net investment income (loss)	<u>3,419,426</u>	<u>1,481,644</u>
Net realized gain (loss) on investments sold	(34,755)	224
Net realized gain (loss) on futures contracts	(196,159)	(998,605)
Net gain (loss) foreign exchange	(66,530)	(38,618)
Transaction costs	(16,401)	(17,585)
Change in unrealized appreciation (depreciation) of investments	2,241	(27,676)
Change in unrealized appreciation (depreciation) of currency futures	163,802	471,192
Net gain (loss) on investments and transaction costs	<u>(147,802)</u>	<u>(611,068)</u>
Increase (decrease) in Net Assets from operations	<u>\$3,271,624</u>	<u>\$ 870,576</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$1,902,770	\$ 388,349
Series F Units	\$ 89	\$ 88
Series I Units	<u>\$1,368,765</u>	<u>\$ 482,139</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.64	\$ 0.12
Series F Units	\$ 0.38	\$ 0.13
Series I Units	<u>\$ 0.79</u>	<u>\$ 0.22</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$20,358,798	\$19,363,792
Series F Units	1,616	5,188
Series I Units	<u>14,376,843</u>	<u>15,516,570</u>
	<u>34,737,257</u>	<u>34,885,550</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	1,902,770	388,349
Series F Units	89	88
Series I Units	<u>1,368,765</u>	<u>482,139</u>
	<u>3,271,624</u>	<u>870,576</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	2,176,806	1,000,242
Series I Units	40,000	531,003
Payments on redemption		
Series A Units	(2,469,901)	(1,642,491)
Series F Units	(1,705)	(3,811)
Series I Units	<u>(2,587,199)</u>	<u>(1,608,491)</u>
	<u>(2,841,999)</u>	<u>(1,723,548)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	1,609,675	(253,900)
Series F Units	(1,616)	(3,723)
Series I Units	<u>(1,178,434)</u>	<u>(595,349)</u>
	<u>429,625</u>	<u>(852,972)</u>
NET ASSETS – END OF PERIOD		
Series A Units	21,968,473	19,109,892
Series F Units	—	1,465
Series I Units	<u>13,198,409</u>	<u>14,921,221</u>
	<u>\$35,166,882</u>	<u>\$34,032,578</u>

The accompanying notes are an integral part of the financial statements.

Scotia International Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
MONEY MARKET INSTRUMENTS – 94.8%				MONEY MARKET INSTRUMENTS (cont'd)			
Treasury Bills – 35.6%				Commercial Paper – 2.5%			
12,524,000	Government of Canada			900,000	Wells Fargo Financial Canada Corporation		
	0.98% to 0.99% due Aug. 1, 2013	12,496,371	12,512,911		1.10% due Jul. 5, 2013	899,595	899,838
Bankers' Acceptances – 35.5%				Short-Term Bonds – 13.2%			
3,300,000	Canadian Imperial Bank of Commerce				Bank of Montreal (Floating Rate)		
	1.10% due Jul. 2, 2013	3,297,426	3,299,703	3,100,000	1.42% due Oct. 15, 2013	3,100,000	3,101,603
600,000	HSBC Bank of Canada				General Electric Capital Canada		
	1.18% due Jul. 9, 2013	598,836	599,806	1,500,000	4.40% due Jun. 1, 2014	1,544,085	1,538,417
2,400,000	National Bank of Canada					4,644,085	4,640,020
	1.12% due Jul. 16, 2013	2,393,400	2,398,753	TOTAL INVESTMENT PORTFOLIO			
3,200,000	Royal Bank of Canada					33,304,336	33,330,557
	1.12% due Sep. 24, 2013	3,191,296	3,191,492	Futures Contracts – 5.2%			
3,000,000	Toronto-Dominion Bank, The			OTHER ASSETS, LESS LIABILITIES – 0.0%			
	1.11% due Sep. 30, 2013	2,991,450	2,991,541	NET ASSETS – 100.0%			
		12,472,408	12,481,295				1,822,903
							13,422
							35,166,882
Bearers' Deposit Notes – 8.0%							
1,300,000	BNP Paribas						
	1.19% due Aug. 6, 2013	1,296,152	1,298,393				
1,500,000	Deutsche Bank AG						
	1.16% due Aug. 8, 2013	1,495,725	1,498,100				
		2,791,877	2,796,493				

INDEX FUTURES CONTRACTS

Number of Contracts	Issuer/Country Index	Settlement Date	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
48	EUROPE DJ EURO STOXX 50	Sep. 2013	1,768,741	1,703,925	(64,816)
65	FRANCE CAC 40 Index	Sep. 2013	3,421,543	3,315,773	(105,770)
11	GERMANY DAX Index	Sep. 2013	3,093,985	2,989,727	(104,258)
7	ITALY S&P/MIB Index	Sep. 2013	775,092	723,164	(51,928)
10	NETHERLANDS Amsterdam Index	Jul. 2013	959,333	941,337	(17,995)
9	SPAIN IBEX 35 Plus Index	Jul. 2013	994,070	942,212	(51,858)
65	SWEDEN OMX Index	Jul. 2013	1,213,077	1,170,660	(42,417)
38	SWITZERLAND Swiss Market Index	Sep. 2013	3,263,506	3,237,306	(26,199)
77	UNITED KINGDOM FTSE 100 Index	Sep. 2013	7,753,176	7,592,225	(160,951)
25	AUSTRALIA SPI 200	Sep. 2013	2,856,637	2,862,742	6,105
12	HONG KONG Hang Seng Index	Jul. 2013	1,610,077	1,684,122	74,045
65	JAPAN Topix Index	Sep. 2013	7,583,018	7,780,021	197,003
					(349,039)

CURRENCY FUTURES CONTRACTS

Number of Contracts		Settlement Date	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
29	Australian \$ against U.S.\$	Sep. 2013	2,857,951	2,762,122	(95,829)
77	British Pound against U.S.\$	Sep. 2013	7,904,787	7,673,201	(231,587)
58	Japanese Yen against U.S.\$	Sep. 2013	7,927,962	7,676,963	(250,998)
21	Swiss Franc against U.S.\$	Sep. 2013	2,986,446	2,909,496	(76,950)
68	Euro against U.S.\$	Sep. 2013	11,891,069	11,725,401	(165,669)
(338)	Canadian \$ against U.S.\$	Sep. 2013	(34,771,355)	(33,734,300)	1,037,055
					216,022

The above index futures and currency futures contracts are financial agreements to purchase the indices and foreign currencies at a contracted price on a specific future date. However, the Fund does not intend to purchase the indices and foreign currencies on settlement. Rather, it intends to close out each index futures contract and currency futures contract before settlement by entering into equal, but offsetting index futures contracts and currency futures contracts.

With respect to the above futures contracts, \$3,224,000 of the August 1, 2013 Government of Canada Treasury Bills are held on margin.

The futures contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of A by Standard & Poor's.

The accompanying notes are an integral part of the financial statements.

Scotia International Index Fund (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Treasury Bills	35.6	40.5
Depositor Notes	–	4.2
Bankers' Acceptances	35.5	20.0
Bearers' Deposit Notes	8.0	8.6
Commercial Paper	2.5	5.8
Short-Term Bonds	13.2	13.3
Futures Contracts	5.2	6.7

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of money market instruments.

Interest Rate Exposure*	June 30, 2013	December 31, 2012
Less than 1 year	\$33,330,557	\$32,113,091
1-3 years	–	–
3-5 years	–	–
5-10 years	–	–
> 10 years	–	–
Total	\$33,330,557	\$32,113,091

* Excludes cash and preferred shares as applicable.

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
Hong Kong Dollar	1,684,122	4.8	1,743,632	5.0
Swedish Krona	1,170,660	3.3	1,179,455	3.4
Swiss Franc	327,811	0.9	21,758	0.1
Japanese Yen	103,057	0.3	747,877	2.2
Australian Dollar	100,620	0.3	4,328	0.0
British Pound	(80,976)	(0.2)	80,093	0.2
U.S. Dollar	(1,006,242)	(2.9)	(1,484,674)	(4.3)
European Euro	(1,109,262)	(3.2)	(604,345)	(1.7)
Total	1,189,790	3.3	1,688,124	4.9

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$118,979, or approximately 0.3% of total Net Assets, (December 31, 2012 – \$168,812, or approximately 0.5% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.4% (December 31, 2012 – 99.3%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$3,494,321 (December 31, 2012 – \$3,450,879). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit ratings of the money market instruments, excluding cash but including preferred shares, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Money Market Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Money Market Instruments (%)	Percentage of Net Assets (%)
Short-Term Rating				
R1-High	69.9	66.2	63.5	58.7
R1-Middle	13.5	12.8	13.4	12.4
R1-Low	2.7	2.6	8.7	8.1
Bond Credit Rating				
AA	9.3	8.8	9.6	8.9
A	4.6	4.4	4.8	4.4
Total	100.0	94.8	100.0	92.5

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$43,930	\$30,430

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Selected Income Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$16,930,422	\$2,012,872
Cash	612,181	500,428
Accrued investment income	388	151
Subscriptions receivable	62,460	153,395
	<u>17,605,451</u>	<u>2,666,846</u>
LIABILITIES		
Payable for securities purchased	152,000	—
Distributions payable	826	1,126
Redemptions payable	9,555	—
Accrued expenses	23,779	—
	<u>186,160</u>	<u>1,126</u>
Net Assets	<u>\$17,419,291</u>	<u>\$2,665,720</u>
NET ASSETS PER SERIES		
Series A Units	\$17,419,291	\$2,665,720
UNITS OUTSTANDING		
Series A Units	1,742,121	265,700
NET ASSETS PER UNIT		
Series A Units	<u>\$ 10.00</u>	<u>\$ 10.03</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month period ended June 30*,

	2013
NET ASSETS – BEGINNING OF PERIOD	
Series A Units	<u>\$ 2,665,720</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	
Series A Units	<u>(115,101)</u>
DISTRIBUTIONS TO UNITHOLDERS	
From net investment income	
Series A Units	<u>(181,348)</u>
UNIT TRANSACTIONS	
Proceeds from issue	
Series A Units	15,942,597
Reinvested distributions	
Series A Units	177,812
Payments on redemption	
Series A Units	<u>(1,070,389)</u>
	<u>15,050,020</u>
INCREASE (DECREASE) IN NET ASSETS	
Series A Units	<u>14,753,571</u>
NET ASSETS – END OF PERIOD	
Series A Units	<u>\$17,419,291</u>

* Fund's inception date was November 20, 2012. Accordingly, there were no comparative figures shown.

STATEMENT OF OPERATIONS

For the six month period ended June 30*,

	2013
INVESTMENT INCOME	
Dividends	\$ 730
Interest	294,535
Capital gains distributions received	15,157
Foreign withholding taxes/tax reclaims	(27)
Other income	1,332
	<u>311,727</u>
EXPENSES	
Management fees (note 5)	88,568
Harmonized Sales Tax/Goods and Services Tax	10,105
Audit fees	133
Independent Review Committee fees	20
Custodian fees	746
Filing fees	2
Legal fees	50
Unitholder reporting costs	2,431
Unitholder administration and service fees	1,168
	<u>103,223</u>
Absorbed expenses	<u>(1)</u>
	<u>103,222</u>
Net investment income (loss)	<u>208,505</u>
Net realized gain (loss) on investments sold	(89)
Change in unrealized appreciation (depreciation) of investments	<u>(323,517)</u>
Net gain (loss) on investments and transaction costs	<u>(323,606)</u>
Increase (decrease) in Net Assets from operations	<u>\$(115,101)</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	
Series A Units	<u>\$(115,101)</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT	
Series A Units	<u>\$ (0.10)</u>

The accompanying notes are an integral part of the financial statements.

Scotia Selected Income Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 57.8%			
322,776	CI Signature Corporate Bond Fund Class I	3,422,739	3,353,639
243,501	Scotia Bond Fund Series I	2,617,282	2,523,450
310,955	Scotia Canadian Income Fund Series I	4,337,648	4,190,431
		10,377,669	10,067,520
CANADIAN EQUITY FUNDS – 19.7%			
165,762	Dynamic Alternative Yield Fund Series O	1,742,757	1,713,978
113,239	Dynamic Dividend Advantage Fund Series O	842,099	864,016
110,817	Dynamic Global Real Estate Fund Series O	874,617	854,402
		3,459,473	3,432,396
FOREIGN EQUITY FUNDS – 19.7%			
231,838	CI Signature Enhanced Yield Fund Class I	2,570,665	2,571,079
67,406	Dynamic Global Infrastructure Fund Series O	849,419	859,427
		3,420,084	3,430,506
	TOTAL INVESTMENT PORTFOLIO	17,257,226	16,930,422
	OTHER ASSETS, LESS LIABILITIES – 2.8%		488,869
	NET ASSETS – 100.0%		17,419,291

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	57.8	45.4
Canadian Equity Funds	19.7	15.0
Foreign Equity Funds	19.7	15.1

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest Rate Risk (note 3)

The Fund could be exposed to indirect interest rate risk to the extent that the underlying funds invested in interest-bearing financial instruments.

Currency Risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit Risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 97.2% (December 31, 2012 – 75.5%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$1,693,042 (December 31, 2012 – \$201,287). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$186,160	\$1,126

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Selected Income & Modest Growth Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$496,688,388	\$438,460,573
Cash	3,312,188	2,750,738
Accrued investment income	2,317	2,224
Subscriptions receivable	870,384	546,673
	<u>500,873,277</u>	<u>441,760,208</u>
LIABILITIES		
Payable for securities purchased	800,000	—
Distributions payable	—	25,560
Redemptions payable	205,107	96,181
Accrued expenses	706,282	—
	<u>1,711,389</u>	<u>121,741</u>
Net Assets	<u>\$499,161,888</u>	<u>\$441,638,467</u>
NET ASSETS PER SERIES		
Series A Units	\$498,293,530	\$440,795,812
Advisor Series Units	\$ 868,358	\$ 842,655
UNITS OUTSTANDING		
Series A Units	41,467,998	37,526,288
Advisor Series Units	73,387	72,242
NET ASSETS PER UNIT		
Series A Units	\$ 12.02	\$ 11.75
Advisor Series Units	\$ 11.83	\$ 11.66

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$440,795,812	\$385,574,719
Advisor Series Units	842,655	905,474
	<u>441,638,467</u>	<u>386,480,193</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	9,915,733	8,582,169
Advisor Series Units	10,920	16,482
	<u>9,926,653</u>	<u>8,598,651</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	84,816,569	53,837,982
Advisor Series Units	93,845	—
Payments on redemption		
Series A Units	(37,234,584)	(30,476,648)
Advisor Series Units	(79,062)	(53,065)
	<u>47,596,768</u>	<u>23,308,269</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	57,497,718	31,943,503
Advisor Series Units	25,703	(36,583)
	<u>57,523,421</u>	<u>31,906,920</u>
NET ASSETS – END OF PERIOD		
Series A Units	498,293,530	417,518,222
Advisor Series Units	868,358	868,891
	<u>\$499,161,888</u>	<u>\$418,387,113</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$1,060,414	\$ 359,705
Interest	6,116,221	6,639,574
Capital gains distributions received	1,511,154	—
Foreign withholding taxes/tax reclaims	(10,690)	—
Other income	7,403	3,811
	<u>8,684,502</u>	<u>7,003,090</u>
EXPENSES		
Management fees (note 5)	3,765,819	3,219,292
Harmonized Sales Tax/Goods and Services Tax	445,579	377,312
Audit fees	5,605	5,542
Independent Review Committee fees	825	725
Custodian fees	252	236
Filing fees	18,574	17,916
Legal fees	2,008	1,885
Unitholder reporting costs	12,611	14,115
Unitholder administration and service fees	88,083	77,304
	<u>4,339,356</u>	<u>3,714,327</u>
Absorbed expenses	(5,897)	(5,909)
	<u>4,333,459</u>	<u>3,708,418</u>
Net investment income (loss)	<u>4,351,043</u>	<u>3,294,672</u>
Net realized gain (loss) on investments sold	(384,055)	107,309
Change in unrealized appreciation (depreciation) of investments	5,959,665	5,196,670
Net gain (loss) on investments	5,575,610	5,303,979
Increase (decrease) in Net Assets from operations	<u>\$9,926,653</u>	<u>\$8,598,651</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$9,915,733	\$8,582,169
Advisor Series Units	\$ 10,920	\$ 16,482
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.25	\$ 0.24
Advisor Series Units	\$ 0.15	\$ 0.21

The accompanying notes are an integral part of the financial statements.

Scotia Selected Income & Modest Growth Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 63.9%			
3,079,870	CI Signature Corporate Bond Fund Class I	32,587,258	31,999,845
4,714,857	Dynamic Aurion Total Return Bond Series O	48,002,227	47,714,356
4,349,466	Dynamic High Yield Bond Fund Series O	17,695,073	16,049,531
9,194,399	Scotia Bond Fund Series I	94,427,821	95,283,391
7,069,892	Scotia Canadian Income Fund Series I	93,715,556	95,273,862
3,027,832	Scotia Mortgage Income Fund Series I	32,681,011	32,366,316
		319,108,946	318,687,301
CANADIAN EQUITY FUNDS – 18.2%			
1,846,083	CI Cambridge Canadian Equity Corporate Class I	24,075,496	28,521,986
1,643,753	Dynamic Small Business Fund Series O	21,917,619	22,486,544
963,196	Scotia Canadian Dividend Fund Series I	35,098,371	39,961,287
		81,091,486	90,969,817
FOREIGN EQUITY FUNDS – 17.4%			
3,421,293	CI Global High Dividend Advantage Fund Class I	22,602,146	24,975,442
1,395,795	Scotia Global Dividend Fund Series I	15,021,140	17,887,667
472,066	Scotia Global Growth Fund Series I	14,245,942	18,229,207
1,722,145	Scotia International Value Fund Series I	11,009,525	11,514,090
1,222,104	Scotia U.S. Dividend Fund Series I	12,221,125	14,424,864
		75,099,878	87,031,270
	TOTAL INVESTMENT PORTFOLIO	475,300,310	496,688,388
	OTHER ASSETS, LESS LIABILITIES – 0.5%		2,473,500
	NET ASSETS – 100.0%		499,161,888

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	63.9	63.9
Canadian Equity Funds	18.2	17.9
Foreign Equity Funds	17.4	17.4

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund could be exposed to indirect interest rate risk to the extent that the underlying funds invested in interest-bearing financial instruments.

Currency risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.5% (December 31, 2012 – 99.2%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$49,668,839 (December 31, 2012 – \$43,846,057). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$1,711,389	\$121,741

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Selected Balanced Income & Growth Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$1,032,532,033	\$977,478,143
Cash	3,331,063	2,785,636
Accrued investment income	2,074	2,742
Receivable for securities sold	1,500,000	—
Subscriptions receivable	432,692	795,417
	<u>1,037,797,862</u>	<u>981,061,938</u>
LIABILITIES		
Distributions payable	—	10,273
Redemptions payable	929,621	410,119
Accrued expenses	1,594,103	—
	<u>2,523,724</u>	<u>420,392</u>
Net Assets	<u>\$1,035,274,138</u>	<u>\$980,641,546</u>
NET ASSETS PER SERIES		
Series A Units	\$1,035,203,152	\$980,480,728
Advisor Series Units	\$ 70,986	\$ 69,734
Series F Units	\$ —	\$ 91,084
UNITS OUTSTANDING		
Series A Units	78,997,248	78,460,076
Advisor Series Units	5,535	5,659
Series F Units	—	7,406
NET ASSETS PER UNIT		
Series A Units	\$ 13.10	\$ 12.50
Advisor Series Units	\$ 12.82	\$ 12.32
Series F Units	\$ —	\$ 12.30

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 1,638,158	\$ 1,619,642
Interest	12,357,022	11,067,778
Capital gains distributions received	2,006,302	—
Other income	6,577	5,681
	<u>16,008,059</u>	<u>12,693,101</u>
EXPENSES		
Management fees (note 5)	8,808,268	8,482,673
Harmonized Sales Tax/Goods and Services Tax	1,023,074	977,778
Audit fees	11,981	11,330
Independent Review Committee fees	1,766	1,680
Custodian fees	825	556
Filing fees	26,941	29,252
Legal fees	4,289	3,825
Unitholder reporting costs	23,807	29,020
Unitholder administration and service fees	184,287	174,575
Overdraft charges	—	24
	<u>10,085,238</u>	<u>9,710,713</u>
Absorbed expenses	<u>(7,211)</u>	<u>(8,101)</u>
	<u>10,078,027</u>	<u>9,702,612</u>
Net investment income (loss)	<u>5,930,032</u>	<u>2,990,489</u>
Net realized gain (loss) on investments sold	1,146,928	1,110,308
Change in unrealized appreciation (depreciation) of investments	40,575,097	18,893,281
Net gain (loss) on investments	<u>41,722,025</u>	<u>20,003,589</u>
Increase (decrease) in Net Assets from operations	<u>\$47,652,057</u>	<u>\$22,994,078</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$47,643,768	\$22,989,528
Advisor Series Units	\$ 2,835	\$ 1,162
Series F Units	\$ 5,454	\$ 3,388
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.61	\$ 0.28
Advisor Series Units	\$ 0.51	\$ 0.20
Series F Units	\$ 0.75	\$ 0.47

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$ 980,480,728	\$965,757,793
Advisor Series Units	69,734	69,580
Series F Units	91,084	84,511
	<u>980,641,546</u>	<u>965,911,884</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	47,643,768	22,989,528
Advisor Series Units	2,835	1,162
Series F Units	5,454	3,388
	<u>47,652,057</u>	<u>22,994,078</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	91,234,470	63,258,924
Advisor Series Units	300	600
Payments on redemption		
Series A Units	(84,155,814)	(82,302,185)
Advisor Series Units	(1,883)	(2,361)
Series F Units	(96,538)	—
	<u>6,980,535</u>	<u>(19,045,022)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	54,722,424	3,946,267
Advisor Series Units	1,252	(599)
Series F Units	(91,084)	3,388
	<u>54,632,592</u>	<u>3,949,056</u>
NET ASSETS – END OF PERIOD		
Series A Units	1,035,203,152	969,704,060
Advisor Series Units	70,986	68,981
Series F Units	—	87,899
	<u>\$1,035,274,138</u>	<u>\$969,860,940</u>

The accompanying notes are an integral part of the financial statements.

Scotia Selected Balanced Income & Growth Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 42.9%			
4,326,572	CI Signature Corporate Bond Fund Class I	45,765,348	44,953,082
10,979,942	Dynamic Aurion Total Return Bond Series O	113,131,080	111,117,009
12,074,491	Dynamic High Yield Bond Fund Series O	49,544,925	44,554,871
8,723,311	Scotia Bond Fund Series I	88,927,013	90,401,412
8,079,485	Scotia Canadian Income Fund Series I	105,094,793	108,879,136
4,246,505	Scotia Mortgage Income Fund Series I	45,878,349	45,393,437
		448,341,508	445,298,947
CANADIAN EQUITY FUNDS – 28.5%			
6,951,929	CI Cambridge Canadian Equity Corporate Class I	89,433,784	107,407,304
5,188,496	Dynamic Small Business Fund Series O	68,375,988	70,978,623
2,804,185	Scotia Canadian Dividend Fund Series I	99,326,499	116,340,599
		257,136,271	294,726,526
FOREIGN EQUITY FUNDS – 28.3%			
8,154,255	CI Global High Dividend Advantage Fund Class I	53,869,589	59,526,064
3,365,138	Scotia Global Dividend Fund Series I	35,109,671	43,125,596
2,252,661	Scotia Global Growth Fund Series I	70,455,953	86,988,300
6,052,408	Scotia International Value Fund Series I	39,979,827	40,465,797
5,286,725	Scotia U.S. Dividend Fund Series I	52,867,606	62,400,803
		252,282,646	292,506,560
	TOTAL INVESTMENT PORTFOLIO	957,760,425	1,032,532,033
	OTHER ASSETS, LESS LIABILITIES – 0.3%		2,742,105
	NET ASSETS – 100.0%		1,035,274,138

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	42.9	44.6
Canadian Equity Funds	28.5	27.9
Foreign Equity Funds	28.3	27.2

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund could be exposed to indirect interest rate risk to the extent that the underlying funds invested in interest-bearing financial instruments.

Currency risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.7% (December 31, 2012 – 99.7%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$103,253,203 (December 31, 2012 – \$97,747,814). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$2,523,724	\$420,392

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Selected Moderate Growth Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$652,822,602	\$602,259,063
Cash	4,057,471	2,107,555
Accrued investment income	2,272	1,481
Receivable for securities sold	1,000,000	—
Subscriptions receivable	541,683	382,335
	<u>658,424,028</u>	<u>604,750,434</u>
LIABILITIES		
Payable for securities purchased	1,000,000	—
Distributions payable	—	38
Redemptions payable	425,440	379,109
Accrued expenses	1,085,869	—
	<u>2,511,309</u>	<u>379,147</u>
Net Assets	<u>\$655,912,719</u>	<u>\$604,371,287</u>
NET ASSETS PER SERIES		
Series A Units	\$655,855,175	\$604,318,280
Advisor Series Units	\$ 32,115	\$ 29,597
Series F Units	\$ 25,429	\$ 23,410
UNITS OUTSTANDING		
Series A Units	46,324,946	45,514,463
Advisor Series Units	2,388	2,388
Series F Units	1,756	1,756
NET ASSETS PER UNIT		
Series A Units	\$ 14.16	\$ 13.28
Advisor Series Units	\$ 13.45	\$ 12.39
Series F Units	\$ 14.48	\$ 13.33

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 1,024,405	\$ 1,290,084
Interest	5,510,703	4,244,431
Capital gains distributions received	1,253,939	—
Other income	10,840	3,080
	<u>7,799,887</u>	<u>5,537,595</u>
EXPENSES		
Management fees (note 5)	5,980,183	5,606,487
Harmonized Sales Tax/Goods and Services Tax	668,673	628,574
Audit fees	7,508	7,344
Independent Review Committee fees	1,104	1,033
Custodian fees	610	522
Filing fees	22,476	23,278
Legal fees	2,685	2,550
Unitholder reporting costs	15,976	19,231
Unitholder administration and service fees	117,186	110,211
	<u>6,816,401</u>	<u>6,399,230</u>
Absorbed expenses	<u>(8,228)</u>	<u>(8,268)</u>
	<u>6,808,173</u>	<u>6,390,962</u>
Net investment income (loss)	<u>991,714</u>	<u>(853,367)</u>
Net realized gain (loss) on investments sold	(367,930)	203,461
Change in unrealized appreciation (depreciation) of investments	39,506,672	15,663,832
Net gain (loss) on investments	<u>39,138,742</u>	<u>15,867,293</u>
Increase (decrease) in Net Assets from operations	<u>\$40,130,456</u>	<u>\$15,013,926</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$40,125,919	\$15,013,441
Advisor Series Units	\$ 2,518	\$ 1
Series F Units	\$ 2,019	\$ 484
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.87	\$ 0.32
Advisor Series Units	\$ 1.05	\$ 0.12
Series F Units	\$ 1.15	\$ 0.29

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$604,318,280	\$581,463,401
Advisor Series Units	29,597	120
Series F Units	23,410	7,846
	<u>604,371,287</u>	<u>581,471,367</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	40,125,919	15,013,441
Advisor Series Units	2,518	1
Series F Units	2,019	484
	<u>40,130,456</u>	<u>15,013,926</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	70,270,767	43,100,470
Advisor Series Units	—	23
Series F Units	—	14,053
Payments on redemption		
Series A Units	(58,859,791)	(51,370,040)
Advisor Series Units	—	(50)
	<u>11,410,976</u>	<u>(8,255,544)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	51,536,895	6,743,871
Advisor Series Units	2,518	(26)
Series F Units	2,019	14,537
	<u>51,541,432</u>	<u>6,758,382</u>
NET ASSETS – END OF PERIOD		
Series A Units	655,855,175	588,207,272
Advisor Series Units	32,115	94
Series F Units	25,429	22,383
	<u>\$655,912,719</u>	<u>\$588,229,749</u>

The accompanying notes are an integral part of the financial statements.

Scotia Selected Moderate Growth Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 23.7%			
3,784,124	CI Signature Corporate Bond Fund Class I	40,031,208	39,317,048
4,565,444	Dynamic Aurion Total Return Bond Series O	47,163,472	46,202,289
6,505,159	Dynamic High Yield Bond Fund Series O	26,380,843	24,004,038
3,419,191	Scotia Canadian Income Fund Series I	45,154,117	46,077,018
		158,729,640	155,600,393
CANADIAN EQUITY FUNDS – 37.5%			
2,711,195	CI Cambridge Canadian Equity Corporate Class I	34,684,904	41,887,969
4,407,909	Dynamic Small Business Fund Series O	58,306,754	60,300,190
3,308,501	Dynamic Value Fund of Canada Series O	33,181,493	36,095,741
1,755,164	Scotia Canadian Dividend Fund Series I	63,081,867	72,818,587
559,847	Scotia Canadian Growth Fund Series I	34,959,251	34,747,866
		224,214,269	245,850,353
FOREIGN EQUITY FUNDS – 38.3%			
5,147,779	CI Global High Dividend Advantage Fund Class I	34,007,859	37,578,790
2,325,877	Scotia Global Growth Fund Series I	74,724,753	89,815,615
5,453,146	Scotia Global Opportunities Fund Series I	44,933,841	50,673,356
5,298,826	Scotia Global Small Cap Fund Series I	37,064,913	37,122,512
2,410,909	Scotia International Value Fund Series I	16,211,210	16,119,097
1,699,735	Scotia U.S. Dividend Fund Series I	16,997,467	20,062,486
		223,940,043	251,371,856
TOTAL INVESTMENT PORTFOLIO		606,883,952	652,822,602
OTHER ASSETS, LESS LIABILITIES – 0.5%			3,090,117
NET ASSETS – 100.0%			655,912,719

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	23.7	24.5
Canadian Equity Funds	37.5	37.7
Foreign Equity Funds	38.3	37.4

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund could be exposed to indirect interest rate risk to the extent that the underlying funds invested in interest-bearing financial instruments.

Currency risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.5 % (December 31, 2012 – 99.6%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$65,282,260 (December 31, 2012 – \$60,225,906). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$2,511,309	\$379,147

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Selected Aggressive Growth Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$142,079,488	\$126,306,911
Cash	1,315,314	775,411
Accrued investment income	1,002	575
Subscriptions receivable	146,191	145,415
	<u>143,541,995</u>	<u>127,228,312</u>
LIABILITIES		
Redemptions payable	143,675	74,737
Accrued expenses	262,423	—
	<u>406,098</u>	<u>74,737</u>
Net Assets	<u>\$143,135,897</u>	<u>\$127,153,575</u>
NET ASSETS PER SERIES		
Series A Units	\$143,133,277	\$127,143,975
Advisor Series Units	\$ 2,620	\$ 9,600
UNITS OUTSTANDING		
Series A Units	9,990,526	9,601,140
Advisor Series Units	185	732
NET ASSETS PER UNIT		
Series A Units	\$ 14.33	\$ 13.24
Advisor Series Units	\$ 14.16	\$ 13.12

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 175,517	\$ 317,117
Interest	720,962	509,361
Capital gains distributions received	215,994	—
Other income	4,411	2,347
	<u>1,116,884</u>	<u>828,825</u>
EXPENSES		
Management fees (note 5)	1,428,450	1,262,647
Harmonized Sales Tax/Goods and Services Tax	155,684	139,205
Audit fees	1,646	2,542
Independent Review Committee fees	239	235
Custodian fees	361	371
Filing fees	14,518	14,868
Legal fees	583	948
Unitholder reporting costs	5,610	7,017
Unitholder administration and service fees	28,814	28,618
	<u>1,635,905</u>	<u>1,456,451</u>
Absorbed expenses	<u>(6,882)</u>	<u>(7,606)</u>
	<u>1,629,023</u>	<u>1,448,845</u>
Net investment income (loss)	<u>(512,139)</u>	<u>(620,020)</u>
Net realized gain (loss) on investments sold	<u>(105,594)</u>	<u>(89,739)</u>
Change in unrealized appreciation (depreciation) of investments	<u>11,173,020</u>	<u>3,916,239</u>
Net gain (loss) on investments and transaction costs	<u>11,067,426</u>	<u>3,826,500</u>
Increase (decrease) in Net Assets from operations	<u>\$10,555,287</u>	<u>\$3,206,480</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$10,554,640	\$3,205,435
Advisor Series Units	\$ 647	\$ 436
Series F Units	\$ —	\$ 609
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 1.07	\$ 0.33
Advisor Series Units	\$ 1.50	\$ 0.55
Series F Units	\$ —	\$ 0.87

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$127,143,975	\$116,665,133
Advisor Series Units	9,600	12,188
Series F Units	—	347
	<u>127,153,575</u>	<u>116,677,668</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	10,554,640	3,205,435
Advisor Series Units	647	436
Series F Units	—	609
	<u>10,555,287</u>	<u>3,206,480</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	20,111,164	11,087,244
Advisor Series Units	683	570
Series F Units	—	22,346
Payments on redemption		
Series A Units	(14,676,502)	(9,943,739)
Advisor Series Units	(8,310)	(5,005)
Series F Units	—	(364)
	<u>5,427,035</u>	<u>1,161,052</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	15,989,302	4,348,940
Advisor Series Units	(6,980)	(3,999)
Series F Units	—	22,591
	<u>15,982,322</u>	<u>4,367,532</u>
NET ASSETS – END OF PERIOD		
Series A Units	143,133,277	121,014,073
Advisor Series Units	2,620	8,189
Series F Units	—	22,938
	<u>\$143,135,897</u>	<u>\$121,045,200</u>

The accompanying notes are an integral part of the financial statements.

Scotia Selected Aggressive Growth Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 9.6%			
396,866	CI Signature Corporate Bond Fund Class I	4,197,267	4,123,442
404,793	Dynamic Aurion Total Return Bond Series O	4,181,749	4,096,507
735,854	Dynamic High Yield Bond Fund Series O	2,981,229	2,715,300
202,996	Scotia Canadian Income Fund Series I	2,650,911	2,735,579
		<u>14,011,156</u>	<u>13,670,828</u>
CANADIAN EQUITY FUNDS – 44.1%			
642,382	CI Cambridge Canadian Equity Corporate Class I	8,375,120	9,924,807
1,135,076	Dynamic Small Business Fund Series O	15,034,175	15,527,840
1,181,135	Dynamic Value Fund of Canada Series O	11,682,431	12,886,184
300,176	Scotia Canadian Dividend Fund Series I	10,970,172	12,453,752
198,649	Scotia Canadian Growth Fund Series I	12,349,912	12,329,503
		<u>58,411,810</u>	<u>63,122,086</u>
FOREIGN EQUITY FUNDS – 45.6%			
896,761	CI Global High Dividend Advantage Fund Class I	5,935,225	6,546,353
682,728	Scotia Global Growth Fund Series I	22,149,827	26,364,078
1,388,380	Scotia Global Opportunities Fund Series I	11,496,436	12,901,520
1,384,977	Scotia Global Small Cap Fund Series I	9,490,464	9,702,872
682,219	Scotia International Value Fund Series I	4,613,783	4,561,246
441,445	Scotia U.S. Dividend Fund Series I	4,414,477	5,210,505
		<u>58,100,212</u>	<u>65,286,574</u>
TOTAL INVESTMENT PORTFOLIO		<u>130,523,178</u>	<u>142,079,488</u>
OTHER ASSETS, LESS LIABILITIES – 0.7%			<u>1,056,409</u>
NET ASSETS – 100.0%			<u>143,135,897</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	9.6	9.5
Canadian Equity Funds	44.1	44.4
Foreign Equity Funds	45.6	45.4

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest Rate Risk (note 3)

The Fund could be exposed to indirect interest rate risk to the extent that the underlying funds invested in interest-bearing financial instruments.

Currency Risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit Risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.3% (December 31, 2012 – 99.3%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$14,207,949 (December 31, 2012 – \$12,630,691). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$406,098	\$74,737

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Partners Diversified Income Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$522,884,157	\$333,145,944
Cash	2,796,356	6,648,243
Accrued investment income	268,312	4,058
Subscriptions receivable	703,563	1,170,931
	<u>526,652,388</u>	<u>340,969,176</u>
LIABILITIES		
Payable for securities purchased	297,592	—
Distributions payable	9,919	79,100
Redemptions payable	561,460	102,065
Accrued expenses	818,417	—
	<u>1,687,388</u>	<u>181,165</u>
Net Assets	<u>\$524,965,000</u>	<u>\$340,788,011</u>
NET ASSETS PER SERIES		
Series A Units	<u>\$524,965,000</u>	<u>\$340,788,011</u>
UNITS OUTSTANDING		
Series A Units	<u>50,656,387</u>	<u>32,822,473</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 10.36</u>	<u>\$ 10.38</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	<u>\$340,788,011</u>	<u>\$113,875,068</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>920,801</u>	<u>4,072,957</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series A Units	<u>(4,950,140)</u>	<u>(2,537,048)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	<u>222,656,218</u>	<u>135,975,791</u>
Reinvested distributions		
Series A Units	<u>4,872,405</u>	<u>2,484,533</u>
Payments on redemption		
Series A Units	<u>(39,322,295)</u>	<u>(11,753,459)</u>
	<u>188,206,328</u>	<u>126,706,865</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	<u>184,176,989</u>	<u>128,242,774</u>
NET ASSETS – END OF PERIOD		
Series A Units	<u>524,965,000</u>	<u>242,117,842</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 637,746	\$ —
Interest	8,379,760	4,387,541
Capital gains distributions received	(9,924)	—
Other income	10,664	8,142
	<u>9,018,246</u>	<u>4,395,683</u>
EXPENSES		
Management fees (note 5)	4,037,269	1,619,122
Harmonized Sales Tax/Goods and Services Tax	446,903	185,944
Audit fees	5,323	3,215
Independent Review Committee fees	782	262
Custodian fees	1,365	1,202
Filing fees	15,141	8,891
Legal fees	1,928	1,056
Unitholder reporting costs	9,206	6,170
Unitholder administration and service fees	60,113	26,241
	<u>4,578,030</u>	<u>1,852,103</u>
Absorbed expenses	<u>—</u>	<u>(17)</u>
	<u>4,578,030</u>	<u>1,852,086</u>
Net investment income (loss)	<u>4,440,216</u>	<u>2,543,597</u>
Net realized gain (loss) on investments sold	<u>—</u>	<u>191,805</u>
Change in unrealized appreciation (depreciation) of investments	<u>(3,519,415)</u>	<u>1,337,555</u>
Net gain (loss) on investments	<u>(3,519,415)</u>	<u>1,529,360</u>
Increase (decrease) in Net Assets from operations	<u>\$ 920,801</u>	<u>\$4,072,957</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>\$ 920,801</u>	<u>\$4,072,957</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	<u>\$ 0.02</u>	<u>\$ 0.23</u>

The accompanying notes are an integral part of the financial statements.

Scotia Partners Diversified Income Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 69.4%			
10,559,571	CI Signature Corporate Bond Fund Class I	110,891,535	109,713,945
5,224,782	PIMCO Monthly Income Fund (Canada) Class I	72,178,692	72,614,544
8,096,682	Scotia Canadian Income Fund Series I	112,953,060	109,110,886
6,889,448	Scotia Private Canadian Corporate Bond Pool Series I	73,596,749	72,762,213
		<u>369,620,036</u>	<u>364,201,588</u>
CANADIAN EQUITY FUNDS – 23.1%			
1,734,786	Bissett Canadian Dividend Fund Series O	30,459,090	31,330,230
8,497,337	Dynamic Equity Income Fund Series O	52,154,537	53,023,381
2,064,120	Dynamic Global Real Estate Fund Series O	15,828,976	15,914,363
1,539,759	Dynamic Small Business Fund Series O	21,118,444	21,063,905
		<u>119,561,047</u>	<u>121,331,879</u>
FOREIGN EQUITY FUNDS – 7.1%			
1,238,568	Dynamic Global Infrastructure Fund Series O	14,482,659	15,791,744
1,970,617	Mackenzie Ivy Equity Fund Series O	18,407,710	21,558,946
		<u>32,890,369</u>	<u>37,350,690</u>
	TOTAL INVESTMENT PORTFOLIO	<u>522,071,452</u>	<u>522,884,157</u>
	OTHER ASSETS, LESS LIABILITIES – 0.4%		<u>2,080,843</u>
	NET ASSETS – 100.0%		<u>524,965,000</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	69.4	68.5
Canadian Equity Funds	23.1	22.5
Foreign Equity Funds	7.1	6.8

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund could be exposed to indirect interest rate risk to the extent that the underlying funds invested in interest-bearing financial instruments.

