

SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.

UNAUDITED FINANCIAL STATEMENTS

QUARTER ENDED MARCH 31, 2019

SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.

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QUARTER ENDED MARCH 31, 2019

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SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.

UNAUDITED STATEMENT OF FINANCIAL POSITION

AS OF MARCH 31, 2019

(expressed in Trinidad and Tobago dollars)

	<u>31-Mar-19</u>	<u>31-Dec-18</u>	<u>31-Mar-18</u>
ASSETS			
Cash and cash equivalents	4,590,010	7,825,901	64,514,681
Financial assets at fair value through profit or loss (Cost: TT\$466,452,175 (December 2018: TT\$458,218,500 March 2018: TT\$432,387,615)	469,324,984	458,365,356	435,649,447
Interest receivable	5,310,748	4,489,619	3,949,700
Receivable from Manager	140,729	172,231	34,985
Subscriptions receivable	50,000	605,000	2,340,000
Receivable for investments sold	-	9,250,000	-
	<u>479,416,471</u>	<u>480,708,107</u>	<u>506,488,813</u>
LIABILITIES			
Management fee payable	611,236	605,307	641,801
Accrued expenses	582,581	576,032	204,893
Tax withholding liability	494,475	387,184	20,210
Capital gains tax payable	27,313	-	28,545
Redemptions payable	1,200	3,308,322	359,650
	<u>1,716,805</u>	<u>4,876,845</u>	<u>1,255,099</u>
Liabilities (excluding net assets attributable to holders of redeemable investment shares)	<u>1,716,805</u>	<u>4,876,845</u>	<u>1,255,099</u>
Net assets attributable to holders of redeemable investment shares	<u>477,699,666</u>	<u>475,831,262</u>	<u>505,233,714</u>
Net asset value per redeemable investment shares			
Class AT TT\$475,148,820/46,202,494 shares (December 2018: TT\$473,330,236/46,409,436 shares; March 2018: TT\$505,011,022/49,516,256 shares)	<u>10.28</u>	<u>10.20</u>	<u>10.20</u>
Class NT TT\$7,155/667 shares (December 2018: TT\$7,097/667 shares; March 2018: TT\$7,100/665 shares)	<u>10.72</u>	<u>10.64</u>	<u>10.68</u>
Class IT TT\$2,543,691/231,444 shares (December 2018: TT\$2,493,929/229,675 shares; March 2018: TT\$215,592/20,085 shares)	<u>10.99</u>	<u>10.86</u>	<u>10.73</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 10, 2019

SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

QUARTER ENDED MARCH 31, 2019

(expressed in Trinidad and Tobago dollars)

	<u>31-Mar-19</u>	<u>31-Dec-18</u>	<u>31-Mar-18</u>
Income			
Interest income	4,804,703	4,365,547	4,079,355
Dividend Income	69,458	148,528	3,292
Other income	269	-	370
Net realized loss on financial assets at fair value through profit or loss and foreign currencies	(276,973)	(409,859)	(13,177)
Net change in unrealized appreciation (depreciation) on financial assets at fair value through profit or loss and foreign currencies	<u>2,748,094</u>	<u>56,814</u>	<u>(504,900)</u>
Total net income	<u>7,345,551</u>	<u>4,161,030</u>	<u>3,564,940</u>
Expenses			
Management fees	1,770,075	1,794,650	1,835,976
Custodian and administration fees	590,946	610,018	477,102
Other expenses	87,011	95,623	86,167
Professional fees	<u>63,288</u>	<u>91,697</u>	<u>54,498</u>
Total operating expenses	<u>2,511,320</u>	<u>2,591,988</u>	<u>2,453,743</u>
Less: expenses reimbursed	<u>(140,436)</u>	<u>(170,705)</u>	<u>(5,630)</u>
Withholding taxes	<u>(496,596)</u>	<u>(452,004)</u>	<u>(118,596)</u>
Operating gain	<u>4,478,071</u>	<u>1,287,743</u>	<u>998,231</u>
Finance costs			
Distributions to holders of redeemable investment shares	<u>463,874</u>	<u>468,617</u>	<u>492,975</u>
Gain after distributions	<u>4,014,197</u>	<u>819,126</u>	<u>505,256</u>
Increase in net assets from operations attributable to holders of redeemable investment shares	<u><u>4,014,197</u></u>	<u><u>819,126</u></u>	<u><u>505,256</u></u>

SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS

QUARTER ENDED MARCH 31, 2019

(expressed in Trinidad and Tobago dollars)

	<u>31-Mar-19</u>	<u>31-Dec-18</u>	<u>31-Mar-18</u>
Shareholders' Equity			
Share Premium	464,551,895	466,697,688	496,089,216
Retained Earnings	9,133,574	8,314,448	8,639,242
Increase in net assets for the current quarter	<u>4,014,197</u>	<u>819,126</u>	<u>505,256</u>
Net assets attributable to holders of redeemable participating shares	<u><u>477,699,666</u></u>	<u><u>475,831,262</u></u>	<u><u>505,233,714</u></u>

SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.

UNAUDITED STATEMENT OF CASH FLOWS

QUARTER ENDED MARCH 31, 2019

(expressed in Trinidad and Tobago dollars)

	<u>31-Mar-19</u>	<u>31-Dec-18</u>	<u>31-Mar-18</u>
Cash flows from operating activities			
Interest received	4,038,042	5,033,319	4,106,602
Dividend received	69,458	148,528	3,292
Other income received	269	-	370
Capital gains tax paid	27,313	(28,004)	28,545
Operating expenses paid	(2,498,842)	(2,616,186)	(2,829,991)
Reimbursements received from manager	171,938	380,318	-
Purchase of financial assets at fair value through profit or loss	(46,659,184)	(36,272,557)	(105,592,047)
Proceeds from sale and maturity of financial assets at fair value through profit or loss	<u>46,976,904</u>	<u>37,949,265</u>	<u>64,144,469</u>
Net cash provided by (used in) operating activities	<u>2,125,898</u>	<u>4,594,683</u>	<u>(40,138,760)</u>
Cash flows from financing activities			
Proceeds from subscriptions of redeemable investment shares	22,551,235	28,811,097	59,788,442
Payments for redemption of redeemable investment shares	(27,885,712)	(43,959,073)	(31,902,941)
Distribution paid to holders of redeemable investments	<u>(27,312)</u>	<u>(27,508)</u>	<u>(28,546)</u>
Net cash (used in) provided by financing activities	<u>(5,361,789)</u>	<u>(15,175,484)</u>	<u>27,856,955</u>
Net change in cash and cash equivalents	<u>(3,235,891)</u>	<u>(10,580,801)</u>	<u>(12,281,805)</u>
Cash and cash equivalents at beginning of period	<u>7,825,901</u>	<u>18,406,702</u>	<u>76,796,486</u>
Cash and cash equivalents at end of the period	<u>4,590,010</u>	<u>7,825,901</u>	<u>64,514,681</u>
Supplemental cash flow disclosures			
Tax withheld	389,305	639,224	1,402,251
Non-cash - reinvested distributions	<u>436,562</u>	<u>441,109</u>	<u>464,429</u>

SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.

UNAUDITED NOTES TO FINANCIAL STATEMENTS

QUARTER ENDED MARCH 31, 2019

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.