

SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.

UNAUDITED FINANCIAL STATEMENTS

QUARTER ENDED MARCH 31, 2018

SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.

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QUARTER ENDED MARCH 31, 2018

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SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.

UNAUDITED STATEMENT OF FINANCIAL POSITION

AS OF MARCH 31, 2018

(expressed in Trinidad and Tobago dollars)

	<u>31-Mar-18</u>	<u>31-Dec-17</u>	<u>31-Mar-17</u>
ASSETS			
Cash and cash equivalents	64,514,681	76,796,486	45,731,666
Financial assets at fair value through profit or loss (Cost: TT\$432,387,615 (December 2017: TT\$406,104,959 March 2017: TT\$306,742,721)	435,649,447	409,864,125	308,357,801
Interest receivable	3,949,700	5,466,320	2,899,611
Subscriptions receivable	2,340,000	3,521,284	1,043,450
Receivable from Manager	34,985	29,354	158,345
	<u>506,488,813</u>	<u>495,677,569</u>	<u>358,190,873</u>
Total assets			
	<u>506,488,813</u>	<u>495,677,569</u>	<u>358,190,873</u>
LIABILITIES			
Management fee payable	641,801	595,867	426,736
Redemptions payable	359,650	1,791,165	-
Accrued expenses	204,893	627,075	342,699
Interest payable	28,545	-	-
Tax Withholding liability	20,210	1,303,865	478,397
Payable for investments purchased	-	15,231,300	-
Liabilities (excluding net assets attributable to holders of redeemable investment shares)	<u>1,255,099</u>	<u>19,549,272</u>	<u>1,247,832</u>
	<u>1,255,099</u>	<u>19,549,272</u>	<u>1,247,832</u>
Net assets attributable to holders of redeemable investment shares	<u>505,233,714</u>	<u>476,128,297</u>	<u>356,943,041</u>
	<u>505,233,714</u>	<u>476,128,297</u>	<u>356,943,041</u>
Net asset value per redeemable investment shares			
Class AT TT\$505,011,022/49,516,256 shares (December 2017: TT\$475,906,845/46,712,215 shares; March 2017: TT\$345,930,156/34,431,381 shares)	<u>10.20</u>	<u>10.19</u>	<u>10.05</u>
	<u>10.20</u>	<u>10.19</u>	<u>10.05</u>
Class NT TT\$7,100/665 shares (December 2017: TT\$7,093/664 shares; March 2017: TT\$7,002/662 shares)	<u>10.68</u>	<u>10.68</u>	<u>10.57</u>
	<u>10.68</u>	<u>10.68</u>	<u>10.57</u>
Class IT TT\$215,592/20,085 shares (December 2017: TT\$214,359/20,067 shares; March 2017: TT\$11,005,883/1,056,044 shares)	<u>10.73</u>	<u>10.68</u>	<u>10.42</u>
	<u>10.73</u>	<u>10.68</u>	<u>10.42</u>

Approved for issuance on behalf of Scotiabank Trinidad & Tobago Fixed Income Fund Inc.'s Board of Directors by:

Rhory McNamara
Rhory McNamara
Director

Chester Hinkson
Chester Hinkson
Director

Date : May 11, 2018

SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

QUARTER ENDED MARCH 31, 2018

(expressed in Trinidad and Tobago dollars)

	<u>31-Mar-18</u>	<u>31-Dec-17</u>	<u>31-Mar-17</u>
Income			
Interest income	4,079,355	4,342,246	2,956,878
Dividend Income	3,292	3,318	9,194
Other income	370	521	41,679
Net realized (loss) gain on financial assets at fair value through profit or loss and foreign currencies	(13,177)	9,471	123,640
Net change in unrealized (depreciation) appreciation on financial assets at fair value through profit or loss and foreign currencies	<u>(504,900)</u>	<u>(82,871)</u>	<u>693,665</u>
Total net income	<u>3,564,940</u>	<u>4,272,685</u>	<u>3,825,056</u>
Expenses			
Management fees	1,835,976	1,694,665	1,175,199
Custodian and administration fees	477,102	903,106	448,496
Other expenses	86,167	96,956	78,214
Professional fees	<u>54,498</u>	<u>65,102</u>	<u>51,222</u>
Total operating expenses	<u>2,453,743</u>	<u>2,759,829</u>	<u>1,753,131</u>
Less: expenses reimbursed	<u>(5,630)</u>	<u>(422,758)</u>	<u>(158,344)</u>
Withholding taxes	<u>(118,596)</u>	<u>(437,047)</u>	<u>(344,410)</u>
Operating gain (loss)	<u>998,231</u>	<u>1,498,567</u>	<u>1,885,859</u>
Finance costs			
Distributions to holders of redeemable investment shares	<u>492,975</u>	<u>465,202</u>	<u>354,559</u>
Gain after distributions	<u>505,256</u>	<u>1,033,365</u>	<u>1,531,300</u>
Increase in net assets from operations attributable to holders of redeemable investment shares	<u>505,256</u>	<u>1,033,365</u>	<u>1,531,300</u>

SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS

QUARTER ENDED MARCH 31, 2018

(expressed in Trinidad and Tobago dollars)

	<u>31-Mar-18</u>	<u>31-Dec-17</u>	<u>31-Mar-17</u>
Shareholders' Equity			
Share Premium	496,089,216	467,489,055	354,021,035
Retained Earnings	8,639,242	7,605,877	1,390,706
Increase in net assets for the current quarter	<u>505,256</u>	<u>1,033,365</u>	<u>1,531,300</u>
Net assets attributable to holders of redeemable participating shares	<u>505,233,714</u>	<u>476,128,297</u>	<u>356,943,041</u>

SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.

UNAUDITED STATEMENT OF CASH FLOWS

QUARTER ENDED MARCH 31, 2018

(expressed in Trinidad and Tobago dollars)

	<u>31-Mar-18</u>	<u>31-Dec-17</u>	<u>31-Mar-17</u>
Cash flows from operating activities			
Interest received	4,106,602	3,823,672	3,598,449
Interest paid	28,545	-	-
Other income received	370	521	41,679
Dividend received	3,292	3,318	9,194
Operating expenses paid	(2,829,991)	(2,801,815)	(1,959,913)
Reimbursements received from manager	-	555,759	86,020
Purchase of financial assets at fair value through profit or loss	(105,592,047)	(103,389,020)	(64,608,197)
Proceeds from sale and maturity of financial assets at fair value through profit or loss	<u>64,144,469</u>	<u>124,087,466</u>	<u>14,681,248</u>
Net cash (used in) provided by operating activities	<u>(40,138,760)</u>	<u>22,279,901</u>	<u>(48,151,520)</u>
Cash flows from financing activities			
Proceeds from subscriptions of redeemable investment shares	59,788,442	54,751,862	75,142,468
Payments for redemption of redeemable investment shares	(31,902,941)	(13,046,791)	(19,575,460)
Distribution paid to holders of redeemable investments	<u>(28,546)</u>	<u>(28,940)</u>	<u>(29,638)</u>
Net cash provided by financing activities	<u>27,856,955</u>	<u>41,676,131</u>	<u>55,537,370</u>
Net change in cash and cash equivalents	<u>(12,281,805)</u>	<u>63,956,032</u>	<u>7,385,850</u>
Cash and cash equivalents at beginning of period	<u>76,796,486</u>	<u>12,840,454</u>	<u>38,345,816</u>
Cash and cash equivalents at end of period	<u>64,514,681</u>	<u>76,796,486</u>	<u>45,731,666</u>
Non-cash transaction reinvested distributions	<u>(464,429)</u>	<u>(436,262)</u>	<u>(324,526)</u>

SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.

UNAUDITED NOTES TO FINANCIAL STATEMENTS

QUARTER ENDED MARCH 31, 2018

1. General

Scotiabank Trinidad & Tobago Fixed Income Fund (the "Fund") was incorporated under the laws of Saint Lucia on September 20, 2012 and is licensed in Saint Lucia by the Financial Sector Supervision Unit, Ministry of Finance of Saint Lucia, as a public international mutual fund. The Fund is a Trinidad and Tobago Dollar-denominated open-ended investment Fund. The registered office of the Fund is located at 20 Micoud Street, Castries, Saint Lucia.

2. Significant accounting policies

These statements are prepared using the International Accounting Standards. Security transactions are accounted for on a trade date basis. Realized gains and losses on sales of financial assets are calculated on an average cost basis. Interest is recognized in the Statement of Comprehensive Income using the effective yield method and includes discount accreted and premium amortized over the remaining period to maturity of individual assets.