Currency risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.6% (December 31, 2012 – 97.8%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$52,288,416 (December 31, 2012 – \$33,314,594). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$1,687,388	\$181,165

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Partners Income & Modest Growth Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$593,082,837	\$497,222,703
Cash	4,454,915	3,601,621
Accrued investment income	142,420	2,319
Subscriptions receivable	1,090,012	780,943
	<u>598,770,184</u>	<u>501,607,586</u>
LIABILITIES		
Payable for securities purchased	2,273,696	—
Distributions payable	—	48,939
Redemptions payable	315,297	181,142
Accrued expenses	957,826	—
	<u>3,546,819</u>	<u>230,081</u>
Net Assets	<u>\$595,223,365</u>	<u>\$501,377,505</u>
NET ASSETS PER SERIES		
Series A Units	\$595,204,012	\$501,342,279
Series F Units	\$ 19,353	\$ 35,226
UNITS OUTSTANDING		
Series A Units	48,021,237	41,184,509
Series F Units	1,570	2,819
NET ASSETS PER UNIT		
Series A Units	\$ 12.39	\$ 12.17
Series F Units	\$ 12.33	\$ 12.50

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$501,342,279	\$432,427,942
Series F Units	35,226	7,248
	<u>501,377,505</u>	<u>432,435,190</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	8,449,510	10,454,415
Series F Units	(573)	255
	<u>8,448,937</u>	<u>10,454,670</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	127,910,926	57,220,151
Payments on redemption		
Series A Units	(42,498,703)	(33,721,862)
Series F Units	(15,300)	(3,958)
	<u>85,396,923</u>	<u>23,494,331</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	93,861,733	33,952,704
Series F Units	(15,873)	(3,703)
	<u>93,845,860</u>	<u>33,949,001</u>
NET ASSETS – END OF PERIOD		
Series A Units	595,204,012	466,380,646
Series F Units	19,353	3,545
	<u>\$595,223,365</u>	<u>\$466,384,191</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$1,075,374	\$ 581,314
Interest	8,142,441	5,659,805
Capital gains distributions received	685,396	—
Foreign withholding taxes/tax reclaims	(5,330)	—
Other income	10,327	6,175
	<u>9,908,208</u>	<u>6,247,294</u>
EXPENSES		
Management fees (note 5)	5,066,754	4,136,292
Harmonized Sales Tax/Goods and Services Tax	579,653	462,712
Audit fees	6,521	5,986
Independent Review Committee fees	959	725
Custodian fees	248	210
Filing fees	15,669	14,404
Legal fees	2,343	1,965
Unitholder reporting costs	12,597	13,843
Unitholder administration and service fees	89,819	76,458
Overdraft charges	103	—
	<u>5,774,666</u>	<u>4,712,595</u>
Absorbed expenses	<u>(1,857)</u>	<u>(1,872)</u>
	<u>5,772,809</u>	<u>4,710,723</u>
Net investment income (loss)	<u>4,135,399</u>	<u>1,536,571</u>
Net realized gain (loss) on investments sold	(88,840)	6,736,211
Change in unrealized appreciation (depreciation) of investments	4,402,378	2,181,888
Net gain (loss) on investments	<u>4,313,538</u>	<u>8,918,099</u>
Increase (decrease) in Net Assets from operations	<u>\$8,448,937</u>	<u>\$10,454,670</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$8,449,510	\$10,454,415
Series F Units	\$ (573)	\$ 255
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.19	\$ 0.28
Series F Units	\$ (0.31)	\$ 0.53

The accompanying notes are an integral part of the financial statements.

Scotia Partners Income & Modest Growth Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 64.3%			
5,537,761	CI Signature Corporate Bond Fund Class I	58,602,565	57,537,332
13,840,582	Dynamic Canadian Bond Fund Series O	78,434,721	76,261,604
2,740,741	PIMCO Monthly Income Fund (Canada) Class I	37,575,025	38,091,091
11,407,859	Scotia Canadian Income Fund Series I	155,448,333	153,732,310
5,428,508	Scotia Private Canadian Corporate Bond Pool Series I	55,181,803	57,332,643
		<u>385,242,447</u>	<u>382,954,980</u>
CANADIAN EQUITY FUNDS – 20.0%			
1,315,127	Bissett Canadian Dividend Fund Series O	22,730,687	23,751,192
782,317	CI Cambridge Canadian Equity Corporate Class I	10,089,852	12,086,799
1,733,319	Dynamic Small Business Fund Series O	23,589,724	23,711,798
1,428,576	Scotia Canadian Dividend Fund Series I	54,853,910	59,269,049
		<u>111,264,173</u>	<u>118,818,838</u>
FOREIGN EQUITY FUNDS – 15.3%			
2,405,388	CI Global High Dividend Advantage Fund Class I	15,918,825	17,559,330
1,327,858	Invesco International Growth Fund Series I	7,996,713	8,969,681
1,247,236	Mackenzie Ivy Equity Fund Series O	11,608,082	13,645,011
452,958	Mackenzie Universal American Growth Class (Unhedged) Series O	6,785,684	11,105,624
336,883	Mackenzie Universal Emerging Markets Class Series O	9,049,107	9,259,866
364,889	Mawer International Equity Fund Class O	12,333,789	13,491,892
699,399	Mawer U.S. Equity Fund Class O	13,988,251	17,277,615
		<u>77,680,451</u>	<u>91,309,019</u>
	TOTAL INVESTMENT PORTFOLIO	<u>574,187,071</u>	<u>593,082,837</u>
	OTHER ASSETS, LESS LIABILITIES – 0.4%		<u>2,140,528</u>
	NET ASSETS – 100.0%		<u>595,223,365</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	64.3	63.7
Canadian Equity Funds	20.0	20.2
Foreign Equity Funds	15.3	15.3

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund could be exposed to indirect interest rate risk to the extent that the underlying funds invested in interest-bearing financial instruments.

Currency risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.6% (December 31, 2012 – 99.2%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$59,308,284 (December 31, 2012 – \$49,722,270). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$3,546,819	\$230,081

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Partners Balanced Income & Growth Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$1,712,648,607	\$1,536,126,823
Cash	10,258,016	5,020,241
Accrued investment income	6,867	3,376
Subscriptions receivable	1,630,028	1,271,907
	<u>1,724,543,518</u>	<u>1,542,422,347</u>
LIABILITIES		
Payable for securities purchased	2,711,856	—
Distributions payable	—	36,620
Redemptions payable	877,162	641,014
Accrued expenses	2,977,352	—
	<u>6,566,370</u>	<u>677,634</u>
Net Assets	<u>\$1,717,977,148</u>	<u>\$1,541,744,713</u>
NET ASSETS PER SERIES		
Series A Units	\$1,717,825,481	\$1,541,624,350
Series F Units	\$ 151,667	\$ 120,363
UNITS OUTSTANDING		
Series A Units	123,139,418	115,420,216
Series F Units	10,220	8,503
NET ASSETS PER UNIT		
Series A Units	\$ 13.95	\$ 13.36
Series F Units	\$ 14.84	\$ 14.16

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$1,541,624,350	\$1,443,897,577
Series F Units	120,363	167,184
	<u>1,541,744,713</u>	<u>1,444,064,761</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	68,941,951	44,646,447
Series F Units	5,873	6,652
	<u>68,947,824</u>	<u>44,653,099</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	220,154,211	108,576,955
Series F Units	25,459	4,800
Payments on redemption		
Series A Units	(112,895,031)	(108,996,230)
Series F Units	(28)	(55,032)
	<u>107,284,611</u>	<u>(469,507)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	176,201,131	44,227,172
Series F Units	31,304	(43,580)
	<u>176,232,435</u>	<u>44,183,592</u>
NET ASSETS – END OF PERIOD		
Series A Units	1,717,825,481	1,488,124,749
Series F Units	151,667	123,604
	<u>\$1,717,977,148</u>	<u>\$1,488,248,353</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 5,097,863	\$ 1,937,805
Interest	13,875,918	13,498,215
Capital gains distributions received	3,059,693	—
Foreign withholding taxes/tax reclaims	(32,497)	—
Other income	16,217	11,507
	<u>22,017,194</u>	<u>15,447,527</u>
EXPENSES		
Management fees (note 5)	16,314,596	14,712,802
Harmonized Sales Tax/Goods and Services Tax	1,847,127	1,629,620
Audit fees	19,357	16,132
Independent Review Committee fees	2,860	2,269
Custodian fees	523	439
Filing fees	35,895	35,319
Legal fees	6,949	5,419
Unitholder reporting costs	31,700	36,715
Unitholder administration and service fees	254,767	228,952
Overdraft charges	18	—
	<u>18,513,792</u>	<u>16,667,667</u>
Absorbed expenses	(1,701)	(1,909)
	<u>18,512,091</u>	<u>16,665,758</u>
Net investment income (loss)	<u>3,505,103</u>	<u>(1,218,231)</u>
Net realized gain (loss) on investments sold	(18,241)	8,667,435
Change in unrealized appreciation (depreciation) of investments	65,460,962	37,203,895
Net gain (loss) on investments	<u>65,442,721</u>	<u>45,871,330</u>
Increase (decrease) in Net Assets from operations	<u>\$68,947,824</u>	<u>\$44,653,099</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$68,941,951	\$44,646,447
Series F Units	\$ 5,873	\$ 6,652
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.58	\$ 0.39
Series F Units	\$ 0.67	\$ 0.65

The accompanying notes are an integral part of the financial statements.

Scotia Partners Balanced Income & Growth Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 38.9%			
9,691,833	CI Signature Corporate Bond Fund Class I	95,773,981	100,698,142
18,126,809	Dynamic Canadian Bond Fund Series O	102,730,402	99,878,719
9,801,822	PIMCO Global Advantage Strategy Bond Fund (Canada) Class I	102,153,830	99,715,901
17,371,698	Scotia Canadian Income Fund Series I	235,782,371	234,100,997
12,619,349	Scotia Private Canadian Corporate Bond Pool Series I	128,732,429	133,277,994
		<u>665,173,013</u>	<u>667,671,753</u>
CANADIAN EQUITY FUNDS – 29.9%			
5,568,964	Bissett Canadian Dividend Fund Series O	95,720,579	100,575,487
7,040,282	CI Cambridge Canadian Equity Corporate Class I	69,836,139	108,772,357
7,382,548	Dynamic Small Business Fund Series O	98,155,844	100,993,251
4,899,087	Scotia Canadian Dividend Fund Series I	191,754,416	203,254,316
		<u>455,466,978</u>	<u>513,595,411</u>
FOREIGN EQUITY FUNDS – 30.9%			
12,671,457	CI Global High Dividend Advantage Fund Class I	83,711,652	92,501,637
7,637,910	Invesco International Growth Fund Series I	45,882,972	51,594,079
8,690,447	Mackenzie Ivy Equity Fund Series O	81,235,661	95,075,222
2,578,250	Mackenzie Universal American Growth Class (Unhedged) Series O	37,864,971	63,213,532
1,907,157	Mackenzie Universal Emerging Markets Class Series O	50,618,728	52,421,821
2,076,937	Mawer International Equity Fund Class O	69,225,756	76,795,351
4,039,096	Mawer U.S. Equity Fund Class O	80,018,018	99,779,801
		<u>448,557,758</u>	<u>531,381,443</u>
TOTAL INVESTMENT PORTFOLIO		<u>1,569,197,749</u>	<u>1,712,648,607</u>
OTHER ASSETS, LESS LIABILITIES – 0.3%			<u>5,328,541</u>
NET ASSETS – 100.0%			<u>1,717,977,148</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	38.9	39.0
Canadian Equity Funds	29.9	29.9
Foreign Equity Funds	30.9	30.7

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund could be exposed to indirect interest rate risk to the extent that the underlying funds invested in interest-bearing financial instruments.

Currency risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.7% (December 31, 2012 – 99.6%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$171,264,861 (December 31, 2012 – \$153,612,682). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$6,566,370	\$677,634

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Partners Moderate Growth Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$1,999,407,117	\$1,726,283,612
Cash	11,665,276	5,462,148
Accrued investment income	7,996	14,632
Subscriptions receivable	1,965,895	1,294,870
	<u>2,013,046,284</u>	<u>1,733,055,262</u>
LIABILITIES		
Distributions payable	—	19,720
Payable for securities purchased	2,600,000	—
Redemptions payable	995,699	615,968
Accrued expenses	3,700,334	—
	<u>7,296,033</u>	<u>635,688</u>
Net Assets	<u>\$2,005,750,251</u>	<u>\$1,732,419,574</u>
NET ASSETS PER SERIES		
Series A Units	\$2,004,279,296	\$1,731,114,895
Series F Units	\$ 1,470,955	\$ 1,304,679
UNITS OUTSTANDING		
Series A Units	121,949,479	113,151,791
Series F Units	82,409	78,911
NET ASSETS PER UNIT		
Series A Units	\$ 16.44	\$ 15.30
Series F Units	\$ 17.85	\$ 16.53

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 4,700,208	\$ 2,412,601
Interest	5,532,729	11,401,344
Capital gains distributions received	1,965,868	—
Foreign withholding taxes/tax reclaims	(52,274)	—
Other income	13,581	12,818
	<u>12,160,112</u>	<u>13,826,763</u>
EXPENSES		
Management fees (note 5)	20,042,085	17,574,035
Harmonized Sales Tax/Goods and Services Tax	2,184,216	1,901,093
Audit fees	22,114	17,718
Independent Review Committee fees	3,268	2,360
Custodian fees	568	426
Filing fees	43,076	42,948
Legal fees	7,948	5,981
Unitholder reporting costs	33,117	37,381
Unitholder administration and service fees	268,226	234,240
	<u>22,604,618</u>	<u>19,816,182</u>
Absorbed expenses	—	(1)
	<u>22,604,618</u>	<u>19,816,181</u>
Net investment income (loss)	<u>(10,444,506)</u>	<u>(5,989,418)</u>
Net realized gain (loss) on investments sold	922,495	17,662,825
Change in unrealized appreciation (depreciation) of investments	140,452,815	42,635,740
Net gain (loss) on investments	<u>141,375,310</u>	<u>60,298,565</u>
Increase (decrease) in Net Assets from operations	<u>\$130,930,804</u>	<u>\$54,309,147</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$130,826,958	\$54,262,306
Series F Units	\$ 103,846	\$ 46,841
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 1.11	\$ 0.48
Series F Units	\$ 1.28	\$ 0.59

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$1,731,114,895	\$1,586,716,855
Series F Units	1,304,679	1,197,612
	<u>1,732,419,574</u>	<u>1,587,914,467</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	130,826,958	54,262,306
Series F Units	103,846	46,841
	<u>130,930,804</u>	<u>54,309,147</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	262,069,118	132,241,664
Series F Units	176,223	92,535
Payments on redemption		
Series A Units	(119,731,675)	(122,330,776)
Series F Units	(113,793)	(49,515)
	<u>142,399,873</u>	<u>9,953,908</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	273,164,401	64,173,194
Series F Units	166,276	89,861
	<u>273,330,677</u>	<u>64,263,055</u>
NET ASSETS – END OF PERIOD		
Series A Units	2,004,279,296	1,650,890,049
Series F Units	1,470,955	1,287,473
	<u>\$2,005,750,251</u>	<u>\$1,652,177,522</u>

The accompanying notes are an integral part of the financial statements.

Scotia Partners Moderate Growth Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 22.3%			
3,282,609	CI Signature Corporate Bond Fund Class I	32,756,079	34,106,304
7,122,607	PIMCO Global Advantage Strategy Bond Fund (Canada) Class I	74,280,897	72,459,705
14,420,428	Scotia Canadian Income Fund Series I	195,309,303	194,329,691
13,773,321	Scotia Private Canadian Corporate Bond Pool Series I	144,577,668	145,465,550
		<u>446,923,947</u>	<u>446,361,250</u>
CANADIAN EQUITY FUNDS – 39.3%			
9,915,824	CI Cambridge Canadian Equity Corporate Class I	96,732,520	153,199,474
3,886,512	CI Signature High Yield Bond Fund Class I	37,904,609	37,971,227
20,394,484	Dynamic Value Fund of Canada Series O	187,950,056	222,503,818
5,254,678	Scotia Canadian Dividend Fund Series I	209,703,310	218,007,139
10,491,353	Trimark Canadian Small Companies Fund Series I	131,170,535	157,307,344
		<u>663,461,030</u>	<u>788,989,002</u>
FOREIGN EQUITY FUNDS – 38.1%			
1,686,232	CI Global Small Companies Fund Class I	31,981,492	40,874,255
12,954,748	Dynamic Global Dividend Value Fund Series O	141,332,510	163,618,468
10,771,268	Invesco International Growth Fund Series I	63,604,937	72,759,912
23,608,053	Mackenzie Focus Fund Series O	102,532,757	120,951,137
4,055,531	Mackenzie Universal American Growth Class (Unhedged) Series O	71,051,547	99,433,503
4,169,664	Mackenzie Universal Emerging Markets Class Series O	111,190,000	114,611,124
1,310,299	Mawer International Equity Fund Class O	44,080,447	48,448,684
2,518,114	Mawer U.S. Equity Fund Class O	50,129,309	62,206,229
2,099,136	Trimark Global Endeavour Fund Series I	35,700,006	41,153,553
		<u>651,603,005</u>	<u>764,056,865</u>
	TOTAL INVESTMENT PORTFOLIO	<u>1,761,987,982</u>	<u>1,999,407,117</u>
	OTHER ASSETS, LESS LIABILITIES – 0.3%		6,343,134
	NET ASSETS – 100.0%		<u>2,005,750,251</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	22.3	22.3
Canadian Equity Funds	39.3	38.8
Foreign Equity Funds	38.1	38.5

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund could be exposed to indirect interest rate risk to the extent that the underlying funds invested in interest-bearing financial instruments.

Currency risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.7% (December 31, 2012 – 99.6%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$199,940,712 (December 31, 2012 – \$172,628,361). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$7,296,033	\$635,688

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Partners Aggressive Growth Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$460,305,195	\$395,801,648
Cash	2,442,121	1,645,118
Accrued investment income	1,706	1,381
Subscriptions receivable	441,324	204,864
	<u>463,190,346</u>	<u>397,653,011</u>
LIABILITIES		
Payable for securities purchased	300,000	—
Redemptions payable	250,724	233,549
Accrued expenses	927,907	—
	<u>1,478,631</u>	<u>233,549</u>
Net Assets	<u>\$461,711,715</u>	<u>\$397,419,462</u>
NET ASSETS PER SERIES		
Series A Units	\$461,329,387	\$397,075,177
Series F Units	\$ 382,328	\$ 344,285
UNITS OUTSTANDING		
Series A Units	27,227,900	25,704,982
Series F Units	20,708	20,520
NET ASSETS PER UNIT		
Series A Units	\$ 16.94	\$ 15.45
Series F Units	\$ 18.46	\$ 16.78

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 1,300,692	\$ 616,871
Interest	(620,930)	1,710,284
Capital gains distributions received	728,780	—
Foreign withholding taxes/tax reclaims	(12,476)	—
Other income	2,975	1,719
	<u>1,399,041</u>	<u>2,328,874</u>
EXPENSES		
Management fees (note 5)	5,038,555	4,476,417
Harmonized Sales Tax/Goods and Services Tax	538,220	478,475
Audit fees	5,121	5,338
Independent Review Committee fees	751	578
Custodian fees	437	307
Filing fees	14,626	15,452
Legal fees	1,835	1,737
Unitholder reporting costs	9,889	11,777
Unitholder administration and service fees	67,423	62,018
Overdraft charges	—	30
	<u>5,676,857</u>	<u>5,052,129</u>
Absorbed expenses	<u>(1,204)</u>	<u>(1,254)</u>
	<u>5,675,653</u>	<u>5,050,875</u>
Net investment income (loss)	<u>(4,276,612)</u>	<u>(2,722,001)</u>
Net realized gain (loss) on investments sold	223,899	3,179,222
Change in unrealized appreciation (depreciation) of investments	43,204,844	13,538,588
Net gain (loss) on investments	<u>43,428,743</u>	<u>16,717,810</u>
Increase (decrease) in Net Assets from operations	<u>\$39,152,131</u>	<u>\$13,995,809</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$39,117,531	\$13,979,944
Series F Units	\$ 34,600	\$ 15,865
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 1.48	\$ 0.53
Series F Units	\$ 1.68	\$ 0.69

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$397,075,177	\$369,390,479
Series F Units	344,285	368,878
	<u>397,419,462</u>	<u>369,759,357</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	39,117,531	13,979,944
Series F Units	34,600	15,865
	<u>39,152,131</u>	<u>13,995,809</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	61,393,897	30,047,485
Series F Units	13,520	12,821
Payments on redemption		
Series A Units	(36,257,218)	(32,580,747)
Series F Units	(10,077)	(48,398)
	<u>25,140,122</u>	<u>(2,568,839)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	64,254,210	11,446,682
Series F Units	38,043	(19,712)
	<u>64,292,253</u>	<u>11,426,970</u>
NET ASSETS – END OF PERIOD		
Series A Units	461,329,387	380,837,161
Series F Units	382,328	349,166
	<u>\$461,711,715</u>	<u>\$381,186,327</u>

The accompanying notes are an integral part of the financial statements.

Scotia Partners Aggressive Growth Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 7.1%			
1,292,122	PIMCO Global Advantage Strategy Bond Fund (Canada) Class I	13,465,517	13,145,017
1,469,829	Scotia Canadian Income Fund Series I	19,856,931	19,807,413
		<u>33,322,448</u>	<u>32,952,430</u>
CANADIAN EQUITY FUNDS – 47.5%			
3,343,393	CI Cambridge Canadian Equity Corporate Class I	33,751,041	51,655,415
1,119,491	CI Signature High Yield Bond Fund Class I	10,905,189	10,937,430
6,681,142	Dynamic Value Fund of Canada Series O	62,186,967	72,891,262
986,035	Scotia Canadian Dividend Fund Series I	39,692,605	40,908,818
2,856,596	Trimark Canadian Small Companies Fund Series I	36,368,221	42,831,807
		<u>182,904,023</u>	<u>219,224,732</u>
FOREIGN EQUITY FUNDS – 45.1%			
681,941	CI Global Small Companies Fund Class I	13,564,375	16,530,261
4,073,496	Dynamic Global Dividend Value Fund Series O	42,801,164	51,448,259
2,798,039	Invesco International Growth Fund Series I	16,359,669	18,900,756
4,061,479	Mackenzie Focus Fund Series O	17,623,002	20,808,175
1,012,128	Mackenzie Universal American Growth Class (Unhedged) Series O	19,326,419	24,815,355
1,055,196	Mackenzie Universal Emerging Markets Class Series O	28,096,577	29,004,053
357,184	Mawer International Equity Fund Class O	12,083,201	13,206,969
683,489	Mawer U.S. Equity Fund Class O	13,606,549	16,884,576
843,133	Trimark Global Endeavour Fund Series I	14,299,995	16,529,629
		<u>177,760,951</u>	<u>208,128,033</u>
TOTAL INVESTMENT PORTFOLIO		<u>393,987,422</u>	<u>460,305,195</u>
OTHER ASSETS, LESS LIABILITIES – 0.3%			<u>1,406,520</u>
NET ASSETS – 100.0%			<u>461,711,715</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	7.1	7.3
Canadian Equity Funds	47.5	46.9
Foreign Equity Funds	45.1	45.5

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund could be exposed to indirect interest rate risk to the extent that the underlying funds invested in interest-bearing financial instruments.

Currency risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.7% (December 31, 2012 – 99.7%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$46,030,520 (December 31, 2012 – \$39,580,165). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$1,478,631	\$233,549

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Vision Conservative 2010 Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$16,424,019	\$19,015,924
Cash	55,213	145,884
Accrued investment income	2,094	2,550
Subscriptions receivable	60	760
	<u>16,481,386</u>	<u>19,165,118</u>
LIABILITIES		
Distributions payable	—	35
Redemptions payable	800	5,000
Accrued expenses	25,466	—
	<u>26,266</u>	<u>5,035</u>
Net Assets	<u>\$16,455,120</u>	<u>\$19,160,083</u>
NET ASSETS PER SERIES		
Series A Units	<u>\$16,455,120</u>	<u>\$19,160,083</u>
UNITS OUTSTANDING		
Series A Units	<u>1,591,450</u>	<u>1,856,923</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 10.34</u>	<u>\$ 10.32</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	<u>\$19,160,083</u>	<u>\$23,202,037</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>64,162</u>	<u>264,475</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	261,696	160,560
Payments on redemption		
Series A Units	(3,030,821)	(3,083,727)
	<u>(2,769,125)</u>	<u>(2,923,167)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	<u>(2,704,963)</u>	<u>(2,658,692)</u>
NET ASSETS – END OF PERIOD		
Series A Units	<u>\$16,455,120</u>	<u>\$20,543,345</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 21,555	\$ 27,200
Interest	185,045	231,285
Other income	76	43
	<u>206,676</u>	<u>258,528</u>
EXPENSES		
Management fees (note 5)	139,448	173,184
Harmonized Sales Tax/Goods and Services Tax	16,680	20,392
Audit fees	243	1,471
Independent Review Committee fees	31	31
Custodian fees	966	773
Filing fees	7,213	7,180
Legal fees	78	481
Unitholder reporting costs	2,557	3,513
Unitholder administration and service fees	4,039	6,855
Overdraft charges	164	127
	<u>171,419</u>	<u>214,007</u>
Net investment income (loss)	<u>35,257</u>	<u>44,521</u>
Net realized gain (loss) on investments sold	179,976	137,800
Change in unrealized appreciation (depreciation) of investments	(151,071)	82,154
Net gain (loss) on investments	<u>28,905</u>	<u>219,954</u>
Increase (decrease) in Net Assets from operations	<u>\$ 64,162</u>	<u>\$264,475</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>\$ 64,162</u>	<u>\$264,475</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	<u>\$ 0.04</u>	<u>\$ 0.12</u>

The accompanying notes are an integral part of the financial statements.

Scotia Vision Conservative 2010 Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
CASH EQUIVALENT FUND – 13.0%			
214,075	Scotia Money Market Fund Series I	2,140,742	2,140,746
FIXED INCOME FUNDS – 52.4%			
333,448	Scotia Canadian Bond Index Fund Series I	3,612,549	3,742,083
252,954	Scotia Canadian Income Fund Series I	3,322,068	3,408,806
177,685	Scotia Global Bond Fund Series I	1,520,552	1,482,553
		8,455,169	8,633,442
CANADIAN EQUITY FUNDS – 23.2%			
17,558	Scotia Canadian Blue Chip Fund Series I	418,840	501,536
36,001	Scotia Canadian Dividend Fund Series I	1,237,374	1,493,603
78,729	Scotia Canadian Index Fund Series I	1,525,500	1,647,523
6,866	Scotia Canadian Small Cap Fund Series I	169,394	167,805
		3,351,108	3,810,467
FOREIGN EQUITY FUNDS – 11.2%			
36,748	Scotia Global Opportunities Fund Series I	319,704	341,484
81,207	Scotia International Index Fund Series I	600,410	661,778
48,936	Scotia International Value Fund Series I	327,137	327,184
21,977	Scotia U.S. Index Fund Series I	280,837	339,942
17,669	Scotia U.S. Opportunities Fund Series I	149,973	168,976
		1,678,061	1,839,364
	TOTAL INVESTMENT PORTFOLIO	15,625,080	16,424,019
	OTHER ASSETS, LESS LIABILITIES – 0.2%		31,101
	NET ASSETS – 100.0%		16,455,120

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Cash Equivalent Fund	13.0	12.8
Fixed Income Funds	52.4	51.9
Canadian Equity Funds	23.2	22.9
Foreign Equity Funds	11.2	11.7

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest Rate Risk (note 3)

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$173,416, or approximately 1.1% of total Net Assets (December 31, 2012 – \$175,290, or approximately 0.9% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency Risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit Risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 34.4% (December 31, 2012 – 34.6%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$564,983 (December 31, 2012 – \$662,244). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$26,266	\$5,035

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Vision Aggressive 2010 Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$2,168,236	\$2,713,308
Cash	7,134	26,558
Accrued investment income	171	236
Subscriptions receivable	4	154
	<u>2,175,545</u>	<u>2,740,256</u>
LIABILITIES		
Distributions Payable	—	16
Accrued expenses	3,674	—
	<u>3,674</u>	<u>16</u>
Net Assets	<u>\$2,171,871</u>	<u>\$2,740,240</u>
NET ASSETS PER SERIES		
Series A Units	<u>\$2,171,871</u>	<u>\$2,740,240</u>
UNITS OUTSTANDING		
Series A Units	<u>209,874</u>	<u>266,539</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 10.35</u>	<u>\$ 10.28</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	<u>\$2,740,240</u>	<u>\$3,683,510</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>25,439</u>	<u>37,974</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	106,498	92,178
Payments on redemption		
Series A Units	(700,306)	(902,372)
	<u>(593,808)</u>	<u>(810,194)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	<u>(568,369)</u>	<u>(772,220)</u>
NET ASSETS – END OF PERIOD		
Series A Units	<u>\$2,171,871</u>	<u>\$2,911,290</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 2,840	\$ 4,176
Interest	24,092	34,398
Other income	43	24
	<u>26,975</u>	<u>38,598</u>
EXPENSES		
Management fees (note 5)	20,064	28,240
Harmonized Sales Tax/Goods and Services Tax	2,370	3,540
Audit fees	65	1,300
Independent Review Committee fees	4	5
Custodian fees	750	472
Filing fees	7,006	6,909
Legal fees	15	420
Unitholder reporting costs	2,285	3,135
Unitholder administration and service fees	1,091	3,623
Overdraft charges	114	34
	<u>33,764</u>	<u>47,678</u>
Absorbed expenses	<u>(6,999)</u>	<u>(10,179)</u>
	<u>26,765</u>	<u>37,499</u>
Net investment income (loss)	210	1,099
Net realized gain (loss) on investments sold	42,482	28,511
Change in unrealized appreciation (depreciation) of investments	(17,253)	8,364
Net gain (loss) on investments	<u>25,229</u>	<u>36,875</u>
Increase (decrease) in Net Assets from operations	<u>\$ 25,439</u>	<u>\$ 37,974</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>\$ 25,439</u>	<u>\$ 37,974</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	<u>\$ 0.11</u>	<u>\$ 0.11</u>

The accompanying notes are an integral part of the financial statements.

Scotia Vision Aggressive 2010 Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
CASH EQUIVALENT FUND – 8.1%			
17,575	Scotia Money Market Fund Series I	175,754	175,754
FIXED INCOME FUNDS – 51.7%			
40,646	Scotia Canadian Bond Index Fund Series I	443,444	456,149
34,834	Scotia Canadian Income Fund Series I	456,436	469,422
23,793	Scotia Global Bond Fund Series I	201,769	198,525
		1,101,649	1,124,096
CANADIAN EQUITY FUNDS – 26.0%			
3,886	Scotia Canadian Blue Chip Fund Series I	97,630	110,993
4,723	Scotia Canadian Dividend Fund Series I	166,642	195,969
9,090	Scotia Canadian Index Fund Series I	176,080	190,229
2,755	Scotia Canadian Small Cap Fund Series I	63,114	67,342
		503,466	564,533
FOREIGN EQUITY FUNDS – 14.0%			
2,428	Scotia Global Opportunities Fund Series I	21,237	22,561
15,716	Scotia International Index Fund Series I	114,139	128,076
9,700	Scotia International Value Fund Series I	71,038	64,855
4,273	Scotia U.S. Index Fund Series I	51,719	66,099
2,328	Scotia U.S. Opportunities Fund Series I	19,759	22,262
		277,892	303,853
TOTAL INVESTMENT PORTFOLIO		2,058,761	2,168,236
OTHER ASSETS, LESS LIABILITIES – 0.2%			3,635
NET ASSETS – 100.0%			2,171,871

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Cash Equivalent Fund	8.1	7.8
Fixed Income Funds	51.7	50.7
Canadian Equity Funds	26.0	25.9
Foreign Equity Funds	14.0	14.6

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest Rate Risk (note 3)

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$22,679, or approximately 1.0% of total Net Assets (December 31, 2012 – \$24,524, or approximately 0.9% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency Risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit Risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 40.0% (December 31, 2012 – 40.5%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$86,839 (December 31, 2012 – \$110,840). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$3,674	\$16

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Vision Conservative 2015 Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$45,000,497	\$48,969,378
Cash	257,631	346,145
Accrued investment income	3,540	4,081
Subscriptions receivable	2,311	6,271
	<u>45,263,979</u>	<u>49,325,875</u>
LIABILITIES		
Distributions payable	–	390
Redemptions payable	1,000	55,495
Accrued expenses	70,046	–
	<u>71,046</u>	<u>55,885</u>
Net Assets	<u>\$45,192,933</u>	<u>\$49,269,990</u>
NET ASSETS PER SERIES		
Series A Units	<u>\$45,192,933</u>	<u>\$49,269,990</u>
UNITS OUTSTANDING		
Series A Units	<u>4,239,634</u>	<u>4,671,993</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 10.66</u>	<u>\$ 10.55</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	<u>\$49,269,990</u>	<u>\$55,793,827</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>560,861</u>	<u>655,939</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	674,219	1,070,019
Payments on redemption		
Series A Units	(5,312,137)	(6,529,874)
	<u>(4,637,918)</u>	<u>(5,459,855)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	<u>(4,077,057)</u>	<u>(4,803,916)</u>
NET ASSETS – END OF PERIOD		
Series A Units	<u>\$45,192,933</u>	<u>\$50,989,911</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 78,236	\$ 89,888
Interest	433,525	497,753
Other income	86	148
	<u>511,847</u>	<u>587,789</u>
EXPENSES		
Management fees (note 5)	397,198	451,068
Harmonized Sales Tax/Goods and Services Tax	46,214	51,321
Audit fees	591	1,769
Independent Review Committee fees	82	74
Custodian fees	943	606
Filing fees	7,616	7,626
Legal fees	203	586
Unitholder reporting costs	3,069	4,137
Unitholder administration and service fees	8,197	10,765
Overdraft charges	165	3
	<u>464,278</u>	<u>527,955</u>
Net investment income (loss)	<u>47,569</u>	<u>59,834</u>
Net realized gain (loss) on investments sold	281,177	226,500
Change in unrealized appreciation (depreciation) of investments	232,115	369,605
Net gain (loss) on investments	<u>513,292</u>	<u>596,105</u>
Increase (decrease) in Net Assets from operations	<u>\$560,861</u>	<u>\$655,939</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>\$560,861</u>	<u>\$655,939</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	<u>\$ 0.13</u>	<u>\$ 0.13</u>

The accompanying notes are an integral part of the financial statements.

Scotia Vision Conservative 2015 Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
CASH EQUIVALENT FUND – 7.9%			
358,737	Scotia Money Market Fund Series I	3,587,370	3,587,370
FIXED INCOME FUNDS – 47.3%			
754,045	Scotia Canadian Bond Index Fund Series I	8,181,522	8,462,196
660,666	Scotia Canadian Income Fund Series I	8,631,793	8,903,128
482,111	Scotia Global Bond Fund Series I	4,092,659	4,022,586
		20,905,974	21,387,910
CANADIAN EQUITY FUNDS – 29.2%			
48,749	Scotia Canadian Blue Chip Fund Series I	1,192,609	1,392,520
130,799	Scotia Canadian Dividend Fund Series I	4,551,159	5,426,601
14,661	Scotia Canadian Growth Fund Series I	856,817	909,950
194,549	Scotia Canadian Index Fund Series I	3,768,875	4,071,214
56,388	Scotia Canadian Small Cap Fund Series I	1,387,884	1,378,123
		11,757,344	13,178,408
FOREIGN EQUITY FUNDS – 15.2%			
49,011	Scotia Global Opportunities Fund Series I	429,990	455,435
65,874	Scotia Global Small Cap Fund Series I	556,149	461,499
334,374	Scotia International Index Fund Series I	2,422,695	2,724,915
204,150	Scotia International Value Fund Series I	1,489,343	1,364,928
89,371	Scotia U.S. Index Fund Series I	1,143,053	1,382,428
47,850	Scotia U.S. Opportunities Fund Series I	393,100	457,604
		6,434,330	6,846,809
TOTAL INVESTMENT PORTFOLIO		42,685,018	45,000,497
OTHER ASSETS, LESS LIABILITIES – 0.4%			192,436
NET ASSETS – 100.0%			45,192,933

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Cash Equivalent Fund	7.9	7.8
Fixed Income Funds	47.3	47.2
Canadian Equity Funds	29.2	28.9
Foreign Equity Funds	15.2	15.5

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$431,414, or approximately 1.0% of total Net Assets (December 31, 2012 – \$409,856, or approximately 0.8% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 44.4% (December 31, 2012 – 44.4%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$2,002,522 (December 31, 2012 – \$2,188,049). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$71,046	\$55,885

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Vision Aggressive 2015 Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2012	December 31, 2012
ASSETS		
Investments at fair value	\$11,782,413	\$13,655,291
Cash	34,393	115,293
Accrued investment income	357	479
Receivable for securities sold	—	3,750
Subscriptions receivable	481	—
	<u>11,817,644</u>	<u>13,774,813</u>
LIABILITIES		
Redemptions payable	4,012	4,482
Accrued expenses	20,097	—
	<u>24,109</u>	<u>4,482</u>
Net Assets	<u>\$11,793,535</u>	<u>\$13,770,331</u>
NET ASSETS PER SERIES		
Series A Units	<u>\$11,793,535</u>	<u>\$13,770,331</u>
UNITS OUTSTANDING		
Series A Units	<u>1,119,108</u>	<u>1,327,563</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 10.54</u>	<u>\$ 10.37</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	<u>\$13,770,331</u>	<u>\$16,260,852</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>227,887</u>	<u>205,729</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	273,614	309,207
Payments on redemption		
Series A Units	<u>(2,478,297)</u>	<u>(2,067,879)</u>
	<u>(2,204,683)</u>	<u>(1,758,672)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	<u>(1,976,796)</u>	<u>(1,552,943)</u>
NET ASSETS – END OF PERIOD		
Series A Units	<u>\$11,793,535</u>	<u>\$14,707,909</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 17,112	\$ 21,740
Interest	104,429	130,375
Other income	40	33
	<u>121,581</u>	<u>152,148</u>
EXPENSES		
Management fees (note 5)	108,871	134,172
Harmonized Sales Tax/Goods and Services Tax	12,647	15,580
Audit fees	184	1,412
Independent Review Committee fees	22	23
Custodian fees	622	549
Filing fees	7,161	7,092
Legal fees	57	460
Unitholder reporting costs	2,486	3,388
Unitholder administration and service fees	2,855	5,393
Overdraft charges	143	142
	<u>135,048</u>	<u>168,211</u>
Net investment income (loss)	<u>(13,467)</u>	<u>(16,063)</u>
Net realized gain (loss) on investments sold	131,804	55,279
Change in unrealized appreciation (depreciation) of investments	109,550	166,513
Net gain (loss) on investments	<u>241,354</u>	<u>221,792</u>
Increase (decrease) in Net Assets from operations	<u>\$227,887</u>	<u>\$205,729</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>\$227,887</u>	<u>\$205,729</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	<u>\$ 0.19</u>	<u>\$ 0.13</u>

The accompanying notes are an integral part of the financial statements.

