

Scotia Private Pools[®] and Pinnacle Portfolios **Annual Report**

December 31, 2018

Money Market Fund

Scotia Private Short Term Income Pool

Bond Funds

Scotia Private Income Pool

Scotia Private High Yield Income Pool

Scotia Private American Core-Plus Bond Pool

Scotia Private Global High Yield Pool

Balanced Fund

Scotia Private Strategic Balanced Pool

Canadian Equity Funds

Scotia Private Canadian Value Pool

Scotia Private Canadian Mid Cap Pool

Scotia Private Canadian Growth Pool

Scotia Private Canadian Small Cap Pool

Foreign Equity Funds

Scotia Private U.S. Value Pool

Scotia Private U.S. Mid Cap Value Pool

Scotia Private U.S. Large Cap Growth Pool

Scotia Private International Equity Pool

Scotia Private International Small to Mid Cap Value Pool

Scotia Private Emerging Markets Pool

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STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	8,619,964	5,927,249
Cash	300,220	67,947
Subscriptions receivable	–	1,250,000
Accrued investment income and other	462	601
	<u>8,920,646</u>	<u>7,245,797</u>
LIABILITIES		
Current liabilities		
Redemptions payable	4,040	9,917
Distributions payable	26	29
	<u>4,066</u>	<u>9,946</u>
Net assets attributable to holders of redeemable units	<u>8,916,580</u>	<u>7,235,851</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	8,855,974	7,084,875
Series F	60,606	150,976
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	10.00	10.00
Series F	10.00	10.00

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Interest for distribution purposes	64,466	46,865
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	64,466	46,865
Securities lending (note 11)	–	17
Total income (loss), net	<u>64,466</u>	<u>46,882</u>
EXPENSES		
Management fees (note 5)	537	415
Independent Review Committee fees	1,249	1,154
Interest expense and bank overdraft charges	141	–
Audit fees	11,157	8,368
Custodian fees	3,123	1,643
Filing fees	15,797	16,268
Legal fees	1	14
Unitholder administration costs	3,007	41,155
Unitholder reporting costs	399	4,656
Harmonized Sales Tax/Goods and Services Tax	3,960	5,569
Total expenses	<u>39,371</u>	<u>79,242</u>
Expenses absorbed by the Manager	(15,503)	(50,238)
Net expenses	<u>23,866</u>	<u>29,004</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>40,600</u>	<u>17,878</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	39,700	17,638
Series F	900	240
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Pinnacle Series	0.10	0.03
Series F	0.08	0.03
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	413,837	510,570
Series F	10,774	8,251

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	7,084,875	5,889,671
Series F	150,976	74,115
	<u>7,235,851</u>	<u>5,963,786</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	39,700	17,638
Series F	900	240
	<u>40,600</u>	<u>17,878</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(39,700)	(17,637)
Series F	(900)	(240)
	<u>(40,600)</u>	<u>(17,877)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	11,807,701	8,333,703
Series F	12,000	95,623
Reinvested distributions		
Pinnacle Series	39,307	17,409
Series F	900	240
Payments on redemption		
Pinnacle Series	(10,075,909)	(7,155,909)
Series F	(103,270)	(19,002)
	<u>1,680,729</u>	<u>1,272,064</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	1,771,099	1,195,204
Series F	(90,370)	76,861
	<u>1,680,729</u>	<u>1,272,065</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	8,855,974	7,084,875
Series F	60,606	150,976
	<u>8,916,580</u>	<u>7,235,851</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units		
	40,600	17,878
Adjustments for:		
Purchases of non-derivative financial assets and liabilities	(31,452,327)	(24,511,732)
Proceeds from sale of non-derivative financial assets and liabilities	28,759,612	24,419,391
Accrued investment income and other	139	(350)
Accrued expenses and other payables	–	(272)
Net cash provided by (used in) operating activities	<u>(2,651,976)</u>	<u>(75,085)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	13,069,701	7,183,322
Amounts paid on redemption of redeemable units	(10,185,055)	(7,166,334)
Distributions to unitholders of redeemable units	(396)	(220)
Net cash provided by (used in) financing activities	<u>2,884,250</u>	<u>16,768</u>
Net increase (decrease) in cash	232,273	(58,317)
Cash (bank overdraft), beginning of period	67,947	126,264
CASH (BANK OVERDRAFT), END OF PERIOD	<u>300,220</u>	<u>67,947</u>
Interest paid ⁽¹⁾	141	–
Interest received, net of withholding taxes ⁽¹⁾	65,942	47,215

(1) Classified as operating items.

Scotia Private Short Term Income Pool (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
Short Term Bonds – 5.6%			
Bank of Montreal (Floating Rate) 1.60% Apr 11, 2019	125,000	125,396	125,803
BMW Canada Inc. (Floating Rate) 2.35% Jun 14, 2019	50,000	50,154	50,194
Genesis Trust II 2.43% May 15, 2019	100,000	100,107	100,369
HSBC Bank Canada (Floating Rate) 2.11% Jul 10, 2019	50,000	50,017	50,082
Royal Bank of Canada (Floating Rate) 1.94% Aug 01, 2019	125,000	125,000	125,219
Wells Fargo Canada Corporation 2.94% Jul 25, 2019	50,000	50,150	50,759
		<u>500,824</u>	<u>502,426</u>
Bankers' Acceptances – 8.6%			
Canadian Imperial Bank of Commerce 0.00% Aug 29, 2019	75,000	73,358	73,914
Canadian Imperial Bank of Commerce 0.00% May 13, 2019	300,000	297,568	297,586
National Bank of Canada 0.00% Feb 25, 2019	100,000	99,417	99,681
Royal Bank of Canada 0.00% Apr 01, 2019	200,000	198,890	198,902
Toronto-Dominion Bank, The 0.00% Feb 01, 2019	100,000	99,677	99,821
		<u>768,910</u>	<u>769,904</u>
Bearers' Deposit Notes – 0.6%			
Fédération des caisses Desjardins du Québec 0.00% Jan 14, 2019	50,000	49,842	49,964
Commercial Paper – 8.4%			
FortisBC Energy Inc. 0.00% Mar 27, 2019	200,000	198,950	198,962
Greater Toronto Airports Authority 0.00% Jan 11, 2019	100,000	99,823	99,941
Honda Canada Finance Inc. 0.00% May 23, 2019	50,000	49,465	49,556
Nestlé Capital Canada Ltd. 0.00% Feb 19, 2019	100,000	99,574	99,718
Nova Scotia Power Inc. 0.00% Jan 09, 2019	50,000	49,892	49,977
Omers Finance Trust 0.00% Feb 20, 2019	50,000	49,734	49,855
Suncor Energy Inc. 0.00% Mar 29, 2019	200,000	198,882	198,895
		<u>746,320</u>	<u>746,904</u>
Promissory Notes – 27.9%			
Province of Alberta 0.00% Mar 20, 2019	500,000	497,460	497,958
Province of British Columbia 0.00% Feb 12, 2019	300,000	298,986	299,364
Province of British Columbia 0.00% Mar 25, 2019	700,000	696,252	696,959
Province of Nova Scotia 0.00% Feb 26, 2019	250,000	248,795	249,267
Province of Saskatchewan 0.00% Feb 13, 2019	150,000	149,177	149,663
Province of Saskatchewan 1.93% Apr 09, 2019	600,000	596,874	596,906
		<u>2,487,544</u>	<u>2,490,117</u>
Treasury Bills – 45.5%			
Government of Canada 0.00% Jan 10, 2019	1,065,000	1,063,924	1,064,560
Province of Manitoba 0.00% Mar 13, 2019	500,000	497,655	498,150
Province of New Brunswick 0.00% Feb 14, 2019	125,000	124,405	124,712
Province of Newfoundland and Labrador 0.00% Mar 14, 2019	300,000	298,572	298,858
Province of Ontario 0.00% Aug 14, 2019	135,000	132,407	133,294
Province of Ontario 0.00% Jan 30, 2019	250,000	247,510	249,666
Province of Ontario 0.00% Mar 27, 2019	1,600,000	1,592,832	1,592,915
Province of Ontario 0.00% Sep 18, 2019	100,000	97,920	98,494
		<u>4,055,225</u>	<u>4,060,649</u>
TOTAL INVESTMENT PORTFOLIO		<u>8,608,665</u>	8,619,964
OTHER ASSETS, LESS LIABILITIES – 3.4%			<u>296,616</u>
NET ASSETS – 100.0%			<u>8,916,580</u>

Instruments with a 0.00% stated interest rate are purchased at a discount to face value. The discount represents the implied effective interest.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to preserve investment capital while providing interest income and maintaining liquidity by investing primarily in highly liquid, senior investment grade money market instruments (i.e. federal and provincial treasury bills and bond) and bankers acceptances with a minimum credit rating of R-1(low) or A-1(low).

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

Below is a summary of the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio, excluding cash and overdrafts, as applicable.

Interest rate exposure	December 31, 2018 (\$)	December 31, 2017 (\$)
Less than 1 year	8,619,964	5,927,249
1-3 years	-	-
3-5 years	-	-
5-10 years	-	-
> 10 years	-	-
	8,619,964	5,927,249

As at December 31, 2018, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by \$1,169 or approximately 0.0% (December 31, 2017 – \$1,782 or approximately 0.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk

The Fund did not have significant direct currency risk exposure as at December 31, 2018 or December 31, 2017.

Price risk

The Fund did not have significant direct price risk exposure to equities, underlying funds, derivatives or commodities as at December 31, 2018 or December 31, 2017.

Credit risk

Below is a summary of the credit ratings of bond and debentures and money market instruments held by the Fund.

Credit Ratings	December 31, 2018		December 31, 2017	
	Percentage of total credit rate instruments debentures (%)	Percentage of net assets (%)	Percentage of total credit rate instruments debentures (%)	Percentage of net assets (%)
AAA/A-1+	47.6	46.0	18.9	15.5
AA/A-1	46.9	45.3	68.2	55.8
A/A2	5.5	5.3	11.2	9.1
NOT RATED	-	-	1.7	1.4
	100.0	96.6	100.0	81.8

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Bankers' Acceptances	8.6	6.0
Bearer's Deposit Notes	0.6	1.9
Commercial Paper	8.4	13.8
Promissory Notes	27.9	17.4
Short Term Bonds	5.6	15.9
Treasury Bills	45.5	27.0

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2018	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Money market instruments	-	8,619,964	-	8,619,964
	-	8,619,964	-	8,619,964

December 31, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds and debentures	-	1,147,710	-	1,147,710
Money market instruments	-	4,779,539	-	4,779,539
	-	5,927,249	-	5,927,249

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	535,551,223	424,906,079
Cash	668,684	89,786,109
Subscriptions receivable	408,211	7,449,784
Accrued investment income and other	2,331,300	2,264,263
	<u>538,959,418</u>	<u>524,406,235</u>
LIABILITIES		
Current liabilities		
Redemptions payable	187,413	432,653
	<u>187,413</u>	<u>432,653</u>
Net assets attributable to holders of redeemable units	<u>538,772,005</u>	<u>523,973,582</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	525,306,424	502,154,589
Series F	1,389,440	1,569,977
Series I	12,076,141	20,249,016
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	10.56	10.60
Series F	10.85	11.05
Series I	10.59	10.78

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Interest for distribution purposes	13,834,193	11,403,090
Net realized gain (loss) on non-derivative financial assets	(13,322,068)	(4,249,432)
Change in unrealized gain (loss) on non-derivative financial assets	10,398,701	1,265,707
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	10,910,826	8,419,365
Securities lending (note 11)	45,520	42,144
Net realized and unrealized foreign currency translation gain (loss)	8,384	–
Other income	1,552	3,419
Total income (loss), net	<u>10,966,282</u>	<u>8,464,928</u>
EXPENSES		
Management fees (note 5)	10,152	12,139
Fixed administration fees (note 6)	373,833	350,238
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	4,856	–
Harmonized Sales Tax/Goods and Services Tax	39,527	36,451
Total expenses	<u>429,617</u>	<u>399,963</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>10,536,665</u>	<u>8,064,965</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	10,572,752	7,371,530
Series F	(6,062)	33,064
Series I	(30,025)	660,371
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Pinnacle Series	0.21	0.16
Series F	(0.05)	0.21
Series I	(0.02)	0.31
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	49,924,861	45,974,582
Series F	133,928	158,832
Series I	1,517,024	2,155,379

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

Scotia Private Income Pool (Continued)

