

SCOTIABANK MONEY MARKET FUND
UNAUDITED FINANCIAL STATEMENTS
QUARTER ENDED DECEMBER 31, 2018

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INDEX TO UNAUDITED FINANCIAL STATEMENTS
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SCOTIABANK MONEY MARKET FUND
UNAUDITED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2018

(expressed in United States dollars)

	<u>31-Dec-18</u>	<u>30-Sep-18</u>	<u>31-Dec-17</u>
ASSETS			
Cash and cash equivalents	\$ 4,438,887	\$ 6,168,003	\$ 2,376,941
Financial assets at fair value through profit and loss (Amortized cost: \$140,102,606 (September 2018: \$117,440,863; December 2017: \$110,797,216))	140,102,606	117,440,863	110,781,753
Subscriptions receivable	1,813,623	95,955	993,153
Interest receivable	405,394	376,015	315,484
Receivable from Manager	20	-	-
	<u>146,760,530</u>	<u>124,080,836</u>	<u>114,467,331</u>
LIABILITIES			
Redemptions payable	96,066	20,038	7,808
Management fee payable	72,545	58,091	64,836
Accrued expenses	31,354	37,895	41,676
Payable for investments purchased	-	2,995,350	-
	<u>199,965</u>	<u>3,111,374</u>	<u>114,320</u>
Liabilities (excluding net assets attributable to holders of redeemable participating shares)			
Management shares	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Net assets attributable to holders of redeemable participating shares	<u>\$ 146,559,565</u>	<u>\$ 120,968,462</u>	<u>\$ 114,352,011</u>
Net asset value per redeemable participating share			
Class A \$146,558,523/11,002,352 shares (September 2018: \$120,967,426/9,117,634 shares December 2017: \$114,350,990/8,700,849 shares)	<u>\$ 13.32</u>	<u>\$ 13.27</u>	<u>\$ 13.14</u>
Class IU \$1,042/100 shares (September 2018: \$1,036/100 shares December 2017: \$1,021/100 shares)	<u>\$ 10.42</u>	<u>\$ 10.36</u>	<u>\$ 10.21</u>

Approved for issuance on behalf of Scotiabank Money Market Fund's Board of Directors by:

Farried Sulliman
Farried Sulliman
Director

Dwight Burrows
Dwight Burrows
Director

Date: February 8, 2019

SCOTIABANK MONEY MARKET FUND

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

QUARTER ENDED DECEMBER 31, 2018

(expressed in United States dollars)

	<u>31-Dec-18</u>	<u>30-Sep-18</u>	<u>31-Dec-17</u>
Income			
Interest income	\$ 764,720	\$ 671,740	\$ 412,004
Net realized gain (loss) on financial assets at fair value through profit or loss	211	(3,346)	954
Net change in unrealized depreciation on financial assets at fair value through profit or loss and foreign currencies	<u>-</u>	<u>-</u>	<u>(15,463)</u>
Total net income	<u>764,931</u>	<u>668,394</u>	<u>397,495</u>
Expenses			
Management fees	193,897	176,290	172,291
Custodian and administration fees	22,648	20,991	21,674
Other expenses	18,314	18,221	18,221
Professional fees	<u>10,673</u>	<u>5,659</u>	<u>6,146</u>
Total operating expenses	<u>245,532</u>	<u>221,161</u>	<u>218,332</u>
Operating gain	<u>519,399</u>	<u>447,233</u>	<u>179,163</u>
Increase in net assets from operations attributable to holders of redeemable participating shares	<u>\$ 519,399</u>	<u>\$ 447,233</u>	<u>\$ 179,163</u>

SCOTIABANK MONEY MARKET FUND
UNAUDITED STATEMENT OF CHANGES IN NET ASSETS
QUARTER ENDED DECEMBER 31, 2018
(expressed in United States dollars)

	<u>31-Dec-18</u>	<u>30-Sep-18</u>	<u>31-Dec-17</u>
<u>Shareholders' Equity</u>			
Share Capital	\$ 110,024	\$ 91,177	\$ 87,009
Share Premium	126,607,662	101,554,805	96,018,163
Retained Earnings	19,322,480	18,875,247	18,067,676
Increase in net assets for the current period	<u>519,399</u>	<u>447,233</u>	<u>179,163</u>
Net assets attributable to holders of redeemable participating shares	<u>\$ 146,559,565</u>	<u>\$ 120,968,462</u>	<u>\$ 114,352,011</u>

SCOTIABANK MONEY MARKET FUND
UNAUDITED STATEMENT OF CASH FLOWS
QUARTER ENDED DECEMBER 31, 2018
(expressed in United States dollars)

	<u>31-Dec-18</u>	<u>30-Sep-18</u>	<u>31-Dec-17</u>
Cash flows from operating activities			
Interest received	\$ 493,196	\$ 523,027	\$ 387,277
Operating expenses paid	(237,619)	(217,833)	(212,161)
Reimbursements received from manager	(20)	-	13,282
Purchase of financial assets at fair value through profit and loss	(172,332,737)	(168,110,710)	(71,389,972)
Proceeds from sale and maturity of financial assets at fair value through profit and loss	<u>146,917,999</u>	<u>165,090,413</u>	<u>80,341,963</u>
Net cash (used in) provided by operating activities	<u>(25,159,181)</u>	<u>(2,715,103)</u>	<u>9,140,389</u>
Cash flows from financing activities			
Proceeds from subscriptions of redeemable participating shares	45,950,614	16,272,382	9,446,824
Payments for redemption of redeemable participating shares	<u>(22,520,549)</u>	<u>(11,886,482)</u>	<u>(18,073,215)</u>
Net cash provided by (used in) financing activities	<u>23,430,065</u>	<u>4,385,900</u>	<u>(8,626,391)</u>
Net change in cash and cash equivalents	(1,729,116)	1,670,797	513,998
Cash and cash equivalents at beginning of period	<u>6,168,003</u>	<u>4,497,206</u>	<u>1,862,943</u>
Cash and cash equivalents at end of period	<u>\$ 4,438,887</u>	<u>\$ 6,168,003</u>	<u>\$ 2,376,941</u>

SCOTIABANK MONEY MARKET FUND
UNAUDITED NOTES TO FINANCIAL STATEMENTS
QUARTER ENDED DECEMBER 31, 2018

1. General

Scotiabank Money Market 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.