Scotia Vision Aggressive 2015 Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
CASH EQUIVALENT FUND – 3.0%			
35,465	Scotia Money Market Fund Series I	354,648	354,647
FIXED INCOME FUNDS – 44.5%			
155,716	Scotia Canadian Bond Index Fund Series I	1,690,816	1,747,503
189,696	Scotia Canadian Income Fund Series I	2,484,229	2,556,344
113,531	Scotia Global Bond Fund Series I	962,962	947,268
		5,138,007	5,251,115
CANADIAN EQUITY FUNDS – 31.3%			
20,939	Scotia Canadian Blue Chip Fund Series I	517,000	598,119
28,770	Scotia Canadian Dividend Fund Series I	1,018,716	1,193,635
3,783	Scotia Canadian Growth Fund Series I	231,011	234,795
50,524	Scotia Canadian Index Fund Series I	1,004,147	1,057,281
24,659	Scotia Canadian Small Cap Fund Series I	546,699	602,666
		3,317,573	3,686,496
FOREIGN EQUITY FUNDS – 21.1%			
26,168	Scotia Global Opportunities Fund Series I	218,148	243,164
17,205	Scotia Global Small Cap Fund Series I	139,463	120,535
100,905	Scotia International Index Fund Series I	748,308	822,303
71,329	Scotia International Value Fund Series I	515,741	476,895
4,864	Scotia Latin American Fund Series I	119,028	103,490
31,145	Scotia U.S. Index Fund Series I	375,374	481,761
25,306	Scotia U.S. Opportunities Fund Series I	207,540	242,007
		2,323,602	2,490,155
	TOTAL INVESTMENT PORTFOLIO	11,133,830	11,782,413
	OTHER ASSETS, LESS LIABILITIES – 0.1%		11,122
	NET ASSETS – 100.0%		11,793,535

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Cash Equivalent Fund	3.0	3.0
Fixed Income Funds	44.5	44.1
Canadian Equity Funds	31.3	30.6
Foreign Equity Funds	21.1	21.5

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$107,378, or approximately 0.9% of total Net Assets (December 31, 2012 – \$107,393, or approximately 0.8% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 52.4% (December 31, 2012 – 52.1%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$617,665 (December 31, 2012 – \$717,205). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$24,109	\$4,482

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Vision Conservative 2020 Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$52,789,291	\$56,672,409
Cash	124,477	335,074
Accrued investment income	3,096	3,604
Subscriptions receivable	12,304	30,161
	<u>52,929,168</u>	<u>57,041,248</u>
LIABILITIES		
Distributions payable	—	17
Redemptions payable	18,135	6,537
Accrued expenses	85,458	—
	<u>103,593</u>	<u>6,554</u>
Net Assets	<u>\$52,825,575</u>	<u>\$57,034,694</u>
NET ASSETS PER SERIES		
Series A Units	<u>\$52,825,575</u>	<u>\$57,034,694</u>
UNITS OUTSTANDING		
Series A Units	<u>4,977,004</u>	<u>5,447,179</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 10.61</u>	<u>\$ 10.47</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	<u>\$57,034,694</u>	<u>\$61,272,559</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>815,288</u>	<u>720,915</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	1,287,017	1,524,919
Payments on redemption		
Series A Units	(6,311,424)	(5,617,801)
	<u>(5,024,407)</u>	<u>(4,092,882)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	<u>(4,209,119)</u>	<u>(3,371,967)</u>
NET ASSETS – END OF PERIOD		
	<u>\$52,825,575</u>	<u>\$57,900,592</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 91,377	\$101,538
Interest	458,496	505,744
Other income	121	531
	<u>549,994</u>	<u>607,813</u>
EXPENSES		
Management fees (note 5)	488,037	533,330
Harmonized Sales Tax/Goods and Services Tax	56,200	61,222
Audit fees	679	1,829
Independent Review Committee fees	95	91
Custodian fees	741	568
Filing fees	7,746	7,751
Legal fees	234	607
Unitholder reporting costs	3,295	4,406
Unitholder administration and service fees	9,874	12,601
Overdraft charges	322	—
	<u>567,223</u>	<u>622,405</u>
Net investment income (loss)	<u>(17,229)</u>	<u>(14,592)</u>
Net realized gain (loss) on investments sold	293,743	171,853
Change in unrealized appreciation (depreciation) of investments	538,774	563,654
Net gain (loss) on investments	<u>832,517</u>	<u>735,507</u>
Increase (decrease) in Net Assets from operations	<u>\$815,288</u>	<u>\$720,915</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>\$815,288</u>	<u>\$720,915</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	<u>\$ 0.16</u>	<u>\$ 0.12</u>

The accompanying notes are an integral part of the financial statements.

Scotia Vision Conservative 2020 Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
CASH EQUIVALENT FUND – 6.1%			
319,330	Scotia Money Market Fund Series I	3,193,296	3,193,295
FIXED INCOME FUNDS – 43.9%			
891,120	Scotia Canadian Bond Index Fund Series I	9,667,663	10,000,504
659,718	Scotia Canadian Income Fund Series I	8,624,106	8,890,355
517,106	Scotia Global Bond Fund Series I	4,369,959	4,314,580
		22,661,728	23,205,439
CANADIAN EQUITY FUNDS – 31.0%			
56,134	Scotia Canadian Blue Chip Fund Series I	1,400,861	1,603,460
153,215	Scotia Canadian Dividend Fund Series I	5,385,140	6,356,614
25,506	Scotia Canadian Growth Fund Series I	1,498,191	1,583,065
223,609	Scotia Canadian Index Fund Series I	4,321,557	4,679,327
88,807	Scotia Canadian Small Cap Fund Series I	2,125,916	2,170,451
		14,731,665	16,392,917
FOREIGN EQUITY FUNDS – 18.9%			
57,174	Scotia Global Opportunities Fund Series I	505,182	531,293
155,441	Scotia Global Small Cap Fund Series I	1,204,029	1,088,991
386,318	Scotia International Index Fund Series I	2,883,274	3,148,221
234,803	Scotia International Value Fund Series I	1,768,516	1,569,866
21,485	Scotia Latin American Fund Series I	578,155	457,105
41,885	Scotia Pacific Rim Fund Series I	449,908	524,192
104,462	Scotia U.S. Index Fund Series I	1,330,668	1,615,862
111,062	Scotia U.S. Opportunities Fund Series I	908,665	1,062,110
		9,628,397	9,997,640
TOTAL INVESTMENT PORTFOLIO		50,215,086	52,789,291
OTHER ASSETS, LESS LIABILITIES – 0.1%			36,284
NET ASSETS – 100.0%			52,825,575

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Cash Equivalent Fund	6.1	5.9
Fixed Income Funds	43.9	43.0
Canadian Equity Funds	31.0	30.8
Foreign Equity Funds	18.9	19.7

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$464,888, or approximately 0.9% of total Net Assets (December 31, 2012 – \$432,105, or approximately 0.8% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 49.9% (December 31, 2012 – 50.5%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$2,639,056 (December 31, 2012 – \$2,878,990). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$103,593	\$6,554

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Vision Aggressive 2020 Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$23,264,338	\$25,881,474
Cash	—	170,105
Accrued investment income	36	147
Receivable for securities sold	406,999	—
Subscriptions receivable	1,713	19,128
	<u>23,673,086</u>	<u>26,070,854</u>
LIABILITIES		
Bank indebtedness	39,591	—
Redemptions payable	118,866	2,900
Accrued expenses	40,257	—
	<u>198,714</u>	<u>2,900</u>
Net Assets	<u>\$23,474,372</u>	<u>\$26,067,954</u>
NET ASSETS PER SERIES		
Series A Units	<u>\$23,474,372</u>	<u>\$26,067,954</u>
UNITS OUTSTANDING		
Series A Units	<u>2,229,239</u>	<u>2,537,173</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 10.53</u>	<u>\$ 10.27</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	<u>\$26,067,954</u>	<u>\$27,414,083</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>652,207</u>	<u>330,937</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	855,476	1,010,050
Payments on redemption		
Series A Units	<u>(4,101,265)</u>	<u>(2,441,243)</u>
	<u>(3,245,789)</u>	<u>(1,431,193)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	<u>(2,593,582)</u>	<u>(1,100,256)</u>
NET ASSETS – END OF PERIOD		
Series A Units	<u>\$23,474,372</u>	<u>\$26,313,827</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 37,891	\$ 42,703
Interest	171,276	191,434
Other income	110	105
	<u>209,277</u>	<u>234,242</u>
EXPENSES		
Management fees (note 5)	228,626	249,539
Harmonized Sales Tax/Goods and Services Tax	25,642	28,009
Audit fees	329	1,524
Independent Review Committee fees	44	41
Custodian fees	540	437
Filing fees	7,331	7,276
Legal fees	109	500
Unitholder reporting costs	2,713	3,656
Unitholder administration and service fees	4,763	7,179
Overdraft charges	245	3
	<u>270,342</u>	<u>298,164</u>
Net investment income (loss)	<u>(61,065)</u>	<u>(63,922)</u>
Net realized gain (loss) on investments sold	233,076	53,056
Change in unrealized appreciation (depreciation) of investments	480,196	341,803
Net gain (loss) on investments	<u>713,272</u>	<u>394,859</u>
Increase (decrease) in Net Assets from operations	<u>\$652,207</u>	<u>\$330,937</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>\$652,207</u>	<u>\$330,937</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	<u>\$ 0.27</u>	<u>\$ 0.12</u>

The accompanying notes are an integral part of the financial statements.

Scotia Vision Aggressive 2020 Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 37.5%			
268,472	Scotia Canadian Bond Index Fund Series I	2,920,520	3,012,897
327,215	Scotia Canadian Income Fund Series I	4,293,229	4,409,555
166,161	Scotia Global Bond Fund Series I	1,405,077	1,386,395
		<u>8,618,826</u>	<u>8,808,847</u>
CANADIAN EQUITY FUNDS – 34.9%			
40,427	Scotia Canadian Blue Chip Fund Series I	1,009,835	1,154,796
61,750	Scotia Canadian Dividend Fund Series I	2,151,108	2,561,911
7,643	Scotia Canadian Growth Fund Series I	470,434	474,404
101,106	Scotia Canadian Index Fund Series I	1,934,670	2,115,780
77,083	Scotia Canadian Small Cap Fund Series I	1,742,015	1,883,916
		<u>7,308,062</u>	<u>8,190,807</u>
FOREIGN EQUITY FUNDS – 26.7%			
49,767	Scotia Global Opportunities Fund Series I	421,580	462,460
133,672	Scotia Global Small Cap Fund Series I	1,004,413	936,478
201,244	Scotia International Index Fund Series I	1,565,467	1,639,998
175,561	Scotia International Value Fund Series I	1,272,402	1,173,783
20,364	Scotia Latin American Fund Series I	488,187	433,252
59,939	Scotia U.S. Index Fund Series I	726,618	927,153
72,315	Scotia U.S. Opportunities Fund Series I	546,579	691,560
		<u>6,025,246</u>	<u>6,264,684</u>
TOTAL INVESTMENT PORTFOLIO		<u>21,952,134</u>	<u>23,264,338</u>
OTHER ASSETS, LESS LIABILITIES – 0.9%			<u>210,034</u>
NET ASSETS – 100.0%			<u>23,474,372</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	37.5	37.0
Canadian Equity Funds	34.9	34.7
Foreign Equity Funds	26.7	27.6

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest Rate Risk (note 3)

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$180,631, or approximately 0.8% of total Net Assets (December 31, 2012 – \$170,567, or approximately 0.7% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency Risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit Risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 61.6% (December 31, 2012 – 62.3%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$1,445,549 (December 31, 2012 – \$1,624,078). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$198,714	\$2,900

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Vision Conservative 2030 Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$27,585,795	\$29,719,409
Cash	160,227	207,764
Accrued investment income	61	162
Subscriptions receivable	2,276	7,908
	<u>27,748,359</u>	<u>29,935,243</u>
LIABILITIES		
Redemptions payable	14,736	—
Accrued expenses	50,362	—
	<u>65,098</u>	<u>—</u>
Net Assets	<u>\$27,683,261</u>	<u>\$29,935,243</u>
NET ASSETS PER SERIES		
Series A Units	<u>\$27,683,261</u>	<u>\$29,935,243</u>
UNITS OUTSTANDING		
Series A Units	<u>2,632,251</u>	<u>2,919,697</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 10.52</u>	<u>\$ 10.25</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	<u>\$29,935,243</u>	<u>\$32,280,690</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>784,401</u>	<u>377,114</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	584,602	893,457
Payments on redemption		
Series A Units	(3,620,985)	(3,114,497)
	<u>(3,036,383)</u>	<u>(2,221,040)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	<u>(2,251,982)</u>	<u>(1,843,926)</u>
NET ASSETS – END OF PERIOD		
Series A Units	<u>\$27,683,261</u>	<u>\$30,436,764</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 51,591	\$ 58,351
Interest	171,392	191,645
Other income	106	102
	<u>223,089</u>	<u>250,098</u>
EXPENSES		
Management fees (note 5)	285,051	313,932
Harmonized Sales Tax/Goods and Services Tax	31,973	34,972
Audit fees	374	1,565
Independent Review Committee fees	50	55
Custodian fees	591	495
Filing fees	7,426	7,395
Legal fees	125	514
Unitholder reporting costs	2,877	3,901
Unitholder administration and service fees	6,170	8,861
Overdraft charges	58	68
	<u>334,695</u>	<u>371,758</u>
Net investment income (loss)	<u>(111,606)</u>	<u>(121,660)</u>
Net realized gain (loss) on investments sold	182,911	45,963
Change in unrealized appreciation (depreciation) of investments	713,096	452,811
Net gain (loss) on investments	<u>896,007</u>	<u>498,774</u>
Increase (decrease) in Net Assets from operations	<u>\$ 784,401</u>	<u>\$ 377,114</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>\$ 784,401</u>	<u>\$ 377,114</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	<u>\$ 0.29</u>	<u>\$ 0.12</u>

The accompanying notes are an integral part of the financial statements.

Scotia Vision Conservative 2030 Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 32.6%			
313,450	Scotia Canadian Bond Index Fund Series I	3,408,013	3,517,657
285,595	Scotia Canadian Income Fund Series I	3,741,231	3,848,677
198,704	Scotia Global Bond Fund Series I	1,685,989	1,657,924
		<u>8,835,233</u>	<u>9,024,258</u>
CANADIAN EQUITY FUNDS – 38.0%			
39,036	Scotia Canadian Blue Chip Fund Series I	987,673	1,115,062
86,094	Scotia Canadian Dividend Fund Series I	3,021,324	3,571,874
13,566	Scotia Canadian Growth Fund Series I	811,083	842,018
130,849	Scotia Canadian Index Fund Series I	2,532,069	2,738,197
92,493	Scotia Canadian Small Cap Fund Series I	2,155,184	2,260,547
		<u>9,507,333</u>	<u>10,527,698</u>
FOREIGN EQUITY FUNDS – 29.0%			
60,172	Scotia Global Opportunities Fund Series I	533,330	559,146
120,716	Scotia Global Small Cap Fund Series I	960,275	845,714
271,478	Scotia International Index Fund Series I	2,060,594	2,212,357
167,467	Scotia International Value Fund Series I	1,258,628	1,119,668
22,231	Scotia Latin American Fund Series I	563,704	472,975
43,785	Scotia Pacific Rim Fund Series I	524,967	547,975
54,565	Scotia U.S. Index Fund Series I	642,989	844,026
149,738	Scotia U.S. Opportunities Fund Series I	1,226,783	1,431,978
		<u>7,771,270</u>	<u>8,033,839</u>
TOTAL INVESTMENT PORTFOLIO		<u>26,113,836</u>	<u>27,585,795</u>
OTHER ASSETS, LESS LIABILITIES – 0.4%			<u>97,466</u>
NET ASSETS – 100.0%			<u>27,683,261</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	32.6	32.0
Canadian Equity Funds	38.0	37.6
Foreign Equity Funds	29.0	29.7

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest Rate Risk (note 3)

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$182,459, or approximately 0.7% of total Net Assets (December 31, 2012 – \$168,861, or approximately 0.6% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency Risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit Risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 67.0% (December 31, 2012 – 67.3%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$1,856,154 (December 31, 2012 – \$2,014,486). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$65,098	\$ –

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Vision Aggressive 2030 Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$18,701,146	\$20,043,133
Cash	163,711	163,634
Accrued investment income	58	113
Subscriptions receivable	856	12,297
	<u>18,865,771</u>	<u>20,219,177</u>
LIABILITIES		
Redemptions payable	—	4,366
Accrued expenses	35,219	—
	<u>35,219</u>	<u>4,366</u>
Net Assets	<u>\$18,830,552</u>	<u>\$20,214,811</u>
NET ASSETS PER SERIES		
Series A Units	<u>\$18,830,552</u>	<u>\$20,214,811</u>
UNITS OUTSTANDING		
Series A Units	<u>1,782,823</u>	<u>1,988,203</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 10.56</u>	<u>\$ 10.17</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	<u>\$20,214,811</u>	<u>\$19,852,283</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>774,679</u>	<u>182,844</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	1,025,231	932,904
Payments on redemption		
Series A Units	(3,184,169)	(1,079,197)
	<u>(2,158,938)</u>	<u>(146,293)</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	<u>(1,384,259)</u>	<u>36,551</u>
NET ASSETS – END OF PERIOD		
Series A Units	<u>\$18,830,552</u>	<u>\$19,888,834</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 34,890	\$ 37,909
Interest	74,155	79,794
Other income	90	27
	<u>109,135</u>	<u>117,730</u>
EXPENSES		
Management fees (note 5)	196,767	206,625
Harmonized Sales Tax/Goods and Services Tax	21,904	23,439
Audit fees	264	1,460
Independent Review Committee fees	34	32
Custodian fees	329	357
Filing fees	7,274	7,194
Legal fees	86	477
Unitholder reporting costs	2,626	3,532
Unitholder administration and service fees	3,946	6,351
Overdraft charges	187	—
	<u>233,417</u>	<u>249,467</u>
Net investment income (loss)	<u>(124,282)</u>	<u>(131,737)</u>
Net realized gain (loss) on investments sold	124,671	50,445
Change in unrealized appreciation (depreciation) of investments	774,290	264,136
Net gain (loss) on investments	<u>898,961</u>	<u>314,581</u>
Increase (decrease) in Net Assets from operations	<u>\$ 774,679</u>	<u>\$ 182,844</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>\$ 774,679</u>	<u>\$ 182,844</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	<u>\$ 0.42</u>	<u>\$ 0.09</u>

The accompanying notes are an integral part of the financial statements.

Scotia Vision Aggressive 2030 Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 20.6%			
115,353	Scotia Canadian Bond Index Fund Series I	1,256,538	1,294,539
149,709	Scotia Canadian Income Fund Series I	1,976,806	2,017,485
67,217	Scotia Global Bond Fund Series I	568,048	560,840
		<u>3,801,392</u>	<u>3,872,864</u>
CANADIAN EQUITY FUNDS – 43.0%			
33,740	Scotia Canadian Blue Chip Fund Series I	854,496	963,789
58,252	Scotia Canadian Dividend Fund Series I	2,067,007	2,416,784
11,968	Scotia Canadian Growth Fund Series I	709,543	742,798
88,347	Scotia Canadian Index Fund Series I	1,720,787	1,848,782
87,148	Scotia Canadian Small Cap Fund Series I	2,008,902	2,129,916
		<u>7,360,735</u>	<u>8,102,069</u>
FOREIGN EQUITY FUNDS – 35.7%			
35,024	Scotia European Fund Series I	383,954	371,827
61,165	Scotia Global Opportunities Fund Series I	529,994	568,378
111,260	Scotia Global Small Cap Fund Series I	827,524	779,468
226,482	Scotia International Index Fund Series I	1,738,284	1,845,673
84,596	Scotia International Value Fund Series I	673,700	565,598
15,648	Scotia Latin American Fund Series I	389,226	332,927
28,257	Scotia Pacific Rim Fund Series I	356,549	353,634
61,213	Scotia U.S. Index Fund Series I	692,182	946,867
100,577	Scotia U.S. Opportunities Fund Series I	793,177	961,841
		<u>6,384,590</u>	<u>6,726,213</u>
	TOTAL INVESTMENT PORTFOLIO	<u>17,546,717</u>	<u>18,701,146</u>
	OTHER ASSETS, LESS LIABILITIES – 0.7%		129,406
	NET ASSETS – 100.0%		<u>18,830,552</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	20.6	20.2
Canadian Equity Funds	43.0	42.4
Foreign Equity Funds	35.7	36.6

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest Rate Risk (note 3)

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$79,906, or approximately 0.4% of total Net Assets (December 31, 2012 – \$72,532, or approximately 0.4% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency Risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit Risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 78.7% (December 31, 2012 – 79.0%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$1,482,828 (December 31, 2012 – \$1,595,036). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$35,219	\$4,366

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia INNOVA Income Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$1,860,459,854	\$1,589,955,001
Cash*	25,547,035	28,242,292
Accrued investment income	924,150	710,664
Subscriptions receivable	3,456,801	3,252,543
Receivable for currency forward contracts	162,022	—
	<u>1,890,549,862</u>	<u>1,622,160,500</u>
LIABILITIES		
Distributions payable	470,510	890,210
Redemptions payable	3,040,742	582,859
Accrued expenses	2,610,947	—
Payable for futures contracts	980,543	450,887
	<u>7,102,742</u>	<u>1,923,956</u>
Net Assets	<u><u>\$1,883,447,120</u></u>	<u><u>\$1,620,236,544</u></u>
NET ASSETS PER SERIES		
Series A Units	\$1,580,094,999	\$1,350,240,279
Series T Units	<u>\$ 303,352,121</u>	<u>\$ 269,996,265</u>
UNITS OUTSTANDING		
Series A Units	128,979,157	111,034,793
Series T Units	<u>19,542,148</u>	<u>16,932,246</u>
NET ASSETS PER UNIT		
Series A Units	\$ 12.25	\$ 12.16
Series T Units	<u>\$ 15.52</u>	<u>\$ 15.95</u>

* \$1,600,000 held by brokers as collateral for futures contracts (December 31, 2012 – \$1,250,000).

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 2,505,432	\$ 1,536,793
Interest	24,972,456	16,550,398
Securities lending	13,959	610
Foreign withholding taxes/tax reclaims	(34,943)	—
Other income	25,369	25,619
	<u>27,482,273</u>	<u>18,113,420</u>
EXPENSES		
Management fees (note 5)	14,066,435	8,750,083
Harmonized Sales Tax/Goods and Services Tax	1,541,559	984,581
Audit fees	20,838	12,622
Independent Review Committee fees	3,080	864
Custodian fees	2,444	652
Filing fees	58,829	34,514
Legal fees	7,490	4,493
Unitholder reporting costs	16,462	11,162
Unitholder administration and service fees	128,316	67,376
Overdraft charges	71	1,128
	<u>15,845,524</u>	<u>9,867,475</u>
Net investment income (loss)	<u>11,636,749</u>	<u>8,245,945</u>
Net realized gain (loss) on investments sold	(914,283)	6,766,078
Net realized gain (loss) on futures contracts	(218,469)	(600,325)
Net realized gain (loss) on currency forwards	351,430	—
Net gain (loss) foreign exchange	41,335	219,347
Transaction costs	(10,793)	(4,380)
Change in unrealized appreciation (depreciation) of investments	(7,674,571)	15,179,815
Change in unrealized appreciation (depreciation) of currency forwards	162,022	—
Change in unrealized appreciation (depreciation) of currency futures	(327,075)	69,690
Net gain (loss) on investments and transaction costs	<u>(8,590,404)</u>	<u>21,630,225</u>
Increase (decrease) in Net Assets from operations	<u><u>\$ 3,046,345</u></u>	<u><u>\$29,876,170</u></u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$ 7,068,097	\$26,963,656
Series T Units	<u>\$ (4,021,752)</u>	<u>\$ 2,912,514</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.06	\$ 0.34
Series T Units	<u>\$ (0.22)</u>	<u>\$ 0.28</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$1,350,240,279	\$ 802,517,527
Series T Units	269,996,265	131,341,974
	<u>1,620,236,544</u>	<u>933,859,501</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	7,068,097	26,963,656
Series T Units	<u>(4,021,752)</u>	<u>2,912,514</u>
	<u>3,046,345</u>	<u>29,876,170</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series T Units	<u>(4,172,064)</u>	<u>(2,430,183)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	360,618,994	329,477,106
Series T Units	78,563,435	82,333,317
Reinvested distributions		
Series T Units	1,533,430	946,861
Payments on redemption		
Series A Units	(137,832,371)	(75,869,076)
Series T Units	<u>(38,547,193)</u>	<u>(16,969,490)</u>
	<u>264,336,295</u>	<u>319,918,718</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	229,854,720	280,571,686
Series T Units	33,355,856	66,793,019
	<u>263,210,576</u>	<u>347,364,705</u>
NET ASSETS – END OF PERIOD		
Series A Units	1,580,094,999	1,083,089,213
Series T Units	303,352,121	198,134,993
	<u><u>\$1,883,447,120</u></u>	<u><u>\$1,281,224,206</u></u>

The accompanying notes are an integral part of the financial statements.

Scotia INNOVA Income Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)/ Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBENTURE INSTRUMENTS – 5.8%				BOND AND DEBENTURE INSTRUMENTS (cont'd)			
770,000	407 International Inc. (callable) 4.19% due Apr. 25, 2042-(Jan. 25, 2042)	807,584	747,570	455,000	MEG Energy Corporation (callable) 6.38% due Jan. 30, 2023-(Jul. 30, 2017)	469,031	461,334
1,350,000	Algonquin Power & Utilities Corporation 4.82% due Feb. 15, 2021	1,367,859	1,359,850	1,800,000	MetLife, Inc. 3.03% due Jun. 11, 2020	1,800,000	1,754,953
1,600,000	American Express Canada 2.31% due Mar. 29, 2018	1,599,552	1,559,381	1,418,000	Molson Coors International LP 3.95% due Oct. 6, 2017	1,479,648	1,454,310
1,225,000	American Tower Corp. 3.50% due Jan. 31, 2023	1,206,824	1,176,309	1,600,000	National Australia Bank Limited 4.19% due Jul. 20, 2015	1,686,080	1,665,565
1,070,000	Anheuser-Busch Companies, Inc. 2.38% due Jan. 25, 2018	1,067,012	1,056,685	1,545,000	National Bank of Canada 2.69% due Aug. 21, 2017	1,563,302	1,548,644
1,300,000	APT Pipelines Ltd. 4.25% due Jul. 24, 2019	1,341,821	1,287,379	1,079,000	NBC Asset Trust 7.24% due Jun. 30, 2018	1,294,117	1,274,247
1,600,000	Bank of Montreal 2.84% due Jun. 4, 2020	1,603,016	1,562,728	2,900,000	New South Wales Treasury Corp. 6.00% due Mar. 1, 2022	3,521,665	3,106,657
2,115,000	Bank of Nova Scotia, The (callable) 3.04% due Oct. 18, 2024-(2019)	2,120,137	2,081,972	650,000	Omers Realty Corporation 2.50% due Jun. 5, 2018	650,000	641,353
2,525,000	bdIMC Realty Corporation 3.51% due Jun. 29, 2022	2,546,042	2,512,195	650,000	3.36% due Jun. 5, 2023	650,000	630,907
1,805,000	Bell Canada 3.25% due Jun. 17, 2020	1,804,779	1,765,069	1,005,000	Owens Corning Inc. (callable) 4.20% due Dec. 15, 2022-(Sep. 15, 2022)	988,905	1,006,404
1,640,000	Bov Centre Street Limited Partnership 3.80% due Jun. 13, 2023	1,640,000	1,591,020	600,000	Petrobras Global Finance B.V. 4.38% due May 20, 2023	612,534	575,540
1,994,000	BP PLC 2.74% due Feb. 24, 2017	2,009,523	2,007,040	8,200,000	Province of Ontario 2.10% due Sep. 8, 2018	8,206,719	8,076,323
1,605,000	Brookfield Asset Management Inc. 4.54% due Mar. 31, 2023	1,629,279	1,615,798	3,050,000	2.85% due Jun. 2, 2023	3,017,824	2,925,754
1,650,000	Canadian Imperial Bank of Commerce 2.22% due Mar. 7, 2018	1,649,456	1,610,825	2,900,000	Province of Quebec 3.00% due Sep. 1, 2023	2,866,476	2,795,605
1,570,000	Canadian Western Bank (callable) 4.39% due Nov. 30, 2020-(2015)	1,629,365	1,633,555	605,000	Quebecor Media 6.63% due Jan. 15, 2023	607,844	618,915
1,100,000	CME Group Inc. 3.00% due Sep. 15, 2022	1,070,149	1,086,235	2,900,000	Queensland Treasury Corp. 5.50% due Jun. 21, 2021	3,345,329	2,967,446
965,000	Co-operators Financial Services Limited 5.78% due Mar. 10, 2020	1,010,794	1,033,032	1,325,000	RBC Capital Trust 4.87% due Dec. 31, 2015	1,426,146	1,408,435
1,200,000	Commonwealth Bank of Australia 5.15% due Apr. 9, 2020	1,363,968	1,300,223	300,000,000	Republic of Chile 5.50% due Aug. 5, 2020	674,803	657,229
1,500,000	Corus Entertainment Inc. 4.25% due Feb. 11, 2020	1,500,000	1,447,565	2,130,000	Royal Bank of Canada (callable) 2.99% due Dec. 6, 2024-(2019)	2,133,229	2,091,253
1,510,000	Ford Credit Canada Limited 4.88% due Feb. 8, 2017	1,556,638	1,588,446	768,000	Sherritt International Corporation 8.00% due Nov. 15, 2017	820,761	783,360
1,225,000	GAP Inc., The 5.95% due Apr. 12, 2021	1,400,564	1,400,419	455,000	Standard Life Canada (callable) 3.94% due Sep. 21, 2022-(2017)	459,652	468,736
2,080,000	General Electric Capital Corporation 3.55% due Jun. 11, 2019	2,177,760	2,124,454	1,076,623	TD Securities Inc., Pool 97595656* 1.65% due Jan. 1, 2018	1,059,612	1,076,515
1,248,000	George Weston Limited 3.78% due Oct. 25, 2016	1,301,463	1,299,580	1,600,000	TELUS Corporation 5.05% due Jul. 23, 2020	1,846,400	1,749,741
17,490,000	Government of Canada 1.50% due Jun. 1, 2023	16,613,464	16,050,136	1,288,000	Tim Hortons, Inc. 4.20% due Jun. 1, 2017	1,398,485	1,360,724
880,000	Hospital Infrastructure Partners (NOH) Partnership 5.44% due Jan. 31, 2045	998,079	973,753	1,600,000	Toronto-Dominion Bank, The 2.17% due Apr. 2, 2018	1,600,000	1,565,227
1,104,000	HSBC Bank of Canada 3.56% due Oct. 4, 2017	1,151,935	1,142,739	980,000	Toyota Credit Canada Inc. 2.20% due Oct. 19, 2017	979,628	963,532
21,800,000	Institutional Mortgage Securities Canada Inc., Series 2013-3* 1.37% due Feb. 12, 2023	1,451,556	1,427,900	673,000	Vancouver International Airport Authority 4.42% due Dec. 7, 2018	755,785	731,337
1,110,000	International Business Machines Corporation 2.20% due Feb. 10, 2017	1,112,880	1,110,563	1,360,000	Versen Inc. 3.95% due Mar. 14, 2017	1,391,464	1,396,353
1,600,000	John Deere Credit Inc. 2.30% due Jul. 5, 2016	1,618,541	1,607,743	1,310,000	VW Credit Canada, Inc. 2.20% due Oct. 11, 2016	1,312,012	1,304,712
835,000	Limited Brands, Inc. 5.63% due Feb. 15, 2022	895,353	896,983	1,250,000	Wells Fargo Financial Canada Corporation 2.77% due Feb. 9, 2017	1,272,325	1,262,669
890,000	Loblaw Companies Limited 6.15% due Jan. 29, 2035	996,064	976,612	880,000	3.46% due Jan. 24, 2023	882,877	855,676
1,155,000	Master Credit Card Trust 2.63% due Jan. 21, 2017	1,172,440	1,168,763	TOTAL BOND AND DEBENTURE INSTRUMENTS			
				FIXED INCOME FUNDS – 66.9%			
				41,489,126	Scotia Canadian Income Fund Series I	562,087,740	559,107,464
				10,254,032	Scotia Private American Core-Plus Bond Pool Series I	93,919,943	93,613,158

The accompanying notes are an integral part of the financial statements.

Scotia INNOVA Income Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS (cont'd)				FOREIGN EQUITY FUNDS – 14.0%			
19,431,525	Scotia Private Canadian Corporate Bond Pool Series I	205,914,105	205,224,104	517,200	PowerShares Senior Loan Portfolio	13,123,155	13,427,909
9,092,202	Scotia Private High Yield Income Pool Series I	83,583,929	84,824,785	8,280,937	Scotia Private Global Equity Pool Series I	106,015,237	124,447,571
30,575,275	Scotia Private Short-Mid Government Bond Pool Series I	329,022,351	317,814,692	1,346,620	Scotia Private Global Real Estate Pool Series I	16,315,126	19,752,756
		<u>1,274,528,068</u>	<u>1,260,584,203</u>	5,481,025	Scotia Private International Equity Pool Series I	49,754,932	56,983,475
CANADIAN EQUITY FUNDS – 12.1%				3,622,937	Scotia Private U.S. Value Pool Series I	38,745,023	48,883,562
3,868,010	Scotia Canadian Dividend Fund Series I	148,203,278	160,476,774			<u>223,953,473</u>	<u>263,495,273</u>
4,277,675	Scotia Private Canadian Equity Pool Series I	46,547,227	46,985,555	TOTAL INVESTMENT PORTFOLIO			
667,500	Scotia Private Canadian Small Cap Pool Series I	14,300,140	19,536,071			<u>1,819,718,736</u>	<u>1,860,459,854</u>
		<u>209,050,645</u>	<u>226,998,400</u>		Currency Forward Contracts – 0.0%		162,022
					Futures Contracts – (0.1)%		(980,543)
					OTHER ASSETS, LESS LIABILITIES – 1.3%		23,805,787
					NET ASSETS – 100.0%		<u>1,883,447,120</u>

* This security is not actively traded and considered illiquid

BOND FUTURES CONTRACTS

Number of Contracts	Contract Issuer	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
50	CME Ultra Long Term U.S. Treasury Bond Future – Sep. 2013	7,810,517	7,683,215	<u>(127,302)</u>

CURRENCY FUTURES CONTRACTS

Number of Contracts	Settlement Date	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
205	Canadian \$ against U.S.\$ Sep. 2013	20,964,921	20,421,382	<u>(543,539)</u>

The above bond futures and currency futures contracts are financial agreements to purchase/sell the bond and foreign currency at a contracted price on a specific future date. However, the Fund does not intend to purchase/sell the bond and foreign currency on settlement. Rather, it intends to close out each bond futures contract and currency future contract before settlement by entering into equal, but offsetting bond futures contracts and currency future contracts.

The futures contracts outstanding at June 30, 2013 are placed with a financial institution with a minimum credit rating of AA- by Standard & Poor's.

CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Aug. 7, 2013	Canadian Dollar	6,478,137	Australian Dollar	6,580,129	6,316,115	<u>162,022</u>

The currency forward contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of AA- by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Bond and Debenture Instruments	5.8	6.6
Fixed Income Funds	66.9	66.4
Canadian Equity Funds	12.1	12.0
Foreign Equity Funds	14.0	13.1
Currency Forward Contracts	0.0	–
Future Contracts	(0.1)	(0.0)

The accompanying notes are an integral part of the financial statements.

Scotia INNOVA Income Portfolio (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of bond and debenture instruments.

Interest Rate Exposure*	June 30, 2013	December 31, 2012
Less than 1 year	\$ –	\$ 650,000
1-3 years	4,707,555	13,363,636
3-5 years	27,970,498	44,025,635
5-10 years	71,210,386	26,229,188
> 10 years	5,493,539	23,323,800
Total	\$109,381,978	\$107,592,259

* Excludes cash, money market instruments, fixed income funds and preferred shares as applicable.

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$24,344,072, or approximately 1.3% of total Net Assets (December 31, 2012 – \$17,927,842, or approximately 1.1% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The table below indicates the currency to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	20,106,162	1.1	5,911,905	0.4
Chile Peso	657,229	0.0	1	0.0
European Euro	1	0.0	–	–
Australian Dollar	(165,303)	(0.0)	–	–
Total	20,598,089	1.1	5,911,906	0.4

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$2,059,809, or approximately 0.1% of total Net Assets, (December 31, 2012 – \$591,191, or approximately 0% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 26.1% (December 31, 2012 – 25.1%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$49,049,367 (December 31, 2012 – \$40,728,119). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit ratings of the bond and debenture instruments, excluding cash and money market instruments but including preferred shares, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
AAA	19.9	1.2	25.4	1.7
AA	37.3	2.1	39.4	2.6
A	23.6	1.4	20.1	1.3
BBB	15.8	0.9	11.1	0.7
BB	3.0	0.2	2.9	0.2
B	0.4	0.0	1.1	0.1
Total	100.0	5.8	100.0	6.6

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$6,122,199	\$1,473,069
Payable for futures contracts	980,543	450,887
	\$7,102,742	\$1,923,956

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia INNOVA Balanced Income Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$1,477,241,183	\$1,156,901,423
Cash*	23,966,941	19,138,954
Accrued investment income	525,008	382,875
Subscriptions receivable	2,760,357	2,283,427
Receivable for currency forward contracts	94,978	—
	<u>1,504,588,467</u>	<u>1,178,706,679</u>
LIABILITIES		
Payable for securities purchased	6,500,000	—
Distributions payable	509,289	478,794
Redemptions payable	986,336	305,682
Accrued expenses	2,178,424	—
Payable for futures contracts	599,603	273,969
	<u>10,773,652</u>	<u>1,058,445</u>
Net Assets	<u>\$1,493,814,815</u>	<u>\$1,177,648,234</u>
NET ASSETS PER SERIES		
Series A Units	\$1,283,299,511	\$1,015,049,200
Series T Units	\$ 210,515,304	\$ 162,599,034
UNITS OUTSTANDING		
Series A Units	99,786,011	80,137,595
Series T Units	13,856,687	10,486,142
NET ASSETS PER UNIT		
Series A Units	\$ 12.86	\$ 12.67
Series T Units	\$ 15.19	\$ 15.51

* \$970,000 held by brokers as collateral for futures contracts (December 31, 2012 – \$720,000).

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 2,216,348	\$ 1,395,260
Interest	15,755,886	10,606,315
Securities lending	3,303	298
Foreign withholding taxes/tax reclaims	(19,386)	—
Other income	20,236	11,828
	<u>17,976,387</u>	<u>12,013,701</u>
EXPENSES		
Management fees (note 5)	11,375,797	7,305,777
Harmonized Sales Tax/Goods and Services Tax	1,271,578	826,047
Audit fees	15,858	10,290
Independent Review Committee fees	2,341	693
Custodian fees	2,080	533
Filing fees	40,031	28,867
Legal fees	5,713	3,670
Unitholder reporting costs	13,366	10,207
Unitholder administration and service fees	100,471	56,022
Overdraft charges	11	292
	<u>12,827,246</u>	<u>8,242,398</u>
Net investment income (loss)	<u>5,149,141</u>	<u>3,771,303</u>
Net realized gain (loss) on investments sold	(515,730)	6,103,044
Net realized gain (loss) on futures contracts	453,142	(362,399)
Net realized gain (loss) on currency forwards	206,011	—
Net gain (loss) foreign exchange	28,118	130,300
Transaction costs	(10,365)	(2,536)
Change in unrealized appreciation (depreciation) of investments	7,627,819	14,614,669
Change in unrealized appreciation (depreciation) of currency forwards	94,978	—
Change in unrealized appreciation (depreciation) of currency futures	(791,081)	39,472
Net gain (loss) on investments and transaction costs	<u>7,092,892</u>	<u>20,522,550</u>
Increase (decrease) in Net Assets from operations	<u>\$12,242,033</u>	<u>\$24,293,853</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$12,962,116	\$22,041,103
Series T Units	\$ (720,083)	\$ 2,252,750
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.14	\$ 0.36
Series T Units	\$ (0.06)	\$ 0.30

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$1,015,049,200	\$663,867,843
Series T Units	162,599,034	96,842,708
	<u>1,177,648,234</u>	<u>760,710,551</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	12,962,116	22,041,103
Series T Units	(720,083)	2,252,750
	<u>12,242,033</u>	<u>24,293,853</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series T Units	(3,723,236)	(2,277,370)
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	334,618,811	217,289,318
Series T Units	72,106,893	42,041,348
Reinvested distributions		
Series T Units	1,001,976	655,571
Payments on redemption		
Series A Units	(79,330,616)	(55,546,117)
Series T Units	(20,749,280)	(12,520,898)
	<u>307,647,784</u>	<u>191,919,222</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	268,250,311	183,784,304
Series T Units	47,916,270	30,151,401
	<u>316,166,581</u>	<u>213,935,705</u>
NET ASSETS – END OF PERIOD		
Series A Units	1,283,299,511	847,652,147
Series T Units	210,515,304	126,994,109
	<u>\$1,493,814,815</u>	<u>\$974,646,256</u>

The accompanying notes are an integral part of the financial statements.