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	502,154,589	464,089,721
Series F	1,569,977	1,889,170
Series I	20,249,016	24,401,495
	<u>523,973,582</u>	<u>490,380,386</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	10,572,752	7,371,530
Series F	(6,062)	33,064
Series I	(30,025)	660,371
	<u>10,536,665</u>	<u>8,064,965</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(12,821,288)	(10,576,822)
Series F	(23,897)	(22,632)
Series I	(378,495)	(495,256)
	<u>(13,223,680)</u>	<u>(11,094,710)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	142,816,498	144,652,111
Series F	201,078	486,268
Series I	20,400	524,600
Reinvested distributions		
Pinnacle Series	12,681,765	10,456,835
Series F	9,504	12,049
Series I	378,495	495,256
Payments on redemption		
Pinnacle Series	(130,097,892)	(113,838,786)
Series F	(361,160)	(827,942)
Series I	(8,163,250)	(5,337,450)
	<u>17,485,438</u>	<u>36,622,941</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	23,151,835	38,064,868
Series F	(180,537)	(319,193)
Series I	(8,172,875)	(4,152,479)
	<u>14,798,423</u>	<u>33,593,196</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	525,306,424	502,154,589
Series F	1,389,440	1,569,977
Series I	12,076,141	20,249,016
	<u>538,772,005</u>	<u>523,973,582</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	10,536,665	8,064,965
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	13,322,068	4,249,432
Change in unrealized (gain) loss on non-derivative financial assets	(10,398,701)	(1,265,707)
Unrealized foreign currency translation (gain) loss	16	-
Purchases of non-derivative financial assets and liabilities	(1,326,440,427)	(857,403,495)
Proceeds from sale of non-derivative financial assets and liabilities	1,212,871,916	905,547,866
Accrued investment income and other	(67,037)	(32,470)
Accrued expenses and other payables	-	(1,046)
	<u>(100,175,500)</u>	<u>59,159,545</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	150,079,549	138,949,012
Amounts paid on redemption of redeemable units	(138,867,542)	(120,101,515)
Distributions to unitholders of redeemable units	(153,916)	(130,570)
	<u>11,058,091</u>	<u>18,716,927</u>
Net cash provided by (used in) financing activities	11,058,091	18,716,927
Unrealized foreign currency translation gain (loss)	(16)	-
Net increase (decrease) in cash	(89,117,409)	77,876,472
Cash (bank overdraft), beginning of period	89,786,109	11,909,637
	<u>668,684</u>	<u>89,786,109</u>
CASH (BANK OVERDRAFT), END OF PERIOD		
Interest paid ⁽¹⁾	4,856	-
Interest received, net of withholding taxes ⁽¹⁾	13,767,157	11,370,622

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)	Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES – 99.4%				BONDS AND DEBENTURES (cont'd)			
Corporate Bonds – 43.0%				Corporate Bonds (cont'd)			
Alimentation Couche-Tard Inc. (Callable) 3.06% May 26, 2024	2,240,000	2,234,778	2,166,769	Royal Bank of Canada 2.36% Dec 05, 2022	16,687,000	16,625,770	16,378,779
Allied Properties Real Estate Investment Trust 3.75% May 13, 2020	1,500,000	1,550,700	1,514,519	Royal Bank of Canada 2.95% May 01, 2023	3,513,000	3,504,870	3,520,842
Allied Properties Real Estate Investment Trust 3.93% Nov 14, 2022	970,000	996,093	979,196	TELUS Corporation (Callable) 3.75% Oct 17, 2024	5,310,000	5,595,184	5,366,149
Anheuser-Busch InBev Finance Inc. (Callable) 2.60% Mar 15, 2024	2,843,000	2,714,070	2,700,833	TMX Group Ltd. 3.00% Dec 11, 2024	6,105,000	6,044,381	6,023,904
Apple Inc. 2.51% Aug 19, 2024	1,101,000	1,054,340	1,070,686	Toronto-Dominion Bank, The (Callable) 3.59% Sep 14, 2023	2,521,000	2,521,000	2,511,090
Bank of America Corporation (Callable) 2.60% Mar 15, 2022	1,700,000	1,661,665	1,666,730	Toronto-Dominion Bank, The 3.01% May 30, 2023	6,370,000	6,369,645	6,407,806
Bank of America Corporation 3.23% Jun 22, 2022	3,089,000	3,164,489	3,095,752	Walt Disney Co, The 2.76% Oct 07, 2024	945,000	939,850	930,151
Bank of Montreal (Callable) 3.12% Sep 19, 2019	1,204,000	1,219,821	1,206,866			<u>233,456,355</u>	<u>231,629,652</u>
Bank of Montreal 1.61% Oct 28, 2021	1,376,000	1,349,114	1,333,772	Federal Bonds – 38.1%			
Bank of Montreal 2.89% Jun 20, 2023	2,423,000	2,402,698	2,421,668	Canada Housing Trust No. 1 1.20% Jun 15, 2020	29,000,000	28,664,470	28,705,154
Bank of Montreal 3.19% Mar 01, 2028	1,569,000	1,556,542	1,571,289	Canada Housing Trust No. 1 2.65% Dec 15, 2028	62,000,000	60,818,268	62,701,130
Bank of Nova Scotia, The 2.29% Jun 28, 2024†	4,660,000	4,584,461	4,496,471	Canada Housing Trust No. 1 2.65% Mar 15, 2028	10,000,000	9,824,900	10,118,035
Bank of Nova Scotia, The 2.36% Nov 08, 2022†	2,373,000	2,373,068	2,326,952	Government of Canada 1.50% Jun 01, 2023	2,000,000	1,940,000	1,967,738
Bank of Nova Scotia, The 2.98% Apr 17, 2023†	4,666,000	4,648,313	4,675,688	Government of Canada 1.50% Mar 01, 2020	7,125,000	7,071,685	7,098,409
Bell Canada Inc. (Callable) 3.80% May 21, 2028	2,197,000	2,180,061	2,175,998	Government of Canada 2.00% Jun 01, 2028	39,658,000	38,020,087	39,782,521
BP Capital Markets PLC 3.47% May 15, 2025	1,759,000	1,760,682	1,762,469	Government of Canada 2.50% Jun 01, 2024	3,433,000	3,467,686	3,538,375
Brookfield Asset Management Inc. (Callable) 4.82% Oct 28, 2025	7,761,000	8,491,963	8,066,359	Government of Canada 2.75% Dec 01, 2048	18,941,000	20,559,227	21,299,833
Brookfield Infrastructure Finance ULC (Callable) 3.32% Dec 22, 2023	1,543,000	1,523,119	1,508,676	Government of Canada 5.75% Jun 01, 2033	20,669,000	29,119,019	30,101,423
Canadian Imperial Bank of Commerce 2.30% Jul 11, 2022	36,466,000	35,606,136	35,790,396			<u>199,485,342</u>	<u>205,312,618</u>
Canadian Mortgage Pools 2.44% Mar 01, 2023	35,798,299	35,263,831	35,908,970	Provincial Bonds – 18.3%			
Choice Properties Real Estate Investment Trust (Callable) 3.56% Jul 09, 2024	6,577,000	6,561,815	6,479,561	Province of Ontario 2.60% Jun 02, 2027	28,409,000	28,462,550	28,022,336
CI Financial Corporation 3.90% Sep 27, 2027	1,832,000	1,832,000	1,797,177	Province of Ontario 2.80% Jun 02, 2048	35,867,000	33,050,608	33,241,841
CU Inc. (Callable) 3.55% May 22, 2047	15,788,000	15,804,677	14,996,088	Province of Ontario 4.00% Jun 02, 2021	28,300,000	29,665,759	29,508,457
Daimler Canada Finance Inc. 1.91% Jul 08, 2021	2,500,000	2,511,975	2,433,300	Province of Quebec 2.75% Sep 01, 2028	7,848,000	7,624,881	7,836,319
Dollarama Inc. 2.34% Jul 22, 2021	833,000	840,646	814,992			<u>98,803,798</u>	<u>98,608,953</u>
Enbridge Inc. 3.94% Jan 13, 2023	2,305,000	2,422,555	2,356,499	TOTAL INVESTMENT PORTFOLIO			
EPCOR Utilities Inc. 3.55% Nov 27, 2047	4,527,000	4,527,000	4,348,880		531,745,495		535,551,223
First Capital Realty Inc. 4.32% Jul 31, 2025	2,133,000	2,173,036	2,169,997	OTHER ASSETS, LESS LIABILITIES – 0.6%			
Fortis Inc. (Callable) 2.85% Oct 12, 2023	2,710,000	2,726,829	2,672,392				<u>3,220,782</u>
Intact Financial Corporation (Callable) 3.77% Dec 02, 2025	1,856,000	1,932,646	1,903,907	NET ASSETS – 100.0%			
Loblaw Companies Limited (Callable) 4.86% Jun 12, 2023	2,316,000	2,510,739	2,446,463				<u>538,772,005</u>
Manufacturers Life Insurance Company, The (Callable) 2.81% Feb 21, 2019	4,000,000	4,069,520	4,002,844	† Investment in related party (note 10)			
McDonald's Corporation 3.13% Mar 04, 2025	1,850,000	1,862,125	1,821,359				
North West Redwater Partnership / NWR Financing Co., Ltd. (Callable) 3.20% Apr 23, 2024	2,305,000	2,358,476	2,298,600				
OMERS Realty Corporation (Callable) 3.33% Apr 05, 2025	9,371,000	9,415,838	9,522,270				
OMERS Realty Corporation (Callable) 3.63% Mar 05, 2030	2,515,000	2,515,000	2,574,736				
Pembina Pipeline Corporation (Callable) 2.99% Nov 22, 2023	1,157,000	1,143,556	1,125,286				
Pembina Pipeline Corporation (Callable) 3.54% Nov 03, 2024	2,416,000	2,420,550	2,389,992				
Royal Bank of Canada (Callable) 3.04% Jul 17, 2019	3,077,000	3,112,479	3,082,958				
Royal Bank of Canada 1.65% Jul 15, 2021	4,944,000	4,778,249	4,813,571				

The accompanying notes are an integral part of the financial statements.

Portfolio Adviser: 1832 Asset Management L.P.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to preserve investment capital while seeking to achieve increased income by investing primarily in a portfolio of Canadian government and corporate bonds, preferred shares of Canadian corporations and loans of supranational organizations.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

Below is a summary of the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	December 31, 2018 (\$)	December 31, 2017 (\$)
Less than 1 year	8,292,668	–
1-3 years	76,222,174	41,940,494
3-5 years	122,615,871	71,410,199
5-10 years	221,857,709	253,440,269
> 10 years	106,562,801	58,115,117
	535,551,223	424,906,079

As at December 31, 2018, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by \$10,033,596 or approximately 1.9% (December 31, 2017 – \$7,716,505 or approximately 1.5%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable. The Fund did not have significant direct currency risk exposure as at December 31, 2017.

Currency	December 31, 2018			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	1,150	–	1,150	0.0
	1,150	–	1,150	0.0

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$115 or

approximately 0.0% of net assets (December 31, 2017 – nil or approximately 0.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

The Fund did not have significant direct price risk exposure to equities, underlying funds, derivatives or commodities as at December 31, 2018 or December 31, 2017.

