

# **SCOTIA PREMIUM MONEY MARKET FUND**

**UNAUDITED  
FINANCIAL  
STATEMENTS**

**THREE MONTHS ENDED  
January 31, 2018**

SCOTIA PREMIUM MONEY MARKET FUND  
 STATEMENT OF COMPREHENSIVE INCOME  
 (expressed in Jamaican Dollars)

Unaudited (\$000's)	Three months ended January 31	Three months ended October 31
	2018	2017
<b>REVENUE</b>		
Investment income	185,143	236,537
Net revaluation loss on financial assets at amortised cost	(55,237)	(10,859)
<b>Total revenue</b>	<b>129,906</b>	<b>225,678</b>
<b>EXPENSES</b>		
Management fees	71,814	70,384
Other	7,910	6,340
<b>Total expenses</b>	<b>79,724</b>	<b>76,724</b>
<b>Profit for the period, being increase in net assets attributable to holders of redeemable units</b>	<b>50,182</b>	<b>148,954</b>

SCOTIA PREMIUM MONEY MARKET FUND  
 STATEMENT OF FINANCIAL POSITION  
 (expressed in Jamaican Dollars)

Unaudited (\$000's)	As of January 31 2018	As of October 31 2017
<b>ASSETS</b>		
Cash resources	1,224,104	994,912
Investments		
Financial assets at amortised cost	10,918,032	10,364,055
Resale agreements	4,242,695	4,935,482
Due from Scotia Investments Jamaica Limited	-	73,608
<b>Total Assets</b>	<b>16,384,831</b>	<b>16,368,057</b>
<b>LIABILITY</b>		
Other payables, being total liability	67,097	44,952
<b>Net assets attributable to holders of redeemable units</b>	<b>16,317,734</b>	<b>16,323,105</b>
Represented by:		
Net assets attributable to holders of redeemable units	16,317,734	16,323,105

Issuance approved and signed on March 5, 2018 on behalf of the Board of Scotia Investments Jamaica Limited by:



Director



Director

SCOTIA PREMIUM MONEY MARKET FUND  
 STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS  
 (expressed in Jamaican Dollars)

Unaudited (\$000's)	Three months ended January 31 2018	Three months ended October 31 2017
Balance at beginning of the period	16,323,105	15,883,813
Increase in net assets attributable to holders of redeemable units	50,182	148,954
Contributions and redemptions by holders of redeemable units:		
Issue of redeemable units during the period	1,031,770	1,088,972
Reinvestments	9,112	120,191
Redemption of redeemable units during the period	(1,046,136)	(769,873)
Distributions	(50,299)	(148,952)
Balance at end of the period	16,317,734	16,323,105

**SCOTIA PREMIUM MONEY MARKET FUND**  
**STATEMENT OF CASH FLOWS**  
(expressed in Jamaican Dollars)

Unaudited (\$000's)	Three months ended January 31 2018	Three months ended October 31 2017
<b>Cash flows provided by operating activities</b>		
Increase in net assets attributable to holders of redeemable units	50,182	148,954
Changes in operating assets and liabilities		
Due from Scotia Investments Jamaica Limited	73,608	(73,608)
Other payables	22,145	(23,364)
<b>Net cash provided by operating activities</b>	<b>145,935</b>	<b>51,982</b>
 <b>Cash flows provided by investing activities</b>		
Financial assets at amortised cost	(553,977)	717,979
Resale agreements	692,787	(171,063)
Proceeds from new units available for investments	1,031,770	1,088,972
Proceeds from income reinvested	9,112	120,191
Payments for units encashed	(1,046,136)	(757,092)
Income distribution	(50,299)	(148,952)
	<b>83,257</b>	<b>850,035</b>
 Cash flows from operating and investing activities	 229,192	 902,017
Cash and cash equivalents at beginning of period	994,912	92,895
<b>Cash and cash equivalents at end of period</b>	<b>1,224,104</b>	<b>994,912</b>
 <b>Represented by:</b>		
Cash resources	<b>1,224,104</b>	<b>994,912</b>