Scotia INNOVA Balanced Income Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)/ Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBT INSTRUMENTS – 4.2%				BOND AND DEBT INSTRUMENTS (cont'd)			
435,000	407 International Inc. (callable)	456,498	422,328	250,000	MEG Energy Corporation (callable)	258,285	253,480
	4.19% due Apr. 25, 2042 (Jan. 25, 2042)				6.38% due Jan. 30, 2023 (Jul. 30, 2017)		
790,000	Algonquin Power & Utilities Corporation	802,878	795,764	1,050,000	MetLife, Inc.	1,050,000	1,023,723
	4.82% due Feb. 15, 2021				3.03% due Jun. 11, 2020		
870,000	American Express Canada	869,756	847,913	802,000	Molson Coors International LP	837,194	822,536
	2.31% due Mar. 29, 2018				3.95% due Oct. 6, 2017		
650,000	American Tower Corp.	640,440	624,164	950,000	National Australia Bank Limited	1,001,110	988,929
	3.50% due Jan. 31, 2023				4.19% due Jul. 20, 2015		
605,000	Anheuser-Busch Companies, Inc.	604,777	597,472	870,000	National Bank of Canada	880,930	872,052
	2.38% due Jan. 25, 2018				2.69% due Aug. 21, 2017		
735,000	APT Pipelines Ltd.	758,645	727,864	611,000	NBC Asset Trust	732,932	721,561
	4.25% due Jul. 24, 2019				7.24% due Jun. 30, 2018		
1,000,000	Bank of Montreal	1,001,885	976,705	1,700,000	New South Wales Treasury Corp.	2,064,424	1,821,144
	2.84% due Jun. 4, 2020				6.00% due Mar. 1, 2022		
1,220,000	Bank of Nova Scotia, The (callable)	1,223,559	1,200,948	375,000	Omers Realty Corporation	375,000	370,011
	3.04% due Oct. 18, 2024 (2019)				2.50% due Jun. 5, 2018		
1,405,000	bdMC Realty Corporation	1,417,534	1,397,875	375,000	3.36% due Jun. 5, 2023	375,000	363,985
	3.51% due Jun. 29, 2022				Owens Corning Inc. (callable)		
1,035,000	Bell Canada	1,034,874	1,012,104	540,000	4.20% due Dec. 15, 2022 (Sep. 15, 2022)	531,830	540,755
	3.25% due Jun. 17, 2020				Petrobras Global Finance B.V.		
950,000	Bow Centre Street Limited Partnership	950,000	921,628	350,000	4.38% due May 20, 2023	357,312	335,732
	3.80% due Jun. 13, 2023				Province of Ontario		
1,151,000	BP PLC	1,159,887	1,158,527	4,625,000	2.10% due Sep. 8, 2018	4,627,184	4,555,243
	2.74% due Feb. 24, 2017			1,690,000	2.85% due Jun. 2, 2023	1,672,187	1,621,156
925,000	Brookfield Asset Management Inc.	941,030	931,223	1,700,000	Province of Quebec	1,680,348	1,638,803
	4.54% due Mar. 31, 2023				3.00% due Sep. 1, 2023		
900,000	Canadian Imperial Bank of Commerce	899,703	878,632	325,000	Quebecor Media	326,094	332,475
	2.22% due Mar. 7, 2018				6.63% due Jan. 15, 2023		
900,000	Canadian Western Bank (callable)	935,033	936,433	1,700,000	Queensland Treasury Corp.	1,961,055	1,739,538
	4.39% due Nov. 30, 2020 (2015)				5.50% due Jun. 21, 2021		
600,000	CME Group Inc.	583,718	592,492	745,000	RBC Capital Trust	801,956	791,913
	3.00% due Sep. 15, 2022				4.87% due Dec. 31, 2015		
560,000	Co-operators Financial Services Limited	586,792	599,480	175,000,000	Republic of Chile	393,635	383,384
	5.78% due Mar. 10, 2020				5.50% due Aug. 5, 2020		
650,000	Commonwealth Bank of Australia	738,816	704,287	1,220,000	Royal Bank of Canada (callable)	1,222,547	1,197,807
	5.15% due Apr. 9, 2020				2.99% due Dec. 6, 2024 (2019)		
700,000	Corus Entertainment Inc.	700,000	675,531	432,000	Sherritt International Corporation	461,834	440,640
	4.25% due Feb. 11, 2020				8.00% due Nov. 15, 2017		
850,000	Ford Credit Canada Limited	874,682	894,159	260,000	Standard Life Canada (callable)	263,489	267,849
	4.88% due Feb. 8, 2017				3.94% due Sep. 21, 2022 (2017)		
685,000	GAP Inc., The	783,884	783,092	587,249	TD Securities Inc., Pool 97595656*	577,970	587,190
	5.95% due Apr. 12, 2021				1.65% due Jan. 1, 2018		
1,200,000	General Electric Capital Corporation	1,256,400	1,225,646	910,000	TELLUS Corporation	1,050,140	995,165
	3.55% due Jun. 11, 2019				5.05% due Jul. 23, 2020		
697,000	George Weston Limited	727,019	725,807	732,000	Tim Hortons, Inc.	794,574	773,331
	3.78% due Oct. 25, 2016				4.20% due Jun. 1, 2017		
10,385,000	Government of Canada	9,863,948	9,530,054	870,000	Toronto-Dominion Bank, The	870,000	851,092
	1.50% due Jun. 1, 2023				2.17% due Apr. 2, 2018		
470,000	Hospital Infrastructure Partners (NOH) Partnership	532,104	520,072	580,000	Toyota Credit Canada Inc.	579,974	570,253
	5.44% due Jan. 31, 2045				2.20% due Oct. 19, 2017		
626,000	HSBC Bank of Canada	653,504	647,966	405,000	Vancouver International Airport Authority	455,003	440,106
	3.56% due Oct. 4, 2017				4.42% due Dec. 7, 2018		
11,300,000	Institutional Mortgage Securities Canada Inc., Series 2013-3*	752,412	740,150	775,000	Vereen Inc.	793,725	795,716
	1.37% due Feb. 12, 2023				3.95% due Mar. 14, 2017		
670,000	International Business Machines Corporation	672,514	670,340	730,000	VW Credit Canada, Inc.	731,518	727,053
	2.20% due Feb. 10, 2017				2.20% due Oct. 11, 2016		
910,000	John Deere Credit Inc.	920,665	914,404	730,000	Wells Fargo Financial Canada Corporation	743,038	737,398
	2.30% due Jul. 5, 2016				2.77% due Feb. 9, 2017	511,665	495,903
450,000	Limited Brands, Inc.	482,526	483,404	510,000	3.46% due Jan. 24, 2023	64,072,920	62,443,900
	5.63% due Feb. 15, 2022						
495,000	Loblaw Companies Limited	554,177	543,172	FIXED INCOME FUNDS – 54.0%			
	6.15% due Jan. 29, 2035			32,926,211	Scotia Canadian Income Fund Series I	446,900,930	443,713,625
700,000	Master Credit Card Trust	711,307	708,341	9,708,746	Scotia Private American Core-Plus Bond Pool Series I	88,305,397	88,635,024
	2.63% due Jan. 21, 2017						

The accompanying notes are an integral part of the financial statements.

Scotia INNOVA Balanced Income Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS cont'd)				FOREIGN EQUITY FUNDS – 22.6%			
8,370,368	Scotia Private Canadian Corporate Bond Pool Series I	88,692,383	88,402,805	292,000	PowerShares Senior Loan Portfolio	7,411,544	7,581,108
7,992,166	Scotia Private High Yield Income Pool Series I	73,631,653	74,562,115	3,607,000	Scotia Private Emerging Markets Pool Series I	33,061,627	30,549,122
10,649,769	Scotia Private Short-Mid Government Bond Pool Series I	114,207,728	110,699,026	4,009,586	Scotia Private Global Equity Pool Series I	50,609,626	60,256,864
		811,738,091	806,012,595	2,088,942	Scotia Private Global Real Estate Pool Series I	25,714,916	30,641,432
				10,764,859	Scotia Private International Equity Pool Series I	99,278,462	111,916,858
				3,275,652	Scotia Private U.S. Equity Pool Series I	25,793,114	29,998,419
				4,997,515	Scotia Private U.S. Value Pool Series I	52,952,291	67,430,465
CANADIAN EQUITY FUNDS – 18.1%						294,821,580	338,374,268
3,604,631	Scotia Canadian Dividend Fund Series I	139,626,264	149,549,650				
7,528,110	Scotia Private Canadian Equity Pool Series I	82,210,454	82,688,011				
1,304,271	Scotia Private Canadian Small Cap Pool Series I	28,226,037	38,172,759				
		250,062,755	270,410,420		TOTAL INVESTMENT PORTFOLIO	1,420,695,346	1,477,241,183
					Currency Forward Contracts – 0.0%		94,978
					Futures Contracts – (0.0)%		(599,603)
					OTHER ASSETS, LESS LIABILITIES – 1.1%		17,078,257
					NET ASSETS – 100.0%		1,493,814,815

* This security is not actively traded and considered illiquid

BOND FUTURES CONTRACTS

Number of Contracts	Contract Issuer	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
30	CME Ultra Long Term U.S. Treasury Bond Future – Sep. 2013	4,636,722	4,609,929	(26,793)

CURRENCY FUTURES CONTRACTS

Number of Contracts	Settlement Date	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
115	Canadian \$ against U.S.\$ Sep. 2013	11,483,688	11,455,897	(27,791)

The above bond futures and currency futures contracts are financial agreements to purchase/sell the bond and foreign currency at a contracted price on a specific future date. However, the Fund does not intend to purchase/sell the bond and foreign currency on settlement. Rather, it intends to close out each bond futures contract and currency future contract before settlement by entering into equal, but offsetting bond futures contracts and currency future contracts.

The futures contracts outstanding at June 30, 2013 are placed with a financial institution with a minimum credit rating of AA- by Standard & Poor's.

CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Aug. 7, 2013	Canadian Dollar	3,797,529	Australian Dollar	3,857,317	3,702,550	94,978

The currency forward contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of AA- by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Bond and Debenture Instruments	4.2	4.9
Fixed Income Funds	54.0	53.5
Canadian Equity Funds	18.1	17.9
Foreign Equity Funds	22.6	22.0
Futures Contracts	0.0	0.0
Currency Forward Contracts	(0.0)	–

The accompanying notes are an integral part of the financial statements.

Scotia INNOVA Balanced Income Portfolio (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of bond and debenture instruments.

Interest Rate Exposure*	June 30, 2013	December 31, 2012
Less than 1 year	\$ –	\$ 391,667
1-3 years	2,717,274	6,959,097
3-5 years	15,844,314	23,843,593
5-10 years	40,757,937	14,059,165
> 10 years	3,124,375	12,195,279
Total	\$62,443,900	\$57,448,801

* Excludes cash, money market instruments, fixed income funds and preferred shares as applicable.

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$16,023,850, or approximately 1.1% of total Net Assets (December 31, 2012 – \$10,700,640, or approximately 0.9% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The table below indicates the currency to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
U.S. Dollar	11,265,742	0.8	3,304,677	0.3
Chile Peso	383,384	0.0	–	–
Australian Dollar	(96,888)	0.0	–	–
	11,552,238	0.8	3,304,677	0.3

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$1,155,224, or approximately 0.1% of total Net Assets, (December 31, 2012 – \$330,468, or approximately 0.0% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 40.7% (December 31, 2012 – 39.9%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$60,878,469 (December 31, 2012 – \$46,995,401). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit ratings of the bond and debenture instruments, excluding cash and money market instruments but including preferred shares, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
AAA	20.5	0.9	25.3	1.2
AA	37.3	1.6	39.2	2.0
A	23.5	1.0	20.2	1.0
BBB	15.4	0.6	11.2	0.5
BB	2.9	0.1	3.0	0.1
B	0.4	–	1.1	0.1
Total	100.0	4.2	100.0	4.9

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$10,174,049	\$ 784,476
Payable for futures contracts	599,603	273,969
	\$10,773,652	\$1,058,445

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia INNOVA Balanced Growth Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$1,556,083,098	\$1,198,552,323
Cash	12,306,253	9,607,520
Accrued investment income	7,922	6,224
Subscriptions receivable	4,359,054	2,047,951
	<u>1,572,756,327</u>	<u>1,210,214,018</u>
LIABILITIES		
Payable for securities purchased	7,800,000	—
Distributions payable	474,944	361,616
Redemptions payable	1,040,010	1,129,665
Accrued expenses	2,385,529	—
	<u>11,700,483</u>	<u>1,491,281</u>
Net Assets	<u>\$1,561,055,844</u>	<u>\$1,208,722,737</u>
NET ASSETS PER SERIES		
Series A Units	\$1,401,287,439	\$1,084,804,104
Series T Units	\$ 159,768,405	\$ 123,918,633
UNITS OUTSTANDING		
Series A Units	104,491,394	83,407,185
Series T Units	10,922,807	8,448,395
NET ASSETS PER UNIT		
Series A Units	\$ 13.41	\$ 13.01
Series T Units	\$ 14.63	\$ 14.67

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 3,762,254	\$ 2,113,459
Interest	10,293,565	8,011,751
Other income	11,134	13,208
	<u>14,066,953</u>	<u>10,138,418</u>
EXPENSES		
Management fees (note 5)	12,427,026	8,894,467
Harmonized Sales Tax/Goods and Services Tax	1,378,065	989,497
Audit fees	16,361	11,489
Independent Review Committee fees	2,416	803
Custodian fees	971	659
Filing fees	41,190	32,750
Legal fees	5,895	4,095
Unitholder reporting costs	14,265	11,971
Unitholder administration and service fees	105,312	65,406
	<u>13,991,501</u>	<u>10,011,137</u>
Net investment income (loss)	<u>75,452</u>	<u>127,281</u>
Net realized gain (loss) on investments sold	—	6,497,647
Change in unrealized appreciation (depreciation) of investments	35,200,606	20,176,645
Net gain (loss) on investments	<u>35,200,606</u>	<u>26,674,292</u>
Increase (decrease) in Net Assets from operations	<u>\$35,276,058</u>	<u>\$26,801,573</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	\$32,671,470	\$24,874,491
Series T Units	\$ 2,604,588	\$ 1,927,082
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	\$ 0.35	\$ 0.35
Series T Units	\$ 0.28	\$ 0.29

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	\$1,084,804,104	\$ 814,855,668
Series T Units	123,918,633	84,725,622
	<u>1,208,722,737</u>	<u>899,581,290</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	32,671,470	24,874,491
Series T Units	2,604,588	1,927,082
	<u>35,276,058</u>	<u>26,801,573</u>
DISTRIBUTIONS TO UNITHOLDERS		
From net investment income		
Series T Units	(3,603,952)	(2,524,543)
From realized gain		
Series A Units	30	—
	<u>(3,603,922)</u>	<u>(2,524,543)</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	348,031,182	190,919,599
Series T Units	49,991,926	30,304,942
Reinvested distributions		
Series A Units	3,175	—
Series T Units	1,166,437	976,542
Payments on redemption		
Series A Units	(64,222,522)	(64,665,746)
Series T Units	(14,309,227)	(9,209,605)
	<u>320,660,971</u>	<u>148,325,732</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	316,483,335	151,128,344
Series T Units	35,849,772	21,474,418
	<u>352,333,107</u>	<u>172,602,762</u>
NET ASSETS – END OF PERIOD		
Series A Units	1,401,287,439	965,984,012
Series T Units	159,768,405	106,200,040
	<u>\$1,561,055,844</u>	<u>\$1,072,184,052</u>

The accompanying notes are an integral part of the financial statements.

Scotia INNOVA Balanced Growth Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 35.5%			
30,831,221	Scotia Canadian Income Fund Series I	419,700,322	415,481,531
8,413,720	Scotia Private American Core-Plus Bond Pool Series I	76,358,185	76,812,213
6,689,392	Scotia Private High Yield Income Pool Series I	61,577,962	62,408,017
		<u>557,636,469</u>	<u>554,701,761</u>
CANADIAN EQUITY FUNDS – 31.1%			
4,509,969	Scotia Canadian Dividend Fund Series I	175,249,560	187,110,495
9,975,525	Scotia Private Canadian Equity Pool Series I	109,683,962	109,570,173
3,221,463	Scotia Private Canadian Growth Pool Series I	37,939,631	38,915,593
6,289,835	Scotia Private Canadian Preferred Share Pool Series I	63,325,292	62,114,005
2,975,391	Scotia Private Canadian Small Cap Pool Series I	63,404,038	87,082,268
		<u>449,602,483</u>	<u>484,792,534</u>
FOREIGN EQUITY FUNDS – 33.1%			
5,633,982	Scotia Private Emerging Markets Pool Series I	52,367,872	47,716,446
6,239,807	Scotia Private Global Equity Pool Series I	78,362,562	93,773,071
3,268,711	Scotia Private Global Real Estate Pool Series I	40,052,500	47,946,760
17,205,393	Scotia Private International Equity Pool Series I	159,050,150	178,875,872
4,225,057	Scotia Private U.S. Equity Pool Series I	33,087,378	38,693,070
1,615,959	Scotia Private U.S. Mid Cap Growth Pool Series I	26,713,637	31,700,433
5,772,201	Scotia Private U.S. Value Pool Series I	59,632,392	77,883,151
		<u>449,266,491</u>	<u>516,588,803</u>
TOTAL INVESTMENT PORTFOLIO		<u>1,456,505,443</u>	<u>1,556,083,098</u>
OTHER ASSETS, LESS LIABILITIES – 0.3%			<u>4,972,746</u>
NET ASSETS – 100.0%			<u>1,561,055,844</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	35.5	39.3
Canadian Equity Funds	31.1	26.9
Foreign Equity Funds	33.1	33.0

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest Rate Risk (note 3)

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$11,061,716, or approximately 0.7% of total Net Assets (December 31, 2012 – \$7,047,108, or approximately 0.6% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency Risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit Risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 64.2% (December 31, 2012 – 59.9%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$100,138,134 (December 31, 2012 – \$72,356,465). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$11,700,483	\$1,491,281

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia INNOVA Growth Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$705,838,822	\$530,674,308
Cash	6,001,902	4,002,877
Accrued investment income	3,566	2,895
Subscriptions receivable	1,722,491	706,157
	<u>713,566,781</u>	<u>535,386,237</u>
LIABILITIES		
Payable for securities purchased	3,900,000	—
Distributions payable	—	3,041
Redemptions payable	328,335	227,682
Accrued expenses	1,130,734	—
	<u>5,359,069</u>	<u>230,723</u>
Net Assets	<u>\$708,207,712</u>	<u>\$535,155,514</u>
NET ASSETS PER SERIES		
Series A Units	<u>\$708,207,712</u>	<u>\$535,155,514</u>
UNITS OUTSTANDING		
Series A Units	<u>49,930,897</u>	<u>39,395,201</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 14.18</u>	<u>\$ 13.58</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	<u>\$535,155,514</u>	<u>\$404,135,555</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>23,792,752</u>	<u>11,672,494</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	181,421,954	85,437,347
Payments on redemption		
Series A Units	(32,162,508)	(29,148,254)
	<u>149,259,446</u>	<u>56,289,093</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	<u>173,052,198</u>	<u>67,961,587</u>
NET ASSETS – END OF PERIOD		
Series A Units	<u>\$708,207,712</u>	<u>\$472,097,142</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 1,558,873	\$ 902,381
Interest	2,876,695	2,279,627
Other income	4,311	1,783
	<u>4,439,879</u>	<u>3,183,791</u>
EXPENSES		
Management fees (note 5)	5,897,083	4,191,231
Harmonized Sales Tax/Goods and Services Tax	612,353	455,457
Audit fees	7,370	5,946
Independent Review Committee fees	1,086	363
Custodian fees	717	587
Filing fees	21,235	18,429
Legal fees	2,652	2,048
Unitholder reporting costs	7,598	7,137
Unitholder administration and service fees	47,844	31,318
Overdraft charges	283	—
	<u>6,598,221</u>	<u>4,712,516</u>
Net investment income (loss)	<u>(2,158,342)</u>	<u>(1,528,725)</u>
Net realized gain (loss) on investments sold	278,021	1,947,239
Change in unrealized appreciation (depreciation) of investments	25,673,073	11,253,980
Net gain (loss) on investments	<u>25,951,094</u>	<u>13,201,219</u>
Increase (decrease) in Net Assets from operations	<u>\$23,792,752</u>	<u>\$11,672,494</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>\$23,792,752</u>	<u>\$11,672,494</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	<u>\$ 0.53</u>	<u>\$ 0.34</u>

The accompanying notes are an integral part of the financial statements.

Scotia INNOVA Growth Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 21.7%			
7,766,054	Scotia Canadian Income Fund Series I	105,413,538	104,655,337
3,047,787	Scotia Private American Core-Plus Bond Pool Series I	27,870,986	27,824,465
2,261,918	Scotia Private High Yield Income Pool Series I	20,840,810	21,102,338
		154,125,334	153,582,140
CANADIAN EQUITY FUNDS – 36.5%			
2,038,144	Scotia Canadian Dividend Fund Series I	79,651,441	84,558,911
5,148,506	Scotia Private Canadian Equity Pool Series I	56,529,990	56,550,678
2,911,538	Scotia Private Canadian Growth Pool Series I	34,375,568	35,171,665
2,134,637	Scotia Private Canadian Preferred Share Pool Series I	21,502,157	21,080,181
2,080,964	Scotia Private Canadian Small Cap Pool Series I	45,806,072	60,904,622
		237,865,228	258,266,057
FOREIGN EQUITY FUNDS – 41.5%			
3,395,728	Scotia Private Emerging Markets Pool Series I	31,571,853	28,759,779
3,531,017	Scotia Private Global Equity Pool Series I	44,417,935	53,064,825
1,972,151	Scotia Private Global Real Estate Pool Series I	23,997,415	28,928,297
9,481,475	Scotia Private International Equity Pool Series I	88,009,411	98,574,153
2,292,355	Scotia Private U.S. Equity Pool Series I	18,030,654	20,993,390
909,545	Scotia Private U.S. Mid Cap Growth Pool Series I	15,003,972	17,842,633
3,396,445	Scotia Private U.S. Value Pool Series I	35,038,454	45,827,548
		256,069,694	293,990,625
TOTAL INVESTMENT PORTFOLIO		648,060,256	705,838,822
OTHER ASSETS, LESS LIABILITIES – 0.3%			2,368,890
NET ASSETS – 100.0%			708,207,712

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	21.7	24.6
Canadian Equity Funds	36.5	33.3
Foreign Equity Funds	41.5	41.3

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest Rate Risk (note 3)

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$2,959,749, or approximately 0.4% of total Net Assets (December 31, 2012 – \$1,860,951, or approximately 0.3% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency Risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit Risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 78.0% (December 31, 2012 – 74.6%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$55,225,668 (December 31, 2012 – \$39,903,143). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$5,359,069	\$230,723

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia INNOVA Maximum Growth Portfolio (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$162,286,141	\$116,594,382
Cash	1,387,578	866,144
Accrued investment income	865	582
Subscriptions receivable	577,652	97,098
	<u>164,252,236</u>	<u>117,558,206</u>
LIABILITIES		
Payable for securities purchased	930,000	—
Redemptions payable	217,809	81,236
Accrued expenses	272,283	—
	<u>1,420,092</u>	<u>81,236</u>
Net Assets	<u>\$162,832,144</u>	<u>\$117,476,970</u>
NET ASSETS PER SERIES		
Series A Units	<u>\$162,832,144</u>	<u>\$117,476,970</u>
UNITS OUTSTANDING		
Series A Units	<u>11,003,971</u>	<u>8,482,936</u>
NET ASSETS PER UNIT		
Series A Units	<u>\$ 14.80</u>	<u>\$ 13.85</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series A Units	<u>\$117,476,970</u>	<u>\$ 87,757,605</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>8,418,411</u>	<u>2,581,800</u>
UNIT TRANSACTIONS		
Proceeds from issue		
Series A Units	44,609,633	21,613,375
Payments on redemption		
Series A Units	(7,672,870)	(7,460,700)
	<u>36,936,763</u>	<u>14,152,675</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Units	<u>45,355,174</u>	<u>16,734,475</u>
NET ASSETS – END OF PERIOD		
Series A Units	<u>\$162,832,144</u>	<u>\$104,492,080</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Dividends	\$ 328,375	\$ 230,898
Interest	7,989	4,106
Other income	672	1,036
	<u>337,036</u>	<u>236,040</u>
EXPENSES		
Management fees (note 5)	1,390,264	976,774
Harmonized Sales Tax/Goods and Services Tax	138,455	102,186
Audit fees	1,678	2,215
Independent Review Committee fees	243	82
Custodian fees	616	642
Filing fees	8,995	8,895
Legal fees	595	875
Unitholder reporting costs	3,425	3,973
Unitholder administration and service fees	11,213	9,413
	<u>1,555,484</u>	<u>1,105,055</u>
Net investment income (loss)	<u>(1,218,448)</u>	<u>(869,015)</u>
Net realized gain (loss) on investments sold	48,473	8,830
Change in unrealized appreciation (depreciation) of investments	9,588,386	3,441,985
Net gain (loss) on investments	<u>9,636,859</u>	<u>3,450,815</u>
Increase (decrease) in Net Assets from operations	<u>\$ 8,418,411</u>	<u>\$2,581,800</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Units	<u>\$ 8,418,411</u>	<u>\$2,581,800</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series A Units	<u>\$ 0.87</u>	<u>\$ 0.34</u>

The accompanying notes are an integral part of the financial statements.

Scotia INNOVA Maximum Growth Portfolio (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
CANADIAN EQUITY FUNDS – 45.4%			
602,884	Scotia Canadian Dividend Fund Series I	23,710,700	25,012,581
963,463	Scotia Private Canadian Equity Pool Series I	10,650,340	10,582,583
1,467,554	Scotia Private Canadian Growth Pool Series I	17,299,793	17,728,205
703,959	Scotia Private Canadian Small Cap Pool Series I	16,017,931	20,603,123
		<u>67,678,764</u>	<u>73,926,492</u>
FOREIGN EQUITY FUNDS – 54.3%			
971,871	Scotia Private Emerging Markets Pool Series I	9,053,635	8,231,161
1,076,433	Scotia Private Global Equity Pool Series I	13,634,732	16,176,846
558,454	Scotia Private Global Real Estate Pool Series I	6,863,329	8,191,630
2,875,121	Scotia Private International Equity Pool Series I	26,876,073	29,891,192
700,060	Scotia Private U.S. Equity Pool Series I	5,552,866	6,411,148
292,551	Scotia Private U.S. Mid Cap Growth Pool Series I	4,863,272	5,738,993
1,016,741	Scotia Private U.S. Value Pool Series I	10,635,138	13,718,679
		<u>77,479,045</u>	<u>88,359,649</u>
	TOTAL INVESTMENT PORTFOLIO	<u>145,157,809</u>	<u>162,286,141</u>
	OTHER ASSETS, LESS LIABILITIES – 0.3%		546,003
	NET ASSETS – 100.0%		<u>162,832,144</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equity Funds	45.4	45.0
Foreign Equity Funds	54.3	54.2

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.7% (December 31, 2012 – 99.2%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$16,228,614 (December 31, 2012 – \$11,659,438). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Portfolio's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$1,420,092	\$81,236

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Short Term Yield Class (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$150,720	\$150,953
Cash	1,038	—
Accrued investment income	167	—
	<u>151,925</u>	<u>150,953</u>
LIABILITIES		
Accrued expenses	40	—
Bank indebtedness	—	2
	<u>40</u>	<u>2</u>
Net Assets	<u>\$151,885</u>	<u>\$150,951</u>
NET ASSETS PER SERIES		
Series M Shares	<u>\$151,885</u>	<u>\$150,951</u>
SHARES OUTSTANDING		
Series M Shares	<u>15,068</u>	<u>15,000</u>
NET ASSETS PER SHARE		
Series M Shares	<u>\$ 10.08</u>	<u>\$ 10.06</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012*
INVESTMENT INCOME		
Interest	<u>\$1,032</u>	<u>\$ 105</u>
EXPENSES		
Management fees (note 5)	51	8
Administration fees (note 6)	36	1
Harmonized Sales Tax/Goods and Services Tax	13	2
Independent review committee fees	—	—
	<u>100</u>	<u>11</u>
Net investment income (loss)	<u>932</u>	<u>94</u>
Change in unrealized appreciation (depreciation) of investments	<u>2</u>	<u>—</u>
Net gain (loss) on investments	<u>2</u>	<u>—</u>
Increase (decrease) in Net Assets from operations	<u>\$ 934</u>	<u>\$ 94</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series M Shares	<u>\$ 934</u>	<u>\$ 94</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SHARE		
Series M Shares	<u>\$ 0.06</u>	<u>\$0.01</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012*
NET ASSETS – BEGINNING OF PERIOD		
Series M Shares	<u>150,951</u>	<u>—</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series M Shares	<u>934</u>	<u>94</u>
DISTRIBUTIONS TO SHAREHOLDERS		
From realized gain		
Series M Shares	<u>(679)</u>	<u>—</u>
CAPITAL SHARE TRANSACTIONS		
Proceeds from issue		
Series M Shares	<u>—</u>	<u>150,000</u>
Reinvested distributions		
Series M Shares	<u>679</u>	<u>—</u>
	<u>679</u>	<u>150,000</u>
INCREASE (DECREASE) IN NET ASSETS		
Series M Shares	<u>934</u>	<u>150,094</u>
NET ASSETS – END OF PERIOD		
Series M Shares	<u>\$151,885</u>	<u>\$150,094</u>

* Fund's inception date was May 18, 2012.

Scotia Short Term Yield Class (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
CASH EQUIVALENT FUND – 99.2%			
15,072	Scotia Money Market Fund Series I	150,720	150,720
TOTAL INVESTMENT PORTFOLIO		150,720	150,720
OTHER ASSETS, LESS LIABILITIES – 0.8%			1,165
NET ASSETS – 100.0%			151,885

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Cash Equivalent Fund	99.2	100.0

SUMMARY OF INVESTMENT PORTFOLIO OF THE UNDERLYING FUND

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Treasury Bills	1.5	–
Promissory Notes	0.1	–
Bankers' Acceptances	6.8	7.8
Bearers' Deposit Notes	–	2.3
Commercial Paper	24.5	25
Short-Term Bonds	67.1	64.8

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.2% (December 31, 2012 – 100.0%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$15,072 (December 31, 2012 – \$15,095). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the Fund's indirect proportional exposure to the underlying fund's investments in the preferred shares, bond and debenture instruments, excluding cash and money market instruments.

	June 30, 2013		December 31, 2012	
	Indirect Proportional Percentage of Total Money Market Instruments (%)	Indirect Proportional Percentage of Net Assets (%)	Indirect Proportional Percentage of Total Money Market Instruments (%)	Indirect Proportional Percentage of Net Assets (%)
Short-Term Rating				
R1-High	9.3	9.3	18.4	18.4
R1-Middle	9.7	9.7	5.3	5.3
R1-Low	10.4	10.4	11.4	11.4
Unrated	3.4	3.4		
Bond Credit Rating				
AAA	2.0	2.0	13.1	13.1
AA	32.6	32.7	25.5	25.5
A	32.6	32.5	26.3	26.2
Total	100.0	100.0	100.0	99.9

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$40	\$2

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Conservative Government Bond Capital Yield Class (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$84,828,049	\$74,615,255
Cash	—	7,977,290
Accrued investment income	1	1,704
Receivable for securities sold	300,000	—
Subscriptions receivable	—	322,059
	<u>85,128,050</u>	<u>82,916,308</u>
LIABILITIES		
Bank indebtedness	191,088	—
Redemptions payable	164,124	5,900
Accrued expenses	43,463	—
	<u>398,675</u>	<u>5,900</u>
Net Assets	<u>\$84,729,375</u>	<u>\$82,910,408</u>
NET ASSETS PER SERIES		
Series A Shares	\$36,352,245	\$47,865,204
Series M Shares	\$48,377,130	\$35,045,204
SHARES OUTSTANDING		
Series A Shares	3,671,586	4,728,572
Series M Shares	4,875,233	3,480,599
NET ASSETS PER SHARE		
Series A Shares	\$ 9.90	\$ 10.12
Series M Shares	\$ 9.92	\$ 10.07

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012*
INVESTMENT INCOME		
Interest	\$ 3,964	14,920
Other income	694	—
	<u>4,658</u>	<u>14,920</u>
EXPENSES		
Management fees (note 5)	246,817	2,854
Administration fees (note 6)	32,102	258
Harmonized Sales Tax/Goods and Services Tax	32,987	406
Independent Review Committee fees	151	1
Overdraft charges	3,155	—
	<u>315,212</u>	<u>3,519</u>
Net investment income (loss)	<u>(310,554)</u>	<u>11,401</u>
Net realized gain (loss) on investments sold	55,360	873
Change in unrealized appreciation (depreciation) of investments	<u>(880,413)</u>	<u>(222)</u>
Net gain (loss) on investments	<u>(825,053)</u>	<u>651</u>
Increase (decrease) in Net Assets from operations	<u>\$(1,135,607)</u>	<u>\$12,052</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Shares	\$ (620,889)	\$12,052
Series M Shares	\$ (514,718)	\$ —
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SHARE		
Series A Shares	\$ (0.15)	\$ 0.03
Series M Shares	\$ (0.11)	\$ —

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012*
NET ASSETS – BEGINNING OF PERIOD		
Series A Shares	\$ 47,865,204	\$ —
Series M Shares	35,045,204	—
	<u>82,910,408</u>	<u>—</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Shares	(620,889)	12,052
Series M Shares	(514,718)	—
	<u>(1,135,607)</u>	<u>12,052</u>
DISTRIBUTIONS TO SHAREHOLDERS		
From realized gain		
Series A Shares	(215,272)	—
Series M Shares	(157,618)	—
	<u>(372,890)</u>	<u>—</u>
CAPITAL SHARE TRANSACTIONS		
Proceeds from issue		
Series A Shares	1,512,417	5,898,499
Series M Shares	18,505,132	—
Reinvested distributions		
Series A Shares	200,375	—
Series M Shares	157,618	—
Payments on redemption		
Series A Shares	(12,389,590)	—
Series M Shares	(4,658,488)	—
	<u>3,327,464</u>	<u>5,898,499</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Shares	(11,512,959)	5,910,551
Series M Shares	13,331,926	—
	<u>1,818,967</u>	<u>5,910,551</u>
NET ASSETS – END OF PERIOD		
Series A Shares	36,352,245	5,910,551
Series M Shares	48,377,130	—
	<u>\$ 84,729,375</u>	<u>\$5,910,551</u>

* Fund's inception date was May 18, 2012.

Scotia Conservative Government Bond Capital Yield Class (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUND – 100.1%			
8,514,051	Scotia Conservative Government Bond LP Series I	85,582,617	84,828,049
	TOTAL INVESTMENT PORTFOLIO	85,582,617	84,828,049
	OTHER ASSETS, LESS LIABILITIES – (0.1)%		(98,674)
	NET ASSETS – 100.0%		84,729,375

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Fund	100.1	90.0

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

The Fund invests in units of the Scotia Conservative Government Bond LP Series I, which indirectly invests in units of the Scotia Private Short-Mid Government Bond Pool Series I (the “Reference Fund”) through the use of forward contracts. As a result, the Fund is indirectly exposed to the financial instrument risks of the Reference Fund.

Interest rate risk (note 3)

The table below summarizes the Reference Fund’s exposure to interest rate risk by the remaining term to maturity of its bond and debenture instruments. The Fund is indirectly exposed to its proportional share of the interest rate risk of the Reference Fund.

Interest Rate Exposure*	June 30, 2013	December 31, 2012
Less than 1 year	\$ –	\$ –
1-3 years	360,840,589	199,655,550
3-5 years	217,009,358	183,436,959
5-10 years	807,081,272	834,116,586
> 10 years	–	–
Total	\$1,384,931,219	\$1,217,209,095

* Excludes cash, money market instruments and preferred shares as applicable.

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$1,222,915, or approximately 1.4% of total Net Assets (December 31, 2012 – \$988,152, or approximately 1.2% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the Fund’s indirect exposure to credit ratings of the preferred shares, bond and debenture instruments, excluding cash and money market instruments, held by the Reference Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
AAA	67.3	67.0	62.2	61.4
AA	18.2	18.1	24.6	24.3
A	14.5	14.5	13.2	13.0
Total	100.0	99.6	100.0	98.7

The Fund is indirectly exposed to credit risk associated with TD Global Finance (the Counterparty) through forward contracts held by the underlying fund. The Counterparty has a credit rating of AA- by Standard and Poor’s.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund’s financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$398,675	\$5,900

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund’s financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Canadian Corporate Bond Capital Yield Class (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$95,659,309	\$58,715,319
Cash	10,657	3,729,623
Accrued investment income	—	998
Receivable for securities sold	53,000	—
Subscriptions receivable	—	112,692
	<u>95,722,966</u>	<u>62,558,632</u>
LIABILITIES		
Redemptions payable	50,000	10,003
Accrued expenses	12,807	—
	<u>62,807</u>	<u>10,003</u>
Net Assets	<u>\$95,660,159</u>	<u>\$62,548,629</u>
NET ASSETS PER SERIES		
Series M Shares	<u>\$95,660,159</u>	<u>\$62,548,629</u>
SHARES OUTSTANDING		
Series M Shares	<u>9,438,671</u>	<u>6,111,711</u>
NET ASSETS PER SHARE		
Series M Shares	<u>\$ 10.13</u>	<u>\$ 10.23</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012*
INVESTMENT INCOME		
Interest	\$ 57,813	\$ 761
EXPENSES		
Management fees (note 5)	43,254	10
Administration fees (note 6)	36,294	2
Harmonized Sales Tax/Goods and Services Tax	9,900	2
Independent Review Committee fees	155	—
Overdraft charges	289	—
	<u>89,892</u>	<u>14</u>
Net investment income (loss)	<u>(32,079)</u>	<u>747</u>
Net realized gain (loss) on investments sold	21,095	—
Change in unrealized appreciation (depreciation) of investments	(674,873)	(641)
Net gain (loss) on investments	<u>(653,778)</u>	<u>(641)</u>
Increase (decrease) in Net Assets from operations	<u>\$(685,857)</u>	<u>\$ 106</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series M Shares	<u>\$(685,857)</u>	<u>\$ 106</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SHARE		
Series M Shares	<u>\$ (0.08)</u>	<u>\$0.01</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012*
NET ASSETS – BEGINNING OF PERIOD		
Series M Shares	<u>\$62,548,629</u>	<u>\$ —</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series M Shares	<u>(685,857)</u>	<u>106</u>
DISTRIBUTIONS TO SHAREHOLDERS		
From realized gain		
Series M Shares	<u>(281,309)</u>	<u>—</u>
CAPITAL SHARE TRANSACTIONS		
Proceeds from issue		
Series M Shares	39,259,405	205,590
Reinvested distributions		
Series M Shares	281,309	—
Payments on redemption		
Series M Shares	<u>(5,462,018)</u>	<u>—</u>
	<u>34,078,696</u>	<u>205,590</u>
INCREASE (DECREASE) IN NET ASSETS		
Series M Shares	<u>33,111,530</u>	<u>205,696</u>
NET ASSETS – END OF PERIOD		
Series M Shares	<u>\$95,660,159</u>	<u>\$205,696</u>

* Fund's inception date was May 18, 2012.

