

**SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.**

**UNAUDITED FINANCIAL STATEMENTS**

**QUARTER ENDED SEPTEMBER 30, 2018**

**SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.**

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**QUARTER ENDED SEPTEMBER 30, 2018**

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**SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.**

**UNAUDITED STATEMENT OF FINANCIAL POSITION**

**AS OF SEPTEMBER 30, 2018**

**(expressed in Trinidad and Tobago dollars)**

	<b><u>30-Sep-18</u></b>	<b><u>30-Jun-18</u></b>	<b><u>30-Sep-17</u></b>
<b>ASSETS</b>			
Cash and cash equivalents	18,406,702	30,007,523	12,840,454
Financial assets at fair value through profit or loss (Cost: TT\$469,768,328 (June 2018: TT\$485,910,184 September 2017: TT\$452,250,699))	469,815,967	487,540,532	456,109,588
Interest receivable	5,625,757	3,981,581	4,942,874
Receivable from Manager	381,843	233,538	162,355
Subscriptions receivable	33,000	741,000	63,500
Receivable for investments sold	-	-	24,880,845
	<u>494,263,269</u>	<u>522,504,174</u>	<u>498,999,616</u>
Total assets			
<b>LIABILITIES</b>			
Management fee payable	606,841	635,740	1,070,364
Accrued expenses	598,696	497,393	194,564
Tax withholding liability	574,404	296,022	866,821
Redemptions payable	250,000	79,773	6,000
Interest payable	28,004	-	-
Payable for investments purchased	-	-	65,580,888
	<u>2,057,945</u>	<u>1,508,928</u>	<u>67,718,637</u>
Liabilities (excluding net assets attributable to holders of redeemable investment shares)			
	<u>492,205,324</u>	<u>520,995,246</u>	<u>431,280,979</u>
<b>Net assets attributable to holders of redeemable investment shares</b>			
Net asset value per redeemable investment shares			
Class AT TT\$491,980,969/48,322,357 shares (June 2018: TT\$520,771,951/51,156,855 shares; September 2017: TT\$431,060,878/42,411,948 shares)	<u>10.18</u>	<u>10.18</u>	<u>10.16</u>
Class NT TT\$7,085/666 shares (June 2018: TT\$7,086/666 shares; September 2017: TT\$7,083/664 shares)	<u>10.64</u>	<u>10.65</u>	<u>10.67</u>
Class IT TT\$217,270/20,123 shares (June 2018: TT\$216,209/20,104 shares; September 2017: TT\$213,018/20,048 shares)	<u>10.80</u>	<u>10.75</u>	<u>10.63</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 : November 5, 2018

**SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.**

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME (LOSS)**

**QUARTER ENDED SEPTEMBER 30, 2018**

**(expressed in Trinidad and Tobago dollars)**

	<b><u>30-Sep-18</u></b>	<b><u>30-Jun-18</u></b>	<b><u>30-Sep-17</u></b>
<b>Income</b>			
Interest income	5,270,825	4,481,582	4,148,685
Dividend Income	-	2,234	3,349
Other income	21,370	142	202
Net realized (loss) gain on financial assets at fair value through profit or loss and foreign currencies	(11,626)	14,593	(3,426)
Net change in unrealized (depreciation) appreciation on financial assets at fair value through profit or loss and foreign currencies	<u>(1,589,449)</u>	<u>(1,617,065)</u>	<u>1,192,540</u>
Total net income	<u>3,691,120</u>	<u>2,881,486</u>	<u>5,341,350</u>
<b>Expenses</b>			
Management fees	1,906,293	1,908,007	1,595,528
Custodian and administration fees	649,431	676,597	346,831
Other expenses	89,512	85,196	80,532
Professional fees	<u>59,158</u>	<u>63,150</u>	<u>52,364</u>
Total operating expenses	<u>2,704,394</u>	<u>2,732,950</u>	<u>2,075,255</u>
Less: expenses reimbursed	<u>(148,305)</u>	<u>(198,554)</u>	<u>-</u>
Withholding taxes	<u>(536,378)</u>	<u>(781,911)</u>	<u>(232,406)</u>
<b>Operating gain (loss)</b>	<u>598,653</u>	<u>(434,821)</u>	<u>3,033,689</u>
<b>Finance costs</b>			
Distributions to holders of redeemable investment shares	<u>483,230</u>	<u>510,652</u>	<u>423,882</u>
<b>Gain (loss) after distributions</b>	<u>115,423</u>	<u>(945,473)</u>	<u>2,609,807</u>
<b>Increase (decrease) in net assets from operations attributable to holders of redeemable investment shares</b>	<u>115,423</u>	<u>(945,473)</u>	<u>2,609,807</u>

**SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.**

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS**

**QUARTER ENDED SEPTEMBER 30, 2018**

**(expressed in Trinidad and Tobago dollars)**

	<b><u>30-Sep-18</u></b>	<b><u>30-Jun-18</u></b>	<b><u>30-Sep-17</u></b>
<b>Shareholders' Equity</b>			
Share Premium	483,890,876	512,796,221	423,675,102
Retained Earnings	8,199,025	9,144,498	4,996,070
Increase (decrease) in net assets for the current quarter	<u>115,423</u>	<u>(945,473)</u>	<u>2,609,807</u>
Net assets attributable to holders of redeemable participating shares	<u><u>492,205,324</u></u>	<u><u>520,995,246</u></u>	<u><u>431,280,979</u></u>

**SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.**

**UNAUDITED STATEMENT OF CASH FLOWS**

**QUARTER ENDED SEPTEMBER 30, 2018**

**(expressed in Trinidad and Tobago dollars)**

	<b><u>30-Sep-18</u></b>	<b><u>30-Jun-18</u></b>	<b><u>30-Sep-17</u></b>
<b>Cash flows from operating activities</b>			
Interest received	3,225,500	3,761,028	3,457,169
Interest paid	28,004	(28,545)	(65)
Other income received	21,370	142	202
Dividend received	-	2,234	3,349
Operating expenses paid	(2,631,990)	(2,446,511)	(1,537,211)
Purchase of financial assets at fair value through profit or loss	(69,003,517)	(167,195,841)	(85,030,337)
Proceeds from sale and maturity of financial assets at fair value through profit or loss	<u>85,270,160</u>	<u>113,884,859</u>	<u>34,574,966</u>
Net cash provided by (used in) operating activities	<u>16,909,527</u>	<u>(52,022,634)</u>	<u>(48,531,927)</u>
<b>Cash flows from financing activities</b>			
Proceeds from subscriptions of redeemable investment shares	14,350,806	42,033,951	45,341,704
Payments for redemption of redeemable investment shares	(42,833,150)	(24,490,471)	(18,000,931)
Distribution paid to holders of redeemable investments	<u>(28,004)</u>	<u>(28,004)</u>	<u>(28,944)</u>
Net cash (used in) provided by financing activities	<u>(28,510,348)</u>	<u>17,515,476</u>	<u>27,311,829</u>
<b>Net change in cash and cash equivalents</b>	(11,600,821)	(34,507,158)	(21,220,098)
<b>Cash and cash equivalents at beginning of period</b>	<u>30,007,523</u>	<u>64,514,681</u>	<u>34,060,552</u>
<b>Cash and cash equivalents at end of the period</b>	<u>18,406,702</u>	<u>30,007,523</u>	<u>12,840,454</u>
<b>Non-cash transaction reinvested distributions</b>	<u>(455,226)</u>	<u>(482,648)</u>	<u>394,938</u>

**SCOTIABANK TRINIDAD & TOBAGO FIXED INCOME FUND INC.**

**UNAUDITED NOTES TO FINANCIAL STATEMENTS**

**QUARTER ENDED SEPTEMBER 30, 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 (Loss) Income using the effective yield method and includes discount accreted and premium amortized over the remaining period to maturity of individual assets.