Credit risk

Below is a summary of the credit ratings of bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

Credit ratings	December 31, 2018		December 31, 2017	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
AAA	38.3	38.0	15.3	12.4
AA	17.1	17.1	32.4	26.3
A	30.1	29.9	43.3	35.1
BBB	7.8	7.7	9.0	7.3
NOT RATED	6.7	6.7	–	–
	100.0	99.4	100.0	81.1

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Corporate Bonds	43.0	37.7
Federal Bonds	38.1	5.4
Mortgage-Backed Securities	–	0.3
Provincial Bonds	18.3	37.7

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Bonds and debentures	–	535,551,223	–	535,551,223
	–	535,551,223	–	535,551,223

December 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Bonds and debentures	–	424,906,079	–	424,906,079
	–	424,906,079	–	424,906,079

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia Private High Yield Income Pool

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STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	769,814,481	1,274,989,765
Derivatives	470,401	6,139,249
Cash	241,541	61,451
Subscriptions receivable	388,207	4,194,412
Accrued investment income and other	11,797,899	16,276,867
	<u>782,712,529</u>	<u>1,301,661,744</u>
LIABILITIES		
Current liabilities		
Financial liabilities at fair value through profit or loss (note 2)		
Derivatives	16,576,272	–
Redemptions payable	502,100	411,263
Accrued expenses	–	3
Distributions payable	–	987
	<u>17,078,372</u>	<u>412,253</u>
Net assets attributable to holders of redeemable units	<u>765,634,157</u>	<u>1,301,249,491</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	132,008,643	233,876,810
Series F	14,019,596	16,042,557
Series I	365,559,695	556,189,200
Series K	12,677,180	11,197,921
Series M	241,369,043	483,943,003
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	8.20	8.97
Series F	8.52	9.32
Series I	8.23	9.00
Series K	9.03	9.88
Series M	8.25	9.02

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Net gain (loss) on financial assets and liabilities at fair value through profit or loss		
Dividends	104,673	1,398,157
Interest for distribution purposes	59,383,631	62,552,303
Net realized gain (loss) on non-derivative financial assets	(21,778,722)	21,821,444
Change in unrealized gain (loss) on non-derivative financial assets	9,648,153	(96,177,238)
Net realized gain (loss) on derivatives	(52,725,563)	15,103,990
Change in unrealized gain (loss) on derivatives	(22,245,120)	6,139,249
Net gain (loss) on financial assets and liabilities at fair value through profit or loss		
	(27,612,948)	10,837,905
Securities lending (note 11)	118,827	85
Net realized and unrealized foreign currency translation gain (loss)	4,787,947	(2,104,005)
Other income	83	1,072
Total income (loss), net	<u>(22,706,091)</u>	<u>8,735,057</u>
EXPENSES		
Management fees (note 5)	997,407	1,564,702
Fixed administration fees (note 6)	461,338	574,102
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	33,206	1,062
Foreign withholding taxes/tax reclaims	–	142,732
Harmonized Sales Tax/Goods and Services Tax	143,159	205,690
Transaction costs	–	19,853
Total expenses	<u>1,636,359</u>	<u>2,509,276</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(24,342,450)</u>	<u>6,225,781</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	(4,151,632)	1,276,567
Series F	(558,088)	(28,958)
Series I	(11,004,825)	3,351,610
Series K	(395,260)	(28,406)
Series M	(8,232,645)	1,654,968
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Pinnacle Series	(0.22)	0.05
Series F	(0.33)	(0.02)
Series I	(0.18)	0.06
Series K	(0.29)	(0.04)
Series M	(0.25)	0.03
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	19,256,885	24,812,379
Series F	1,685,128	1,744,309
Series I	61,760,694	58,764,938
Series K	1,346,526	707,955
Series M	33,011,208	51,843,293

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	233,876,810	222,187,763
Series F	16,042,557	16,993,904
Series I	556,189,200	525,927,796
Series K	11,197,921	1,327,050
Series M	483,943,003	475,501,100
	<u>1,301,249,491</u>	<u>1,241,937,613</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	(4,151,632)	1,276,567
Series F	(558,088)	(28,958)
Series I	(11,004,825)	3,351,610
Series K	(395,260)	(28,406)
Series M	(8,232,645)	1,654,968
	<u>(24,342,450)</u>	<u>6,225,781</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(9,766,042)	(11,281,386)
Series F	(769,524)	(687,814)
Series I	(31,056,766)	(27,338,442)
Series K	(770,610)	(404,087)
Series M	(15,475,932)	(22,464,057)
	<u>(57,838,874)</u>	<u>(62,175,786)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	32,679,216	49,456,357
Series F	617,151	1,238,829
Series I	51,206,175	39,574,839
Series K	6,166,596	11,194,579
Series M	50,200,445	115,223,056
Reinvested distributions		
Pinnacle Series	9,654,011	11,172,550
Series F	170,046	153,774
Series I	31,056,766	27,338,442
Series K	770,610	404,087
Series M	12,563,044	18,559,183
Payments on redemption		
Pinnacle Series	(130,283,720)	(38,935,041)
Series F	(1,482,546)	(1,627,178)
Series I	(230,830,855)	(12,665,045)
Series K	(4,292,077)	(1,295,302)
Series M	(281,628,872)	(104,531,247)
	<u>(453,434,010)</u>	<u>115,261,883</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	(101,868,167)	11,689,047
Series F	(2,022,961)	(951,347)
Series I	(190,629,505)	30,261,404
Series K	1,479,259	9,870,871
Series M	(242,573,960)	8,441,903
	<u>(535,615,334)</u>	<u>59,311,878</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	132,008,643	233,876,810
Series F	14,019,596	16,042,557
Series I	365,559,695	556,189,200
Series K	12,677,180	11,197,921
Series M	241,369,043	483,943,003
	<u>765,634,157</u>	<u>1,301,249,491</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(24,342,450)	6,225,781
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	21,778,722	(21,821,444)
Change in unrealized (gain) loss on non-derivative financial assets	(9,648,153)	96,177,238
Change in unrealized (gain) loss on derivatives	22,245,120	(6,139,249)
Unrealized foreign currency translation (gain) loss	2,699	(633)
Other non-cash transactions	-	(446,828)
Purchases of non-derivative financial assets and liabilities	(1,032,041,369)	(1,761,395,668)
Proceeds from sale of non-derivative financial assets and liabilities	1,525,086,082	1,640,453,481
Accrued investment income and other	4,478,968	(2,228,778)
Accrued expenses and other payables	(3)	(6,119)
	<u>507,559,616</u>	<u>(49,182,219)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	144,562,854	213,397,491
Amounts paid on redemption of redeemable units	(648,314,298)	(159,619,528)
Distributions to unitholders of redeemable units	(3,625,383)	(4,547,431)
	<u>(507,376,827)</u>	<u>49,230,532</u>
Net cash provided by (used in) operating activities	(24,342,450)	6,225,781
Unrealized foreign currency translation gain (loss)	(2,699)	633
Net increase (decrease) in cash	182,789	48,313
Cash (bank overdraft), beginning of period	61,451	12,505
	<u>241,541</u>	<u>61,451</u>
CASH (BANK OVERDRAFT), END OF PERIOD		
Interest paid ⁽¹⁾	33,206	1,062
Interest received, net of withholding taxes ⁽¹⁾	63,552,716	60,426,154
Dividends received, net of withholding taxes ⁽¹⁾	104,673	1,015,853

⁽¹⁾ Classified as operating items.

Scotia Private High Yield Income Pool (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer		Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES – 97.6%				
Corporate Bonds – 97.6%				
Adecoagro SA (Callable) 6.00% Sep 21, 2022	USD	600,000	731,279	698,748
ADT Corporation, The 4.13% Jun 15, 2023	USD	3,250,000	3,958,600	4,054,586
AerCap Ireland Capital DAC / AerCap Global Aviation Trust (Callable) 3.65% Apr 21, 2027	USD	1,000,000	1,261,878	1,185,778
AES Corporation (Callable) 4.88% May 15, 2023	USD	912,000	1,196,137	1,223,390
AES Corporation (Callable) 5.13% Sep 01, 2022	USD	7,000,000	8,966,863	9,272,317
AGT Food & Ingredients Inc. (Callable) 5.88% Dec 21, 2018		6,500,000	6,539,375	6,458,021
AK Steel Corporation (Callable) 6.38% Oct 15, 2020	USD	12,650,000	15,673,348	13,608,051
AK Steel Corporation (Callable) 7.00% Mar 15, 2022	USD	4,500,000	5,731,411	4,847,254
AK Steel Corporation (Callable) 7.63% Oct 01, 2021	USD	4,500,000	4,885,541	5,680,369
American International Group Inc. 3.38% Aug 15, 2020	USD	9,800,000	13,397,868	13,394,055
American International Group Inc. 4.88% Jun 01, 2022	USD	1,300,000	1,936,251	1,843,369
Amkor Technology Inc. (Callable) 6.38% Oct 01, 2022	USD	7,300,000	8,983,542	10,032,670
Axalta Coating Systems LLC (Callable) 4.88% Aug 15, 2019	USD	5,000,000	7,072,475	6,475,316
Barrick PD Australia Finance Pty Ltd. 4.95% Jan 15, 2020	USD	1,750,000	2,328,671	2,421,289
Bellatrix Exploration Ltd. (Callable) 8.50% May 15, 2020	USD	9,020,000	10,853,411	7,382,550
Brookfield Residential Properties Inc. (Callable) 6.13% May 15, 2023		4,500,000	4,631,250	4,425,000
Calfrac Holdings LP (Callable) 8.50% Jun 15, 2021	USD	5,500,000	6,880,815	5,289,327
Calpine Corporation (Callable) 5.25% Jun 01, 2021	USD	8,000,000	10,160,020	10,081,083
Calpine Corporation (Callable) 5.50% Feb 01, 2019	USD	7,750,000	9,652,356	9,633,689
Cameco Corporation (Callable) 4.19% Mar 24, 2024		4,000,000	3,998,400	3,993,492
Cascades Inc. 5.50% Jul 15, 2021		12,000,000	11,955,000	12,180,000
CCO Holdings LLC / CCO Holdings Capital Corporation (Callable) 5.50% May 01, 2021	USD	4,050,000	5,253,224	5,313,650
Charter Communications Operating LLC / Charter Communications Operating Capital (Callable) 4.50% Jan 01, 2024	USD	1,500,000	1,986,708	2,048,075
Cheniere Corpus Christi Holdings LLC (Callable) 5.13% Jan 01, 2027	USD	4,950,000	6,416,686	6,415,526
CHS/ Community Health Systems Inc. (Callable) 6.25% Mar 31, 2020	USD	3,500,000	4,728,177	4,362,825
CHS/Community Health Systems Inc. (Callable) 5.13% Aug 01, 2021	USD	2,000,000	2,653,263	2,566,896
CNX Resources Corporation (Callable) 5.88% Apr 15, 2022	USD	3,000,000	3,943,127	3,981,421
Comcast Corporation 3.13% Jul 15, 2022	USD	1,750,000	2,251,939	2,382,366
Coty Inc. (Callable) 6.50% Apr 15, 2021	USD	6,500,000	8,296,240	7,532,704
Crestwood Midstream Partners LP / Crestwood Midstream Finance Corporation (Callable) 6.25% Apr 01, 2023	USD	5,000,000	7,030,134	6,526,505
CSC Holdings LLC (Callable) 5.38% Feb 01, 2023	USD	2,500,000	3,124,253	3,154,465
DAE Funding LLC (Callable) 4.50% Aug 01, 2019	USD	1,000,000	1,253,400	1,305,894
DISH DBS Corporation 5.00% Mar 15, 2023	USD	3,700,000	4,108,095	4,110,337
DISH DBS Corporation 5.88% Jul 15, 2022	USD	6,000,000	7,921,340	7,535,767
DISH DBS Corporation 5.88% Nov 15, 2024	USD	15,300,000	19,668,500	16,859,887
DPL Inc. (Callable) 6.75% Sep 01, 2019	USD	1,485,000	2,054,328	2,027,786
DPL Inc. (Callable) 7.25% Jul 15, 2021	USD	5,400,000	5,708,528	7,734,932