Scotia Canadian Corporate Bond Capital Yield Class (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 100.0%			
9,161,622	Scotia Canadian Corporate Bond LP Series I	92,879,557	92,998,706
251,918	Scotia Private Canadian Corporate Bond Pool Series I	2,831,363	2,660,603
	TOTAL INVESTMENT PORTFOLIO	95,710,920	95,659,309
	OTHER ASSETS, LESS LIABILITIES – 0.0%		850
	NET ASSETS – 100.0%		95,660,159

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	100.0	93.9

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

The Fund invests in units of the Scotia Canadian Corporate Bond LP Series I, which indirectly invests in units of the Scotia Private Canadian Corporate Bond Pool Series I (the “Reference Fund”) through the use of forward contracts. As a result, the Fund is indirectly exposed to the financial instrument risks of the Reference Fund.

Interest rate risk (note 3)

The table below summarizes the Reference Fund’s exposure to interest rate risk by the remaining term to maturity of its bond and debenture instruments. The Fund is indirectly exposed to its proportional share of the interest rate risk of the Reference Fund.

Interest Rate Exposure*	June 30, 2013	December 31, 2012
Less than 1 year	\$ –	\$ –
1-3 years	333,208,896	178,862,025
3-5 years	1,080,738,476	1,075,765,592
5-10 years	1,692,330,062	1,659,604,698
> 10 years	140,850,222	–
Total	\$3,247,127,656	\$2,914,232,315

* Excludes cash, money market instruments and preferred shares as applicable.

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$1,383,156, or approximately 1.4% of total Net Assets (December 31, 2012 – \$718,842, or approximately 1.1% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the Fund’s indirect exposure to credit ratings of the preferred shares, bond and debenture instruments, excluding cash and money market instruments, held by the Reference Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
AAA	14.2	14.0	10.9	10.8
AA	27.0	26.6	26.5	26.1
A	44.9	44.3	47.6	47.1
BBB	13.9	13.8	15.0	14.8
Total	100.0	98.7	100.0	98.8

The Fund is indirectly exposed to credit risk associated with TD Global Finance (the Counterparty) through forward contracts held by the underlying fund. The Counterparty has a credit rating of AA- by Standard and Poor’s.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund’s financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$62,807	\$10,003

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund’s financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Fixed Income Blend Class (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$4,701,038	\$1,042,613
Cash	14,846	218,865
Accrued investment income	13	140
Subscriptions receivable	—	40,250
	<u>4,715,897</u>	<u>1,301,868</u>
LIABILITIES		
Accrued expenses	5,631	—
Net Assets	<u>\$4,710,266</u>	<u>\$1,301,868</u>
NET ASSETS PER SERIES		
Series A Shares	<u>\$4,710,266</u>	<u>\$1,301,868</u>
SHARES OUTSTANDING		
Series A Shares	<u>481,066</u>	<u>130,216</u>
NET ASSETS PER SHARE		
Series A Shares	<u>\$ 9.79</u>	<u>\$ 10.00</u>

STATEMENT OF OPERATIONS

For the six month period ended June 30*,

	2013*
INVESTMENT INCOME	
Dividends	\$ 622
Interest	26,638
Other income	128
	<u>27,388</u>
EXPENSES	
Management fees (note 5)	25,118
Administration fees (note 6)	2,009
Harmonized Sales Tax/Goods and Services Tax	3,168
Independent Review Committee fees	7
Overdraft charges	15
	<u>30,317</u>
Net investment income (loss)	<u>(2,929)</u>
Net realized gain (loss) on investments sold	(4,270)
Change in unrealized appreciation (depreciation) of investments	(85,297)
Net gain (loss) on investments	<u>(89,567)</u>
Increase (decrease) in Net Assets from operations	<u>\$(92,496)</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	
Series A Shares	<u>\$(92,496)</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SHARE	
Series A Shares	<u>\$ (0.23)</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month period ended June 30*,

	2013*
NET ASSETS – BEGINNING OF PERIOD	
Series A Shares	<u>\$1,301,868</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	
Series A Shares	<u>(92,496)</u>
DISTRIBUTIONS TO SHAREHOLDERS	
From realized gain	
Series A Shares	<u>(5,855)</u>
CAPITAL SHARE TRANSACTIONS	
Proceeds from issue	
Series A Shares	4,012,809
Reinvested distributions	
Series A Shares	5,838
Payments on redemption	
Series A Shares	<u>(511,898)</u>
	<u>3,506,749</u>
INCREASE (DECREASE) IN NET ASSETS	
Series A Shares	<u>3,408,398</u>
NET ASSETS – END OF PERIOD	
Series A Shares	<u>\$4,710,266</u>

* Fund's inception date was November 19, 2012. Accordingly, there were no comparative figures shown.

Scotia Fixed Income Blend Class (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 99.8%			
62,728	Scotia Canadian Corporate Bond LP Series I	641,287	636,741
16,641	Scotia Canadian Income Fund Series I	233,929	224,250
211,409	Scotia Canadian Income LP Series I	2,151,188	2,117,111
63,920	Scotia Conservative Government Bond LP Series I	643,263	636,851
51,560	Scotia Private American Core-Plus Bond Pool Series I	486,312	470,716
6,482	Scotia Private Canadian Corporate Bond Pool Series I	70,803	68,464
51,044	Scotia Private High Yield Income Pool Series I	486,280	476,209
6,801	Scotia Private Short-Mid Government Bond Pool Series I	72,660	70,696
	TOTAL INVESTMENT PORTFOLIO	4,785,722	4,701,038
	OTHER ASSETS, LESS LIABILITIES – 0.2%		9,228
	NET ASSETS – 100.0%		4,710,266

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	99.8	80.1

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$84,449, or approximately 1.8% of total Net Assets (December 31, 2012 – \$16,847, or approximately 1.3% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Liquidity risk (note 3)

As at December 31, 2012, the Fund did not have any financial liabilities with maturities greater than 3 months.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$5,631	\$ –

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Canadian Dividend Class (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$52,652,006	\$26,731,162
Cash	218,264	419,042
Accrued investment income	156	139
Subscriptions receivable	503,202	142,255
	<u>53,373,628</u>	<u>27,292,598</u>
LIABILITIES		
Payable for securities purchased	585,300	537,000
Redemptions payable	93,234	3,315
Accrued expenses	42,473	23,397
	<u>721,007</u>	<u>563,712</u>
Net Assets	<u>\$52,652,621</u>	<u>\$26,728,886</u>
NET ASSETS PER SERIES		
Series A Shares	\$29,634,599	\$15,409,522
Series M Shares	\$23,018,022	\$11,319,364
SHARES OUTSTANDING		
Series A Shares	2,692,969	1,462,770
Series M Shares	2,095,246	1,084,818
NET ASSETS PER SHARE		
Series A Shares	\$ 11.00	\$ 10.53
Series M Shares	\$ 10.99	\$ 10.43

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012*
INVESTMENT INCOME		
Dividends	\$ 663,662	\$ 9,939
Interest	1,347	72
Other income	251	—
	<u>665,260</u>	<u>10,011</u>
EXPENSES		
Management fees (note 5)	178,872	841
Administration fees (note 6)	18,438	56
Harmonized Sales Tax/Goods and Services Tax	21,566	118
Independent Review Committee fees	68	0
Overdraft charges	97	—
	<u>219,041</u>	<u>1,015</u>
Net investment income (loss)	<u>446,219</u>	<u>8,996</u>
Net realized gain (loss) on investments sold	50,638	—
Change in unrealized appreciation (depreciation) of investments	967,603	11,168
Net gain (loss) on investments	<u>1,018,241</u>	<u>11,168</u>
Increase (decrease) in Net Assets from operations	<u>\$1,464,460</u>	<u>\$20,164</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Shares	\$ 733,961	\$20,164
Series M Shares	\$ 730,499	\$ —
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SHARE		
Series A Shares	\$ 0.35	\$ 0.29
Series M Shares	\$ 0.43	\$ —

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012*
NET ASSETS – BEGINNING OF PERIOD		
Series A Shares	\$15,409,522	\$ —
Series M Shares	11,319,364	—
	<u>26,728,886</u>	<u>—</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Shares	733,961	20,164
Series M Shares	730,499	—
	<u>1,464,460</u>	<u>20,164</u>
DISTRIBUTIONS TO SHAREHOLDERS		
From realized gain		
Series A Shares	(69,305)	—
Series M Shares	(50,910)	—
	<u>(120,215)</u>	<u>—</u>
CAPITAL SHARE TRANSACTIONS		
Proceeds from issue		
Series A Shares	14,635,341	1,431,503
Series M Shares	12,795,237	—
Reinvested distributions		
Series A Shares	68,778	—
Series M Shares	50,910	—
Payments on redemption		
Series A Shares	(1,143,698)	—
Series M Shares	(1,827,078)	—
	<u>24,579,490</u>	<u>1,431,503</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Shares	14,225,077	1,451,667
Series M Shares	11,698,658	—
	<u>25,923,735</u>	<u>1,451,667</u>
NET ASSETS – END OF PERIOD		
Series A Shares	29,634,599	1,451,667
Series M Shares	23,018,022	—
	<u>\$52,652,621</u>	<u>\$1,451,667</u>

* Fund's inception date was May 18, 2012.

The accompanying notes are an integral part of the financial statements.

Scotia Canadian Dividend Class (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
CANADIAN EQUITY FUND – 100.0%			
1,269,084	Scotia Canadian Dividend Fund Series I	50,998,369	52,652,006
	TOTAL INVESTMENT PORTFOLIO	50,998,369	52,652,006
	OTHER ASSETS, LESS LIABILITIES – 0.0%		615
	NET ASSETS – 100.0%		52,652,621

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equity Fund	100.0	100.0

SUMMARY OF INVESTMENT PORTFOLIO OF THE UNDERLYING FUND

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equities		
Energy	19.8	23.7
Materials	1.9	2.0
Industrials	2.9	2.9
Consumer Discretionary	1.9	1.7
Consumer Staples	2.7	1.4
Financials	23.8	24.5
Telecommunication Services	6.7	5.8
Utilities	1.9	1.7
United States Equities		
Materials	1.6	–
Energy	–	0.9
Industrials	3.7	–
Consumer Discretionary	8.2	9.5
Consumer Staples	–	1.5
Health Care	1.6	1.5
Financials	3.1	2.9
Information Technology	4.1	2.7
Telecommunication Services	1.0	1.8
Utilities	5.8	7.1
Currency Forward Contracts	(0.6)	(0.1)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currency to which the Fund had significant indirect exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the underlying fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Indirect Proportional Currency Exposure (\$)	Indirect Percentage of Net Assets (%)	Net Indirect Proportional Currency Exposure (\$)	Indirect Percentage of Net Assets (%)
U.S. Dollar	7,792,588	14.8	3,448,026	12.9

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$779,259, or approximately 1.5% of total Net Assets, (December 31, 2012 – \$344,803, or approximately 1.3% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 100.0% (December 31, 2012 – 100.0%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$5,265,201 (December 31, 2012 – \$2,673,116). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$721,007	\$563,712

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Canadian Equity Blend Class (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$443,866	\$162,982
Cash	5,623	28,051
Accrued investment income	4	109
Subscriptions receivable	100	10,420
	<u>449,593</u>	<u>201,562</u>
LIABILITIES		
Accrued expenses	766	—
Net Assets	<u>\$448,827</u>	<u>\$201,562</u>
NET ASSETS PER SERIES		
Series A Shares	<u>\$448,827</u>	<u>\$201,562</u>
SHARES OUTSTANDING		
Series A Shares	<u>41,302</u>	<u>20,120</u>
NET ASSETS PER SHARE		
Series A Shares	<u>\$ 10.87</u>	<u>\$ 10.02</u>

STATEMENT OF OPERATIONS

For the six month period ended June 30*,

	2013
INVESTMENT INCOME	
Interest	<u>\$ 4,053</u>
EXPENSES	
Management fees (note 5)	3,369
Administration fees (note 6)	269
Harmonized Sales Tax/Goods and Services Tax	443
Independent Review Committee fees	—
	<u>4,081</u>
Net investment income (loss)	<u>(28)</u>
Net realized gain (loss) on investments sold	—
Change in unrealized appreciation (depreciation) of investments	<u>27,536</u>
Net gain (loss) on investments	<u>27,536</u>
Increase (decrease) in Net Assets from operations	<u>\$27,508</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	
Series A Shares	<u>\$27,508</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SHARE	
Series A Shares	<u>\$ 0.80</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month period ended June 30*,

	2013
NET ASSETS – BEGINNING OF PERIOD	
Series A Shares	<u>\$201,562</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	
Series A Shares	<u>27,508</u>
DISTRIBUTIONS TO SHAREHOLDERS	
From realized gain	
Series A Shares	<u>(907)</u>
CAPITAL SHARE TRANSACTIONS	
Proceeds from issue	
Series A Shares	219,757
Reinvested distributions	
Series A Shares	<u>907</u>
	<u>220,664</u>
INCREASE (DECREASE) IN NET ASSETS	
Series A Shares	<u>247,265</u>
NET ASSETS – END OF PERIOD	
Series A Shares	<u>\$448,827</u>

* Fund's inception date was November 19, 2012. Accordingly, there were no comparative figures shown.

Scotia Canadian Equity Blend Class (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
CANADIAN EQUITY FUNDS – 98.9%			
8,638	CI Cambridge Canadian Equity Corporate Class I	117,327	133,453
11,492	Dynamic Dividend Advantage Fund Series O	83,854	87,687
6,478	Dynamic Small Business Fund Series O	88,579	88,616
3,089	Scotia Canadian Blue Chip Fund Series I	84,611	88,225
1,568	Scotia Private Canadian Small Cap Pool Series I	41,350	45,885
	TOTAL INVESTMENT PORTFOLIO	415,721	443,866
	OTHER ASSETS, LESS LIABILITIES – 1.1%		4,961
	NET ASSETS – 100.0%		448,827

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equity Funds	98.9	80.9

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund could be exposed to indirect interest rate risk to the extent that the underlying funds invested in interest-bearing financial instruments.

Credit risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Currency risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 98.9% (December 31, 2012 – 80.9%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$44,387 (December 31, 2012 – \$16,298). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

As at December 31, 2012, the Fund did not have any financial liabilities with maturities greater than 3 months.

	June 30, 2013
	Less than 3 months
Accounts payable and accrued liabilities	\$766

As at December 31, 2012, the Fund did not have any financial liabilities with maturities greater than 3 months.

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Private Canadian Equity Class (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$5,002,317	\$2,354,260
Cash	1,190	100,141
Accrued investment income	1	4
Subscriptions receivable	—	45,027
	<u>5,003,508</u>	<u>2,499,432</u>
LIABILITIES		
Payable for securities purchased	—	144,500
Accrued expenses	892	—
	<u>892</u>	<u>144,500</u>
Net Assets	<u>\$5,002,616</u>	<u>\$2,354,932</u>
NET ASSETS PER SERIES		
Series M Shares	<u>\$5,002,616</u>	<u>\$2,354,932</u>
SHARES OUTSTANDING		
Series M Shares	<u>468,514</u>	<u>219,181</u>
NET ASSETS PER SHARE		
Series M Shares	<u>\$ 10.68</u>	<u>\$ 10.74</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012
INVESTMENT INCOME		
Interest	\$ 100	\$ 70
EXPENSES		
Management fees (note 5)	1,965	9
Administration fees (note 6)	1,587	2
Harmonized Sales Tax/Goods and Services Tax	393	1
Independent Review Committee fees	6	—
Overdraft charges	50	—
	<u>4,001</u>	<u>12</u>
Net investment income (loss)	<u>(3,901)</u>	<u>58</u>
Net realized gain (loss) on investments sold	3,271	—
Change in unrealized appreciation (depreciation) of investments	(106,123)	4,095
Net gain (loss) on investments and transaction costs	<u>(102,852)</u>	<u>4,095</u>
Increase (decrease) in Net Assets from operations	<u>\$(106,753)</u>	<u>\$4,153</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series M Shares	<u>\$(106,753)</u>	<u>\$4,153</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SHARE		
Series M Shares	<u>\$ (0.36)</u>	<u>\$ 0.24</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012
NET ASSETS – BEGINNING OF PERIOD		
Series M Shares	<u>2,354,932</u>	<u>—</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series M Shares	<u>(106,753)</u>	<u>4,153</u>
DISTRIBUTIONS TO SHAREHOLDERS		
From realized gain		
Series M Shares	<u>(10,591)</u>	<u>—</u>
CAPITAL SHARE TRANSACTIONS		
Proceeds from issue		
Series M Shares	<u>3,288,151</u>	<u>174,010</u>
Reinvested distributions		
Series M Shares	<u>10,591</u>	<u>—</u>
Payments on redemption		
Series M Shares	<u>(533,714)</u>	<u>—</u>
	<u>2,765,028</u>	<u>174,010</u>
INCREASE (DECREASE) IN NET ASSETS		
Series M Shares	<u>2,647,684</u>	<u>178,163</u>
NET ASSETS – END OF PERIOD		
Series M Shares	<u>\$5,002,616</u>	<u>\$178,163</u>

* Fund's inception date was May 18, 2012.

Scotia Private Canadian Equity Class (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Market Value (\$)
CANADIAN EQUITY FUND – 100.0%			
455,423	Scotia Private Canadian Equity Pool Series I	5,092,870	5,002,317
	TOTAL INVESTMENT PORTFOLIO	5,092,870	5,002,317
	OTHER ASSETS, LESS LIABILITIES – 0.0%		299
	NET ASSETS – 100.0%		5,002,616

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equity Funds	100.0	100.0

SUMMARY OF INVESTMENT PORTFOLIO OF THE UNDERLYING FUND

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Energy	23.4	22.7
Materials	11.2	15.9
Industrials	7	5.6
Consumer Discretionary	10.8	9
Consumer Staples	3.5	4.8
Health Care	3.1	1.1
Financials	30.6	29.7
Information Technology	1.0	1.4
Telecommunication Services	5.4	6.3
Utilities	0.4	1
Index Units	0.0	–

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 100.0% (December 31, 2012 – 100.0%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$500,232 (December 31, 2012 – \$235,426). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$892	\$144,500

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Private U.S. Dividend Class (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$12,812,841	\$5,358,748
Cash	249,341	146,749
Accrued investment income	38	24
Subscriptions receivable	155,354	5,642
	<u>13,217,574</u>	<u>5,511,163</u>
LIABILITIES		
Payable for securities purchased	402,000	151,700
Accrued expenses	2,635	—
	<u>404,635</u>	<u>151,700</u>
Net Assets	<u>\$12,812,939</u>	<u>\$5,359,463</u>
NET ASSETS PER SERIES		
Series M Shares	<u>\$12,812,939</u>	<u>\$5,359,463</u>
SHARES OUTSTANDING		
Series M Shares	<u>1,020,398</u>	<u>508,727</u>
NET ASSETS PER SHARE		
Series M Shares	<u>\$ 12.56</u>	<u>\$ 10.54</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012*
INVESTMENT INCOME		
Dividends	\$ 89,917	\$ 664
Interest	258	70
	<u>90,175</u>	<u>734</u>
EXPENSES		
Management fees (note 5)	5,443	8
Administration fees (note 6)	6,711	3
Harmonized Sales Tax/Goods and Services Tax	1,642	1
Independent Review Committee fees	15	—
Overdraft charges	57	—
	<u>13,868</u>	<u>12</u>
Net investment income (loss)	<u>76,307</u>	<u>722</u>
Net realized gain (loss) on investments sold	48,400	—
Change in unrealized appreciation (depreciation) of investments	1,348,806	2,574
Net gain (loss) on investments	<u>1,397,206</u>	<u>2,574</u>
Increase (decrease) in Net Assets from operations	<u>\$1,473,513</u>	<u>\$3,296</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series M Shares	<u>\$1,473,513</u>	<u>\$3,296</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SHARE		
Series M Shares	<u>\$ 1.91</u>	<u>\$ 0.22</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012*
NET ASSETS – BEGINNING OF PERIOD		
Series M Shares	\$ 5,359,463	\$ —
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series M Shares	<u>1,473,513</u>	<u>3,296</u>
DISTRIBUTIONS TO UNITHOLDERS		
From realized gain		
Series M Shares	<u>(24,104)</u>	<u>—</u>
CAPITAL SHARE TRANSACTIONS		
Proceeds from issue		
Series M Shares	6,716,057	152,920
Reinvested distributions		
Series M Shares	24,104	—
Payments on redemption		
Series M Shares	<u>(736,094)</u>	<u>—</u>
	<u>6,004,067</u>	<u>152,920</u>
INCREASE (DECREASE) IN NET ASSETS		
Series M Shares	<u>7,453,476</u>	<u>156,216</u>
NET ASSETS – END OF PERIOD		
Series M Shares	<u>12,812,939</u>	<u>156,216</u>

* Fund's inception date was May 18, 2012.

Scotia Private U.S. Dividend Class (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FOREIGN EQUITY FUND – 100.0%			
1,038,882	Scotia Private U.S. Dividend Pool Series I	11,451,030	12,812,841
	TOTAL INVESTMENT PORTFOLIO	11,451,030	12,812,841
	OTHER ASSETS, LESS LIABILITIES – 0.0%		98
	NET ASSETS – 100.0%		12,812,939

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Foreign Equity Fund	100.0	100.0

SUMMARY OF INVESTMENT PORTFOLIO OF THE UNDERLYING FUND

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Equities		
Energy	8.2	5.4
Materials	4.6	5.3
Industrials	11.4	14.2
Consumer Discretionary	14.8	15.2
Consumer Staples	8.6	12.7
Health Care	18.3	15.2
Financials	14.7	13.7
Information Technology	12.1	9.4
Telecommunication Services	2.3	1.5
Utilities	–	0.8
Currency Spot Contracts	0.0	0.0
Currency Forward Contracts	(0.2)	(0.1)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currency to which the Fund had significant indirect exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the underlying fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Indirect Proportional Currency Exposure (\$)	Indirect Proportional Percentage of Net Assets (%)	Net Indirect Proportional Currency Exposure (\$)	Indirect Proportional Percentage of Net Assets (%)
U.S. Dollar	11,365,077	88.7	4,782,792	89.2

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$1,136,508, or approximately 8.9% of total Net Assets, (December 31, 2012 – \$478,279, or approximately 8.9% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 100.0% (December 31, 2012 – 100.0%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$1,281,284 (December 31, 2012 – \$535,875). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$404,635	\$151,700

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Private U.S. Equity Class (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$16,864,789	\$7,264,920
Cash	3,309	125,495
Accrued investment income	1	47
Receivable for securities sold	1,000	25,780
	<u>16,869,099</u>	<u>7,416,242</u>
LIABILITIES		
Payable for securities purchased	—	150,500
Accrued expenses	3,681	—
	<u>3,681</u>	<u>150,500</u>
Net Assets	<u>\$16,865,418</u>	<u>\$7,265,742</u>
NET ASSETS PER SERIES		
Series M Shares	<u>\$16,865,418</u>	<u>\$7,265,742</u>
SHARES OUTSTANDING		
Series M Shares	<u>1,497,962</u>	<u>724,086</u>
NET ASSETS PER SHARE		
Series M Shares	<u>\$ 11.26</u>	<u>\$ 10.03</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012*
INVESTMENT INCOME		
Interest	\$ 378	\$ 70
EXPENSES		
Management fees (note 5)	10,286	9
Administration fees (note 6)	12,290	3
Harmonized Sales Tax/Goods and Services Tax	3,039	1
Independent Review Committee fees	28	—
Overdraft Charges	253	—
	<u>25,896</u>	<u>13</u>
Net investment income (loss)	<u>(25,518)</u>	<u>57</u>
Net realized gain (loss) on investments sold	139,783	—
Change in unrealized appreciation (depreciation) of investments	1,654,218	1,889
Net gain (loss) on investments and transaction costs	<u>1,794,001</u>	<u>1,889</u>
Increase (decrease) in Net Assets from operations	<u>\$1,768,483</u>	<u>\$1,946</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series M Shares	<u>\$1,768,483</u>	<u>\$1,946</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT		
Series M Shares	<u>\$ 1.14</u>	<u>\$ 0.12</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012*
NET ASSETS – BEGINNING OF PERIOD		
Series M Shares	<u>7,265,742</u>	<u>—</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series M Shares	<u>1,768,483</u>	<u>1,946</u>
DISTRIBUTIONS TO SHAREHOLDERS		
From realized gain		
Series M Shares	<u>(32,677)</u>	<u>—</u>
CAPITAL SHARE TRANSACTIONS		
Proceeds from issue		
Series M Shares	10,067,079	167,440
Reinvested distributions		
Series M Shares	32,677	—
Payments on redemption		
Series M Shares	<u>(2,235,886)</u>	<u>—</u>
	<u>7,863,870</u>	<u>167,440</u>
INCREASE (DECREASE) IN NET ASSETS		
Series M Shares	<u>9,599,676</u>	<u>169,386</u>
NET ASSETS – END OF PERIOD		
Series M Shares	<u>\$16,865,418</u>	<u>\$169,386</u>

* Fund's inception date was May 18, 2012.

The accompanying notes are an integral part of the financial statements.

Scotia Private U.S. Equity Class (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FOREIGN EQUITY FUND – 100.0%			
1,841,536	Scotia Private U.S. Equity Pool Series I	15,295,491	16,864,789
	TOTAL INVESTMENT PORTFOLIO	15,295,491	16,864,789
	OTHER ASSETS, LESS LIABILITIES – 0.0%		629
	NET ASSETS – 100.0%		16,865,418

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Foreign Equity Fund	100.0	100.0

SUMMARY OF INVESTMENT PORTFOLIO OF THE UNDERLYING FUND

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Energy	4.3	9.5
Material	1.9	–
Industrials	13.0	11.6
Consumer Discretionary	15.0	15.4
Consumer Staples	9.6	11.4
Health Care	11.3	6.8
Financials	23.9	17.3
Information Technology	14.4	22.4
Currency Forward Contracts	(2.0)	0.0

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The table below indicates the currency to which the Fund had significant indirect exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the underlying fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Indirect Proportional Currency Exposure (\$)	Indirect Proportional Percentage of Net Assets (%)	Net Indirect Proportional Currency Exposure (\$)	Indirect Proportional Percentage of Net Assets (%)
U.S. Dollar	8,196,593	48.6	2,048,615	28.2

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$819,659, or approximately 4.9% of total Net Assets, (December 31, 2012 – \$204,862, or approximately 2.8% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 100.0% (December 31, 2012 – 100.0%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$1,686,479 (December 31, 2012 – \$726,492). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$3,681	\$150,500

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia U.S. Equity Blend Class (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$628,948	\$168,175
Cash	7,601	1,848
Accrued investment income	7	103
	<u>636,556</u>	<u>170,126</u>
LIABILITIES		
Accrued expenses	1,117	—
Net Assets	<u>\$635,439</u>	<u>\$170,126</u>
NET ASSETS PER SERIES		
Series A Shares	<u>\$635,439</u>	<u>\$170,126</u>
SHARES OUTSTANDING		
Series A Shares	<u>54,912</u>	<u>17,046</u>
NET ASSETS PER SHARE		
Series A Shares	<u>\$ 11.57</u>	<u>\$ 9.98</u>

STATEMENT OF OPERATIONS

For the six month period ended June 30*,

	2013*
INVESTMENT INCOME	
Interest	\$ 60
EXPENSES	
Management fees (note 5)	4,320
Administration fees (note 6)	443
Harmonized Sales Tax/Goods and Services Tax	588
	<u>5,351</u>
Net investment income (loss)	<u>(5,291)</u>
Change in unrealized appreciation (depreciation) of investments	<u>62,030</u>
Net gain (loss) on investments	<u>62,030</u>
Increase (decrease) in Net Assets from operations	<u>\$56,739</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	
Series A Shares	<u>\$56,739</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SHARE	
Series A Shares	<u>\$ 1.38</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month period ended June 30*,

	2013*
NET ASSETS – BEGINNING OF PERIOD	
Series A Shares	<u>\$170,126</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	
Series A Shares	<u>56,739</u>
DISTRIBUTIONS TO SHAREHOLDERS	
From realized gain	
Series A Shares	<u>(765)</u>
CAPITAL SHARE TRANSACTIONS	
Proceeds from issue	
Series A Shares	409,684
Reinvested distributions	
Series A Shares	765
Payments on redemption	
Series A Shares	<u>(1,110)</u>
	<u>409,339</u>
INCREASE (DECREASE) IN NET ASSETS	
Series A Shares	465,313
NET ASSETS – END OF PERIOD	
Series A Shares	<u>\$635,439</u>

* Fund's inception date was November 19, 2012. Accordingly, there were no comparative figures shown.

Scotia U.S. Equity Blend Class (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FOREIGN EQUITY FUNDS – 99.0%			
7,157	CI American Small Companies Fund Class I	109,420	126,897
5,452	Dynamic Power American Growth Fund Series O	58,232	64,500
19,546	Scotia Private U.S. Large Cap Growth Pool Series I	171,446	188,174
13,873	Scotia Private U.S. Value Pool Series I	170,151	187,185
6,503	Scotia U.S. Opportunities Fund Series I	57,789	62,192
	TOTAL INVESTMENT PORTFOLIO	567,038	628,948
	OTHER ASSETS, LESS LIABILITIES – 1.0%		6,491
	NET ASSETS – 100.0%		635,439

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Foreign Equity Funds	99.0	98.9

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.0% (December 31, 2012 – 98.9%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$62,895 (December 31, 2012 – \$16,818). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

As at December 31, 2012, the Fund did not have any financial liabilities with maturities greater than 3 months.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$1,117	\$ –

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Global Dividend Class (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$4,296,457	\$1,574,029
Cash	84,713	3,110
Accrued investment income	35	22
Subscriptions receivable	15,200	4,175
	<u>4,396,405</u>	<u>1,581,336</u>
LIABILITIES		
Payable for securities purchased	91,000	5,700
Accrued expenses	8,053	—
	<u>99,053</u>	<u>5,700</u>
Net Assets	<u>\$4,297,352</u>	<u>\$1,575,636</u>
NET ASSETS PER SERIES		
Series A Shares	<u>\$4,297,352</u>	<u>\$1,575,636</u>
SHARES OUTSTANDING		
Series A Shares	<u>350,696</u>	<u>142,971</u>
NET ASSETS PER SHARE		
Series A Shares	<u>\$ 12.25</u>	<u>\$ 11.02</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012*
INVESTMENT INCOME		
Interest	\$ 161	70
EXPENSES		
Management fees (note 5)	28,496	363
Administration fees (note 6)	4,274	55
Harmonized Sales Tax/Goods and Services Tax	3,446	54
Independent Review Committee fees	5	—
	<u>36,221</u>	<u>472</u>
Net investment income (loss)	<u>(36,060)</u>	<u>(402)</u>
Net realized gain (loss) on investments sold	14,378	13
Change in unrealized appreciation (depreciation) of investments	229,873	7,708
Net gain (loss) on investments	<u>244,251</u>	<u>7,721</u>
Increase (decrease) in Net Assets from operations	<u>\$208,191</u>	<u>\$7,319</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Shares	<u>\$208,191</u>	<u>\$7,319</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SHARE		
Series A Shares	<u>\$ 0.86</u>	<u>\$ 0.33</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012*
NET ASSETS – BEGINNING OF PERIOD		
Series A Shares	\$1,575,636	\$ —
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Shares	208,191	7,319
DISTRIBUTIONS TO SHAREHOLDERS		
From realized gain		
Series A Shares	(7,086)	—
CAPITAL SHARE TRANSACTIONS		
Proceeds from issue		
Series A Shares	2,741,231	239,600
Reinvested distributions		
Series A Shares	7,086	—
Payments on redemption		
Series A Shares	(227,706)	—
	<u>2,520,611</u>	<u>239,600</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Shares	<u>2,721,716</u>	<u>246,919</u>
NET ASSETS – END OF PERIOD		
Series A Shares	<u>\$4,297,352</u>	<u>\$246,919</u>

* Fund's inception date was May 18, 2012.

Scotia Global Dividend Class (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FOREIGN EQUITY FUND – 100.0%			
335,257	Scotia Global Dividend Fund Series I	4,024,513	4,296,457
	TOTAL INVESTMENT PORTFOLIO	<u>4,024,513</u>	<u>4,296,457</u>
	OTHER ASSETS, LESS LIABILITIES – 0.0%		895
	NET ASSETS – 100.0%		<u>4,297,352</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Foreign Equity Fund	100.0	99.9

SUMMARY OF INVESTMENT PORTFOLIO OF THE UNDERLYING FUND

Investment Category	Percentage of Net Assets (%)	
	June 28, 2013	December 31, 2012
Equities		
Australia	2.8	4.0
Belgium	1.1	–
Brazil	0.7	1.3
Canada	3.5	4.9
Denmark	0.8	1.0
France	4.8	1.6
Germany	6.4	2.4
Hong Kong	0.9	0.5
Indonesia	0.7	1.0
Italy	–	0.5
Japan	0.6	2.7
Netherlands	3.1	3.8
Peru	0.4	0.5
Puerto Rico	–	0.6
Russia	0.6	0.5
Singapore	1.6	–
South Africa	0.2	–
Spain	0.4	–
Sweden	1.1	1.2
Switzerland	8.5	9.1
Thailand	1.5	2.0
Turkey	0.8	–
United Kingdom	9.3	10.5
United States	43.7	44.3
Bond and debenture instruments	0.5	0.7
Currency forward contracts	(1.4)	(0.9)
Currency spot contracts	0.0	0.0

The accompanying notes are an integral part of the financial statements.

Scotia Global Dividend Class (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund invests in the Scotia Global Dividend Fund Series I, which is exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$35,148, or approximately 0.8% of total Net Assets (December 31, 2012 – \$14,147, or approximately 0.9% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant indirect exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the underlying fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Indirect Proportional Currency Exposure (\$)	Indirect Proportional Percentage of Net Assets (%)	Net Indirect Proportional Currency Exposure (\$)	Indirect Proportional Percentage of Net Assets (%)
U.S. Dollar	795,010	18.5	294,644	18.7
European Euro	133,218	3.1	64,601	4.1
British Pound	98,839	2.3	34,664	2.2
Singapore Dollar	68,758	1.6	–	–
Swiss Franc	64,460	1.5	92,963	5.9
Thai Baht	64,460	1.5	31,513	2.0
Australian Dollar	47,271	1.1	11,029	0.7
Swedish Krona	47,271	1.1	20,483	1.3
Danish Krone	34,379	0.8	15,756	1.0
Brazilian Real	30,081	0.7	20,483	1.3
Japanese Yen	30,081	0.7	42,542	2.7
Hong Kong Dollar	25,784	0.6	6,303	0.4
South African Rand	8,595	0.2	–	–
Polish Zloty	0	0.0	–	–
Total	1,448,207	33.7	634,981	40.3

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$144,821, or approximately 3.4% of total Net Assets, (December 31, 2012 – \$63,498, or approximately 4.0% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the Fund's indirect proportional exposure to the underlying fund's investments in the preferred shares, bond and debenture instruments, excluding cash and money market instruments.

	June 30, 2013		December 31, 2012	
	Percentage of Total Preferred Shares and Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Preferred Shares and Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
AA	55.2	0.7	64.4	1.3
BB	44.8	0.5	35.6	0.7
Total	100.0	1.2	100.0	2.0

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 100.0% (December 31, 2012 – 99.9%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$429,646 (December 31, 2012 – \$157,403). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$99,053	\$5,700

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia International Equity Blend Class (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$432,999	\$149,194
Cash	5,294	1,679
Accrued investment income	4	98
Subscriptions receivable	—	23,003
	<u>438,297</u>	<u>173,974</u>
LIABILITIES		
Accrued expenses	817	—
Net Assets	<u>\$437,480</u>	<u>\$173,974</u>
NET ASSETS PER SERIES		
Series A Shares	<u>\$437,480</u>	<u>\$173,974</u>
SHARES OUTSTANDING		
Series A Shares	<u>41,272</u>	<u>17,286</u>
NET ASSETS PER SHARE		
Series A Shares	<u>\$ 10.60</u>	<u>\$ 10.06</u>

STATEMENT OF OPERATIONS

For the six month period ended June 30*,

	2013*
INVESTMENT INCOME	
Interest	<u>\$ 33</u>
EXPENSES	
Management fees (note 5)	2,696
Administration fees (note 6)	404
Harmonized Sales Tax/Goods and Services Tax	389
Overdraft charges	15
Independent review committee fees	—
	<u>3,504</u>
Net investment income (loss)	<u>(3,471)</u>
Net realized gain (loss) on investments sold	2,336
Change in unrealized appreciation (depreciation) of investments	9,236
Net gain (loss) on investments	<u>11,572</u>
Increase (decrease) in Net Assets from operations	<u>\$ 8,101</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	
Series A Shares	<u>\$ 8,101</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SHARE	
Series A Shares	<u>\$ 0.31</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month period ended June 30*,

	2013*
NET ASSETS – BEGINNING OF PERIOD	
Series A Shares	<u>\$173,974</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	
Series A Shares	<u>8,101</u>
CAPITAL SHARE TRANSACTIONS	
Proceeds from issue	
Series A Shares	254,726
Reinvested distributions	
Series A Shares	<u>679</u>
	<u>255,405</u>
INCREASE (DECREASE) IN NET ASSETS	
Series A Shares	<u>263,506</u>
NET ASSETS – END OF PERIOD	
Series A Shares	<u>\$437,480</u>

* Fund's inception date was November 19, 2012. Accordingly, there were no comparative figures shown.

Scotia International Equity Blend Class (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FOREIGN EQUITY FUNDS – 99.0%			
2,993	CI Black Creek International Equity Corp Class I	41,222	42,797
3,354	CI International Value Fund Class I	42,306	43,902
5,124	Scotia Private Emerging Markets Pool Series I	45,677	43,398
24,918	Scotia Private International Equity Pool Series I	252,007	259,058
2,550	Scotia Private International Small to Mid Cap Value Pool Series I	41,375	43,844
	TOTAL INVESTMENT PORTFOLIO	<u>422,587</u>	<u>432,999</u>
	OTHER ASSETS, LESS LIABILITIES – 1.0%		4,481
	NET ASSETS – 100.0%		<u>437,480</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Foreign Equity Funds	99.0	85.8

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 99.0% (December 31, 2012 – 85.8%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$43,300 (December 31, 2012 – \$14,919). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

As at December 31, 2012, the Fund did not have any financial liabilities with maturities greater than 3 months.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$817	\$ –

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia INNOVA Income Portfolio Class (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$368,152,098	\$239,279,559
Cash	178,157	8,811,573
Accrued investment income	197,290	111,725
Receivable for securities sold	3,175,000	—
Subscriptions receivable	—	2,151,114
Receivable for currency forward contracts	39,109	—
	<u>371,741,654</u>	<u>250,353,971</u>
LIABILITIES		
Payable for securities purchased	—	1,350,026
Distributions payable	—	3,872
Redemptions payable	771,154	40,400
Accrued expenses	557,134	—
Payable for futures contracts	92,974	6,314
	<u>1,421,262</u>	<u>1,400,612</u>
Net Assets	<u>\$370,320,392</u>	<u>\$248,953,359</u>
NET ASSETS PER SERIES		
Series A Shares	<u>\$370,320,392</u>	<u>\$248,953,359</u>
SHARES OUTSTANDING		
Series A Shares	<u>36,071,395</u>	<u>24,210,137</u>
NET ASSETS PER SHARE		
Series A Shares	<u>\$ 10.27</u>	<u>\$ 10.28</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012*
NET ASSETS – BEGINNING OF PERIOD		
Series A Shares	\$248,953,359	\$ —
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Shares	(479,094)	116,924
DISTRIBUTIONS TO SHAREHOLDERS		
From realized gain		
Series A Shares	(1,119,783)	—
CAPITAL SHARE TRANSACTIONS		
Proceeds from issue		
Series A Shares	173,124,329	24,014,020
Reinvested distributions		
Series A Shares	1,108,666	—
Payments on redemption		
Series A Shares	(51,267,085)	(1,000)
	<u>122,965,910</u>	<u>24,013,020</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Shares	<u>121,367,033</u>	<u>24,129,944</u>
NET ASSETS – END OF PERIOD		
Series A Shares	<u>\$370,320,392</u>	<u>\$24,129,944</u>

* Fund's inception date was May 18, 2012.

