

SCOTIABANK US GROWTH FUND
UNAUDITED FINANCIAL STATEMENTS
QUARTER ENDED MARCH 31, 2018

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INDEX TO UNAUDITED FINANCIAL STATEMENTS
QUARTER ENDED MARCH 31, 2018

CONTENTS

	PAGE
UNAUDITED STATEMENT OF FINANCIAL POSITION	1
UNAUDITED STATEMENT OF COMPREHENSIVE (LOSS) INCOME	2
UNAUDITED STATEMENT OF CHANGES IN NET ASSETS	3
UNAUDITED NOTES TO FINANCIAL STATEMENTS	4

SCOTIABANK US GROWTH FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION

AS OF MARCH 31, 2018

(expressed in United States dollars)

	<u>31-Mar-18</u>	<u>31-Dec-17</u>	<u>31-Mar-17</u>
ASSETS			
Cash and cash equivalents	\$ 2,631,828	\$ 2,543,633	\$ 2,206,253
Financial assets at fair value through profit or loss (Cost: \$32,637,394 (December 2017: \$30,201,723; March 2017: \$28,661,076))	44,256,934	43,701,258	38,018,126
Dividends receivable	23,385	18,200	24,288
Subscriptions receivable	5,240	8,276	10,533
Receivable for investments sold	-	-	453,322
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Total assets	<u>46,917,387</u>	<u>46,271,367</u>	<u>40,712,522</u>
LIABILITIES			
Management fee payable	57,210	54,695	46,261
Accrued expenses	16,750	39,141	30,907
Tax withholding liability	5,126	4,082	5,774
Redemptions payable	3,500	1,821	176
Payable for investments purchased	-	-	111,528
	<hr/>	<hr/>	<hr/>
Liabilities (excluding net assets attributable to holders of redeemable participating shares)	<u>82,586</u>	<u>99,739</u>	<u>194,646</u>
Management shares	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Net assets attributable to holders of redeemable participating shares	<u>\$ 46,833,801</u>	<u>\$ 46,170,628</u>	<u>\$ 40,516,876</u>
Net asset value per redeemable participating share			
Class A			
\$35,756,153/2,208,208 shares (December 2017: \$35,308,895/2,125,641 shares; March 2017: \$29,092,068/2,020,153 shares)	<u>\$ 16.19</u>	<u>\$ 16.61</u>	<u>\$ 14.40</u>
Class NU			
\$523,680/32,032 shares (December 2017: \$555,671/33,095 shares; March 2017: \$553,002/37,862 shares)	<u>\$ 16.35</u>	<u>\$ 16.79</u>	<u>\$ 14.61</u>
Class IU			
\$10,381,334/593,816 shares (December 2017: \$10,129,727/567,259 shares; March 2017: \$9,604,212/628,593 shares)	<u>\$ 17.48</u>	<u>\$ 17.86</u>	<u>\$ 15.28</u>
Class IJ			
JMC21,715,683/132,720 shares (December 2017: JMC21,967,028/132,720 shares; March 2017: \$162,422,798//1,115,061 shares)	JMC <u>163.62</u>	JMC <u>165.51</u>	JMC <u>145.66</u>

Approved for issuance on behalf of Scotiabank US Growth Fund's Board of Directors by:

Farried Sulliman
Farried Sulliman
Director

Dwight Burrows
Dwight Burrows
Director

Date : May 11, 2018

SCOTIABANK US GROWTH FUND

UNAUDITED STATEMENT OF COMPREHENSIVE (LOSS) INCOME

QUARTER ENDED MARCH 31, 2018

(expressed in United States dollars)

	<u>31-Mar-18</u>	<u>31-Dec-17</u>	<u>31-Mar-17</u>
Income			
Dividend income	\$ 140,391	\$ 130,706	\$ 119,698
Net realized gain on financial assets at fair value through profit or loss and foreign currencies	702,925	1,619,523	116,669
Net change in unrealized (depreciation) appreciation on financial assets at fair value through profit or loss and foreign currencies	<u>(1,879,996)</u>	<u>1,745,949</u>	<u>1,405,525</u>
Total net (loss) income	<u>(1,036,680)</u>	<u>3,496,178</u>	<u>1,641,892</u>
Expenses			
Management fees	163,465	151,778	126,310
Custodian and administration fees	17,558	17,948	15,367
Other expenses	16,300	16,547	14,948
Professional fees	<u>5,918</u>	<u>6,574</u>	<u>5,745</u>
Total operating expenses	<u>203,241</u>	<u>192,847</u>	<u>162,370</u>
Net operating expenses	<u>203,241</u>	<u>192,847</u>	<u>162,370</u>
Operating (loss) gain	<u>(1,239,921)</u>	<u>3,303,331</u>	<u>1,479,522</u>
Withholding taxes on dividend income	<u>(39,426)</u>	<u>(36,759)</u>	<u>(33,823)</u>
(Decrease) increase in net assets from operations attributable to holders of redeemable participating shares	<u>\$ (1,279,347)</u>	<u>\$ 3,266,572</u>	<u>\$ 1,445,699</u>

SCOTIABANK US GROWTH FUND

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS

QUARTER ENDED MARCH 31, 2018

(expressed in United States dollars)

	<u>31-Mar-18</u>	<u>31-Dec-17</u>	<u>31-Mar-17</u>
Shareholders' Equity			
Share Capital	\$ 19,658	\$ 18,577	\$ 28,007
Share Premium	27,008,786	25,067,347	25,750,541
Retained Earnings	21,084,704	17,818,132	13,292,629
(Decrease) increase in net assets for the quarter	<u>(1,279,347)</u>	<u>3,266,572</u>	<u>1,445,699</u>
Net assets attributable to holders of redeemable participating shares	<u>\$ 46,833,801</u>	<u>\$ 46,170,628</u>	<u>\$40,516,876</u>

SCOTIABANK US GROWTH FUND
UNAUDITED NOTES TO FINANCIAL STATEMENTS
QUARTER ENDED MARCH 31, 2018

1. General

Scotiabank US Growth Fund (the "Company") was incorporated in the Cayman Islands on October 27, 1999 and registered under the Mutual Fund Law of the Cayman Islands. The Company is an open ended investment company which may issue and redeem its shares at a price based on the underlying net asset value. The address of the registered office is Scotia Centre, 6 Cardinal Avenue, P.O. Box 501, Grand Cayman KY1-1106. The Company has no employees.

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 the sales of portfolio securities are calculated on an average cost basis. Interest is recorded on an accrual basis and dividend income is recognized on the ex-dividend date.