Issuer		Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)				
Corporate Bonds (cont'd)				
Dynegy Inc. (Callable) 5.88% Jun 01, 2023	USD	5,000,000	6,209,514	6,905,454
Enbridge Inc. (Callable) 6.25% Mar 01, 2028	USD	12,100,000	15,185,577	14,825,339
Fairfax Financial Holdings Limited 4.95% Mar 03, 2025		800,000	845,280	840,241
Fairfax Financial Holdings Limited 6.40% May 25, 2021		1,500,000	1,502,020	1,613,619
First Data Corporation (Callable) 5.75% Jan 15, 2019	USD	7,000,000	9,264,244	9,341,450
First Quantum Minerals Ltd. (Callable) 7.00% Feb 15, 2021	USD	4,015,000	3,695,481	5,264,662
First Quantum Minerals Ltd. (Callable) 7.25% May 15, 2022	USD	1,400,000	1,816,367	1,768,907
First Quantum Minerals Ltd. (Callable) 7.25% Oct 01, 2019	USD	4,750,000	5,898,578	5,685,771
Fly Leasing Ltd. (Callable) 5.25% Oct 15, 2020	USD	7,300,000	9,132,991	9,044,291
Ford Credit Canada Ltd. 2.92% Sep 16, 2020		3,000,000	3,085,800	2,954,283
Frontier Communications Corporation (Callable) 11.00% Jun 15, 2025	USD	9,500,000	12,750,323	8,153,558
Frontier Communications Corporation 8.75% Apr 15, 2022	USD	2,100,000	2,285,506	1,840,751
Gibson Energy Inc. (Callable) 5.25% Jul 15, 2020	USD	15,300,000	15,301,976	14,888,813
Harvest Operations Corporation 2.33% Apr 14, 2021	USD	4,950,000	6,201,627	6,569,669
HCA Inc. (Callable) 4.50% Aug 15, 2026	USD	5,000,000	6,679,682	6,474,259
HCA Inc. 6.50% Feb 15, 2020	USD	3,000,000	4,371,665	4,208,545
Hertz Corp, The (Callable) 6.25% Oct 15, 2022	USD	906,000	1,146,314	1,076,465
HSBC Bank of Canada 2.94% Jan 14, 2020		5,000,000	4,895,100	5,017,706
HSBC Holdings PLC 2.65% Jan 05, 2022	USD	5,000,000	6,551,299	6,623,090
IGM Financial Inc. (Callable) 3.44% Oct 26, 2026		2,250,000	2,248,493	2,228,328
Jaguar Land Rover Automotive PLC (Callable) 3.50% Dec 15, 2019	USD	3,050,000	3,808,136	3,999,308
JBS USA LLC / JBS USA Finance Inc. (Callable) 5.75% Jun 15, 2020	USD	14,500,000	17,776,938	18,979,477
Kruger Products LP (Callable) 6.00% Apr 24, 2021		2,000,000	2,000,000	1,922,534
Largo Resources Ltd. (Callable) 9.25% Jun 01, 2019	USD	5,388,000	6,758,188	7,744,864
Level 3 Financing Inc. (Callable) 5.38% Jan 15, 2019	USD	3,000,000	3,778,579	3,923,678
Level 3 Financing Inc. (Callable) 5.38% May 01, 2020	USD	7,350,000	9,582,507	9,443,569
Marathon Petroleum Corporation (Callable) 4.75% Oct 15, 2023	USD	4,000,000	5,626,469	5,613,958
Mattamy Group Corporation (Callable) 6.50% Oct 01, 2020	USD	9,750,000	12,577,600	11,936,794
MEG Energy Corporation (Callable) 6.38% Jan 30, 2023	USD	9,925,000	10,784,738	12,878,753
MEG Energy Corporation (Callable) 7.00% Mar 31, 2024	USD	7,000,000	8,326,603	9,130,995
Mercer International Inc. (Callable) 7.38% Jan 15, 2021	USD	3,750,000	4,980,741	5,128,192
MGM Resorts International 6.63% Dec 15, 2021	USD	1,500,000	1,727,041	2,113,971
Midcontinent Express Pipeline LLC 6.70% Sep 15, 2019	USD	7,500,000	10,263,049	10,354,600
Moss Creek Resources Holdings Inc. (Callable) 7.50% Jan 15, 2021	USD	4,000,000	4,986,785	4,678,889
Murray Energy Corporation (Callable) 11.25% Apr 15, 2021	USD	2,973,000	8,361,501	2,473,850
Netflix Inc. 4.88% Apr 15, 2028	USD	2,000,000	2,535,140	2,488,446
New Gold Inc. (Callable) 6.25% Nov 15, 2022	USD	3,900,000	4,397,376	4,448,866
NGPL PipeCo LLC (Callable) 4.88% Feb 15, 2027	USD	2,500,000	3,125,234	3,284,720
NGPL PipeCo LLC 7.77% Dec 15, 2037	USD	5,000,000	7,558,023	7,724,259

BOND FUNDS

Scotia Private High Yield Income Pool (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)	Issuer	Face Value (\$)/ Number of Shares	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)				BONDS AND DEBENTURES (cont'd)			
Corporate Bonds (cont'd)				Corporate Bonds (cont'd)			
Norbord Inc. 6.25% Apr 15, 2023	USD 3,500,000	4,379,053	4,793,999	TerraForm Power Operating LLC (Callable) 5.00% Jul 31, 2027	USD 3,750,000	4,797,465	4,605,398
NOVA Chemicals Corporation (Callable) 4.88% Mar 03, 2024	USD 4,000,000	4,979,384	4,924,483	Tidewater Midstream and Infrastructure Ltd. (Callable) 6.75% Dec 19, 2019	7,000,000	6,971,450	6,944,583
Novelis Corporation (Callable) 5.88% Sep 30, 2021	USD 16,200,000	21,577,868	19,450,917	TransCanada Pipelines Ltd. 2.50% Aug 01, 2022	USD 6,750,000	8,572,043	8,873,946
NuVista Energy Ltd. (Callable) 6.50% Mar 02, 2020	10,000,000	10,000,000	9,531,250	Transcontinental Inc. 3.90% May 13, 2019	10,000,000	10,090,909	10,037,645
Parkland Fuel Corporation (Callable) 5.75% Sep 16, 2019	1,000,000	1,010,000	980,833	United Rentals North America Inc. (Callable) 5.50% May 15, 2022	USD 4,600,000	6,096,934	5,810,678
Parkland Fuel Corporation (Callable) 6.00% Nov 21, 2022	500,000	500,625	505,417	United Rentals North America Inc. (Callable) 5.88% Sep 15, 2021	USD 1,613,000	2,231,916	2,072,776
Parkland Fuel Corporation (Callable) 6.50% Jan 21, 2022	5,800,000	5,800,000	5,635,425	Vesta Energy Corporation (Callable) 8.13% Jul 24, 2020	6,000,000	6,000,000	5,658,750
Postmedia Network Inc. (Callable) 8.25% Jul 15, 2021	2,798,501	2,810,967	2,728,818	Wells Fargo Canada Corporation 3.04% Jan 29, 2021	10,250,000	10,362,648	10,297,796
Precision Drilling Corporation (Callable) 5.25% May 15, 2019	USD 4,500,000	5,832,356	5,173,699	Wynn Las Vegas LLC (Callable) 4.25% Feb 28, 2023	USD 5,500,000	5,766,958	7,064,816
Precision Drilling Corporation (Callable) 7.13% Nov 15, 2020	USD 4,350,000	5,571,142	5,110,781	Zayo Group LLC / Zayo Capital Inc. (Callable) 5.75% Jan 15, 2022	USD 9,500,000	13,234,085	11,620,874
Radian Group Inc. (Callable) 4.50% Jul 01, 2024	USD 1,500,000	1,827,441	1,871,256			<u>771,384,618</u>	<u>747,470,510</u>
RioCan Real Estate Investment Trust 3.72% Dec 13, 2021	4,290,000	4,277,988	4,345,265	TOTAL BONDS AND DEBENTURES		<u>771,384,618</u>	<u>747,470,510</u>
Rite Aid Corporation (Callable) 6.13% Apr 01, 2023	USD 9,750,000	12,681,284	10,586,041	EQUITIES – 0.8%			
Rockies Express Pipeline LLC 5.63% Apr 15, 2020	USD 10,000,000	13,056,521	13,883,614	Energy – 0.8%			
Rockpoint Gas Storage Canada Ltd. (Callable) 7.00% Mar 31, 2020	USD 1,000,000	1,208,730	1,285,671	Canadian International Oil Corporation, Warrants Feb 14, 2020*	520,000	–	–
Russel Metals Inc. (Callable) 6.00% Mar 16, 2021	2,250,000	2,250,000	2,219,063	Prairie Provident Resources Inc.	408,004	5,967,216	89,761
Sabine Pass Liquefaction LLC (Callable) 4.20% Sep 15, 2027	USD 1,000,000	1,326,909	1,308,998	Source Energy Services Ltd.	42,555	446,828	54,896
Schlumberger Investment SA (Callable) 2.40% May 01, 2022	USD 1,550,000	1,942,860	2,036,569	Tourmaline Oil Corporation	282,900	12,501,485	4,803,642
Scientific Games International Inc. (Callable) 10.00% Dec 01, 2022	USD 2,425,000	3,182,728	3,366,743	Trident Exploration Corporation, Restricted*	8,471,215	3,213,132	1,524,819
Seven Generations Energy Ltd. (Callable) 5.38% Sep 30, 2020	USD 3,500,000	4,383,121	4,356,619			<u>22,128,661</u>	<u>6,473,118</u>
SFR Group SA (Callable) 7.38% May 01, 2021	USD 5,000,000	6,555,944	6,283,421	Materials – 0.0%			
Shaw Communications Inc. (Callable) 4.35% Oct 31, 2023	8,000,000	8,426,000	8,237,228	Banro Corporation*	695,527	8,437,843	–
Sherritt International Corporation (Callable) 7.88% Oct 11, 2022	10,250,000	9,966,250	7,115,207	Hycroft Mining Corporation	90,163	13,443,760	1,968
Sherritt International Corporation (Callable) 8.00% Nov 15, 2021	5,153,211	5,295,049	4,193,425	Sherritt International Corporation, Warrants Jul 29, 2021*	1,453,099	–	109,712
Six Flags Entertainment Corporation (Callable) 5.50% Apr 15, 2022	USD 8,000,000	10,277,875	10,271,730	Trevali Mining Corporation, Warrants Dec 30, 2020*	285,824	–	26,171
Source Energy Services Canada LP (Callable) 10.50% Dec 15, 2018	12,056,809	12,715,559	12,689,791			<u>21,881,603</u>	<u>137,851</u>
Springleaf Finance Corporation 7.13% Mar 15, 2026	USD 1,000,000	1,285,496	1,240,833	TOTAL EQUITIES		<u>44,010,264</u>	<u>6,610,969</u>
Sprint Corporation (Callable) 7.63% Nov 15, 2024	USD 1,000,000	1,350,917	1,379,938	MONEY MARKET INSTRUMENTS – 2.1%			
Sprint Corporation 7.13% Jun 15, 2024	USD 3,000,000	3,977,234	4,071,063	Promissory Notes – 2.0%			
Sprint Corporation 7.25% Sep 15, 2021	USD 11,350,000	14,055,848	15,796,454	Province of British Columbia 2.73% Jan 07, 2019	USD 3,700,000	4,954,888	5,044,905
Superior Plus Corporation (Callable) 5.25% Feb 27, 2020	12,300,000	12,319,500	11,591,469	Province of Quebec 2.45% Jan 22, 2019	USD 7,300,000	9,743,919	9,943,858
Superior Plus LP (Callable) 5.13% Feb 27, 2021	4,000,000	3,715,880	3,663,750			<u>14,698,807</u>	<u>14,988,763</u>
Talen Energy Supply LLC (Callable) 6.50% Jun 01, 2020	USD 4,300,000	4,515,878	4,193,949	Treasury Bills – 0.1%			
Taseko Mines Ltd. (Callable) 8.75% Jun 15, 2019	USD 8,930,000	11,949,153	10,993,786	Government of Canada 0.00% Jan 24, 2019	745,000	743,875	744,239
TerraForm Power Operating LLC (Callable) 4.25% Oct 31, 2022	USD 5,500,000	7,039,732	7,031,429	TOTAL MONEY MARKET INSTRUMENTS		<u>15,442,682</u>	<u>15,733,002</u>
				TOTAL INVESTMENT PORTFOLIO		<u>830,837,564</u>	<u>769,814,481</u>
				Unrealized Gain (Loss) on Derivatives – (2.1%)			(16,105,871)
				OTHER ASSETS, LESS LIABILITIES – 1.6%			<u>11,925,547</u>
				NET ASSETS – 100.0%			<u>765,634,157</u>

* These securities have no quoted values and are classified as Level 3 securities.

Instruments with a 0.00% stated interest rate are purchased at a discount to face value. The discount represents the implied effective interest.