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012*
INVESTMENT INCOME		
Dividends	\$ 516,746	\$ 14,894
Interest	1,341,274	67,746
Foreign withholding taxes/tax reclaims	(6,953)	—
Other income	8,630	—
	<u>1,859,697</u>	<u>82,640</u>
EXPENSES		
Management fees (note 5)	2,858,044	12,351
Administration fees (note 6)	178,617	770
Harmonized Sales Tax/Goods and Services Tax	336,705	1,707
Independent Review Committee fees	610	2
Overdraft charges	952	—
	<u>3,374,928</u>	<u>14,830</u>
Net investment income (loss)	<u>(1,515,231)</u>	<u>67,810</u>
Net realized gain (loss) on investments sold	433,585	—
Net realized gain (loss) on futures contracts	(12,711)	—
Net realized gain (loss) on currency forwards	84,828	—
Net gain (loss) foreign exchange	6,524	—
Transaction costs	(4,051)	—
Change in unrealized appreciation (depreciation) of investments	562,132	49,114
Change in unrealized appreciation (depreciation) of currency forwards	39,109	—
Change in unrealized appreciation (depreciation) of currency futures	(73,279)	—
Net gain (loss) on investments and transaction costs	<u>1,036,137</u>	<u>49,114</u>
Increase (decrease) in Net Assets from operations	<u>\$ (479,094)</u>	<u>\$ 116,924</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Shares	<u>\$ (479,094)</u>	<u>\$ 116,924</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SHARE		
Series A Shares	<u>\$ (0.01)</u>	<u>\$ 0.12</u>

The accompanying notes are an integral part of the financial statements.

Scotia INNOVA Income Portfolio Class (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Fair Value (\$)
BOND AND DEBT INSTRUMENTS – 6.1%				BOND AND DEBT INSTRUMENTS (cont'd)			
195,000	407 International Inc. (callable) 4.19% due Apr. 25, 2042 – (Jan. 25, 2042) Algonquin Power & Utilities Corporation	205,848	189,320	75,000	MEG Energy Corporation (callable) 6.38% due Jan. 30, 2023 – (Jul. 30, 2017) MetLife, Inc.	80,421	76,044
305,000	4.82% due Feb. 15, 2021 American Express Canada	312,573	307,225	380,000	3.03% due Jun. 11, 2020 Molson Coors International LP	380,000	370,490
365,000	2.31% due Mar. 29, 2018 American Tower Corp.	365,111	355,734	330,000	3.95% due Oct. 6, 2017 National Australia Bank Limited	347,922	338,450
225,000	3.50% due Jan. 31, 2023 Anheuser-Busch Companies, Inc.	221,645	216,057	375,000	4.19% due Jul. 20, 2015 National Bank of Canada	395,175	390,367
225,000	2.38% due Jan. 25, 2018 APT Pipelines Ltd.	224,664	222,200	365,000	2.69% due Aug. 21, 2017 NBC Asset Trust	371,393	365,861
285,000	4.25% due Jul. 24, 2019 Bank of Montreal	294,168	282,233	260,000	7.24% due Jun. 30, 2018 New South Wales Treasury Corp.	314,061	307,047
310,000	2.84% due Jun. 4, 2020 Bank of Nova Scotia, The (callable)	310,584	302,779	700,000	6.00% due Mar. 1, 2022 Omers Realty Corporation	850,057	749,883
450,000	3.04% due Oct. 18, 2024(2019) bdIMC Realty Corporation	454,038	442,973	135,000	2.50% due Jun. 5, 2018	135,000	133,204
605,000	3.51% due Jun. 29, 2022 Bell Canada	625,841	601,932	140,000	3.36% due Jun. 5, 2023 Owens Corning Inc. (callable)	140,000	135,888
385,000	3.25% due Jun. 17, 2020 Bow Centre Street Limited Partnership	384,953	376,483	100,000	4.20% due Dec. 15, 2022 – (Sep. 15, 2022) Petrobras Global Finance B.V.	97,717	100,140
350,000	3.80% due Jun. 13, 2023 BP PLC	350,000	339,547	125,000	4.38% due May 20, 2023 Province of Ontario	127,611	119,904
425,000	2.74% due Feb. 24, 2017 Brookfield Asset Management Inc.	433,588	427,779	1,825,000	2.10% due Sep. 8, 2018	1,826,615	1,797,474
400,000	4.54% due Mar. 31, 2023 Canadian Imperial Bank of Commerce	414,838	402,691	675,000	2.85% due Jun. 2, 2023 Province of Quebec	668,732	647,503
360,000	2.22% due Mar. 7, 2018 Canadian Western Bank (callable)	359,989	351,453	600,000	3.00% due Sep. 1, 2023 Quebecor Media	593,064	578,401
350,000	4.39% due Nov. 30, 2020(2015) CME Group Inc.	366,361	364,168	110,000	6.63% due Jan. 15, 2023 Queensland Treasury Corp.	113,150	112,530
115,000	3.00% due Sep. 15, 2022 Co-operators Financial Services Limited	117,206	113,561	700,000	5.50% due Jun. 21, 2021 RBC Capital Trust	807,493	716,280
200,000	5.78% due Mar. 10, 2020 Commonwealth Bank of Australia	217,483	214,100	300,000	4.87% due Dec. 31, 2015 Republic of Chile	323,545	318,891
250,000	5.15% due Apr. 9, 2020 Corus Entertainment Inc.	284,160	270,880	60,000,000	5.50% due Aug. 5, 2020 Royal Bank of Canada (callable)	134,961	131,446
300,000	4.25% due Feb. 11, 2020 Ford Credit Canada Limited	300,000	289,513	450,000	2.99% due Dec. 6, 2024(2019) Sherritt International Corporation	452,454	441,814
330,000	4.88% due Feb. 8, 2017 GAP Inc., The	352,122	347,144	145,000	8.00% due Nov. 15, 2017 Standard Life Canada (callable)	155,050	147,900
265,000	5.95% due Apr. 12, 2021 General Electric Capital Corporation	303,429	302,948	135,000	3.94% due Sep. 21, 2022(2017) TELUS Corporation	139,798	139,075
440,000	3.55% due Jun. 11, 2019 George Weston Limited	460,680	449,404	350,000	5.05% due Jul. 23, 2020 Tim Hortons, Inc.	403,900	382,756
320,000	3.78% due Oct. 25, 2016 Government of Canada	337,103	333,226	270,000	4.20% due Jun. 1, 2017 Toronto-Dominion Bank, The	293,140	285,245
2,570,000	1.50% due Jun. 1, 2023 Hospital Infrastructure Partners (NOH) Partnership	2,441,042	2,358,425	195,750	1.65% due Jan. 1, 2018	192,657	195,730
115,000	5.44% due Jan. 31, 2045 HSBC Bank of Canada	136,380	127,252	365,000	2.17% due Apr. 2, 2018 Toyota Credit Canada Inc.	365,247	357,067
295,000	3.56% due Oct. 4, 2017 Institutional Mortgage Securities Canada Inc., Series 2013-3	312,014	305,351	255,000	2.20% due Oct. 19, 2017 Vancouver International Airport Authority	255,670	250,715
4,100,000	1.37% due Feb. 12, 2023 International Business Machines Corporation	272,999	268,550	196,000	4.42% due Dec. 7, 2018 Veresen Inc.	219,685	212,990
265,000	2.20% due Feb. 10, 2017 John Deere Credit Inc.	268,108	265,134	315,000	3.95% due Mar. 14, 2017 VW Credit Canada, Inc.	326,327	323,420
385,000	2.30% due Jul. 5, 2016 Limited Brands, Inc.	390,378	386,863	320,000	2.20% due Oct. 11, 2016 Wells Fargo Financial Canada Corporation	321,561	318,708
100,000	5.63% due Feb. 15, 2022 Loblaw Companies Limited	107,228	107,423	260,000	2.77% due Feb. 9, 2017	264,644	262,635
210,000	6.15% due Jan. 29, 2035 Master Credit Card Trust	236,469	230,437	185,000	3.46% due Jan. 24, 2023	186,638	179,886
295,000	2.63% due Jan. 21, 2017	302,032	298,515			<u>23,446,722</u>	<u>22,739,044</u>

The accompanying notes are an integral part of the financial statements.

Scotia INNOVA Income Portfolio Class (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)	Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 67.4%				FOREIGN EQUITY FUNDS – 13.8%			
3,987,320	Scotia Canadian Corporate Bond LP Series I	40,444,452	40,474,884	117,000	PowerShares Senior Loan Portfolio	2,971,983	3,037,636
74,695	Scotia Canadian Income Fund Series I	1,050,345	1,006,595	1,601,277	Scotia Private Global Equity Pool Series I	21,855,941	24,064,303
10,987,076	Scotia Canadian Income LP Series I	111,227,648	110,027,871	253,608	Scotia Private Global Real Estate Pool Series I	3,410,002	3,720,020
6,287,562	Scotia Conservative Government Bond LP Series I	63,238,320	62,644,868	1,068,565	Scotia Private International Equity Pool Series I	10,197,725	11,109,335
2,029,227	Scotia Private American Core-Plus Bond Pool Series I	19,388,893	18,525,627	688,008	Scotia Private U.S. Value Pool Series I	8,165,889	9,283,157
9,901	Scotia Private Canadian Corporate Bond Pool Series I	108,151	104,569			46,601,540	51,214,451
1,778,623	Scotia Private High Yield Income Pool Series I	16,674,656	16,593,488		TOTAL INVESTMENT PORTFOLIO	365,038,861	368,152,098
11,808	Scotia Private Short-Mid Government Bond Pool Series I	126,160	122,739				
		252,258,625	249,500,641		Currency Forward Contracts – 0.0%		39,109
CANADIAN EQUITY FUNDS – 12.1%					Futures Contracts – 0.0%		(92,974)
758,759	Scotia Canadian Dividend Fund Series I	30,048,895	31,479,527		OTHER ASSETS, LESS LIABILITIES – 0.6%		2,222,159
846,959	Scotia Private Canadian Equity Pool Series I	9,320,203	9,302,913		NET ASSETS – 100.0%		370,320,392
133,784	Scotia Private Canadian Small Cap Pool Series I	3,362,876	3,915,522				
		42,731,974	44,697,962				

BOND FUTURES CONTRACTS

Number of Contracts	Contract Issuer	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
10	CME Ultra Long Term U.S. Treasury Bond Future – Sep. 2013	1,564,676	1,536,643	(28,033)

CURRENCY FUTURES CONTRACTS

Number of Contracts	Settlement Date	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
41	Canadian \$ against U.S.\$	Sep. 2013	4,193,764	4,084,276
				(109,488)

The above bond futures and currency futures contracts are financial agreements to purchase/sell the bond and foreign currency at a contracted price on a specific future date. However, the Fund does not intend to purchase/sell the bond and foreign currency on settlement. Rather, it intends to close out each bond futures contract and currency future contract before settlement by entering into equal, but offsetting bond futures contracts and currency future contracts.

With respect to the above futures contracts, \$250,000 of cash is held on margin.

The futures contracts outstanding at June 30, 2013 are placed with a financial institution with a minimum credit rating of AA- by Standard & Poor's.

CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at June 30, 2013 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Aug 07, 2013	Canadian Dollar	1,563,688	Australian Dollar	1,588,307	1,524,580	39,109

The currency forward contracts outstanding at June 30, 2013 are placed with a financial institution with a credit rating of AA- by Standard & Poor's.

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Bond and Debenture Instruments	6.1	6.7
Fixed Income Funds	67.4	63.0
Canadian Equity Funds	12.1	12.6
Foreign Equity Funds	13.8	13.8
Currency Forward Contracts	0.0	–
Future Contracts	0.0	0.0

The accompanying notes are an integral part of the financial statements.

Scotia INNOVA Income Portfolio Class (Unaudited – Continued)

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio of bond and debenture instruments.

Interest Rate Exposure*	June 30, 2013	December 31, 2012
Less than 1 year	\$ –	\$ –
1-3 years	1,073,426	2,076,956
3-5 years	6,348,379	7,173,709
5-10 years	14,191,830	3,808,105
> 10 years	1,125,409	3,640,825
Total	\$22,739,044	\$16,699,595

* Excludes cash, money market instruments, fixed income funds and preferred shares as applicable.

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$4,820,774, or approximately 1.3% of total Net Assets (December 31, 2012 – \$2,652,036, or approximately 1.1% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of foreign currency forward contracts and foreign currency spot contracts, if any, based on the fair value of the Fund's financial instruments.

Currency	June 30, 2013		December 31, 2012	
	Net Currency Exposure (\$)	Percentage of Net Assets (%)	Net Currency Exposure (\$)	Percentage of Net Assets (%)
US Dollar	4,127,079	1.1	604,863	0.2
Chile Peso	131,446	0.0	–	–
Australian Dollar	(39,844)	(0.0)	–	–
Total	4,218,681	1.1	604,863	0.2

As at June 30, 2013, if the Canadian dollar had strengthened or weakened by 10% in relation to all other foreign currencies, with all other factors remaining constant, Net Assets would have decreased or increased, respectively, by \$421,868, or approximately 0.1% of total Net Assets, (December 31, 2012 – \$60,486, or approximately 0.0% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk (note 3)

The table below summarizes the credit ratings of the bond and debenture instruments, excluding cash and money market instruments but including preferred shares, held by the Fund.

	June 30, 2013		December 31, 2012	
	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)	Percentage of Total Bond and Debenture Instruments (%)	Percentage of Net Assets (%)
AAA	16.2	1.0	25.2	1.7
AA	39.8	2.5	38.4	2.5
A	24.6	1.5	23.1	1.6
BBB	17.0	1.0	10.2	0.7
BB	2.1	0.1	2.2	0.1
B	0.3	–	0.9	0.1
Total	100.0	6.1	100.0	6.7

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 25.9% (December 31, 2012 – 26.4%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$9,591,241 (December 31, 2012 – \$6,550,542). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$1,328,288	\$1,394,298
Payable for currency futures contracts	92,974	6,314
	\$1,421,262	\$1,400,612

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia INNOVA Balanced Income Portfolio Class (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$254,132,896	\$85,170,174
Cash	6,726,616	4,051,490
Accrued investment income	3,545	2,442
Subscriptions receivable	878,081	637,161
	<u>261,741,138</u>	<u>89,861,267</u>
LIABILITIES		
Payable for securities purchased	4,400,000	825,056
Distributions payable	—	1,159
Redemptions payable	234,124	15,000
Accrued expenses	373,864	—
	<u>5,007,988</u>	<u>841,215</u>
Net Assets	<u>\$256,733,150</u>	<u>\$89,020,052</u>
NET ASSETS PER SERIES		
Series A Shares	<u>\$256,733,150</u>	<u>\$89,020,052</u>
SHARES OUTSTANDING		
Series A Shares	<u>24,593,324</u>	<u>8,595,088</u>
NET ASSETS PER SHARE		
Series A Shares	<u>\$ 10.44</u>	<u>\$ 10.36</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012*
NET ASSETS – BEGINNING OF PERIOD		
Series A Shares	\$ 89,020,052	\$ —
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Shares	(1,128,529)	41,613
DISTRIBUTIONS TO SHAREHOLDERS		
From realized gain		
Series A Shares	(400,672)	—
CAPITAL SHARE TRANSACTIONS		
Proceeds from issue		
Series A Shares	178,251,006	5,175,286
Reinvested distributions		
Series A Shares	398,886	—
Payments on redemption		
Series A Shares	(9,407,593)	(200)
	<u>169,242,299</u>	<u>5,175,086</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Shares	<u>167,713,098</u>	<u>5,216,699</u>
NET ASSETS – END OF PERIOD		
Series A Shares	<u>\$256,733,150</u>	<u>\$5,216,699</u>

* Fund's inception date was May 18, 2012.

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012*
INVESTMENT INCOME		
Dividends	\$ 297,075	\$ 3,772
Interest	856,387	13,415
Other income	12,719	—
	<u>1,166,181</u>	<u>17,187</u>
EXPENSES		
Management fees (note 5)	1,403,677	3,915
Administration fees (note 6)	84,224	229
Harmonized Sales Tax/Goods and Services Tax	163,446	541
Independent Review Committee fees	277	1
	<u>1,651,624</u>	<u>4,686</u>
Net investment income (loss)	<u>(485,443)</u>	<u>12,501</u>
Change in unrealized appreciation (depreciation) of investments	<u>(643,086)</u>	<u>29,112</u>
Net gain (loss) on investments	<u>(643,086)</u>	<u>29,112</u>
Increase (decrease) in Net Assets from operations	<u>\$(1,128,529)</u>	<u>\$41,613</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Shares	<u>\$(1,128,529)</u>	<u>\$41,613</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SHARE		
Series A Shares	<u>\$ (0.07)</u>	<u>\$ 0.14</u>

The accompanying notes are an integral part of the financial statements.

Scotia INNOVA Balanced Income Portfolio Class (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 59.0%			
846,791	Scotia Canadian Corporate Bond LP Series I	8,599,845	8,595,689
2,914,121	Scotia Canadian Income Fund Series I	40,693,997	39,270,698
5,036,651	Scotia Canadian Income LP Series I	51,030,180	50,438,534
1,067,679	Scotia Conservative Government Bond LP Series I	10,740,300	10,637,602
1,660,289	Scotia Private American Core-Plus Bond Pool Series I	15,785,282	15,157,445
616,727	Scotia Private Canadian Corporate Bond Pool Series I	6,701,946	6,513,499
1,355,919	Scotia Private High Yield Income Pool Series I	12,815,593	12,649,908
794,446	Scotia Private Short-Mid Government Bond Pool Series I	8,454,866	8,257,870
		154,822,009	151,521,245
CANADIAN EQUITY FUNDS – 18.0%			
616,127	Scotia Canadian Dividend Fund Series I	25,085,410	25,562,009
1,284,864	Scotia Private Canadian Equity Pool Series I	14,237,959	14,112,815
218,997	Scotia Private Canadian Small Cap Pool Series I	5,786,571	6,409,485
		45,109,940	46,084,309
FOREIGN EQUITY FUNDS – 22.0%			
622,092	Scotia Private Emerging Markets Pool Series I	5,457,939	5,268,742
683,575	Scotia Private Global Equity Pool Series I	9,666,606	10,272,894
355,391	Scotia Private Global Real Estate Pool Series I	5,046,171	5,213,024
1,844,126	Scotia Private International Equity Pool Series I	18,234,518	19,172,453
555,393	Scotia Private U.S. Equity Pool Series I	4,766,188	5,086,288
853,340	Scotia Private U.S. Value Pool Series I	10,565,128	11,513,941
		53,736,550	56,527,342
	TOTAL INVESTMENT PORTFOLIO	253,668,499	254,132,896
	OTHER ASSETS, LESS LIABILITIES – 1.0%		2,600,254
	NET ASSETS – 100.0%		256,733,150

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	59.0	54.3
Canadian Equity Funds	18.0	18.4
Foreign Equity Funds	22.0	23.0

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$2,855,293, or approximately 1.1% of total Net Assets (December 31, 2012 – \$767,680, or approximately 0.9% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 40.0% (December 31, 2012 – 41.4%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$10,261,165 (December 31, 2012 – \$3,679,635). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$5,007,988	\$841,215

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia INNOVA Balanced Growth Portfolio Class (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$120,030,930	\$39,109,217
Cash	4,292,875	828,337
Accrued investment income	1,759	780
Subscriptions receivable	1,299,344	521,238
	<u>125,624,908</u>	<u>40,459,572</u>
LIABILITIES		
Payable for securities purchased	4,200,000	409,998
Accrued expenses	178,308	5,500
	<u>4,378,308</u>	<u>415,498</u>
Net Assets	<u>\$121,246,600</u>	<u>\$40,044,074</u>
NET ASSETS PER SERIES		
Series A Shares	<u>\$121,246,600</u>	<u>\$40,044,074</u>
SHARES OUTSTANDING		
Series A Shares	<u>11,262,145</u>	<u>3,815,735</u>
NET ASSETS PER SHARE		
Series A Shares	<u>\$ 10.77</u>	<u>\$ 10.49</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012*
INVESTMENT INCOME		
Dividends	\$ 245,516	\$ 4,572
Interest	277,012	7,636
Other income	3,478	—
	<u>526,006</u>	<u>12,208</u>
EXPENSES		
Management fees (note 5)	697,674	2,696
Administration fees (note 6)	38,757	150
Harmonized Sales Tax/Goods and Services Tax	72,176	371
Independent Review Committee fees	130	—
	<u>808,737</u>	<u>3,217</u>
Net investment income (loss)	<u>(282,731)</u>	<u>8,991</u>
Change in unrealized appreciation (depreciation) of investments	1,130,686	31,664
Net gain (loss) on investments	<u>1,130,686</u>	<u>31,664</u>
Increase (decrease) in Net Assets from operations	<u>\$ 847,955</u>	<u>\$ 40,655</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Shares	<u>\$ 847,955</u>	<u>\$ 40,655</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SHARE		
Series A Shares	<u>\$ 0.12</u>	<u>\$ 0.22</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012*
NET ASSETS – BEGINNING OF PERIOD		
Series A Shares	\$ 40,044,074	\$ —
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Shares	847,955	40,655
DISTRIBUTIONS TO SHAREHOLDERS		
Series A Shares	(180,096)	—
CAPITAL SHARE TRANSACTIONS		
Proceeds from issue		
Series A Shares	84,788,540	4,043,099
Reinvested distributions		
Series A Shares	179,542	—
Payments on redemption		
Series A Shares	(4,433,415)	—
	<u>80,534,667</u>	<u>4,043,099</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Shares	81,202,526	4,083,754
NET ASSETS – END OF PERIOD		
Series A Shares	<u>\$121,246,600</u>	<u>\$4,083,754</u>

* Fund's inception date was May 18, 2012.

Scotia INNOVA Balanced Growth Portfolio Class (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 35.3%			
956,608	Scotia Canadian Income Fund Series I	13,307,452	12,891,256
1,910,612	Scotia Canadian Income LP Series I	19,343,343	19,133,439
653,540	Scotia Private American Core-Plus Bond Pool Series I	6,203,505	5,966,427
512,094	Scotia Private High Yield Income Pool Series I	4,837,296	4,777,528
		<u>43,691,596</u>	<u>42,768,650</u>
CANADIAN EQUITY FUNDS – 30.8%			
348,462	Scotia Canadian Dividend Fund Series I	14,178,341	14,457,077
771,536	Scotia Private Canadian Equity Pool Series I	8,543,609	8,474,470
248,645	Scotia Private Canadian Growth Pool Series I	2,927,157	3,003,662
483,807	Scotia Private Canadian Preferred Share Pool Series I	4,917,345	4,777,742
227,150	Scotia Private Canadian Small Cap Pool Series I	6,009,044	6,648,110
		<u>36,575,496</u>	<u>37,361,061</u>
FOREIGN EQUITY FUNDS – 32.9%			
437,433	Scotia Private Emerging Markets Pool Series I	3,840,526	3,704,794
482,540	Scotia Private Global Equity Pool Series I	6,826,114	7,251,706
250,174	Scotia Private Global Real Estate Pool Series I	3,538,427	3,669,656
1,330,232	Scotia Private International Equity Pool Series I	13,144,904	13,829,753
327,313	Scotia Private U.S. Equity Pool Series I	2,813,284	2,997,531
123,302	Scotia Private U.S. Mid Cap Growth Pool Series I	2,164,358	2,418,821
446,828	Scotia Private U.S. Value Pool Series I	5,535,740	6,028,958
		<u>37,863,353</u>	<u>39,901,219</u>
	TOTAL INVESTMENT PORTFOLIO	<u>118,130,445</u>	<u>120,030,930</u>
	OTHER ASSETS, LESS LIABILITIES – 1.0%		<u>1,215,670</u>
	NET ASSETS – 100.0%		<u>121,246,600</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	35.3	36.6
Canadian Equity Funds	30.8	27.4
Foreign Equity Funds	32.9	33.7

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$856,064, or approximately 0.7% of total Net Assets (December 31, 2012 – \$217,646, or approximately 0.5% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 63.7% (December 31, 2012 – 61.1%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$7,726,228 (December 31, 2012 – \$2,445,940). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$4,378,308	\$415,498

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia INNOVA Growth Portfolio Class (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$39,003,650	\$ 13,243,821
Cash	993,381	280,770
Accrued investment income	973	314
Subscriptions receivable	662,300	282,972
	<u>40,660,304</u>	<u>13,807,877</u>
LIABILITIES		
Payable for securities purchased	800,000	234,999
Accrued expenses	60,332	298
	<u>860,332</u>	<u>235,297</u>
Net Assets	<u>\$39,799,972</u>	<u>\$ 13,572,580</u>
NET ASSETS PER SERIES		
Series A Shares	<u>\$39,799,972</u>	<u>\$ 13,572,580</u>
SHARES OUTSTANDING		
Series A Shares	<u>3,631,170</u>	<u>1,288,821</u>
NET ASSETS PER SHARE		
Series A Shares	<u>\$ 10.96</u>	<u>\$ 10.53</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012*
INVESTMENT INCOME		
Dividends	\$ 73,640	\$ 1,630
Interest	63,626	2,002
Other income	337	—
	<u>137,603</u>	<u>3,632</u>
EXPENSES		
Management fees (note 5)	245,756	1,415
Administration fees (note 6)	12,934	74
Harmonized Sales Tax/Goods and Services Tax	25,467	194
Independent Review Committee fees	43	0
	<u>284,200</u>	<u>1,683</u>
Net investment income (loss)	<u>(146,597)</u>	<u>1,949</u>
Change in unrealized appreciation (depreciation) of investments	<u>847,079</u>	<u>22,455</u>
Net gain (loss) on investments	<u>847,079</u>	<u>22,455</u>
Increase (decrease) in Net Assets from operations	<u>\$ 700,482</u>	<u>\$ 24,404</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Shares	<u>\$ 700,482</u>	<u>\$ 24,404</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SHARE		
Series A Shares	<u>\$ 0.29</u>	<u>\$ 0.26</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012*
NET ASSETS – BEGINNING OF PERIOD		
Series A Shares	<u>\$13,572,580</u>	<u>\$ —</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Shares	<u>700,482</u>	<u>24,404</u>
DISTRIBUTIONS TO UNITHOLDERS		
From realized gain		
Series A Shares	<u>(61,043)</u>	<u>—</u>
CAPITAL SHARE TRANSACTIONS		
Proceeds from issue		
Series A Shares	<u>27,798,916</u>	<u>1,567,663</u>
Reinvested distributions		
Series A Shares	<u>60,749</u>	<u>—</u>
Payments on redemption		
Series A Shares	<u>(2,271,712)</u>	<u>—</u>
	<u>25,587,953</u>	<u>1,567,663</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Shares	<u>26,227,392</u>	<u>1,592,067</u>
NET ASSETS – END OF PERIOD		
Series A Shares	<u>\$39,799,972</u>	<u>\$ 1,592,067</u>

* Fund's inception date was May 18, 2012.

The accompanying notes are an integral part of the financial statements.

Scotia INNOVA Growth Portfolio Class (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
FIXED INCOME FUNDS – 21.2%			
154,941	Scotia Canadian Income Fund Series I	2,152,597	2,087,989
367,471	Scotia Canadian Income LP Series I	3,726,049	3,679,969
167,711	Scotia Private American Core-Plus Bond Pool Series I	1,589,834	1,531,100
122,887	Scotia Private High Yield Income Pool Series I	1,160,453	1,146,459
		8,628,933	8,445,517
CANADIAN EQUITY FUNDS – 35.9%			
113,146	Scotia Canadian Dividend Fund Series I	4,589,939	4,694,215
286,285	Scotia Private Canadian Equity Pool Series I	3,167,150	3,144,522
161,502	Scotia Private Canadian Growth Pool Series I	1,899,538	1,950,954
116,242	Scotia Private Canadian Preferred Share Pool Series I	1,181,527	1,147,922
114,047	Scotia Private Canadian Small Cap Pool Series I	3,012,578	3,337,863
		13,850,732	14,275,476
FOREIGN EQUITY FUNDS – 40.9%			
188,813	Scotia Private Emerging Markets Pool Series I	1,655,193	1,599,132
195,369	Scotia Private Global Equity Pool Series I	2,754,376	2,936,050
108,028	Scotia Private Global Real Estate Pool Series I	1,519,468	1,584,604
524,813	Scotia Private International Equity Pool Series I	5,169,449	5,456,221
128,396	Scotia Private U.S. Equity Pool Series I	1,098,130	1,175,853
50,477	Scotia Private U.S. Mid Cap Growth Pool Series I	883,699	990,204
188,292	Scotia Private U.S. Value Pool Series I	2,321,304	2,540,593
		15,401,619	16,282,657
TOTAL INVESTMENT PORTFOLIO		37,881,284	39,003,650
OTHER ASSETS, LESS LIABILITIES – 2.0%			796,322
NET ASSETS – 100.0%			39,799,972

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Fixed Income Funds	21.2	21.7
Canadian Equity Funds	35.9	33.6
Foreign Equity Funds	40.9	42.3

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Interest rate risk (note 3)

The Fund invests in underlying funds, which are exposed to interest rate risk. As at June 30, 2013, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, Net Assets would have decreased or increased, respectively, by \$163,547, or approximately 0.4% of total Net Assets (December 31, 2012 – \$41,675, or approximately 0.3% of total Net Assets). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Credit risk (note 3)

The Fund could be exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments and derivatives.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 76.8% (December 31, 2012 – 75.9%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$3,055,813 (December 31, 2012 – \$1,030,066). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

The table below summarizes a maturity analysis of cash flows associated with the maturities of the Fund's financial liabilities.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$860,332	\$235,297

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia INNOVA Maximum Growth Portfolio Class (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$8,629,137	\$2,852,120
Cash	279,278	24,378
Accrued investment income	231	36
Subscriptions receivable	4,472	922
	<u>8,913,118</u>	<u>2,877,456</u>
LIABILITIES		
Accrued expenses	15,224	—
Net Assets	<u>\$8,897,894</u>	<u>\$2,877,456</u>
NET ASSETS PER SERIES		
Series A Shares	<u>\$8,897,894</u>	<u>\$2,877,456</u>
SHARES OUTSTANDING		
Series A Shares	<u>786,970</u>	<u>270,686</u>
NET ASSETS PER SHARE		
Series A Shares	<u>\$ 11.31</u>	<u>\$ 10.63</u>

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012*
INVESTMENT INCOME		
Dividends	\$ 14,629	\$ 342
Interest	1,067	70
Other income	83	—
	<u>15,779</u>	<u>412</u>
EXPENSES		
Management fees (note 5)	54,655	377
Administration fees (note 6)	2,733	19
Harmonized Sales Tax/Goods and Services Tax	7,328	51
Independent Review Committee fees	9	—
Overdraft charges	16	—
	<u>64,741</u>	<u>447</u>
Net investment income (loss)	<u>(48,962)</u>	<u>(35)</u>
Net realized gain (loss) on investments sold	5,735	-
Change in unrealized appreciation (depreciation) of investments	289,467	3,549
Net gain (loss) on investments	<u>295,202</u>	<u>3,549</u>
Increase (decrease) in Net Assets from operations	<u>\$246,240</u>	<u>\$3,514</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Shares	<u>\$246,240</u>	<u>\$3,514</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER SHARE		
Series A Shares	<u>\$ 0.49</u>	<u>\$ 0.12</u>

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012*
NET ASSETS - BEGINNING OF PERIOD		
Series A Shares	<u>\$2,877,456</u>	<u>\$ —</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Shares	<u>246,240</u>	<u>3,514</u>
DISTRIBUTIONS TO SHAREHOLDERS		
From realized gain		
Series A Shares	<u>(13,255)</u>	<u>—</u>
CAPITAL SHARE TRANSACTIONS		
Proceeds from issue		
Series A Shares	6,314,098	302,299
Reinvested distributions		
Series A Shares	13,255	—
Payments on redemption		
Series A Shares	<u>(539,900)</u>	<u>—</u>
	<u>5,787,453</u>	<u>302,299</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Shares	<u>6,020,438</u>	<u>305,813</u>
NET ASSETS - END OF PERIOD		
Series A Shares	<u>\$8,897,894</u>	<u>\$305,813</u>

* Fund's inception date was May 18, 2012.

Scotia INNOVA Maximum Growth Portfolio Class (Unaudited – Continued)

STATEMENT OF INVESTMENT PORTFOLIO

As at June 30, 2013

Number of Units	Issuer	Average Cost (\$)	Fair Value (\$)
CANADIAN EQUITY FUNDS – 44.2%			
32,013	Scotia Canadian Dividend Fund Series I	1,305,169	1,328,153
50,686	Scotia Private Canadian Equity Pool Series I	561,187	556,730
78,446	Scotia Private Canadian Growth Pool Series I	923,293	947,640
37,443	Scotia Private Canadian Small Cap Pool Series I	991,746	1,095,870
		<u>3,781,395</u>	<u>3,928,393</u>
FOREIGN EQUITY FUNDS – 52.8%			
52,133	Scotia Private Emerging Markets Pool Series I	456,099	441,539
57,109	Scotia Private Global Equity Pool Series I	807,462	858,246
30,190	Scotia Private Global Real Estate Pool Series I	427,845	442,844
152,324	Scotia Private International Equity Pool Series I	1,503,715	1,583,634
37,266	Scotia Private U.S. Equity Pool Series I	321,202	341,282
15,567	Scotia Private U.S. Mid Cap Growth Pool Series I	274,427	305,371
53,942	Scotia Private U.S. Value Pool Series I	670,423	727,828
		<u>4,461,173</u>	<u>4,700,744</u>
	TOTAL INVESTMENT PORTFOLIO	<u>8,242,568</u>	<u>8,629,137</u>
	OTHER ASSETS, LESS LIABILITIES – 3.0%		268,757
	NET ASSETS – 100.0%		<u>8,897,894</u>

SUMMARY OF INVESTMENT PORTFOLIO

Investment Category	Percentage of Net Assets (%)	
	June 30, 2013	December 31, 2012
Canadian Equity Funds	44.2	45.3
Foreign Equity Funds	52.8	53.8

SUPPLEMENTARY SCHEDULES

As at June 30, 2013 and December 31, 2012

Currency risk (note 3)

The Fund could be exposed to indirect currency risk to the extent that the underlying funds held financial instruments that were denominated in a currency other than its functional currency.

Other price risk (note 3)

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at June 30, 2013, approximately 97.0% (December 31, 2012 – 99.1%) of the Fund's net assets were exposed to other price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$862,914 (December 31, 2012 – \$285,212). In practice, actual results will differ from this sensitivity analysis and the difference could be material.

Liquidity risk (note 3)

As at December 31, 2012, the Fund did not have any financial liabilities with maturities greater than 3 months.

	June 30, 2013	December 31, 2012
	Less than 3 months	Less than 3 months
Accounts payable and accrued liabilities	\$15,224	\$ –

Fair value classification (note 2)

As there have been no material changes to the classification of the Fund's financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

Scotia Corporate Class Inc. (Unaudited)

STATEMENT OF NET ASSETS

As at

	June 30, 2013	December 31, 2012
ASSETS		
Investments at fair value	\$1,068,422,050	\$557,942,501
Cash	13,072,183	26,748,441
Accrued investment income	204,225	118,685
Receivable for securities sold	3,529,000	—
Subscriptions receivable	3,518,053	4,324,710
Receivable for currency forward contracts	39,109	—
	<u>1,088,784,620</u>	<u>589,134,337</u>
LIABILITIES		
Bank indebtedness	191,088	2
Payable for securities purchased	10,478,300	3,809,479
Distributions payable	—	8,644
Redemptions payable	1,312,636	100,200
Accrued expenses	1,307,237	—
Payable for futures contracts	92,974	6,314
	<u>13,382,235</u>	<u>3,924,639</u>
Net Assets	<u>\$1,075,402,385</u>	<u>\$585,209,698</u>
NET ASSETS PER SERIES		
Series A Shares	\$ 873,514,216	\$461,165,413
Series M Shares	\$ 201,888,169	\$124,044,285

STATEMENT OF OPERATIONS

For the six month periods ended June 30,

	2013	2012*
INVESTMENT INCOME		
Dividends	\$ 1,901,807	\$ 35,813
Interest	2,635,203	107,007
Foreign withholding taxes/tax reclaims	(6,953)	—
Other income	26,320	—
	<u>4,556,377</u>	<u>142,820</u>
EXPENSES		
Management fees (note 5)	5,810,493	24,856
Administration fees (note 6)	432,122	1,622
Harmonized Sales Tax/Goods and Services Tax	682,696	3,449
Independent Review Committee fees	1,504	4
Overdraft charges	4,899	—
	<u>6,931,714</u>	<u>29,931</u>
Net investment income (loss)	<u>(2,375,337)</u>	<u>112,889</u>
Net realized gain (loss) on investments sold	770,311	886
Net realized gain (loss) on futures contracts	(12,711)	—
Net realized gain (loss) on currency forwards	84,828	—
Net gain (loss) foreign exchange	6,524	—
Transaction costs	(4,051)	—
Change in unrealized appreciation (depreciation) of investments	4,738,876	162,465
Change in unrealized appreciation (depreciation) of currency forwards	39,109	—
Change in unrealized appreciation (depreciation) of currency futures	(73,279)	—
Net gain (loss) on investments and transaction costs	<u>5,549,607</u>	<u>163,351</u>
Increase (decrease) in Net Assets from operations	<u>\$ 3,174,270</u>	<u>\$276,240</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Shares	\$ 508,169	\$266,645
Series M Shares	\$ 2,666,101	\$ 9,595

STATEMENT OF CHANGES IN NET ASSETS

For the six month periods ended June 30,

	2013	2012*
NET ASSETS – BEGINNING OF PERIOD		
Series A Shares	\$ 461,165,413	\$ —
Series M Shares	124,044,285	—
	<u>585,209,698</u>	<u>—</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Series A Shares	508,169	266,645
Series M Shares	2,666,101	9,595
	<u>3,174,270</u>	<u>276,240</u>
DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income		
Series A Shares	(180,096)	—
From realized gain		
Series A Shares	(1,893,943)	—
Series M Shares	(557,888)	—
	<u>(2,631,927)</u>	<u>—</u>
CAPITAL SHARE TRANSACTIONS		
Proceeds from issue		
Series A Shares	494,062,854	42,671,969
Series M Shares	90,631,061	849,960
Reinvested distributions		
Series A Shares	2,045,526	—
Series M Shares	557,888	—
Payments on redemption		
Series A Shares	(82,193,707)	(1,200)
Series M Shares	(15,453,278)	—
	<u>489,650,344</u>	<u>43,520,729</u>
INCREASE (DECREASE) IN NET ASSETS		
Series A Shares	412,348,803	42,937,414
Series M Shares	77,843,884	859,555
	<u>490,192,687</u>	<u>43,796,969</u>
NET ASSETS – END OF PERIOD		
Series A Shares	873,514,216	42,937,414
Series M Shares	201,888,169	859,555
	<u>\$1,075,402,385</u>	<u>\$43,796,969</u>

* Inception date was May 18, 2012. Accordingly, there were no comparative figures shown.

The accompanying notes are an integral part of the financial statements.

Notes to Financial Statements (Unaudited)

For the periods indicated in Note 1.

1. The Funds

The funds presented in these financial statements (individually a “Fund” and collectively, the “Funds”) are open-ended mutual fund trusts and mutual fund corporations. The open-ended mutual fund trusts are established under the laws of the Province of Ontario pursuant to an Amended and Restated Master Declaration of Trust dated November 24, 2011, as amended from time to time.

Scotia Corporate Class Inc. (the “Corporation”) is a multi-class open-ended mutual fund corporation formed by articles of incorporation under the laws of Canada on April 17, 2012, as amended from time to time. The purpose of the Corporation is to invest the assets attributable to each of the currently offered Classes in accordance with the investment objective of each Class. Each corporate class fund is a class of shares of the Corporation. The Corporation is authorized to issue a class of special voting shares and 200 Classes of mutual fund shares, although the Corporation may issue more in the future. Each Fund is authorized to issue 25 series of shares.

Mutual fund trusts issue units and corporate class funds issue shares. Throughout this document, reference to Funds includes Portfolios and Classes, reference to units includes shares and reference to unitholders includes shareholders.