**SCOTIA PREMIUM MONEY MARKET FUND**  
**Notes to the Financial Statements**  
**January 31, 2018**

**1. The Scotia Premium Money Market Fund**

The Scotia Premium Money Market Fund ("Fund") is registered in Jamaica as a unit trust scheme under the Unit Trusts Act. Effective December 1, 2016, there was a consolidation of asset management activities within Scotia Investments Jamaica Limited. Fund management services previously conducted by Scotia Asset Management (Jamaica) Limited (SAMJ), were transferred to its parent, Scotia Investments Jamaica Limited (SIJL). The Trustee of the Fund is JCSD Trustee Services Limited. Both companies are incorporated and domiciled in Jamaica. The registered office of the Fund is located at 7 Holborn Road, Kingston 10.

The Fund Manager is a wholly-owned subsidiary of Scotia Group Limited. ("Scotia Group").

The Scotia Premium Money Market Fund is a fixed income portfolio denominated in Jamaican dollars. The investment objective of this portfolio is to provide unit holders with quarterly income, liquidity and preservation of capital.

The income of the Fund is exempt from income tax, under Section 13(t) of the Income Tax Act.

**2. Basis of preparation**

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and comply with the provisions of the Trust Deed.

The financial statements have been prepared on the historical cost basis, except for financial assets at fair value through profit or loss which are stated at fair value.

New and revised standards that became effective this year did not have any material impact on the financial statements.

These financial statements are presented in Jamaican dollars, which is the Fund's functional currency.

**3. Financial assets – classification and measurement**

The Fund has classified financial assets and liabilities into the following categories:

*Loans and receivables:*

Financial assets at amortised cost – bonds and other notes, cash, accounts receivable, due from Fund Manager and resale agreements.

*Financial liabilities at amortised cost:*

Other liabilities measured at amortised cost - due to Fund Manager and other payables.

Amortised cost measurement

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the amount recognized and the maturity amount, minus any reduction for impairment.

**SCOTIA PREMIUM MONEY MARKET FUND**  
**Notes to the Financial Statements (continued)**  
**January 31, 2018**

**3. Financial assets – classification and measurement (continued)**

Fair Value measurement

Fair value amounts represent estimates of the arm's length consideration that would be currently agreed upon between knowledgeable, willing parties who are under no compulsion to act.

When available, the Fund measures the fair value of an instrument using the quoted prices in an active market for that instrument. A market is regarded as active if the quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

If a market for a financial instrument is not active, the Fund establishes fair value using pricing models or discounted cash flow techniques or a generally accepted alternative method. Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate is a market related rate at the reporting date for an instrument with similar terms and conditions. Where pricing models are used, inputs are based on market related measures at the reporting date and incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments.

The fair values of cash, accounts receivable, due to Scotia Investments Jamaica Limited and accounts payable are assumed to approximate to their carrying values, due to their short-term nature. The fair value of resale agreements is assumed to approximate their carrying value as they are subject to repricing in the short-term at market rate.

**4. Redeemable Units**

The Fund classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. The redeemable units issued by the Fund provide investors with the right to require redemption for cash at a value proportionate to the investor's share in the Fund's net assets at the redemption date and also in the event of the Fund's liquidation. The redeemable units are classified as financial liabilities and are measured at the present value of the redemption amounts. The number of units in issue at January 31, 2018 was 163,177,302 (at October 31, 2017: 163,229,838)

**5. Unit price/yield**

(a) The yield of the Fund for the period ended January 31, 2018 was 2.70% (October 31, 2017: 3.16%).

The calculation of yield is based on the annualised movement in unit price over the period.

(b) The price per unit as at January 31, 2018 was:

Buying/selling - \$100

The price per unit is arrived at by dividing the value of the net deposited property, less sales and fiscal charges, by the number of units in issue.

**6. Cash and cash equivalents**

For the purpose of the cash flow statement, cash and cash equivalents include notes and coins on hand, amounts due from other banks, and highly liquid financial assets with original maturities of less than three months, which are readily convertible to known amounts of cash, and are subject to insignificant risk of changes in their fair value.