Scotia Private High Yield Income Pool (Continued)

SCHEDULE OF DERIVATIVE INSTRUMENTS

UNREALIZED GAIN ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Gain (\$)
HSBC Bank Canada	A-1+	Jan. 30, 2019	US Dollar	5,000,000	Canadian Dollar	6,675,570	1.335	1.364	143,756
RBC Capital Markets	A-1+	Jan. 30, 2019	US Dollar	2,900,000	Canadian Dollar	3,853,915	1.329	1.364	101,297
RBC Capital Markets	A-1+	Jan. 30, 2019	US Dollar	4,800,000	Canadian Dollar	6,439,598	1.342	1.364	106,949
RBC Capital Markets	A-1+	Jan. 30, 2019	US Dollar	2,580,000	Canadian Dollar	3,485,366	1.351	1.364	33,399
RBC Capital Markets	A-1+	Jan. 30, 2019	US Dollar	9,120,000	Canadian Dollar	12,380,400	1.358	1.364	58,014
RBC Capital Markets	A-1+	Jan. 30, 2019	US Dollar	2,040,000	Canadian Dollar	2,781,467	1.363	1.364	808
RBC Capital Markets	A-1+	Dec. 30, 2019	US Dollar	1,000,000	Canadian Dollar	1,337,687	1.338	1.364	26,178
									470,401

UNREALIZED LOSS ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Loss (\$)
RBC Capital Markets	A-1+	Jan. 30, 2019	Canadian Dollar	260,674,541	US Dollar	196,665,000	0.754	0.733	(7,550,116)
Bank of Nova Scotia, The	A-1+	Jan. 30, 2019	Canadian Dollar	221,716,661	US Dollar	166,210,000	0.75	0.733	(4,971,464)
HSBC Bank Canada	A-1+	Jan. 30, 2019	Canadian Dollar	146,686,569	US Dollar	110,525,000	0.753	0.733	(4,054,692)
									(16,576,272)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns and to provide income as well as capital growth by investing primarily in high yield, lower rated Canadian corporate bonds, preferred shares and short term money market securities. The Fund can invest up to 100% of its assets in foreign securities.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

Below is a summary of the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	December 31, 2018 (\$)	December 31, 2017 (\$)
Less than 1 year	38,153,033	196,098,590
1-3 years	182,693,229	231,427,797
3-5 years	177,299,145	313,053,131
5-10 years	342,508,507	500,506,063
> 10 years	22,549,598	21,903,695
	763,203,512	1,262,989,276

As at December 31, 2018, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by \$7,562,939 or approximately 1.0% (December 31, 2017 – \$9,395,067 or approximately 0.7%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

Currency	December 31, 2018			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	609,175,874	(608,685,118)	490,756	0.1
	609,175,874	(608,685,118)	490,756	0.1

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	904,218,269	(441,572,219)	462,646,050	35.6
European Euro	5,716,020	–	5,716,020	0.4
	909,934,289	(441,572,219)	468,362,070	36.0

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$49,076 or approximately 0.0% of net assets (December 31, 2017 – \$46,836,207 or approximately 3.6%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 0.9% (December 31, 2017 – 1.0%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$662,972 (December 31, 2017 – \$1,200,049). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

Below is a summary of the credit ratings of bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

Credit Ratings	December 31, 2018		December 31, 2017	
	Percentage of total credit rate instruments debentures (%)	Percentage of net assets (%)	Percentage of total credit rate instruments debentures (%)	Percentage of net assets (%)
AAA/A-1+	2.1	2.1	9.7	9.4
AA	1.8	1.8	1.8	1.8
A	2.9	2.9	5.0	4.8
BBB	19.9	19.8	14.6	14.3
BB	34.5	34.3	32.8	31.9
B	34.1	34.1	33.0	32.0
CCC	2.8	2.8	1.0	1.0
D	1.0	1.0	–	–
NOT RATED	0.9	0.9	2.1	2.0
	100.0	99.7	100.0	97.2

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Corporate Bonds	97.6	88.3
Energy	0.8	0.8
Federal Bonds	–	2.1
Materials	–	0.2
Promissory Notes	2.0	1.7
Treasury Bills	0.1	4.9

The accompanying notes are an integral part of the financial statements.

Scotia Private High Yield Income Pool (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2018	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	4,950,267	–	1,524,819	6,475,086
Bonds and debentures	–	747,470,510	–	747,470,510
Money market instruments	–	15,733,002	–	15,733,002
Warrants, rights and options	–	–	135,883	135,883
Unrealized gain on currency forward contracts	–	470,401	–	470,401
	4,950,267	763,673,913	1,660,702	770,284,882
Unrealized loss on currency forward contracts	–	(16,576,272)	–	(16,576,272)
	4,950,267	747,097,641	1,660,702	753,708,610

December 31, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	7,020,101	52,038	2,893,767	9,965,906
Bonds and debentures	–	1,177,110,275	–	1,177,110,275
Money market instruments	–	85,879,001	–	85,879,001
Warrants, rights and options	–	2,034,583	–	2,034,583
Unrealized gain on currency forward contracts	–	6,139,249	–	6,139,249
	7,020,101	1,271,215,146	2,893,767	1,281,129,014

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Reconciliation of Level 3 financial instruments

Below is a summary of the movement in the Fund's Level 3 financial instruments for the periods ended.

	December 31, 2018 (\$)	December 31, 2017 (\$)
Beginning of period	2,893,767	3,213,132
Purchases	–	–
Sales/Return of Capital	(11,108,037)	(12,268)
Transfer into Level 3	8,437,843	–
Transfers out of Level 3	–	–
Net realized gains (losses)	(21,060,646)	(1,892,338)
Net change in unrealized gain (loss)*	22,497,775	1,585,241
End of period	1,660,702	2,893,767

* Net change in unrealized gain (loss) for Level 3 financial instruments held as at December 31, 2018 and December 31, 2017 was \$(9,670,908) and \$(319,365), respectively.

Level 3 valuation techniques

Below is a summary of the valuation techniques and the significant unobservable inputs used in the fair value measurement of Level 3 financial instruments. The significant unobservable inputs used in valuation of Level 3 financial instruments can vary considerably over time depending on company specific factors and economic or market conditions. The table also illustrates the potential impact on the Fund if the significant unobservable inputs used in the valuation techniques had increased or decreased by 5%, with all other variables held constant. Certain significant unobservable inputs used in the valuation

techniques are not reasonably expected to shift and are indicated in the below as "n/a". Securities where the reasonable possible shift in the significant unobservable input did not result in a material impact on the Fund are indicated in the below as nil.

Security	Valuation technique	Significant unobservable input	Carrying value as at December 31, 2018 (\$)	Change in valuation (\$)
Equities	Fundamental model analysis based on financial data	Price to book multiple, peers performance & discount rate	1,524,819	–
Warrants	Fundamental model analysis based on financial data	Liquidity discount	135,883	n/a
			1,660,702	

Security	Valuation technique	Significant unobservable input	Carrying value as at December 31, 2017 (\$)	Change in valuation (\$)
Equities	Fundamental model analysis based on financial data	Discount rate	2,893,767	–
			2,893,767	

Offsetting of financial assets and liabilities (note 2)

Below is a summary of offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts, were to arise. No amounts were offset in the financial statements.

Financial assets – by type	December 31, 2018			Net Amount (\$)
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	
Currency forward contracts	470,401	(143,756)	–	326,645
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	470,401	(143,756)	–	326,645

Financial liabilities – by type	December 31, 2018			Net Amount (\$)
	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	
Currency forward contracts	16,576,272	(143,756)	–	16,432,516
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	16,576,272	(143,756)	–	16,432,516

FUND SPECIFIC NOTES

For the periods indicated in Note 1

December 31, 2017				
Financial assets – by type	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/ received/ (\$)	Net Amount (\$)
Currency forward contracts	6,139,249	–	–	6,139,249
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	6,139,249	–	–	6,139,249

Financial liabilities – by type	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/ received/ (\$)	Net Amount (\$)
Currency forward contracts	–	–	–	–
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	–	–	–	–

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia Private American Core-Plus Bond Pool

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	718,953,769	891,684,546
Derivatives	7,507	3,729,930
Cash	6,400,644	38,516,489
Receivable for securities sold	10,945,052	—
Subscriptions receivable	254,348	3,301,885
Accrued investment income and other	4,707,874	4,420,605
	<u>741,269,194</u>	<u>941,653,455</u>
LIABILITIES		
Current liabilities		
Financial liabilities at fair value through profit or loss (note 2)		
Derivatives	3,038,517	29,935
Payable for securities purchased	33,691,177	75,274,756
Redemptions payable	13,175	606,276
	<u>36,742,869</u>	<u>75,910,967</u>
Net assets attributable to holders of redeemable units	<u>704,526,325</u>	<u>865,742,488</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	100,492,104	111,222,090
Series F	250,577	324,556
Series I	603,783,644	754,195,842
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	8.80	9.23
Series F	9.00	9.44
Series I	9.07	9.51

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Interest for distribution purposes	31,624,312	27,983,830
Net realized gain (loss) on non-derivative financial assets	(5,671,561)	(9,153,459)
Change in unrealized gain (loss) on non-derivative financial assets	35,947,384	(32,640,144)
Net realized gain (loss) on derivatives	(63,311,977)	52,374,817
Change in unrealized gain (loss) on derivatives	(6,731,005)	(5,114,997)
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	(8,142,847)	33,450,047
Securities lending (note 11)	29,061	77,612
Net realized and unrealized foreign currency translation gain (loss)	(1,185,410)	1,842,826
Other income	1,646	446
Total income (loss), net	<u>(9,297,550)</u>	<u>35,370,931</u>
EXPENSES		
Management fees (note 5)	2,145	1,775
Fixed administration fees (note 6)	407,354	408,398
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	2,892	4,743
Foreign withholding taxes/tax reclaims	62,816	(32,814)
Harmonized Sales Tax/Goods and Services Tax	41,917	41,652
Total expenses	<u>518,373</u>	<u>424,889</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(9,815,923)</u>	<u>34,946,042</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	(1,282,685)	4,077,950
Series F	(6,160)	7,289
Series I	<u>(8,527,078)</u>	<u>30,860,803</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT*		
Pinnacle Series	(0.11)	0.37
Series F	(0.20)	0.29
Series I	<u>(0.11)</u>	<u>0.40</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	11,723,225	11,147,888
Series F	30,985	25,041
Series I	<u>77,770,742</u>	<u>77,537,709</u>

* The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	111,222,090	96,235,733
Series F	324,556	217,232
Series I	754,195,842	710,614,835
	<u>865,742,488</u>	<u>807,067,800</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	(1,282,685)	4,077,950
Series F	(6,160)	7,289
Series I	(8,527,078)	30,860,803
	<u>(9,815,923)</u>	<u>34,946,042</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(3,813,676)	(3,263,216)
Series F	(8,114)	(5,898)
Series I	(26,940,438)	(24,459,215)
From net realized gains on investments		
Pinnacle Series	—	(454,326)
Series F	—	(1,217)
Series I	—	(3,178,068)
	<u>(30,762,228)</u>	<u>(31,361,940)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	28,085,782	31,458,850
Series F	66,980	140,499
Series I	29,767,040	34,548,093
Reinvested distributions		
Pinnacle Series	3,797,913	3,704,434
Series F	3,349	2,997
Series I	26,940,438	27,637,283
Payments on redemption		
Pinnacle Series	(37,517,320)	(20,537,335)
Series F	(130,034)	(36,346)
Series I	(171,652,160)	(21,827,889)
	<u>(120,638,012)</u>	<u>55,090,586</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	(10,729,986)	14,986,357
Series F	(73,979)	107,324
Series I	(150,412,198)	43,581,007
	<u>(161,216,163)</u>	<u>58,674,688</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	100,492,104	111,222,090
Series F	250,577	324,556
Series I	603,783,644	754,195,842
	<u>704,526,325</u>	<u>865,742,488</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(9,815,923)	34,946,042
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	5,671,561	9,153,459
Change in unrealized (gain) loss on non-derivative financial assets	(35,947,384)	32,640,144
Change in unrealized (gain) loss on derivatives	6,731,005	5,114,997
Unrealized foreign currency translation (gain) loss	89,170	(635,830)
Purchases of non-derivative financial assets and liabilities	(3,018,529,125)	(3,508,829,529)
Proceeds from sale of non-derivative financial assets and liabilities	3,169,007,096	3,343,838,524
Accrued investment income and other	(287,269)	385,310
Accrued expenses and other payables	—	(1,174)
Net cash provided by (used in) operating activities	<u>116,919,131</u>	<u>(83,388,057)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	60,967,338	62,995,679
Amounts paid on redemption of redeemable units	(209,892,615)	(41,892,508)
Distributions to unitholders of redeemable units	(20,529)	(17,331)
Net cash provided by (used in) financing activities	<u>(148,945,806)</u>	<u>21,085,840</u>
Unrealized foreign currency translation gain (loss)	(89,170)	635,830
Net increase (decrease) in cash	(32,026,675)	(62,302,217)
Cash (bank overdraft), beginning of period	38,516,489	100,182,876
CASH (BANK OVERDRAFT), END OF PERIOD	<u>6,400,644</u>	<u>38,516,489</u>
Interest paid ⁽¹⁾	2,892	4,743
Interest received, net of withholding taxes ⁽¹⁾	31,197,606	28,478,577

⁽¹⁾ Classified as operating items.