The inception date for each Fund is as follows:

Scotia T-Bill Fund	October 3, 1991
Scotia Premium T-Bill Fund	July 10, 1992
Scotia Money Market Fund	August 30, 1990
Scotia U.S. \$ Money Market Fund	September 3, 1996
Scotia Short Term Bond Fund	August 26, 2010
Scotia Private Short-Mid Government Bond Pool	September 30, 2007
Scotia Mortgage Income Fund	September 22, 1992
Scotia Bond Fund	August 17, 2009
Scotia Canadian Income Fund	November 1, 1957
Scotia Private Canadian Corporate Bond Pool	October 30, 2003
Scotia U.S. \$ Bond Fund	November 27, 1991
Scotia Global Bond Fund	July 4, 1994
Scotia Private Advantaged Income Pool	September 30, 2007
Scotia Diversified Monthly Income Fund	June 10, 2005
Scotia Income Advantage Fund	July 6, 2011
Scotia Canadian Balanced Fund	May 7, 1990
Scotia Canadian Dividend Income Fund	August 26, 2010
Scotia Canadian Tactical Asset Allocation Fund	February 20, 1961
Scotia Global Balanced Fund	August 26, 2010
Scotia U.S. \$ Balanced Fund	July 6, 2011
Scotia Private Canadian Preferred Share Pool	November 25, 2011
Scotia Canadian Dividend Fund	October 28, 1992
Scotia Canadian Blue Chip Fund	December 31, 1986

Scotia Private Canadian Equity Pool	June 10, 2005
Scotia Canadian Growth Fund	February 20, 1961
Scotia Canadian Small Cap Fund	October 28, 1992
Scotia Resource Fund	July 6, 1993
Scotia Private Real Estate Income Pool	November 20, 2012
Scotia Private North American Equity Pool	June 10, 2005
Scotia U.S. Dividend Fund	November 20, 2012
Scotia Private U.S. Dividend Pool	November 25, 2011
Scotia Private U.S. Equity Pool	June 10, 2005
Scotia U.S. Blue Chip Fund	December 31, 1986
Scotia U.S. Opportunities Fund (formerly, Scotia U.S. Value Fund)	November 30, 2000
Scotia Private International Core Equity Pool	June 10, 2005
Scotia International Value Fund	November 30, 2000
Scotia European Fund	September 3, 1996
Scotia Pacific Rim Fund	August 18, 1994
Scotia Latin American Fund	August 18, 1994
Scotia Global Dividend Fund	August 26, 2010
Scotia Global Growth Fund	February 20, 1961
Scotia Global Small Cap Fund	November 30, 2000
Scotia Global Opportunities Fund	November 30, 2000
Scotia Global Climate Change Fund	January 25, 2008
Scotia Canadian Bond Index Fund	September 20, 1999
Scotia Canadian Index Fund	December 13, 1996
Scotia U.S. Index Fund	December 13, 1996
Scotia CanAm Index Fund	July 9, 1993
Scotia Nasdaq Index Fund	November 30, 2000
Scotia International Index Fund	September 20, 1999
Scotia Selected Income Portfolio	November 20, 2012
Scotia Selected Income & Modest Growth Portfolio	April 22, 2003
Scotia Selected Balanced Income & Growth Portfolio	April 22, 2003
Scotia Selected Moderate Growth Portfolio	April 22, 2003
Scotia Selected Aggressive Growth Portfolio	April 22, 2003
Scotia Partners Diversified Income Portfolio	August 26, 2010
Scotia Partners Income & Modest Growth Portfolio	November 29, 2002
Scotia Partners Balanced Income & Growth Portfolio	November 29, 2002
Scotia Partners Moderate Growth Portfolio	November 29, 2002
Scotia Partners Aggressive Growth Portfolio	November 29, 2002
Scotia Vision Conservative 2010 Portfolio	June 10, 2005
Scotia Vision Aggressive 2010 Portfolio	June 10, 2005
Scotia Vision Conservative 2015 Portfolio	June 10, 2005
Scotia Vision Aggressive 2015 Portfolio	June 10, 2005
Scotia Vision Conservative 2020 Portfolio	June 10, 2005
Scotia Vision Aggressive 2020 Portfolio	June 10, 2005
Scotia Vision Conservative 2030 Portfolio	June 10, 2005
Scotia Vision Aggressive 2030 Portfolio	June 10, 2005
Scotia INNOVA Income Portfolio	January 13, 2009
Scotia INNOVA Balanced Income Portfolio	January 13, 2009
Scotia INNOVA Balanced Growth Portfolio	January 13, 2009
Scotia INNOVA Growth Portfolio	January 13, 2009
Scotia INNOVA Maximum Growth Portfolio	January 13, 2009
Scotia Short Term Yield Class	May 18, 2012
Scotia Conservative Government Bond Capital Yield Class	May 18, 2012
Scotia Canadian Corporate Bond Capital Yield Class	May 18, 2012
Scotia Fixed Income Blend Class	November 19, 2012
Scotia Canadian Dividend Class	May 18, 2012
Scotia Canadian Equity Blend Class	November 19, 2012
Scotia Private Canadian Equity Class	May 18, 2012
Scotia Private U.S. Dividend Class	May 18, 2012
Scotia Private U.S. Equity Class	May 18, 2012

Scotia U.S. Equity Blend Class	November 19, 2012
Scotia Global Dividend Class	May 18, 2012
Scotia International Equity Blend Class	November 19, 2012
Scotia INNOVA Income Portfolio Class	May 18, 2012
Scotia INNOVA Balanced Income Portfolio Class	May 18, 2012
Scotia INNOVA Balanced Growth Portfolio Class	May 18, 2012
Scotia INNOVA Growth Portfolio Class	May 18, 2012
Scotia INNOVA Maximum Growth Portfolio Class	May 18, 2012

The Statement of Investment Portfolio of each of the Funds is as at June 30, 2013. The Statements of Net Assets are as at June 30, 2013 and December 31, 2012, and the Statements of Operations and Statements of Changes in Net Assets are for the six-month periods ended June 30, 2013 and June 30, 2012 except for Funds started during either year. For Funds started during either period, the information presented is for the period from the Fund inception date (as noted above), respectively, to June 30, 2013 and 2012, as applicable. Throughout this document, reference to the reporting period refers to the reporting period described above.

The manager and trustee (where applicable) of the Funds is Scotia Asset Management L.P. (“SAM” or the “Manager”).

Each of the Funds may offer one or more Series of securities: Series A units, Advisor Series units, Premium Series units, Series F units, Series I units, Series M units and Series T units. Each Series of a Fund is authorized to issue an unlimited number of units, which are redeemable at the option of the unitholder at their respective net asset value next determined following receipt of the sell order by the Fund.

Each Series of units of a Fund is intended for different investors. A description of each Series of units is provided below:

- Series A units and Series T units are available to all investors. Series T units are for investors who seek stable monthly distributions.
- Advisor Series units are available through authorized dealers and brokers, including ScotiaMcLeod.
- Premium Series units may only be purchased by investors who meet the required minimum investment, as determined by SAM from time to time.
- Prospective purchasers of Series F units must have a fee-based account with authorized brokers or dealers, including ScotiaMcLeod.
- Series I units may only be purchased by eligible institutional investors and other qualified investors as determined by SAM.
- Series M units may only be purchased by clients of SAM or Scotiatrust that have entered into a discretionary management agreement.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (“GAAP”). In applying Canadian GAAP, the Manager may make estimates and assumptions that affect the reported amounts in the financial statements. Actual results may differ from such estimates. The significant accounting policies followed by the Funds are summarized below.

(a) Financial instrument disclosures

Financial instrument disclosures include a three-level fair value hierarchy which provides information about the relative observability of inputs to the fair value measurement of financial assets and liabilities. The levels are defined as follows:

- Level 1: Fair value is based on quoted prices in active markets for identical assets or liabilities;
- Level 2: Fair value is based on inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly or indirectly. This is inclusive of bonds and debentures that are based on multi-dealer pricing, short-term notes carried at amortized cost, foreign equity securities in markets closing before 4:00 pm Eastern time and securities not actively traded and considered illiquid; and
- Level 3: Fair value is based on at least one significant non-observable input that is not supported by market data for the financial assets or liabilities.

The three-level fair value hierarchy, transfers between levels and reconciliation of level 3 financial instruments are disclosed in the respective Fund’s supplementary schedules.

As there have been no material changes to the classification of the Funds’ financial instruments as outlined in the most recent audited annual financial statements, this disclosure is not repeated in these semi-annual financial statements. These semi-annual financial statements should be read in conjunction with the most recent audited annual financial statements.

(b) Valuation of investments

The fair value of investments as at the financial reporting period end dates are determined as follows:

- In accordance with Accounting Guideline 18, “Investment Companies”, investments are deemed to be categorized as held for trading and are required to be recorded at fair value as defined in CICA Handbook Section 3855, “Financial Instruments – Recognition and

- Measurement” (“Section 3855”). Investments that are traded in an active market on a recognized public stock exchange and over-the-counter markets are valued at their bid prices for investments held and ask prices for investments sold short. Securities with no available bid, or a quoted value determined by the Manager to be inaccurate or unreliable, are valued in such a manner as in the opinion of the Manager most accurately reflects the instrument’s fair value. The application of Section 3855 impacts the valuation and disclosure of the Net Assets of an investment fund for financial reporting purposes (“Net Assets”). The value used to determine the Funds’ daily price for purchase and redemption of units (“Pricing NAV” or “Net Asset Value”) is not affected by this accounting policy. A reconciliation of Net Asset Value per unit and Net Assets per unit of each Fund is provided in Note 11.
- (ii) North American equities are valued at last bid market price recorded by the security exchange on which the security is principally traded. Non-North American equities are valued at fair value provided by an independent pricing source.
 - (iii) Fixed income securities, including bonds and mortgage-backed securities, are valued at the average current bid price quoted by major dealers in such securities.
 - (iv) Short-term debt instruments are carried at amortized cost, which in the opinion of the Manager, approximates fair value.
 - (v) Mortgages held by Scotia Mortgage Income Fund are valued at their fair value using the prevailing rate of return on new mortgages of similar type and term.
 - (vi) Investments in underlying funds are valued based on the Net Asset Value per unit provided by the underlying fund’s manager at the end of each valuation date.
 - (vii) Realized gains or losses on foreign currency forward contracts would arise as a result of the closing of a position on the settlement date. The net realized gain or loss is reported as “Net realized gain (loss) on currency forwards” in the Statement of Operations. Open foreign currency forward contracts are valued at the gain or loss that would arise as a result of closing the position on the valuation date. The unrealized gain or loss, for the period is reflected in the Statement of Operations as “Change in unrealized appreciation (depreciation) of currency forwards”.
 - (viii) Unlisted warrants are valued using the Black-Scholes option valuation model. The model also factors in the time value of money and the volatility inputs significant to such valuation.
 - (ix) Futures contracts are valued at their bid prices for financial reporting purposes at the close of business on each valuation date of the reporting period. Any difference between the settlement value at the close of business on the current valuation date and that of the previous valuation date is settled into cash daily and recorded in the Statement of Operations as “Net realized gain (loss) on future contracts” or “Index futures contract income”. Amounts receivable (payable) from (to) settlement of futures contracts are reflected in the Statement of Net Assets as “Receivable for (Payable for) futures contracts”.
 - (x) Options are valued at their bid price for long positions and their ask price for short positions as reported by the principal exchange or over-the-counter market on which the contract is traded. Any difference resulting from revaluation at the reporting date is treated as unrealized appreciation (depreciation) of investments.
- Premiums paid for purchased call and put options are included in Investments at fair value on the Statement of Net Assets. When a purchased option expires, the Fund will realize a loss in the amount of the cost of the option. For the closing transaction of the purchased options, the Fund will realize a gain or loss depending on whether the proceeds are greater or less than the premium paid at the time of purchase. When a purchased call option is exercised, the cost of security purchased is increased by the premium paid at the time of purchase.
- Premiums received from writing options are included in Investments at fair value on the Statement of Net Assets as initial reductions in the value of investments. When a written option expires unexercised, premiums received from writing options are recorded as income on the Statement of Operations. For the closing transaction of the written options, the Fund will record a realized loss if the cost of closing the transaction exceeds the premium received; the Fund will record a realized gain if the premium received is greater than the amount paid for closing the transaction. When a written put is exercised, the cost of the security purchased is

reduced by the premiums received at the time the option was written.

- (xi) Swap contracts are valued at the estimated amount that the Fund would receive or pay to terminate the swap, based on the current value of the underlying interest on the valuation date.

The change in value of an equity swap contract is included in the Statements of Net Assets in “Receivable (Payable) for swap contracts” and in the Statements of Operations in “Change in unrealized appreciation (depreciation) of swap contracts”. When the equity swaps contracts are closed out, gains or losses are realized and included in the Statements of Operations as “Net realized gain (loss) on swap contracts”.

- (xii) Financial assets and liabilities other than investment securities are valued at cost or amortized cost. These balances are short-term in nature; therefore, their carrying values approximate fair values.

(c) Investment transactions and income recognition

Investment transactions are accounted for on a trade date basis. Transaction costs directly attributable to the acquisition or disposal of an investment are expensed and are included in “Transaction costs” in the Statement of Operations. The investment cost of a security represents the amount paid and is determined on an average cost basis excluding transaction costs.

Dividend income and distributions from underlying funds are recognized on the ex-dividend date and interest is recognized on an accrual basis.

Distributions received from income trusts are recognized based on the nature of the underlying components such as dividend income, interest income, capital gains, and return of capital by applying previous year characterizations reported by the trust as current year characterizations are not available until the following year.

Realized gain or loss on the sale of short-term debt instruments are recorded as an adjustment to interest income.

Income, realized gain (loss) and unrealized gain (loss) are allocated among the Series on a pro rata basis.

(d) Foreign currency

The functional currency of a Fund is generally the Canadian dollar, except for Scotia U.S. \$ Money Market Fund, Scotia U.S. \$ Bond Fund and Scotia U.S. \$ Balanced Fund which are in U.S. dollars.

Amounts denominated in foreign currencies are converted into the functional currency as follows:

- (i) fair value of investments, forward and spot currency contracts and other assets and liabilities at the rates of exchange prevailing as at the valuation date; and
- (ii) purchase and sale of investments and investment income at the rates of exchange prevailing on the respective dates of such transactions.

Foreign exchange gain (loss) on purchases and sales of foreign currencies are included in “Net realized gain (loss) on foreign exchange” in the Statement of Operations.

(e) Securities lending

Some of the Funds may enter into securities lending transactions. These transactions involve the temporary exchange of securities for collateral with a commitment to return the same securities to the Fund on a future date. The income earned from these securities lending transactions is recorded in the Statement of Operations. The fair value of the securities lent and collateral held is determined on a daily basis. The securities lending arrangement can be terminated by the borrower, the securities lending agent or the Fund at any time.

(f) Increase (decrease) in Net Assets from operations per unit

“Increase (decrease) in Net Assets from operations per unit” is disclosed in the Statement of Operations and represents, for each Series of units, the increase or decrease in Net Assets from operations for the period attributable to each Series divided by the average number of units outstanding for the corresponding Series during the period.

(g) Cash

Cash is comprised of cash on deposit and is stated at fair value.

3. Discussion of financial instrument risk

Each Fund’s investment activities expose it to a variety of financial risks: market risk (including interest rate risk, currency risk, and other price risk), credit risk and liquidity risk. Each Fund’s investment practices include portfolio monitoring to ensure compliance with stated investment guidelines. The Manager seeks to minimize potential adverse effects of risks on each Fund’s performance by employing and overseeing professional and experienced portfolio advisors that regularly monitor each Fund’s securities and financial market developments. The risks are measured using a method that reflects the expected impact on the results and Net Assets attributable to unitholders of

the Funds from reasonably possible changes in the relevant risk variables.

Some Funds invest in underlying funds. These Funds are indirectly exposed to market risk, credit risk, and liquidity risk in the event that the underlying funds invest in financial instruments that are subject to those risks.

A Fund's exposure to market risk, credit risk and liquidity risk, where applicable, is disclosed in the respective Fund's Supplementary Schedules. Where the exposure to a particular risk is not disclosed, the Manager has assessed the potential impact of that risk to be not significant.

(a) Market risk

(i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the future cash flows or the fair values of interest-bearing financial instruments. Each Fund's exposure to interest rate risk is concentrated in its investments in debt securities (such as bonds and debentures) and interest rate derivative instruments, if any. Short-term investments and other assets and liabilities are short-term in nature and/or non-interest bearing and are not subject to a significant amount of interest rate risk due to fluctuations in the prevailing levels of market interest rates.

(ii) Currency risk

Currency risk is the risk that the value of foreign investments will fluctuate due to changes in the foreign exchange rates of those currencies in relation to the Fund's functional currency. Other financial assets (including dividends and interest receivable and receivable for investments sold) and financial liabilities that are denominated in foreign currencies do not expose the Fund to significant currency risk.

Funds may enter into foreign exchange forward contracts or currency futures contracts for hedging purposes to reduce their foreign currency risk exposure.

(iii) Other price risk

Other price risk is the risk that the fair value of a Fund's financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities. The maximum risk resulting from these financial instruments is equivalent to their fair value, except for written options and future contracts sold, where possible losses can be unlimited.

(b) Credit risk

Credit risk is the risk that the counterparty of a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. Where the Fund invests in debt instruments, this represents the main concentration of credit risk. The fair value of debt instruments includes consideration of the creditworthiness of the issuer, and accordingly, represents the maximum credit risk exposure to the Fund. Credit risk may also exist in relation to counterparties of futures and currency forward contracts. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is only made on a purchase once the securities have been received by the broker.

A Fund may enter into securities lending transactions with counterparties whereby the Fund temporarily exchanges securities for collateral with a commitment by the counterparty to deliver the same securities on a future date. Credit risk associated with these transactions is considered minimal as all counterparties have approved credit rating and the market value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned as at the end of each trading day.

(c) Liquidity risk

The Fund's exposure to liquidity risk arises primarily from the daily cash redemption of units. The Fund primarily invests in securities that are traded in active markets and can be readily disposed of. In addition, the Fund aims to retain sufficient cash and cash equivalent positions to maintain liquidity and has the ability to borrow up to 5% of its Net Asset Value for the purpose of funding redemptions. The Fund may, from time to time, enter into over-the-counter derivative contracts or invest in securities that are not traded in an active market and may be illiquid. Illiquid securities are identified in the respective Fund's Statement of Investment Portfolio.

4. Unitholders' equity

Units issued and outstanding represent the capital of each Fund. Each of the Funds may issue an unlimited number of units. Each unit is redeemable at the option of the unitholder in accordance with the Declaration of Trust or articles of Incorporation, ranks *pari passu* with all other units of the Fund, and entitles the unitholder to a proportionate undivided interest in the Net Asset Value of the Fund. Unitholders are entitled to distributions when declared. Distributions on units of a Fund are reinvested in additional units of the Fund or at the option of the unitholder, paid in cash. The Funds have no restrictions on capital or specific capital requirements. SAM manages the

capital of the Funds in accordance with the Funds' investment objectives.

The units of each Series of the Funds are issued and redeemed at their Pricing NAV per unit which is determined as of the close of business on each day that the Toronto Stock Exchange is open for trading. The Pricing

NAV per unit is calculated by dividing the Net Assets per Series by the total number of outstanding units of each Series.

For the periods ended June 30, 2013 and June 30, 2012, the following numbers of units were issued, reinvested and redeemed:

Fund	2013			2012		
	Units issued	Units reinvested	Units redeemed	Units issued	Units reinvested	Units redeemed
Scotia T-Bill Fund						
Series A	989,959	13,171	1,794,132	1,428,495	16,178	2,638,206
Scotia Premium T-Bill Fund						
Series A	3,189,613	122,319	7,117,501	6,975,209	148,523	11,571,988
Scotia Money Market Fund						
Series A	17,971,135	92,683	24,574,109	27,213,886	116,334	31,650,273
Advisor Series	74,033	247	90,306	41,167	362	115,193
Premium Series	10,878,275	115,465	16,546,052	13,488,904	145,059	14,542,263
Series I	3,000	6,900	89,010	14,970	7,689	122,300
Series M	116,261,676	686,886	148,998,975	130,473,495	789,552	137,878,685
Scotia U.S.\$ Money Market Fund						
Series A	2,797,177	2,012	4,662,776	3,507,229	2,474	3,853,000
Scotia Short Term Bond Fund						
Series M	7,875,747	212,208	1,705,737	3,380,164	57,304	695,405
Scotia Private Short-Mid Government Bond Pool						
Series I	12,843,268	822,311	1,382,910	7,079,195	532,752	24,059,153
Series M	14,713,255	952,933	10,010,043	16,811,349	956,448	9,036,505
Scotia Mortgage Income Fund						
Series A	466,636	137,376	2,871,644	769,817	223,516	2,618,942
Series F	4,369	1,390	46,293	5,336	2,425	54,689
Series I	478,764	197,859	—	405,638	359,536	2,583,867
Scotia Bond Fund						
Series A	2,196,331	221,203	4,139,638	5,733,527	180,497	1,966,219
Series I	1,733,549	341,296	—	1,284,227	569,830	1,258,765
Scotia Canadian Income Fund						
Series A	11,359,950	1,310,208	18,862,570	23,816,976	1,192,533	9,049,633
Advisor Series	23,466	12,032	363,253	289,146	13,880	147,345
Series F	8,749	2,451	17,576	78,984	1,932	17,937
Series I	44,480,209	5,445,922	9,298,789	134,951,938	4,108,352	18,775,679
Series M	13,147,188	774,480	7,035,564	13,026,812	580,230	4,867,804
Scotia Private Canadian Corporate Bond Pool						
Series I	18,017,579	2,464,486	1,315,428	21,495,083	1,907,890	17,558,773
Series M	35,091,429	2,966,542	18,744,139	32,506,356	3,395,508	18,903,752
Scotia U.S. \$ Bond Fund						
Series A	1,369,050	87,911	3,169,162	3,515,398	73,269	1,290,614
Series F	35,007	336	8,204	3,443	73	1
Scotia Global Bond Fund						
Series A	127,823	7,060	319,491	380,808	9,763	245,957
Series I	35,037	23,751	114,924	56,669	29,410	223,575
Scotia Private Advantaged Income Pool						
Series M	418,550	—	1,815,940	413,807	—	1,717,604
Scotia Diversified Monthly Income Fund						
Series A	32,218,197	4,028,013	23,139,217	35,332,559	3,676,918	18,040,167
Advisor Series	29,223	3,925	86,808	79,937	9,259	347,920
Series F	2,927	639	12,237	29,295	967	6,896
Scotia Income Advantage Fund						
Series A	5,457,471	255,932	1,099,756	4,389,322	106,077	354,440
Scotia Canadian Balanced Fund						
Series A	5,488,720	359,236	14,434,012	7,204,687	561,220	11,076,680
Series F	299	21	397	245	21	1,532
Scotia Canadian Dividend Income Fund						
Series A	4,584,346	46,284	858,335	1,341,241	29,174	797,071
Scotia Canadian Tactical Asset Allocation Fund						
Series A	3,635,644	125,755	2,675,544	2,928,925	144,125	2,144,793
Advisor Series	23,853	449	15,043	3,974	113	14,375
Series F	17	5	708	16	12	10
Scotia Global Balanced Fund						
Series A	964,229	7,813	220,688	265,772	20,680	163,019

Fund	2013			2012		
	Units issued	Units reinvested	Units redeemed	Units issued	Units reinvested	Units redeemed
Scotia U.S. \$ Balanced Fund						
Series A	2,057,761	—	282,061	735,930	—	161,905
Scotia Private Canadian Preferred Share Pool						
Series I	2,400,608	166,989	—	5,624,359	36,232	—
Series M	9,925,542	478,592	3,098,316	8,746,891	52,876	322,690
Scotia Canadian Dividend Fund						
Series A	5,689,542	345,284	5,682,479	5,727,047	378,212	5,077,043
Advisor Series	57,832	2,583	68,982	59,980	2,821	80,911
Series F	27,006	1,789	57,079	97,521	2,249	31,063
Series I	5,042,071	496,089	445,519	3,084,560	399,500	1,537,240
Series M	4,137,350	152,525	1,480,824	3,995,599	127,908	3,587,037
Scotia Canadian Blue Chip Fund						
Series A	158,691	—	870,324	217,022	—	790,591
Series F	5,820	—	5,820	4,491	—	2,168
Series I	1,891	—	38,923	—	—	26,479
Scotia Private Canadian Equity Pool						
Series I	8,439,494	—	177,683	3,577,979	—	2,970,665
Series M	7,140,663	—	5,032,769	5,621,248	—	10,494,847
Scotia Canadian Growth Fund						
Series A	148,033	—	539,395	149,137	—	516,117
Advisor Series	—	—	865	1	—	93
Series F	—	—	—	1,877	—	3,804
Series I	28,868	—	24,374	20,122	—	9,483
Scotia Canadian Small Cap Fund						
Series A	59,172	—	255,072	111,497	—	226,719
Series F	—	—	—	1,352	—	—
Series I	432	—	57,462	35,071	—	58,491
Series M	54,909	—	84,246	828,667	—	22,588
Scotia Resource Fund						
Series A	432,243	—	910,197	642,916	—	620,321
Series F	260	—	13,202	10,319	—	578
Series I	—	—	—	424,332	—	14,509
Scotia Private Real Estate Income Pool						
Series M	2,681,115	114,364	1,242,812	—	—	—
Scotia Private North American Equity Pool						
Series M	162,710	—	1,014,833	473,717	—	5,390,470
Scotia U.S. Dividend Fund						
Series A	868,657	—	36,720	—	—	—
Series I	—	—	196,539	—	—	—
Scotia Private U.S. Dividend Pool						
Series I	558,121	7,501	46,564	15,263	65	—
Series M	17,472,956	265,116	2,447,428	16,019,243	82,769	2,702,236
Scotia Private U.S. Equity Pool						
Series I	3,302,304	—	308,765	579,559	—	2,504,120
Series M	2,943,733	—	18,486,329	9,139,625	—	27,355,602
Scotia U.S. Blue Chip Fund						
Series A	245,064	—	368,586	215,599	—	314,928
Series F	—	—	—	—	—	—
Scotia U.S. Opportunities Fund						
Series A	182,352	—	262,104	228,650	—	210,039
Series I	4,530	—	128,187	36,554	—	742,573
Scotia Private International Core Equity Pool						
Series M	923,012	—	365,867	711,736	—	5,336,296
Scotia International Value Fund						
Series A	188,742	—	176,080	73,968	—	138,214
Advisor Series	—	—	—	—	—	—
Series I	40,917	—	651,441	190,892	—	1,362,922
Scotia European Fund						
Series A	108,577	—	173,497	52,424	—	204,608
Series I	—	—	10,686	—	—	—
Scotia Pacific Rim Fund						
Series A	107,727	—	210,801	108,561	—	156,624
Series I	—	—	28,472	—	—	2,544
Scotia Latin American Fund						
Series A	134,771	—	305,250	150,081	—	238,035
Series F	—	—	—	—	—	963
Series I	—	—	11,503	—	—	2,210

Fund	2013			2012		
	Units issued	Units reinvested	Units redeemed	Units issued	Units reinvested	Units redeemed
Scotia Global Dividend Fund						
Series A	2,101,565	—	327,520	548,439	—	236,183
Series I	222,694	—	145,723	51,688	—	166,424
Scotia Global Growth Fund						
Series A	148,767	—	201,573	103,856	—	186,117
Advisor Series	—	—	—	27	—	242
Series F	—	—	4	860	—	—
Series I	—	—	182,004	51,269	—	269,409
Scotia Global Small Cap Fund						
Series A	33,582	—	46,677	31,277	—	47,137
Series I	—	—	393,032	41,733	—	135,520
Scotia Global Opportunities Fund						
Series A	59,788	—	88,271	82,685	—	93,965
Advisor Series	—	—	—	55	—	—
Series F	—	—	—	4,989	—	—
Series I	11,370	—	171,449	60,999	—	65,969
Scotia Global Climate Change Fund						
Series A	77,676	—	90,382	69,103	—	102,607
Advisor Series	1,194	—	2,250	1,210	—	18,035
Scotia Canadian Bond Index Fund						
Series A	4,573,870	735,005	9,643,238	13,554,983	670,790	4,623,544
Series F	—	11	6,562	—	85	—
Series I	15,579	56,975	228,604	41,945	62,887	357,862
Scotia Canadian Index Fund						
Series A	744,777	—	1,239,670	992,531	—	890,104
Series F	2,128	—	—	124	—	221
Series I	70	—	72,605	42,947	—	114,731
Scotia U.S. Index Fund						
Series A	912,847	—	334,034	459,131	—	244,405
Series I	—	—	136,891	—	—	92,745
Scotia CanAm Index Fund						
Series A	325,102	—	536,738	152,616	—	552,992
Series F	—	—	—	—	—	11
Scotia Nasdaq Index Fund						
Series A	559,722	—	423,010	659,712	—	349,084
Series F	—	—	—	—	—	—
Scotia International Index Fund						
Series A	295,689	—	334,731	157,244	—	259,303
Series F	—	—	234	—	—	612
Series I	5,162	—	324,997	82,510	—	230,913
Scotia Selected Income Portfolio						
Series A	1,564,500	17,463	105,542	—	—	—
Scotia Selected Income & Modest Growth Portfolio						
Series A	7,028,717	—	3,087,007	4,664,239	—	2,642,342
Advisor Series	7,805	—	6,660	—	—	4,663
Scotia Selected Balanced Income & Growth Portfolio						
Series A	7,010,187	—	6,473,015	5,206,759	—	6,788,548
Advisor Series	24	—	148	50	—	200
Series F	—	—	7,405	—	—	—
Scotia Selected Moderate Growth Portfolio						
Series A	5,030,662	—	4,220,179	3,379,600	—	4,038,790
Advisor Series	—	—	—	2	—	4
Series F	—	—	—	1,107	—	—
Scotia Selected Aggressive Growth Portfolio						
Series A	1,432,998	—	1,043,612	873,813	—	784,221
Advisor Series	50	—	597	45	—	393
Series F	—	—	—	1,832	—	28
Scotia Partners Diversified Income Portfolio						
Series A	21,094,143	461,283	3,721,512	13,250,708	241,911	1,147,280
Scotia Partners Income & Modest Growth Portfolio						
Series A	10,241,629	—	3,404,901	4,681,273	—	2,761,329
Series F	—	—	1,249	—	—	323
Scotia Partners Balanced Income & Growth Portfolio						
Series A	15,841,855	—	8,122,653	8,386,442	2	8,440,920
Series F	1,719	—	2	353	—	4,062
Scotia Partners Moderate Growth Portfolio						
Series A	16,234,632	—	7,436,944	8,981,417	—	8,346,766
Series F	10,011	—	6,513	5,938	—	3,156

Fund	2013			2012		
	Units issued	Units reinvested	Units redeemed	Units issued	Units reinvested	Units redeemed
Scotia Partners Aggressive Growth Portfolio						
Series A	3,729,055	—	2,206,137	2,047,889	—	2,234,858
Series F	753	—	565	814	—	3,058
Scotia Vision Conservative 2010 Portfolio						
Series A	25,162	—	290,635	15,785	—	303,858
Scotia Vision Aggressive 2010 Portfolio						
Series A	10,230	—	66,895	9,128	—	89,865
Scotia Vision Conservative 2015 Portfolio						
Series A	62,809	—	495,168	103,587	—	633,439
Scotia Vision Aggressive 2015 Portfolio						
Series A	25,830	—	234,285	30,499	—	205,066
Scotia Vision Conservative 2020 Portfolio						
Series A	120,286	—	590,461	148,969	—	549,901
Scotia Vision Aggressive 2020 Portfolio						
Series A	80,873	—	388,807	100,908	—	243,228
Scotia Vision Conservative 2030 Portfolio						
Series A	55,390	—	342,836	88,855	—	310,974
Scotia Vision Aggressive 2030 Portfolio						
Series A	97,212	—	302,592	93,544	—	108,539
Scotia INNOVA Income Portfolio						
Series A	29,063,109		11,118,745	27,355,281	62	6,298,837
Series T	4,949,145	96,867	2,436,110	5,310,579	60,978	1,095,197
Scotia INNOVA Balanced Income Portfolio						
Series A	25,760,378	—	6,111,962	17,485,091	—	4,485,210
Series T	4,642,100	64,667	1,336,222	2,772,839	43,237	827,346
Scotia INNOVA Balanced Growth Portfolio						
Series A	25,863,479	244	4,779,514	15,139,827	—	5,151,756
Series T	3,355,511	78,400	959,499	2,086,051	67,346	635,525
Scotia INNOVA Growth Portfolio						
Series A	12,814,699	—	2,279,003	6,548,457	—	2,248,104
Scotia INNOVA Maximum Growth Portfolio						
Series A	3,049,916	—	528,881	1,633,869	—	569,659
Scotia Short Term Yield Class						
Series M	—	68	—	15,000	—	—
Scotia Conservative Government Bond Capital Yield Class						
Series A	148,927	19,920	1,225,833	586,057	—	—
Series M	1,841,484	15,700	462,550	—	—	—
Scotia Canadian Corporate Bond Capital Yield Class						
Series M	3,829,346	27,433	529,819	20,557	—	—
Scotia Fixed Income Blend Class						
Series A	401,333	586	51,069	—	—	—
Scotia Canadian Dividend Class						
Series A	1,327,395	6,313	103,509	144,259	—	—
Series M	1,173,217	4,706	167,495	—	—	—
Scotia Canadian Equity Blend Class						
Series A	21,095	87	—	—	—	—
Scotia Private Canadian Equity Class						
Series M	297,694	966	49,327	17,400	—	—
Scotia Private U.S. Dividend Class						
Series M	571,574	2,102	62,005	15,292	—	—
Scotia Private U.S. Equity Class						
Series M	977,438	3,097	206,659	16,743	—	—
Scotia U.S. Equity Blend Class						
Series A	37,896	71	101	—	—	—
Scotia Global Dividend Class						
Series A	225,872	599	18,746	24,070	—	—
Scotia International Equity Blend Class						
Series A	23,922	64	—	—	—	—
Scotia INNOVA Income Portfolio Class						
Series A	16,680,493	106,912	4,926,147	2,398,414	—	100
Scotia INNOVA Balanced Income Portfolio Class						
Series A	16,849,978	37,953	889,695	518,683	—	20
Scotia INNOVA Balanced Growth Portfolio Class						
Series A	7,836,568	16,687	406,845	404,798	—	—

Fund	2013			2012		
	Units issued	Units reinvested	Units redeemed	Units issued	Units reinvested	Units redeemed
Scotia INNOVA Growth Portfolio Class						
Series A	2,541,635	5,586	204,872	158,188	—	—
Scotia INNOVA Maximum Growth Portfolio Class						
Series A	563,109	1,195	48,020	30,417	—	—

5. Management fees and sales charges

The Funds' management fees are calculated daily and payable monthly on the first business day of the following calendar month. The Manager is entitled to a maximum annual management fee, exclusive of sales taxes, as follows:

	% of Net Asset Value						% of Net Asset Value					
	Series A Units	Series F Units	Series M Units	Advisor Series Units	Premium Series Units	Series T Units	Series A Units	Series F Units	Series M Units	Advisor Series Units	Premium Series Units	Series T Units
Scotia T-Bill Fund	1.00	—	—	—	—	—	Scotia Global Climate Change Fund	2.00	1.00	—	2.00	—
Scotia Premium T-Bill Fund	0.50	—	—	—	—	—	Scotia Canadian Bond Index Fund	0.70	0.35	—	—	—
Scotia Money Market Fund	1.00	—	0.10	1.00	0.30	—	Scotia Canadian Index Fund	0.80	0.40	—	—	—
Scotia U.S. \$ Money Market Fund	1.00	—	—	—	—	—	Scotia U.S. Index Fund	0.80	0.40	—	—	—
Scotia Short Term Bond Fund	—	—	0.10	—	—	—	Scotia CanAm Index Fund	0.80	0.40	—	—	—
Scotia Private Short-Mid Government Bond Pool	—	—	0.10	—	—	—	Scotia Nasdaq Index Fund	0.80	0.40	—	—	—
Scotia Mortgage Income Fund	1.25	0.625	—	—	—	—	Scotia International Index Fund	0.80	0.40	—	—	—
Scotia Bond Fund	1.10	—	—	—	—	—	Scotia Selected Income Portfolio	1.55	—	—	—	—
Scotia Canadian Income Fund	1.25	0.625	0.10	1.25	—	—	Scotia Selected Income & Modest Growth Portfolio	1.60	0.60	—	1.80	—
Scotia Private Canadian Corporate Bond Pool	—	—	0.10	—	—	—	Scotia Selected Balanced Income & Growth Portfolio	1.75	0.75	—	1.95	—
Scotia U.S. \$ Bond Fund	1.50	0.75	—	—	—	—	Scotia Selected Moderate Growth Portfolio	1.90	0.90	—	2.10	—
Scotia Global Bond Fund	1.50	0.75	—	—	—	—	Scotia Selected Aggressive Growth Portfolio	2.10	1.10	—	2.20	—
Scotia Private Advantaged Income Pool	—	—	0.10	—	—	—	Scotia Partners Diversified Income Portfolio	1.80	—	—	—	—
Scotia Diversified Monthly Income Fund	1.25	0.625	—	1.50	—	—	Scotia Partners Income & Modest Growth Portfolio	1.85	0.85	—	—	—
Scotia Income Advantage Fund	1.85	—	—	—	—	—	Scotia Partners Balanced Income & Growth Portfolio	2.00	1.00	—	—	—
Scotia Canadian Balanced Fund	1.75	0.875	—	—	—	—	Scotia Partners Moderate Growth Portfolio	2.15	1.15	—	—	—
Scotia Canadian Dividend Income Fund	1.65	—	—	—	—	—	Scotia Partners Aggressive Growth Portfolio	2.35	1.35	—	—	—
Scotia Canadian Tactical Asset Allocation Fund	1.75	0.875	—	1.95	—	—	Scotia Vision Conservative 2010 Portfolio	1.60	—	—	—	—
Scotia Global Balanced Fund	2.00	—	—	—	—	—	Scotia Vision Aggressive 2010 Portfolio	1.65	—	—	—	—
Scotia U.S. \$ Balanced Fund	1.85	—	—	—	—	—	Scotia Vision Conservative 2015 Portfolio	1.70	—	—	—	—
Scotia Private Canadian Preferred Share Pool	—	—	0.30	—	—	—	Scotia Vision Aggressive 2015 Portfolio	1.75	—	—	—	—
Scotia Canadian Dividend Fund	1.50	0.75	0.10	1.75	—	—	Scotia Vision Conservative 2020 Portfolio	1.80	—	—	—	—
Scotia Canadian Blue Chip Fund	1.85	0.925	—	—	—	—	Scotia Vision Aggressive 2020 Portfolio	1.85	—	—	—	—
Scotia Private Canadian Equity Pool	—	—	0.10	—	—	—	Scotia Vision Conservative 2030 Portfolio	2.00	—	—	—	—
Scotia Canadian Growth Fund	1.85	0.925	—	1.95	—	—	Scotia Vision Aggressive 2030 Portfolio	2.05	—	—	—	—
Scotia Canadian Small Cap Fund	2.00	1.00	0.10	—	—	—	Scotia INNOVA Income Portfolio	1.60	—	—	—	1.60
Scotia Resource Fund	2.00	1.00	—	—	—	—	Scotia INNOVA Balanced Income Portfolio	1.70	—	—	—	1.70
Scotia Private Real Estate Income Pool	—	—	0.30	—	—	—	Scotia INNOVA Balanced Growth Portfolio	1.80	—	—	—	1.80
Scotia Private North American Equity Pool	—	—	0.10	—	—	—	Scotia INNOVA Growth Portfolio	1.90	—	—	—	1.90
Scotia U.S. Dividend Fund	1.85	—	—	—	—	—	Scotia INNOVA Maximum Growth Portfolio	2.00	—	—	—	2.00
Scotia Private U.S. Dividend Pool	—	—	0.30	—	—	—	Scotia Short Term Yield Class	—	—	0.50	—	—
Scotia Private U.S. Equity Pool	—	—	0.10	—	—	—	Scotia Conservative Government Bond Capital Yield Class	1.10	—	0.50	—	—
Scotia U.S. Blue Chip Fund	2.00	1.00	—	—	—	—	Scotia Canadian Corporate Bond Capital Yield Class	—	—	0.50	—	—
Scotia U.S. Opportunities Fund	2.00	1.00	—	—	—	—	Scotia Fixed Income Blend Class	1.25	—	—	—	—
Scotia Private International Core Equity Pool	—	—	0.30	—	—	—	Scotia Canadian Dividend Class	1.50	—	0.50	—	—
Scotia International Value Fund	2.15	1.15	—	2.15	—	—	Scotia Canadian Equity Blend Class	1.85	—	—	—	—
Scotia European Fund	2.00	1.00	—	—	—	—	Scotia Private Canadian Equity Class	—	—	0.50	—	—
Scotia Pacific Rim Fund	2.00	1.00	—	—	—	—	Scotia Private U.S. Dividend Class	—	—	0.50	—	—
Scotia Latin American Fund	2.50	1.25	—	—	—	—						
Scotia Global Dividend Fund	2.00	—	—	—	—	—						
Scotia Global Growth Fund	2.00	1.00	—	2.00	—	—						
Scotia Global Small Cap Fund	2.35	1.35	—	—	—	—						
Scotia Global Opportunities Fund	2.20	1.20	—	2.20	—	—						

	% of Net Asset Value					
	Series A Units	Series F Units	Series M Units	Advisor Series Units	Premium Series Units	Series T Units
Scotia Private U.S. Equity Class	—	—	0.50	—	—	—
Scotia U.S. Equity Blend Class	1.95	—	—	—	—	—
Scotia Global Dividend Class	2.00	—	—	—	—	—
Scotia International Equity Blend Class	2.00	—	—	—	—	—
Scotia INNOVA Income Portfolio Class	1.60	—	—	—	—	—
Scotia INNOVA Balanced Income Portfolio Class	1.70	—	—	—	—	—
Scotia INNOVA Balanced Growth Portfolio Class	1.80	—	—	—	—	—
Scotia INNOVA Growth Portfolio Class	1.90	—	—	—	—	—
Scotia INNOVA Maximum Growth Portfolio Class	2.00	—	—	—	—	—

Management fees disclosed for the Scotia Portfolios are inclusive of the management fees charged to underlying funds. There is no duplication of fees. Management fees are not charged on Series I units. Instead, investors may negotiate a separate fee that is paid directly to the Manager.

Scotia Premium T-Bill Fund pays a rebate, called a management fee distribution, of 0.20% when the value of the Fund held within an investor's account is \$250,000 to \$1,000,000. It pays a management fee distribution of 0.35% when the value of the Fund held within an account is greater than \$1,000,000.

As money market yields have remained low during the period, the Manager has opted to waive a portion of the management fees for Scotia T-Bill Fund, Scotia Premium T-Bill Fund, Scotia Money Market Fund and Scotia U.S. \$ Money Market Fund that otherwise would have been charged. The Manager may discontinue waiving fees and expenses at any time, without notice.

Investors who choose to buy Advisor Series units under the front-end sales charge option may have to pay a sales charge that may range from 0% to 6% of the amount invested. The amount of the sales charge is negotiated between the investor and his or her dealer. The sales charge will be deducted from the amount invested and paid to the dealer as a commission. There are no sales charges associated with the purchase of Series A, Premium Series, Series F, Series T or Series M units.

6. Operating expenses

Each Series of a Fund is allocated its own expenses and its proportionate share of the Fund's expenses that are common to all Series. Operating expenses may include legal fees and other costs incurred in order to comply with legal and regulatory requirements and policies, audit fees, custodial fees, taxes, brokerage commissions, unitholder communication costs and other administration costs. The Manager, at its sole discretion, absorbs operating expenses otherwise payable by certain Series. The absorbed

expenses are reflected in the Statement of Operations. The Manager may cease to absorb expenses at any time.

For certain series of the Funds, the Manager will pay certain operating expenses. These expenses include regulatory filings and other day-to-day operating expenses. In return, each series pays a fixed administration fee, which is accrued daily and paid monthly. The maximum annual rates of administration fees are as follows:

	% of Net Asset Value	
	Series A Units	Series M Units
Scotia Short Term Yield Class	—	0.05
Scotia Conservative Government Bond Capital Yield Class	0.10	0.05
Scotia Canadian Corporate Bond Capital Yield Class	—	0.08
Scotia Fixed Income Blend Class	0.10	—
Scotia Canadian Dividend Class	0.10	0.08
Scotia Canadian Equity Blend Class	0.15	—
Scotia Private Canadian Equity Class	—	0.10
Scotia Private U.S. Dividend Class	—	0.15
Scotia Private U.S. Equity Class	—	0.15
Scotia U.S. Equity Blend Class	0.20	—
Scotia Global Dividend Class	0.30	—
Scotia International Equity Blend Class	0.30	—
Scotia INNOVA Income Portfolio Class	0.10	—
Scotia INNOVA Balanced Income Portfolio Class	0.10	—
Scotia INNOVA Balanced Growth Portfolio Class	0.10	—
Scotia INNOVA Growth Portfolio Class	0.10	—
Scotia INNOVA Maximum Growth Portfolio Class	0.10	—

7. Income taxes

Mutual fund trusts

Each of the Trust Funds qualifies or expects to qualify as mutual fund trust under the Income Tax Act (Canada). These Funds are subject to tax on their income, including net realized capital gains that are not paid or payable to their unitholders. Each of the Funds distributes sufficient amounts of its net investment income, including net realized capital gains, less the amount retained to enable each Fund to utilize any available tax losses or tax credit attributable to redemptions during the period to its unitholders such that no income tax will be paid or payable by the Funds. Such net investment income, including net realized capital gains are taxable in the hands of the unitholders. Accordingly, no provision for income taxes has been recorded in these financial statements.

In certain circumstances, the Funds may distribute a return of capital. A return of capital is generally not taxable to unitholders but will reduce the adjusted cost base of the units held.

Mutual fund corporation

The Corporation qualifies as a mutual fund corporation under the Income Tax Act (Canada) and has a December 31st tax year end. Each of the corporate class Funds are Classes of shares of the Corporation and together are treated as one legal entity and a single taxpayer. As a result, the Corporation must consolidate its income,

expenses and its capital gains and capital losses of all of its corporate class Funds in order to determine the Corporation's tax payable as a whole and whether the Corporation will pay capital gains dividends to its shareholders.

The Corporation is subject to refundable Part IV federal tax of 33 1/3% on the amount of taxable dividends received from taxable Canadian corporations. This tax is refundable as the Corporation pays taxable dividends to its shareholders at the rate of \$1 for every \$3 of taxable dividends paid. The Corporation is also subject to Part I tax on other income and net taxable capital gains for the year.

Part I tax on taxable capital gains can be reduced by the capital gains refund available to mutual fund corporations which is calculated based on the level of redemptions by shareholders and capital gains dividends distributed to shareholders.

The Corporation expects to offset its Part I and Part IV tax payable for the year through the capital gains refund mechanism and the Part IV tax refunds. Accordingly, no provision for income taxes has been made in the financial statements.

Losses Carried Forward

Capital losses may be carried forward indefinitely to reduce future net realized capital gains. Non-capital losses for income tax purposes may be carried forward for up to twenty years and applied against all sources of income. The following Funds have capital and/or non-capital losses carried forward as at December 31, 2012:

Fund	Year of expiry	Non-Capital Loss \$	Capital Loss \$
Scotia U.S. \$ Money Market Fund	—	—	57,909,844
Scotia Mortgage Income Fund	—	—	6,740,576
Scotia Canadian Corporate Bond Fund	—	—	29,938,917
Scotia U.S. \$ Bond Fund	—	—	6,959,998
Scotia Global Bond Fund	—	—	28,835,586
Scotia Private Advantaged Income Pool	—	—	5,650,417
Scotia Diversified Monthly Income Fund	—	—	33,289,401
Scotia Income Advantage Fund	—	—	4,447
Scotia Canadian Balanced Fund	—	—	45,852,256
Scotia Canadian Dividend Income Fund	—	—	1,333,889
Scotia Global Balanced Fund	—	—	2,126
Scotia U.S. \$ Balanced Fund	2031	21,765	222,365
	2032	71,019	—
Scotia Private Canadian Preferred Share Pool	—	—	124,068
Scotia Canadian Dividend Fund	—	—	85,737,426
Scotia Private Canadian Equity Pool	—	—	21,249,477
Scotia Canadian Growth Fund	—	—	25,183,846
Scotia Canadian Small Cap Fund	2032	422,288	13,249,187
Scotia Resource Fund	2029	432,698	22,032,451
Scotia Private North American Equity Pool	—	—	60,421,983
Scotia Private U.S. Equity Pool	—	—	64,711,496
Scotia U.S. Blue Chip Fund	2014	494,003	130,365,618
	2015	449,146	—
	2028	367,040	—
	2029	232,487	—
	2030	83,350	—

Fund	Year of expiry	Non-Capital Loss \$	Capital Loss \$
	2031	201,686	—
	2032	411,307	—
Scotia U.S. Opportunities Fund	2014	515,671	39,647,412
	2015	2,141,180	—
	2026	489,880	—
Scotia Private International Core Equity Pool	—	—	173,623,938
Scotia International Value Fund	—	—	51,983,711
Scotia European Fund	—	—	52,505,347
Scotia Pacific Rim Fund	2032	10,175	12,351,721
Scotia Latin American Fund	—	—	14,384,201
Scotia Global Dividend Fund	—	—	452,842
Scotia Global Growth Fund	—	—	130,777,264
Scotia Global Small Cap Fund	—	—	50,924,561
Scotia Global Opportunities Fund	—	—	12,009,029
Scotia Global Climate Change Fund	2032	85,785	1,997,354
Scotia Canadian Bond Index Fund	—	—	614,490
Scotia Canadian Index Fund	—	—	33,741,869
Scotia U.S. Index Fund	—	—	34,632,599
Scotia CanAm Index Fund	2028	24,046,130	95,258,739
	2031	224,632	—
Scotia Nasdaq Index Fund	—	—	7,205,101
Scotia International Index Fund	2028	6,477,667	14,112,231
	2031	5,192,149	—
Scotia Private Real Estate Income Pool	—	—	13,855
Scotia Selected Income & Modest Growth Portfolio	—	—	106,674
Scotia Selected Balanced Income & Growth Portfolio	—	—	22,360,931
Scotia Selected Moderate Growth Portfolio	—	—	20,923,338
Scotia Selected Aggressive Growth Portfolio	2028	89,173	9,135,753
	2029	115,033	—
	2030	20,770	—
Scotia Partners Moderate Growth Portfolio	2014	373,425	—
Scotia Partners Aggressive Growth Portfolio	2026	193,524	6,562,373
	2029	758,991	—
	2030	3,341,158	—
	2031	906,769	—
	2032	213,953	—
Scotia Vision Conservative 2010 Portfolio	—	—	1,643,865
Scotia Vision Aggressive 2010 Portfolio	—	—	144,832
Scotia Vision Conservative 2015 Portfolio	—	—	2,474,904
Scotia Vision Aggressive 2015 Portfolio	—	—	760,221
Scotia Vision Conservative 2020 Portfolio	—	—	2,213,486
Scotia Vision Aggressive 2020 Portfolio	—	—	1,222,272
Scotia Vision Conservative 2030 Portfolio	2030	52,206	2,091,928
	2032	98,534	—
Scotia Vision Aggressive 2030 Portfolio	2030	143,924	701,118
	2031	45,150	—
	2032	143,697	—
Scotia INNOVA Maximum Growth Portfolio	2032	79,795	—

As of December 31, 2012 the Corporation has no unused capital or non-capital losses.

Character Conversion Transactions Tax Measures

Scotia Conservative Government Bond Capital Yield Class, Scotia Canadian Corporate Bond Capital Yield Class, Scotia Fixed Income Blend Class, Scotia INNOVA Income Portfolio Class, Scotia INNOVA Balanced Growth Portfolio Class, Scotia INNOVA Growth Portfolio Class (the Class Funds) invests in Scotia Canadian Corporate Bond LP, Scotia Conservative Government Bond LP and/or Scotia Canadian Income LP (the LPs), which in turn invest in units of reference funds through the use of forward contracts.

Under proposed changes in the Federal Budget announced on March 21, 2013, gains realized on the sale of Canadian

securities by the LPs under a derivative forward agreement, where the term of the agreement or, where the agreement is part of a series, the series exceeds 180 days, will be treated as ordinary income rather than capital gains. Further to a Department of Finance press release dated July 11, 2013, derivative forward agreements entered into by the LPs will be grandfathered until the end of 2014, provided the derivative forward agreements stays within certain growth limits and the derivative forward agreements settle prior to 2015. It is expected that the grandfathering will be available to derivative forward agreements entered into by the LPs.

Management continues to assess the proposed changes and its impact to the Funds.

8. Client brokerage commissions

The ascertainable soft dollar arrangements in connection with investment portfolio transactions for the periods ended June 30, 2013 and June 30, 2012 are set out below.

Fund	2013	2012
Scotia Private Advantaged Income Pool	\$ 312	\$ 8,340
Scotia Diversified Monthly Income Fund	30,947	181,030
Scotia Income Advantage Fund	2,832	5,031
Scotia Canadian Balanced Fund	45,393	26,320
Scotia Canadian Dividend Income Fund	34,235	2,395
Scotia Canadian Tactical Asset Allocation Fund	14,649	11,750
Scotia U.S. \$ Balanced Fund	3,122	77
Scotia Canadian Dividend Fund	199,849	737,556
Scotia Canadian Blue Chip Fund	12,615	7,637
Scotia Private Canadian Equity Pool	1,755	—
Scotia Canadian Growth Fund	10,464	15,382
Scotia Canadian Small Cap Fund	1,493	444
Scotia Resource Fund	2,115	10,171
Scotia Private Real Estate Income Pool	885	—
Scotia Private North American Equity Pool	91	—
Scotia Private U.S. Dividend Pool	803	—
Scotia Private U.S. Equity Pool	93,783	25,317
Scotia U.S. Blue Chip Fund	1,497	840
Scotia U.S. Opportunities Fund	3,047	1,599
Scotia Private International Core Equity Pool	248	—
Scotia European Fund	3,703	4,962
Scotia Latin American Fund	—	285
Scotia Global Dividend Fund	36,770	8,513
Scotia Global Growth Fund	42,585	44,989
Scotia Global Small Cap Fund	3,759	2,280
Scotia Global Opportunities Fund	8,939	437

Client brokerage commissions are arrangements pursuant to which products or services, other than the execution of portfolio securities transactions, are obtained by a portfolio adviser from or through a broker-dealer in exchange for directing client securities transactions to the broker-dealer.

For client brokerage commissions paid to related parties, please refer to Notes 10(c) for more information.

9. Securities lending

The Funds have entered into a securities lending program with their custodian, The Bank of Nova Scotia (“BNS”) (credit rating of A+ by Standard & Poor’s). The aggregate market value of all securities loaned by a Fund cannot exceed 50% of the Net Assets of the Fund.

The Funds receive collateral of at least 104% of the value of the securities on loan. Collateral is received in the form of debt obligations of the Government of Canada, a Canadian provincial government, the government of the United States of America, certain financial institutions or other qualified securities, and is not included in the Statement of Investment Portfolio. The aggregate market value of the securities on loan and the collateral received by the Funds as at June 30, 2013 and December 31, 2012 are as follows:

Fund	As at June 30, 2013	
	Market value of securities on loan	Market value of collateral received
Scotia T-Bill Fund	\$ 19,296,483	\$ 20,282,270
Scotia Premium T-Bill Fund	78,451,032	82,424,727
Scotia Money Market Fund	4,763,374	5,013,731
Scotia Short-Term Bond Fund	19,755,349	20,845,634
Scotia Private Short-Mid Government Bond Pool	200,555,536	211,654,957
Scotia Bond Fund	34,923,678	36,752,357
Scotia Canadian Income Fund	1,338,835,724	1,407,710,845
Scotia Private Canadian Corporate Bond Pool	71,397,538	75,177,668
Scotia Private Advantaged Income Pool	420,369	465,068
Scotia Diversified Monthly Income Fund	16,765,862	17,701,181
Scotia Income Advantage Fund	7,548,940	8,095,014
Scotia Canadian Balanced Fund	78,332,231	85,268,343
Scotia Canadian Dividend Income Fund	6,731,484	7,287,485
Scotia Canadian Tactical Asset Allocation Fund	72,043,964	76,933,241
Scotia Private Canadian Preferred Share Pool	1,338,939	1,484,151
Scotia Canadian Dividend Fund	18,292,517	20,131,655
Scotia Canadian Blue Chip Fund	8,649,127	9,943,482
Scotia Private Canadian Equity Pool	90,407,428	96,611,663
Scotia Canadian Growth Fund	43,800,041	47,346,736
Scotia Resource Fund	10,713,450	11,532,179
Scotia Private North American Equity Pool	1,303,234	1,376,143
Scotia Private U.S. Dividend Pool	3,971,448	4,354,911
Scotia Private U.S. Equity Pool	331,243	348,324
Scotia U.S. Opportunities Fund	176,193	185,279
Scotia Global Dividend Fund	1,870,586	1,973,654
Scotia Global Growth Fund	7,980,496	8,760,323
Scotia Global Small Cap Fund	1,272,154	1,385,569
Scotia Global Opportunities Fund	352,387	370,558
Scotia Canadian Bond Index Fund	168,064,219	177,013,676
Scotia Canadian Index Fund	30,090,397	32,783,291
Scotia U.S. Index Fund	98,291	105,419
Scotia CanAm Index Fund	28,164,178	29,586,083
Scotia International Index Fund	7,534,356	7,914,737
Scotia INNOVA Income Portfolio	27,886,977	29,395,966
Scotia INNOVA Balanced Income Portfolio	10,909,916	11,496,156

Fund	As at December 31, 2012	
	Market value of securities on loan	Market value of collateral received
Scotia T-Bill Fund	\$ 42,108,145	\$ 44,408,650
Scotia Premium T-Bill Fund	174,074,681	183,652,649
Scotia Short-Term Bond Fund	4,140,305	4,569,009
Scotia Private Short-Mid Government Bond Pool	32,893,482	36,269,802
Scotia Bond Fund	35,695,034	38,291,673
Scotia Canadian Income Fund	384,681,813	409,387,006
Scotia Private Canadian Corporate Bond Pool	38,525,071	40,472,832
Scotia U.S. \$ Bond Fund	8,286,928	8,705,252
Scotia Private Advantaged Income Pool	520,745	558,041
Scotia Diversified Monthly Income Fund	15,706,133	16,422,477
Scotia Income Advantage Fund	3,608,335	3,840,364
Scotia Canadian Balanced Fund	18,054,817	18,946,410
Scotia Canadian Dividend Income Fund	5,359,473	5,756,388
Scotia Canadian Tactical Asset Allocation Fund	36,561,269	38,788,302
Scotia Private Canadian Preferred Share Pool	6,837,385	7,392,277
Scotia Canadian Dividend Fund	21,522,108	22,914,850
Scotia Canadian Blue Chip Fund	5,940,132	6,239,988
Scotia Private Canadian Equity Pool	30,325,210	32,840,739
Scotia Canadian Growth Fund	25,358,556	26,788,057

Fund	As at December 31, 2012	
	Market value of securities on loan	Market value of collateral received
Scotia Resource Fund	\$ 7,913,046	\$ 8,366,774
Scotia Private North American Equity Pool	804,633	887,160
Scotia Private U.S. Dividend Pool	19,435	21,448
Scotia U.S. Blue Chip Fund	67,388	139,384
Scotia Pacific Rim Fund	302,213	333,505
Scotia Global Dividend Fund	13,546	14,230
Scotia Global Growth Fund	4,715,417	5,115,207
Scotia Global Small Cap Fund	10,301	10,821
Scotia Global Climate Change Fund	73,963	77,696
Scotia Canadian Bond Index Fund	105,927,214	112,726,337
Scotia Canadian Index Fund	19,349,319	20,810,777
Scotia U.S. Index Fund	57,877	61,892
Scotia CanAm Index Fund	24,613,167	25,857,552
Scotia International Index Fund	9,839,494	10,338,812
Scotia INNOVA Income Portfolio	24,844,063	26,397,062
Scotia INNOVA Balanced Income Portfolio	12,152,506	12,918,923

10. Related party transactions

- (a) SAM, a wholly-owned subsidiary of BNS, is the trustee (where applicable) and manager of the Funds. SAM earns a fee for acting as trustee and manager of the Funds. In addition, BNS is the custodian of the Funds and earns a fee for providing custody and related services. The management fees and custodian fees are disclosed in separate line items in the Statement of Operations.
- (b) BNS owns a significant interest in CI Financial Corp. and owns 100% of DundeeWealth Inc., the parent company of the manager of Dynamic Funds. Some of the Funds have holdings in CI Financial Corp. and in certain CI Funds and Dynamic Funds as at June 30, 2013 and December 31, 2012.
- (c) Units of the Funds are distributed through brokers and dealers which include Scotia Securities Inc., Scotia Capital Inc. ("SCI") (including ScotiaMcLeod and Scotia iTRADE, each a division of SCI), DWM Securities Inc. ("DWMSI"), and Dundee Private Investors Inc. ("DPII"), all wholly-owned subsidiaries of BNS and related parties to SAM.

The Funds may also invest in securities issued by BNS and execute portfolio transactions through SCI. The brokerage fees paid to related parties for the periods ended June 30, 2013 and June 30, 2012 are as follows:

Fund	June 30, 2013
	Scotia Capital Inc.
Scotia Private Advantaged Income Pool	\$ 1,938
Scotia Diversified Monthly Income Fund	110,070
Scotia Income Advantage Fund	9,089
Scotia Canadian Balanced Fund	21,528
Scotia Canadian Tactical Asset Allocation Fund	43,386
Scotia U.S. \$ Balanced Fund	808
Scotia Canadian Dividend Income Fund	4,283
Scotia Canadian Dividend Fund	238,271
Scotia Canadian Blue Chip Fund	13,172
Scotia Private Canadian Equity Pool	426
Scotia Canadian Growth Fund	6,328
Scotia Canadian Small Cap Fund	5,370

Fund	June 30, 2013
	Scotia Capital Inc.
Scotia Resource Fund	\$15,464
Scotia Private Real Estate Income Pool	8,790
Scotia Private North American Equity Pool	34
Scotia U.S. Dividend Fund	83,643
Scotia Private U.S. Equity Pool	24,214
Scotia U.S. Opportunities Fund	1,133
Scotia Latin American Fund	38,588
Scotia Global Dividend Fund	901
Scotia Global Opportunities Fund	4,604

Fund	June 30, 2012
	Scotia Capital Inc.
Scotia Private Advantaged Income Pool	\$ 14,903
Scotia Diversified Monthly Income Fund	202,658
Scotia Income Advantage Fund	6,958
Scotia Canadian Balanced Fund	198,684
Scotia Canadian Tactical Asset Allocation Fund	26,825
Scotia Canadian Dividend Income Fund	2,055
Scotia Canadian Dividend Fund	696,047
Scotia Canadian Blue Chip Fund	8,097
Scotia Private Canadian Equity Pool	21,351
Scotia Canadian Growth Fund	7,252
Scotia Canadian Small Cap Fund	192
Scotia Resource Fund	42,505
Scotia Private North American Equity Pool	3,968
Scotia U.S. Blue Chip Fund	473
Scotia Global Dividend Fund	504

- (d) Scotia Mortgage Income Fund purchases and sells mortgages from Scotia Mortgage Corporation ("SMC"), a wholly-owned subsidiary of BNS, and from BNS at an amount which will produce a yield to Scotia Mortgage Income Fund of not more than one-quarter of one percent less than the interest rate at which BNS is making similar commitments.

Scotia Mortgage Income Fund only holds conventional uninsured mortgages. For conventional uninsured mortgages, Scotia Mortgage Income Fund pays SMC or BNS a guarantee fee equal to 0.25 percent applied to the present value of each mortgage at the time of purchase. This guarantee fee is deferred and amortized over the remaining term to maturity of the mortgages purchased. BNS has agreed to purchase from Scotia Mortgage Income Fund any mortgage purchased from SMC or from BNS at such time if the mortgage is in default. The price of such purchase is equal to the principal value plus unpaid interest. Unamortized guarantee fees are included in "Investments at fair value" in the Statement of Net Assets. Amortized guarantee fees are included in "Interest" income in the Statement of Operations.

As at June 30, 2013, unamortized guarantee fees is \$935,393 (December 31, 2012 – \$1,084,087).

There are no mortgages in arrears as at June 30, 2013 and December 31, 2012.

Scotia Mortgage Income Fund pays SMC mortgage service fees for administering all mortgages it holds. The fee is equal to an annualized rate of 3/8 of 1% of the outstanding principal balance of mortgages held.

Mortgage service fees of \$624,547 were paid to SMC for the six-month period ended June 30, 2013 (June 30, 2012 – \$775,685).

- (e) The Manager may enter into transactions and service arrangements with its affiliates. Scotia Capital Inc. may be involved in the purchase and sale of portfolio securities and currency forward contracts.
- (f) Scotia Moccata, a wholly-owned subsidiary of BNS, is the custodian of gold bullion for Scotia U.S. Blue Chip Fund, Scotia Canadian Blue Chip Fund, Scotia Resource Fund, Scotia Canadian Balanced Fund, Scotia U.S. Opportunities Fund and Scotia Global Opportunities Fund. Scotia Moccata earns a fee for providing custody and related services in total of U.S. \$3,144 for period ended June 30, 2013 (June 30, 2012 – U.S. \$5,650).

- (g) As at June 30, 2013 and December 31, 2012, the Manager has invested in the following number of units in the following Funds:

Fund	June 30, 2013	December 31, 2012
Scotia Private Real Estate Income Pool	–	15,008 Series M Units
Scotia U.S. Dividend Fund	–	15,000 Series A Units
Scotia Selected Income Portfolio	–	15,088 Series A Units
Scotia Short Term Yield Class	15,068 Series M Units	15,000 Series M Units
Scotia Fixed Income Blend Class	–	15,000 Series A Units
Scotia Canadian Equity Blend Class	15,041 Series A Units	15,000 Series A Units
Scotia Private Canadian Equity Class	–	15,364 Series M Units
Scotia Private U.S. Dividend Class	–	15,000 Series M Units
Scotia Private U.S. Equity Class	–	15,000 Series M Units
Scotia U.S. Equity Blend Class	15,032 Series A Units	15,000 Series A Units
Scotia Global Dividend Class	–	15,009 Series A Units
Scotia International Equity Blend Class	15,047 Series A Units	15,000 Series A Units
Scotia INNOVA Maximum Growth Portfolio Class	–	15,000 Series A Units

- (h) As at June 30, 2013 and December 31, 2012, certain Funds invested units in Funds managed by the Manager. These holdings are disclosed in the Statement of Investments, as applicable.

11. Reconciliation of Net Asset Value per Unit and Net Assets per Unit

In accordance with National Instrument 81-106, a reconciliation of Net Asset Value* and Net Assets per unit**, as at June 30, 2013 and December 31, 2012, is as follows:

Fund	June 30, 2013		December 31, 2012	
	Net Asset Value Per Unit (\$)	Net Assets per Unit (\$)	Net Asset Value Per Unit (\$)	Net Assets per Unit (\$)
Scotia Short Term Bond Fund				
Series M Units	9.84	9.83	9.96	9.95
Scotia Private Short-Mid Government Bond Pool				
Series I Units	10.39	10.39	10.64	10.64
Series M Units	10.40	10.39	10.64	10.64
Scotia Mortgage Income Fund				
Series A Units	10.77	10.77	10.80	10.80
Series F Units	10.74	10.74	10.77	10.77
Series I Units	10.69	10.69	10.73	10.73
Scotia Bond Fund				
Series A Units	10.37	10.36	10.74	10.73
Series I Units	10.36	10.35	10.74	10.73
Scotia Canadian Income Fund				
Series A Units	13.55	13.53	14.02	14.01
Advisor Series Units	13.51	13.50	13.98	13.97
Series F Units	13.50	13.49	13.98	13.96
Series I Units	13.48	13.46	13.96	13.94
Series M Units	13.48	13.47	13.96	13.95
Scotia Private Canadian Corporate Bond Pool				
Series I Units	10.56	10.54	10.81	10.78
Series M Units	10.56	10.54	10.81	10.78
Scotia U.S. \$ Bond Fund				
Series A Units	11.06	11.06	11.65	11.64
Series F Units	11.03	11.03	11.62	11.61
Scotia Global Bond Fund				
Series A Units	8.39	8.38	8.62	8.61
Series I Units	8.34	8.34	8.56	8.55
Scotia Private Advantaged Income Pool				
Series M Units	7.62	7.61	7.57	7.56
Scotia Diversified Monthly Income Fund				
Series A Units	9.97	9.96	9.99	9.99
Advisor Series Units	9.75	9.74	9.81	9.80
Series F Units	10.36	10.35	10.37	10.36
Scotia Income Advantage Fund				
Series A Units	10.17	10.15	10.19	10.18
Scotia Canadian Balanced Fund				
Series A Units	20.36	20.34	20.10	20.08
Series F Units	19.99	19.98	19.75	19.73

Fund	June 30, 2013		December 31, 2012	
	Net Asset Value Per Unit (\$)	Net Assets per Unit (\$)	Net Asset Value Per Unit (\$)	Net Assets per Unit (\$)
Scotia Canadian Dividend Income Fund				
Series A Units	11.66	11.64	10.88	10.87
Scotia Canadian Tactical Asset Allocation Fund				
Series A Units	18.34	18.31	17.92	17.89
Advisor Series Units	17.96	17.92	17.61	17.59
Series F Units	18.57	18.54	18.12	18.10
Scotia Global Balanced Fund				
Series A Units	12.41	12.41	11.46	11.46
Scotia U.S. \$ Balanced Fund				
Series A Units	10.39	10.39	10.04	10.03
Scotia Private Canadian Preferred Share Pool				
Series I Units	9.88	9.85	10.11	10.09
Series M Units	9.97	9.95	10.21	10.19
Scotia Canadian Dividend Fund				
Series A Units	41.64	41.57	39.91	39.85
Advisor Series Units	41.41	41.34	39.67	39.62
Series F Units	41.45	41.39	39.73	39.68
Series I Units	41.49	41.42	39.78	39.73
Series M Units	40.54	40.47	38.87	38.82
Scotia Canadian Blue Chip Fund				
Series A Units	24.38	24.34	23.44	23.40
Series F Units	24.71	24.67	23.71	23.67
Series I Units	28.57	28.52	27.18	27.13
Scotia Private Canadian Equity Pool				
Series I Units	10.98	10.96	11.02	11.00
Series M Units	10.98	10.96	11.02	11.01
Scotia Canadian Growth Fund				
Series A Units	51.29	51.16	50.44	50.38
Advisor Series Units	50.50	50.37	49.79	49.72
Series F Units	54.37	54.24	53.31	53.24
Series I Units	62.07	61.91	60.40	60.32
Scotia Canadian Small Cap Fund				
Series A Units	20.60	20.43	19.40	19.19
Series I Units	24.44	24.24	22.73	22.49
Series M Units	21.59	21.41	20.11	19.89
Scotia Resource Fund				
Series A Units	14.80	14.77	17.81	17.72
Series F Units	15.05	15.02	18.07	17.97
Scotia Private North American Equity Pool				
Series M Units	10.06	10.05	9.28	9.27
Scotia Private Real Estate Income Pool				
Series M Units	9.64	9.61	10.07	10.06
Scotia U.S. Dividend Fund				
Series A Units	11.67	11.66	10.18	10.18
Series I Units	11.80	11.80	10.19	10.19
Scotia Private U.S. Dividend Pool				
Series I Units	12.33	12.33	10.38	10.38
Series M Units	13.18	13.18	11.10	11.10
Scotia Private U.S. Equity Pool				
Series I Units	9.16	9.16	8.12	8.12
Series M Units	9.16	9.16	8.13	8.13
Scotia U.S. Blue Chip Fund				
Series A Units	7.30	7.29	6.38	6.38
Scotia U.S. Opportunities Fund				
Series A Units	8.26	8.26	7.43	7.43
Series I Units	9.56	9.56	8.49	8.49
Scotia Private International Core Equity Pool				
Series M Units	8.39	8.39	7.82	7.82
Scotia International Value Fund				
Series A Units	6.49	6.48	6.12	6.12
Advisor Series Units	6.29	6.29	5.94	5.94
Series I Units	6.69	6.68	6.22	6.22
Scotia European Fund				
Series A Units	10.62	10.62	9.83	9.83
Series I Units	10.62	10.62	9.71	9.71
Scotia Pacific Rim Fund				
Series A Units	10.57	10.57	10.42	10.42
Series I Units	12.52	12.51	12.19	12.19

Fund	June 30, 2013		December 31, 2012	
	Net Asset Value Per Unit (\$)	Net Assets per Unit (\$)	Net Asset Value Per Unit (\$)	Net Assets per Unit (\$)
Scotia Latin American Fund				
Series A Units	19.78	19.60	22.01	21.98
Series F Units	20.22	20.04	22.41	22.39
Series I Units	21.28	21.09	23.40	23.38
Scotia Global Dividend Fund				
Series A Units	12.87	12.86	11.54	11.54
Series I Units	12.82	12.80	11.36	11.36
Scotia Global Growth Fund				
Series A Units	36.26	36.24	31.65	31.64
Advisor Series Units	36.00	35.98	31.47	31.46
Series F Units	37.44	37.42	32.46	32.45
Series I Units	38.61	38.59	33.29	33.28
Scotia Global Small Cap Fund				
Series A Units	6.55	6.54	5.87	5.86
Series I Units	7.01	7.00	6.20	6.19
Scotia Global Opportunities Fund				
Series A Units	8.85	8.85	8.08	8.08
Advisor Series Units	8.59	8.59	7.84	7.84
Series I Units	9.29	9.29	8.36	8.36
Scotia Global Climate Change Fund				
Series A Units	8.02	8.01	7.15	7.15
Advisor Series Units	7.99	7.99	7.13	7.13
Scotia Canadian Bond Index Fund				
Series A Units	11.26	11.25	11.67	11.66
Series F Units	11.30	11.29	11.71	11.70
Series I Units	11.22	11.21	11.64	11.63
Scotia Canadian Index Fund				
Series A Units	21.23	21.18	21.52	21.48
Series F Units	21.16	21.11	21.42	21.38
Series I Units	20.93	20.88	21.11	21.07
Scotia U.S. Index Fund				
Series A Units	15.34	15.33	12.84	12.84
Series I Units	15.47	15.46	12.89	12.88
Scotia CanAm Index Fund				
Series A Units	10.35	10.35	8.67	8.67
Scotia Nasdaq Index Fund				
Series A Units	6.42	6.42	5.57	5.57
Series F Units	6.48	6.48	5.61	5.61
Scotia International Index Fund				
Series A Units	7.48	7.48	6.84	6.84
Series F Units	—	—	6.90	6.90
Series I Units	8.16	8.16	7.42	7.42

* Net Asset Value per unit is the value used to determine the Funds' daily price for purchase and redemption of units.

** Net Assets per unit is determined by valuing financial instruments held by the Fund in accordance with CICA Handbook Section 3855, "Financial Instruments – Recognition and Measurement". These valuation policies are described in the Note 2(b)(i).

The differences between the Net Asset Value per unit and Net Assets per unit are mainly due to the use of bid/ask prices for financial statement purposes in accordance with Section 3855 adjustments.

12. Future accounting changes

On December 12, 2011, the Canadian Accounting Standards Board ("AcSB") extended the deferral of the mandatory International Financial Reporting Standards ("IFRS") changeover date for investment entities to fiscal year beginning on or after January 1, 2014. Consequently, the Funds will adopt IFRS beginning January 1, 2014 and will publish the first financial statements, prepared in accordance with IFRS, for the semi-annual period ending June 30, 2014. The June 30, 2014 semi-annual and December 31, 2014 annual financial statements will include an opening Statement of Net Assets as at January 1, 2013

("the transition date"), and comparative financial information prepared in accordance with IFRS.

In addition, on May 12, 2011, the International Accounting Standards Board ("IASB") issued IFRS 13 – "Fair Value Measurement", which defines fair value, sets out a single IFRS framework for measuring fair value and requires disclosure about fair value measurements. It only applies when other IFRS standards require or permit fair value measurement. If an asset or a liability measured at fair value has a bid price and an ask price, it requires valuation to be based on a price within the bid-ask spread that is most representative of fair value. It allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurements within a bid-ask spread. This may result in eliminating the difference between the net asset value per unit and net assets per unit under current Canadian GAAP.

Furthermore, in October 2012, the IASB issued Investment Entities (Amendments to IFRS 10—“Consolidated Financial Statements”, IFRS 12—“Disclosure of Interests in Other Entities” and IAS 27—“Separate Financial Statements”), which define an investment entity and introduce an exception to the consolidation requirements. The amendments require an investment entity to measure investments in most controlled subsidiaries at fair value through profit or loss in accordance with IFRS 9—“Financial Instruments”. The amendments also introduce new disclosure requirements for these entities and apply for annual periods beginning on or after January 1, 2014.

The Manager has developed a changeover plan to meet the implementation date published by the AcSB. The key elements of the plan include identifying differences between the Funds’ current accounting policies and those the Funds expects to apply under IFRS, as well as any accounting policy and implementation decisions and their resulting impact, if any, on the net assets or net asset value of the Funds.

Based on the Manager’s analysis to date, there will likely be no material impact to the net asset value per unit of each series of the Funds due to the changeover to IFRS. The major qualitative changes that will result from the adoption of IFRS will be in the areas of fair valuation, cash flow presentation, classification of net assets representing unitholders’ equity, and additional note disclosures. However, this present determination is subject to change resulting from the issuance of new standards or new interpretations of existing standards.

13. Subsequent events

Fund Mergers

On July 3, 2013, the Manager announced that it will seek regulatory and unitholder approval to effect the proposed mergers of Scotia Private Advantaged Income Pool (Terminating Fund) with Scotia Income Advantage Fund (Continuing Fund), Scotia Global Climate Change Fund (Terminating Fund) with Scotia Global Growth Fund (Continuing Fund), Scotia Vision Conservative 2010 Portfolio and Scotia Vision Aggressive 2010 Portfolio (Terminating Funds) with Scotia Selected Income Portfolio (Continuing Fund), Scotia Vision Conservative 2015 Portfolio, Scotia Vision Aggressive 2015 Portfolio and Scotia Vision Conservative 2020 Portfolio (Terminating Funds) with Scotia Selected Income & Modest Growth Portfolio (Continuing Fund), Scotia Vision Aggressive 2020 Portfolio and Scotia Vision Conservative 2030 Portfolio (Terminating Funds) with Scotia Selected Balanced Income & Growth Portfolio (Continuing Fund) and Scotia Vision Aggressive 2030 Portfolio (Terminating Fund) with Scotia Selected Moderate Growth Portfolio (Continuing Fund). If unitholder and regulatory approval is obtained, the

proposed mergers are expected to take effect after the close of business on September 13, 2013. At the time of the mergers, unitholders of the Terminating Funds will exchange the fair value of their units at a conversion rate based on the fair value of the corresponding Continuing Funds.

Manager Name Change

On or about September 30, 2013, the Manager will change its name from Scotia Asset Management L.P. to 1832 Asset Management L.P.

Management's Responsibility For Financial Reporting

The accompanying financial statements have been prepared by the manager and approved by the Board of Directors of Scotia Asset Management G.P. Inc., as general partner for and on behalf of Scotia Asset Management L.P., the manager of the Funds. Management is responsible for the information and representations made in these financial statements.

Scotia Asset Management L.P. maintains appropriate processes to ensure that accurate, relevant and reliable financial information is produced. The financial statements have been produced in accordance with Canadian generally accepted accounting principles and include certain amounts based on estimates and assumptions made by Scotia Asset Management L.P. The significant accounting policies which Scotia Asset Management L.P. believes are appropriate for the Funds are described in Note 2 to the financial statements.



Walter Pavan
Chief Financial Officer
Scotia Asset Management L.P.

August 8, 2013

FOR MORE INFORMATION ABOUT

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