Scotia Private American Core-Plus Bond Pool (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)	Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES – 101.9%				BONDS AND DEBENTURES (cont'd)			
Australian Dollar – 0.8%				United States Dollar (cont'd)			
International Bank for Reconstruction & Development 3.00% Oct 19, 2026	AUD 4,100,000	4,232,254	4,016,739	AutoNation Inc. (Callable) 3.80%			
Kreditanstalt fuer Wiederaufbau 6.25% Dec 04, 2019	AUD 1,700,000	1,701,732	1,693,962	Aug 15, 2027	USD 465,000	593,546	565,830
		5,933,986	5,710,701	Avnet Inc. 4.88% Dec 01, 2022	USD 1,540,000	2,096,023	2,145,818
Euro – 0.3%				BANK 2018-BNK10 3.69% Feb 15, 2061	USD 2,335,000	2,962,145	3,185,589
America Movil S.A.B. de C.V. 3.26% Jul 22, 2023	EUR 1,400,000	1,905,514	2,421,598	Bank of America Alternative Loan Trust Series 2005-5 6.00% Jun 25, 2035	USD 47,912	43,874	64,448
Indian Rupee – 0.6%				Bank of America Commercial Mortgage Trust 2007-1 5.42% Jan 15, 2049	USD 2,250,717	2,981,036	3,064,217
International Finance Corporation 5.85% Nov 25, 2022	INR 220,000,000	4,292,757	4,087,289	Bank of America Corporation (Callable) 3.37% Jan 23, 2025	USD 1,110,000	1,378,505	1,462,572
Mexican Peso – 0.2%				Bank of America Corporation, Perpetual 5.88%	USD 1,595,000	2,057,560	2,001,691
Mexican Bonos de Desarrollo 8.00% Dec 07, 2023	MXN 23,000,000	1,679,261	1,564,959	Bank of America Mortgage Trust Series 2005-3 5.50% Apr 25, 2035	USD 612,768	705,447	843,650
New Zealand dollar – 0.4%				Bank of America Mortgage Trust, Series 2003-J 3.62% Nov 25, 2051	USD 47,711	46,641	65,621
Goldman Sachs Group Inc., The 5.20% Dec 17, 2019	NZD 3,310,000	2,967,085	3,095,339	Barclays PLC (Callable) 4.34% May 16, 2023	USD 1,940,000	2,496,068	2,577,762
Polish Zloty – 0.5%				Barclays PLC (Callable) 4.97% May 16, 2028	USD 990,000	1,275,079	1,305,908
Republic of Poland Government Bond 2.50% Jul 25, 2026	PLN 10,000,000	3,342,195	3,619,106	Bear Stearns ARM Trust Series 2004-5 3.27% Jul 25, 2034	USD 218,189	219,548	300,063
United States Dollar – 99.1%				Becton Dickinson and Company (Callable) 2.89% May 06, 2022	USD 1,725,000	2,331,333	2,284,117
AbbVie Inc. (Callable) 2.50% Apr 14, 2020	USD 2,280,000	2,942,792	3,084,584	Benchmark 2018-B8 Mortgage Trust 4.23% Jan 15, 2052	USD 880,000	1,214,490	1,251,930
AbbVie Inc. (Callable) 4.25% Aug 14, 2028	USD 1,105,000	1,424,442	1,471,223	BGC Partners Inc. 5.38% Jul 24, 2023	USD 645,000	839,269	896,325
Access Group Inc. (Floating Rate) 1.11% Aug 25, 2037	USD 854,876	881,854	1,129,638	BP Capital Markets America Inc. (Callable) 3.80% Jul 21, 2025	USD 1,620,000	2,102,585	2,227,091
Access Group Inc. (Floating Rate) 1.42% Jul 01, 2038	USD 643,306	735,541	877,912	CBS Corporation (Callable) 3.70% May 15, 2024	USD 1,215,000	1,539,618	1,617,377
Access Group Inc. 1.42% Jul 01, 2038	USD 987,858	1,174,160	1,349,035	Celgene Corporation (Callable) 3.90% Nov 20, 2027	USD 1,010,000	1,259,407	1,299,789
AccessLex Institute 2.63% May 25, 2036	USD 1,779,621	2,258,116	2,394,327	Cengage Learning Inc. (First Lien Term Loan B) Jun 07, 2023	USD 2,924,916	3,773,495	3,430,077
Adjustable Rate Mortgage Trust Series 2005-10 2.71% Jan 25, 2036	USD 11,291	11,549	15,187	CenterPoint Energy Inc. 3.60% Nov 01, 2021	USD 1,090,000	1,400,352	1,496,074
AerCap Ireland Capital DAC / AerCap Global Aviation Trust 5.00% Oct 01, 2021	USD 1,980,000	2,644,352	2,744,823	CenturyLink Inc. (First Lien Term Loan B) Jan 31, 2025	USD 1,485,000	2,000,702	1,897,068
Alternative Loan Trust Series 2006-2CB 5.50% Mar 25, 2036	USD 9,953	13,129	10,202	CF Industries Inc. 5.38% Mar 15, 2044	USD 3,320,000	3,673,828	3,696,754
Altria Group Inc. 10.20% Feb 06, 2039	USD 997,000	1,827,232	2,038,758	Charter Communications Operating LLC / Charter Communications Operating Capital (Callable) 4.91% Apr 23, 2025	USD 3,325,000	4,314,092	4,518,014
Altria Group Inc. 9.95% Nov 10, 2038	USD 195,000	389,323	402,662	Charter Communications Operating LLC / Charter Communications Operating Capital (Callable) 6.38% Apr 23, 2035	USD 770,000	1,069,853	1,086,270
Amazon.com Inc., (Callable) 5.20% Sep 03, 2025	USD 1,170,000	1,677,925	1,751,936	CHL Mortgage Pass-Through Trust Series 2004-HYB4 2.72% Sep 20, 2034	USD 31,080	30,147	41,481
American Express Company (Callable) 2.20% Sep 29, 2020	USD 810,000	1,022,754	1,085,574	Cigna Corporation (Callable) 3.05% Jul 15, 2027	USD 830,000	1,025,573	1,036,991
American Express Company (Callable) 3.70% Jul 03, 2023	USD 1,305,000	1,694,605	1,786,694	Cimarex Energy Company (Callable) 4.38% Mar 01, 2024	USD 1,088,000	1,451,688	1,478,828
Ameriquest Mortgage Securities Inc. Asset-Backed Pass-Through Certificate Series 2003-11 1.59% Dec 25, 2033	USD 941,194	1,206,929	1,249,477	Citigroup Capital III 7.63% Dec 01, 2036	USD 1,020,000	1,674,496	1,797,717
Amgen Inc. (Callable) 5.65% Dec 15, 2041	USD 850,000	1,249,470	1,293,140	Citigroup Commercial Mortgage Trust 2013-GC17 3.85% Nov 10, 2046	USD 1,000,000	1,328,354	1,398,231
Anheuser-Busch InBev Finance Inc. (Callable) 2.65% Jan 01, 2021	USD 1,285,000	1,654,203	1,723,334	Citigroup Inc. (Callable) 4.65% Jun 23, 2048	USD 815,000	1,071,145	1,090,069
Anthem Inc. 2.50% Nov 21, 2020	USD 3,040,000	3,831,054	4,106,310	Citigroup Inc. 8.13% Jul 15, 2039	USD 1,309,000	2,622,091	2,475,472
Asset Backed Securities Corporation Home Equity Loan Trust Series 2002-HE1 2.13% Mar 15, 2032	USD 1,693,159	2,218,348	2,355,139	Citigroup Mortgage Loan Trust Inc. (Floating Rate) 2.26% Aug 25, 2034	USD 746,715	922,529	1,020,160
AstraZeneca PLC (Callable) 2.38% May 12, 2022	USD 1,345,000	1,806,880	1,763,482	CNOOC Finance 2013 Ltd. 3.00% May 09, 2023	USD 920,000	849,880	1,218,767
AstraZeneca PLC 2.38% Nov 16, 2020	USD 1,679,000	2,234,779	2,250,358	Comcast Corporation (Callable) 3.95% Aug 15, 2025	USD 1,280,000	1,638,944	1,769,385
AT&T Inc. (Callable) 4.30% Nov 15, 2029	USD 1,470,000	1,846,400	1,910,972	Comcast Corporation 3.04% Apr 15, 2024	USD 1,275,000	1,663,937	1,695,348
AT&T Inc. (Callable) 5.25% Sep 01, 2036	USD 1,900,000	2,508,500	2,568,906	COMM 2013-CCRE10 Mortgage Trust 2.97% Aug 10, 2046	USD 53,184	65,937	72,588
Athene Holding Ltd. (Callable) 4.13% Oct 12, 2027	USD 2,080,000	2,550,631	2,586,594				

BOND FUNDS

Scotia Private American Core-Plus Bond Pool (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)	Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)				BONDS AND DEBENTURES (cont'd)			
United States Dollar (cont'd)				United States Dollar (cont'd)			
COMM 2013-CCRE12 Mortgage Trust 2.90% Oct 10, 2046	USD 312,650	399,645	425,790	Fannie Mae 4.50% Sep 25, 2024	USD 194,544	228,555	272,067
COMM 2014-LC17 Mortgage Trust 3.65% Oct 10, 2047	USD 1,100,000	1,381,123	1,515,831	Fannie Mae 5.00% Oct 25, 2024	USD 28,444	29,935	40,249
Comm 2014-UBS2 Mortgage Trust 3.96% Mar 10, 2047	USD 1,190,000	1,730,694	1,665,778	Fannie Mae 5.50% Sep 25, 2035	USD 32,478	38,877	45,197
COMM 2015-CCRE26 Mortgage Trust 4.64% Oct 10, 2048	USD 1,800,000	2,288,490	2,414,622	Fannie Mae 7.00% Nov 25, 2042	USD 920,907	1,324,234	1,466,052
Constellation Brands Inc. (Callable) 4.40% Sep 15, 2025	USD 745,000	974,114	1,024,268	Fannie Mae 7.50% Nov 25, 2026	USD 3,412	4,946	5,133
CSAIL 2015-C3 Commercial Mortgage Trust 3.45% Aug 15, 2048	USD 2,095,066	2,870,753	2,848,393	Fannie Mae Grantor Trust 2003-T4 5.02% Sep 26, 2033	USD 11,988	13,723	18,046
CSMC Mortgage-Backed Trust Series 2007-5 6.00% Oct 25, 2024	USD 162,806	209,330	201,412	Fannie Mae Grantor Trust Series 2001-T4 7.50% Jul 25, 2041	USD 301,466	422,840	472,810
CVS Health Corporation (Callable) 3.70% Feb 09, 2023	USD 3,070,000	3,909,966	4,167,814	Fannie Mae Pass-Through Certificates Pool 2.57% Jun 01, 2022	USD 829,177	1,055,558	1,113,319
CVS Health Corporation (Callable) 4.10% Jan 25, 2025	USD 2,500,000	3,205,320	3,386,448	Fannie Mae Pass-Through Certificates Pool 2.68% Aug 01, 2022	USD 708,575	944,002	939,133
CVS Health Corporation (Callable) 4.30% Dec 25, 2027	USD 150,000	190,660	200,260	Fannie Mae Pass-Through Certificates Pool 3.00% Dec 01, 2046	USD 11,758,363	15,847,085	15,651,012
CVS Health Corporation (Callable) 4.78% Sep 25, 2037	USD 1,165,000	1,509,514	1,516,504	Fannie Mae Pass-Through Certificates Pool 3.00% Mar 01, 2047	USD 4,235,414	5,582,226	5,644,637
CVS Health Corporation (Callable) 5.05% Sep 25, 2047	USD 885,000	1,179,590	1,176,143	Fannie Mae Pass-Through Certificates Pool 3.50% Aug 01, 2047	USD 2,253,116	2,907,297	3,077,411
Dell International LLC (First Lien Term Loan B) Sep 07, 2023	USD 1,286,707	1,670,126	1,691,580	Fannie Mae Pass-Through Certificates Pool 3.50% Dec 01, 2046	USD 1,012,309	1,363,327	1,385,410
Devon Financing Co LLC 7.88% Sep 30, 2031	USD 1,191,000	1,995,852	1,962,767	Fannie Mae Pass-Through Certificates Pool 3.50% May 01, 2045	USD 1,472,665	2,024,458	2,019,343
Digicel International Finance Ltd. (First Lien Term Loan B) May 10, 2024	USD 905,852	1,238,870	1,125,240	Fannie Mae Pass-Through Certificates Pool 3.50% May 01, 2045	USD 3,865,554	5,344,262	5,300,551
Discover Bank (Callable) 4.65% Jun 13, 2028	USD 1,610,000	2,102,610	2,152,223	Fannie Mae Pass-Through Certificates Pool 3.66% Feb 01, 2027	USD 506,488	699,364	712,678
Discovery Communications LLC 5.63% Aug 15, 2019	USD 1,093,000	1,557,999	1,512,924	Fannie Mae Pass-Through Certificates Pool 4.00% Apr 01, 2046	USD 3,767,620	5,280,658	5,278,268
Discovery Communications LLC 6.35% Jun 01, 2040	USD 1,655,000	2,308,444	2,373,244	Fannie Mae Pass-Through Certificates Pool 4.00% Jul 01, 2042	USD 713,964	953,258	1,000,202
DowDuPont Inc. (Callable) 4.21% Oct 15, 2023	USD 1,625,000	2,150,837	2,268,334	Fannie Mae Pass-Through Certificates Pool 4.00% Jun 01, 2042	USD 655,237	874,590	917,881
DowDuPont Inc. (Callable) 4.73% Aug 15, 2028	USD 1,625,000	2,150,837	2,304,311	Fannie Mae Pass-Through Certificates Pool 4.00% Sep 01, 2043	USD 1,068,117	1,481,996	1,500,709
Ecopetrol S.A. 5.88% May 28, 2045	USD 550,000	649,640	705,244	Fannie Mae Pass-Through Certificates Pool 4.50% Apr 01, 2035	USD 1,344,863	1,875,625	1,914,178
El du Pont de Nemours & Company 3.07% May 01, 2020	USD 1,255,000	1,677,729	1,719,864	Fannie Mae Pass-Through Certificates Pool 5.00% Feb 01, 2031	USD 2,328,631	3,387,575	3,346,244
Energy Transfer Partners LP (Callable) 6.05% Dec 01, 2040	USD 1,785,000	2,190,373	2,327,978	Fannie Mae Pass-Through Certificates Pool 5.25% Aug 01, 2029	USD 820,817	1,231,018	1,230,121
EnLink Midstream Partners LP (Callable) 5.05% Oct 01, 2044	USD 1,735,000	1,876,513	1,880,400	Fannie Mae Pass-Through Certificates Pool 5.26% Jun 01, 2023	USD 176,062	220,117	246,704
EnLink Midstream Partners LP (Callable) 5.45% Dec 01, 2046	USD 655,000	740,174	730,889	Fannie Mae Pass-Through Certificates Pool 5.50% Aug 01, 2037	USD 228,590	280,158	333,654
EQT Midstream Partners LP (Callable) 5.50% Apr 15, 2028	USD 1,275,000	1,683,142	1,716,723	Fannie Mae Pass-Through Certificates Pool 5.50% Feb 01, 2038	USD 407,762	513,690	595,234
EQT Midstream Partners LP (Callable) 6.50% Jan 15, 2048	USD 1,130,000	1,505,384	1,526,284	Fannie Mae Pass-Through Certificates Pool 6.00% Sep 01, 2039	USD 93,449	140,564	137,057
Equifax Inc. (Callable) 3.95% May 15, 2023	USD 2,965,000	3,864,971	4,018,856	Fannie Mae Pool 2.73% Sep 01, 2023	USD 380,326	489,263	516,871
ERP Operating LP (Callable) 4.15% Sep 01, 2028	USD 950,000	1,257,725	1,329,343	Fannie Mae Pool 3.50% Dec 01, 2047	USD 1,463,160	1,933,004	1,996,468
Exelon Corporation (Callable) 2.85% May 15, 2020	USD 1,475,000	1,828,656	1,996,485	Fannie Mae Pool 3.50% Sep 01, 2045	USD 1,091,309	1,513,145	1,494,938
Export-Import Bank of Korea 5.00% Apr 11, 2022	USD 400,000	403,409	575,446	Fannie Mae Pool 3.50% Sep 01, 2047	USD 4,812,367	6,263,461	6,566,439
Fannie Mae 2.00% Dec 25, 2042	USD 1,405,000	1,357,140	1,786,094	Fannie Mae Pool 4.00% Aug 01, 2048	USD 4,120,156	5,516,801	5,756,193
Fannie Mae 2.50% May 25, 2041	USD 80,672	82,386	108,905	Fannie Mae Pool 4.00% Jul 01, 2047	USD 2,364,776	3,168,196	3,273,909
Fannie Mae 4.00% Nov 25, 2029	USD 417,955	432,374	589,970	Fannie Mae Pool 4.00% Mar 01, 2048	USD 1,028,333	1,396,321	1,431,031
Fannie Mae 4.50% Aug 25, 2023	USD 11,445	10,664	15,969	Fannie Mae Pool 4.00% May 01, 2047	USD 1,733,584	2,478,848	2,412,552
Fannie Mae 4.50% Jun 25, 2029	USD 144,643	166,921	206,187	Fannie Mae Pool 4.00% May 01, 2048	USD 3,454,493	4,518,774	4,807,541
				Fannie Mae Pool 4.50% Aug 01, 2048	USD 3,721,564	5,059,698	5,266,902
				Fannie Mae Pool 4.50% Aug 01, 2048	USD 993,950	1,354,986	1,406,360
				Fannie Mae Pool 4.50% Mar 01, 2046	USD 1,246,177	1,794,716	1,784,242
				Fannie Mae Pool 5.00% Jan 01, 2036	USD 2,059	2,285	2,991
				Fannie Mae Pool 5.00% Jul 01, 2048	USD 5,397,779	7,462,800	7,689,322

The accompanying notes are an integral part of the financial statements.

Scotia Private American Core-Plus Bond Pool (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)			
United States Dollar (cont'd)			
Fannie Mae Pool 5.00% Nov 01, 2033	USD 750	973	1,042
Fannie Mae Pool 5.00% Nov 01, 2034	USD 622	742	863
Fannie Mae Pool 5.00% Nov 01, 2034	USD 430	510	596
Fannie Mae Pool 5.50% Apr 01, 2036	USD 980,636	1,400,168	1,435,334
Fannie Mae Pool 5.50% Feb 01, 2038	USD 1,232,481	1,805,129	1,817,342
Fannie Mae Pool 5.50% Jan 01, 2040	USD 118,196	169,606	171,845
Fannie Mae Pool 5.50% Jul 01, 2040	USD 1,223,524	1,788,748	1,791,456
Fannie Mae Pool 7.50% Apr 01, 2032	USD 1,270	1,844	2,002
Fannie Mae Pool 7.50% Jun 01, 2031	USD 796	1,276	1,245
Fannie Mae Whole Loan (Callable) 6.50% Jun 25, 2023	USD 65,811	82,990	102,590
Fannie Mae Whole Loan 6.00% Feb 25, 2047	USD 431,165	553,467	656,536
Fannie Mae Whole Loan 6.50% May 25, 2044	USD 25,314	30,563	37,901
Fannie Mae Whole Loan 7.00% Jul 25, 2044	USD 498,041	598,151	762,690
Fannie Mae, Series A 3.50% Dec 01, 2099	USD 8,525,000	11,287,579	11,627,201
Fannie Mae, Series A 4.00% Sep 01, 2099	USD 5,210,000	7,001,410	7,246,365
Fannie Mae, Series A 4.50% Dec 01, 2099	USD 4,185,000	5,780,997	5,911,720
Fannie Mae-Aces 3.82% Mar 25, 2030	USD 1,763,104	2,310,126	2,512,438
Federal Home Loan Bank Discount Notes 0.00% Jan 09, 2019	USD 18,575,000	24,754,393	25,326,225
Federal Home Loan Mortgage Corporation 2.00% Dec 15, 2041	USD 204,672	207,874	261,042
Federal Home Loan Mortgage Corporation 2.50% May 15, 2041	USD 538,867	559,620	714,088
Federal Home Loan Mortgage Corporation 3.00% Jan 15, 2042	USD 285,975	302,499	388,964
Federal Home Loan Mortgage Corporation 4.00% Nov 15, 2036	USD 169,584	184,903	234,927
Federal Home Loan Mortgage Corporation 4.50% Dec 15, 2033	USD 381,000	404,720	557,431
Federal Home Loan Mortgage Corporation 4.50% Nov 15, 2029	USD 220,000	229,963	313,835
FHLMC Multifamily Structured Pass Through Certificates (Floating Rate) 1.15% Sep 25, 2022	USD 488,043	649,743	667,823
FHLMC Structured Pass Through Securities 6.50% Sep 25, 2043	USD 10,587	15,243	16,529
Fifth Third Bankcorp (Callable) 2.88% Sep 01, 2021	USD 1,640,000	1,930,446	2,214,251
Ford Motor Credit Co LLC 3.81% Oct 12, 2021	USD 1,800,000	2,336,752	2,391,885
Freddie Mac 3.00% May 15, 2041	USD 163,007	171,951	221,895
Freddie Mac 4.00% Aug 15, 2024	USD 258,410	306,161	360,322
Freddie Mac 4.50% Apr 15, 2030	USD 952,272	1,126,114	1,362,003
Freddie Mac 5.00% Feb 15, 2040	USD 458,747	667,618	658,329
Freddie Mac 5.00% Jun 15, 2033	USD 38,687	42,059	56,310
Freddie Mac 5.00% May 15, 2026	USD 36,843	37,684	52,068
Freddie Mac 5.00% May 15, 2033	USD 112,764	118,827	163,957
Freddie Mac 7.00% May 15, 2024	USD 2,738	3,581	3,987
Freddie Mac Gold Pool 3.50% Jul 01, 2043	USD 820,794	1,225,399	1,126,275
Freddie Mac Gold Pool 3.50% Mar 01, 2048	USD 1,217,815	1,538,406	1,664,486
Freddie Mac Gold Pool 3.50% Nov 01, 2045	USD 899,749	1,363,814	1,234,600
Freddie Mac Gold Pool 3.50% Sep 01, 2047	USD 3,647,367	4,611,383	4,980,225
Freddie Mac Gold Pool 4.00% Aug 01, 2044	USD 1,248,734	1,475,989	1,745,482
Freddie Mac Gold Pool 4.00% Feb 01, 2046	USD 2,445,225	3,460,509	3,424,635
Freddie Mac Gold Pool 4.00% Jan 01, 2045	USD 2,559,588	3,615,455	3,593,097
Freddie Mac Gold Pool 4.00% Nov 01, 2047	USD 177,294	239,527	246,887
Freddie Mac Gold Pool 5.00% Sep 01, 2033	USD 4,175	5,687	6,101
Freddie Mac Gold Pool 5.50% Jun 01, 2041	USD 504,089	753,318	747,586
Freddie Mac Gold Pool Nov 01, 2047 3.50%	USD 6,012,447	7,883,983	8,209,580
Freddie Mac Multifamily Structured Pass Through Certificates (Floating Rate) 2.68% Sep 25, 2028	USD 380,000	491,718	518,908

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)			
United States Dollar (cont'd)			
Freddie Mac Multifamily Structured Pass Through Certificates 2.98% Nov 25, 2025	USD 1,780,000	2,316,519	2,406,496
Freddie Mac Multifamily Structured Pass Through Certificates 3.00% Jun 25, 2027	USD 935,000	1,138,582	1,259,647
Freddie Mac Multifamily Structured Pass Through Certificates 3.70% Sep 25, 2026	USD 1,955,000	2,604,696	2,775,090
Freddie Mac REMICS 3.00% May 15, 2048	USD 5,151,942	6,358,674	6,845,907
Freddie Mac Seasoned Loans Structured Transaction Series 2018-1 (Callable) 3.50% Jun 25, 2022	USD 2,171,826	2,821,918	2,988,265
Freddie Mac Strips 3.00% Aug 15, 2042	USD 3,024,751	3,959,775	4,065,321
Freddie Mac Whole Loan Securities Trust 2016-SC01 3.50% Jul 25, 2046	USD 743,415	944,900	1,020,017
Freeport-McMoran Inc. (Callable) 5.45% Sep 15, 2042	USD 4,770,000	5,380,947	4,943,699
FRESB 2018-SB50 Mortgage Trust 3.35% Apr 25, 2028	USD 1,992,759	2,564,725	2,722,021
GE Capital International Funding Co., Unlimited 4.42% Nov 15, 2035	USD 1,352,000	1,573,983	1,550,330
GE Commercial Mortgage Corporation Series 2007-C1 Trust 5.61% Dec 10, 2049	USD 2,167,329	2,813,828	2,969,568
General Motors Corporation 4.88% Oct 02, 2023	USD 2,405,000	3,287,100	3,274,610
General Motors Financial Company, Inc. (Callable) 3.45% Feb 10, 2022	USD 1,405,000	1,807,707	1,851,302
Gilead Sciences Inc. 2.55% Sep 01, 2020	USD 2,805,000	3,745,023	3,804,014
Ginnie Mae I Pool 7.00% Dec 15, 2034	USD 12,613	15,429	19,058
Ginnie Mae I Pool 7.50% Feb 15, 2032	USD 921	1,343	1,386
Ginnie Mae II Pool 2.00% Feb 20, 2040	USD 52,383	57,369	73,808
Ginnie Mae II Pool 2.00% Jan 20, 2040	USD 238,686	286,601	332,369
Ginnie Mae II Pool 3.00% Apr 20, 2040	USD 270,882	300,303	380,452
Ginnie Mae II Pool 3.50% Jun 20, 2040	USD 26,011	27,201	37,044
Ginnie Mae II Pool 4.51% Jan 20, 2067	USD 3,863,291	5,679,351	5,568,895
Ginnie Mae II Pool 4.55% Dec 20, 2066	USD 1,856,511	2,726,321	2,675,660
Ginnie Mae II Pool 4.56% Nov 20, 2062	USD 1,141,459	1,255,068	1,574,112
Ginnie Mae II Pool 4.63% Jun 20, 2062	USD 142,864	204,538	195,911
Ginnie Mae II Pool 4.65% Jan 20, 2063	USD 136,140	150,437	193,411
Ginnie Mae II Pool 4.66% Jan 20, 2063	USD 55,656	61,563	78,847
Ginnie Mae II Pool 4.68% Aug 20, 2064	USD 51,597	63,156	70,562
Ginnie Mae II Pool 4.73% Apr 20, 2063	USD 61,113	69,866	83,996
Ginnie Mae II Pool 4.81% Feb 20, 2061	USD 53,361	62,389	74,558
Ginnie Mae II Pool 4.85% May 20, 2062	USD 39,260	45,629	53,862
Ginnie Mae II Pool 5.07% Apr 20, 2062	USD 66,415	77,492	91,541
Ginnie Mae II Pool 5.50% Sep 20, 2043	USD 368,030	543,539	527,297
Ginnie Mae Pool 4.50% Dec 01, 2099	USD 4,474,600	5,908,245	6,410,727
GMACM Mortgage Loan Trust 2005-AR2 3.39% May 25, 2035	USD 137,052	135,233	185,339
Goldman Sachs Group Inc., The (Callable) 2.64% Oct 28, 2026	USD 1,440,000	1,923,728	1,886,567
Goldman Sachs Group Inc., The (Callable) 3.27% Sep 29, 2024	USD 1,415,000	1,737,202	1,822,217
Goldman Sachs Group Inc., The (Callable) 4.22% May 01, 2028	USD 1,360,000	1,733,347	1,791,952
Goldman Sachs Group Inc., The (Floating Rate) 3.49% May 15, 2026	USD 970,000	1,241,505	1,259,665
Government National Mortgage Association (Floating Rate) 2.60% Jun 20, 2065	USD 3,306,975	4,173,858	4,512,310
Government National Mortgage Association 1.81% Nov 20, 2066	USD 2,567,713	3,428,755	3,527,257
Government National Mortgage Association 4.50% Jun 16, 2039	USD 31,145	33,581	43,275
Government National Mortgage Association 4.74% May 20, 2066	USD 937,174	1,229,250	1,283,616

BOND FUNDS

Scotia Private American Core-Plus Bond Pool (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)	Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)				BONDS AND DEBENTURES (cont'd)			
United States Dollar (cont'd)				United States Dollar (cont'd)			
Government National Mortgage Association				Merrill Lynch Mortgage Investors Trust			
5.47% Nov 20, 2059	USD 25,303	28,348	34,678	Series MLMI 2005-A1 2.76% Dec 25, 2034	USD 34,468	30,231	46,876
Great Plains Energy Inc. (Callable) 5.29%				Morgan Stanley (Callable) 2.28%			
Mar 15, 2022	USD 2,000,000	2,362,965	2,833,279	Oct 24, 2022	USD 1,730,000	2,271,325	2,336,649
GS Mortgage Securities Trust 2007-GG10				Morgan Stanley (Callable) 3.77%			
5.79% Aug 10, 2045	USD 409,065	545,311	559,348	Jan 24, 2028	USD 725,000	900,375	952,435
GS Mortgage Securities Trust 2013-GCJ12				Morgan Stanley 3.75% Feb 25, 2023	USD 1,340,000	1,733,520	1,809,653
3.78% Jun 10, 2046	USD 250,000	334,450	338,689	Morgan Stanley Bank of America Merrill Lynch			
Hess Corporation 6.00% Jan 15, 2040	USD 750,000	992,660	943,818	Trust 2012-C6 3.48% Nov 15, 2045	USD 551,000	685,451	754,461
HSBC Bank PLC 7.65% May 01, 2025	USD 964,000	1,590,523	1,539,194	Morgan Stanley Bank of America Merrill Lynch			
HSBC Bank USA N.A. 5.88% Nov 01, 2034	USD 1,610,000	2,398,055	2,472,058	Trust 2013-C13 2.94% Nov 15, 2046	USD 23,127	29,395	31,568
Intercontinental Exchange Inc. (Callable)				Morgan Stanley Bank of America Merrill Lynch			
3.45% Aug 21, 2023	USD 980,000	1,271,646	1,347,433	Trust 2014-C14 4.83% Feb 15, 2047	USD 135,000	188,514	182,931
Intercontinental Exchange Inc. (Callable)				Morgan Stanley Bank of America Merrill Lynch			
3.75% Jun 21, 2028	USD 640,000	824,522	874,299	Trust Series 2015-C24 4.35% May 15, 2048	USD 1,305,000	1,621,869	1,737,232
JP Morgan Chase Commercial Mortgage				Morgan Stanley Capital I Trust 2007-TOP27			
Securities Trust Series 2004-LN2 5.27%				(Floating Rate) 5.95% Jun 11, 2042	USD 2,609,584	3,607,606	3,737,599
Jul 15, 2041	USD 582,777	640,895	744,716	Mortgage IT Trust Series 2005-1 (Callable)			
JP Morgan Chase Commercial Mortgage				1.09% Feb 25, 2035	USD 2,311,919	2,972,556	3,109,706
Securities Trust Series 2005-CIBC12 4.99%				MortgageIT Trust 2004-2 (Floating Rate)			
Sep 12, 2037	USD 206,486	250,277	280,731	2.61% Dec 25, 2034	USD 443,119	556,997	611,111
JP Morgan Chase Commercial Mortgage				MPLX LP (Callable) 4.50% Oct 15, 2037	USD 1,365,000	1,720,399	1,628,632
Securities Trust Series 2007-LDP10 5.46%				MPLX LP (Callable) 4.80% Nov 15, 2028	USD 735,000	958,183	1,000,719
Jan 15, 2049	USD 1,301,933	1,672,392	1,778,605	MPLX LP (Callable) 5.50% Aug 15, 2048	USD 1,070,000	1,375,251	1,425,747
JP Morgan Mortgage Trust Series 2005-A4				Municipal Electric Authority of Georgia 6.64%			
2.61% Jul 25, 2035	USD 156,676	175,576	214,671	Apr 01, 2057	USD 1,674,000	2,412,995	2,429,319
JP Morgan Mortgage Trust Series 2005-A4				Municipal Electric Authority of Georgia 7.06%			
2.66% Jul 25, 2035	USD 4,666	4,686	6,422	Apr 01, 2057	USD 2,119,000	2,668,204	3,254,955
JP Morgan Mortgage Trust Series 2005-A6				National Oilwell Varco Inc. (Callable) 2.60%			
2.74% Sep 25, 2035	USD 32,372	35,843	44,486	Sep 01, 2022	USD 1,905,000	2,370,628	2,459,599
JP Morgan Mortgage Trust Series 2006-A6				Navistar Inc. (First Lien Term Loan B)			
2.69% Oct 25, 2036	USD 59,727	52,022	73,069	Nov 06, 2024	USD 2,977,500	3,793,309	3,929,627
JPMBB Commercial Mortgage Securities				NBCUniversal Media LLC 5.95% Apr 01, 2041	USD 765,000	1,211,364	1,201,096
Trust 2014-C25 4.35% Nov 15, 2047	USD 895,000	1,180,479	1,226,718	NCUA Guaranteed Notes Trust Series 2010-R3			
JPMBB Commercial Mortgage Securities				2.40% Dec 08, 2020	USD 43,425	43,150	59,273
Trust 2015-C27 (Callable) 3.02%				Newell Brands Inc. (Callable) 5.00%			
Nov 15, 2024	USD 695,000	890,662	939,281	Nov 15, 2023	USD 2,840,000	3,923,648	3,928,729
JPMDB Commercial Mortgage Securities				Nokia Oyj 6.63% May 15, 2039	USD 2,150,000	2,516,265	3,000,785
Trust 2017-C5 3.60% Mar 15, 2050	USD 2,451,000	3,367,188	3,383,933	NovaStar Mortgage Funding Trust			
JPMorgan Chase & Company (Callable) 4.45%				Series 2003-3 (Floating Rate) 0.84%			
Dec 05, 2028	USD 765,000	1,018,911	1,066,490	Dec 25, 2033	USD 1,855,932	2,313,110	2,469,514
JPMorgan Chase & Company 3.88%				NVR Inc. (Callable) 3.95% Jun 15, 2022	USD 1,227,000	1,303,935	1,655,575
Sep 10, 2024	USD 1,715,000	2,203,398	2,313,009	PacifiCorp (Callable) 2.95% Nov 01, 2021	USD 1,520,000	1,657,915	2,062,682
Kohl's Corporation (Callable) 5.55%				Petco Animal Supplies Inc. (First Lien Term			
Jan 17, 2045	USD 2,015,000	2,540,521	2,570,356	Loan B1) Jan 26, 2023	USD 2,827,318	3,690,308	2,851,867
LB-UBS Commercial Mortgage Trust				Petrobras Global Finance BV 8.75%			
Series 2005-C7 5.35% Nov 15, 2040	USD 525,403	683,050	721,242	May 23, 2026	USD 2,530,000	3,358,926	3,876,120
MacDermid Inc. (First Lien Term Loan B6)				Petroleos Mexicanos 6.75% Sep 21, 2047	USD 1,180,000	1,501,444	1,338,535
Jun 07, 2023	USD 2,017,379	2,309,024	2,736,442	Petroleos Mexicanos 8.63% Feb 01, 2022	USD 1,000,000	1,344,780	1,464,172
Marriott Ownership Resorts Inc. (First Lien				PQ Corporation (First Lien Term Loan B)			
Term Loan B) Aug 29, 2025	USD 895,000	1,160,792	1,196,459	Feb 08, 2025	USD 3,126,011	4,069,609	4,053,137
Marvell Technology Group Ltd. (Callable)				Prudential Financial Inc. 5.40% Jun 13, 2035	USD 3,374,000	5,185,293	4,994,563
4.20% May 22, 2023	USD 1,270,000	1,644,114	1,728,562	Public Service Co of Colorado (Callable)			
MASTR Adjustable Rate Mortgages Trust				2.25% Mar 15, 2022	USD 1,810,000	2,346,922	2,392,840
Series 2006-2 2.81% Feb 25, 2036	USD 177,306	194,100	239,886	QUALCOMM Inc. (Callable) 2.60%			
McDonald's Corporation (Callable) 3.35%				Dec 30, 2022	USD 1,675,000	2,165,569	2,200,957
Mar 01, 2023	USD 935,000	1,221,591	1,272,080	QVC Inc. 4.38% Mar 15, 2023	USD 1,440,000	1,842,672	1,890,152
McGraw-Hill Global Education Holdings LLC				Reynolds American Inc. (Callable) 4.45%			
(First Lien Term Loan) May 04, 2022	USD 2,837,019	3,724,766	3,510,205	Mar 12, 2025	USD 1,481,000	1,959,939	1,944,302
Mercury General Corporation (Callable) 4.40%				Reynolds American Inc. 6.88% May 01, 2020	USD 1,295,000	1,949,573	1,837,966
Dec 15, 2026	USD 680,000	907,074	900,623	Reynolds American Inc. 8.13% May 01, 2040	USD 1,045,000	1,941,283	1,695,923
Merrill Lynch Mortgage Investors Trust MLMI				Royal Bank of Scotland Group PLC 3.88%			
Series 2005-A10 0.66% Feb 25, 2036	USD 412,499	423,072	549,978	Sep 12, 2023	USD 2,025,000	2,599,944	2,651,908

The accompanying notes are an integral part of the financial statements.

Portfolio Adviser: Logan Circle Partners, L.P.

Scotia Private American Core-Plus Bond Pool (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)	Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)				BONDS AND DEBENTURES (cont'd)			
United States Dollar (cont'd)				United States Dollar (cont'd)			
Sabine Pass Liquefaction LLC (Callable) 5.00%				United States Treasury Notes 2.88%			
Sep 15, 2026	USD 740,000	1,016,084	1,016,617	Nov 30, 2025	USD 2,025,000	2,715,789	2,814,401
Sabine Pass Liquefaction LLC (Callable) 5.75%				United States Treasury Notes 3.00%			
Feb 15, 2024	USD 2,570,000	3,633,202	3,672,000	Aug 15, 2048	USD 25,045,000	30,887,745	34,132,815
SBA Small Business Investment Cos 3.55%				United States Treasury Notes 3.13%			
Sep 11, 2028	USD 2,195,000	2,853,948	3,018,828	May 15, 2048	USD 5,084,000	6,733,520	7,094,874
Scientific Games International Inc. (First Lien Term Loan B5) August 14, 2024	USD 2,326,544	2,903,505	2,988,902	United States Treasury Notes 3.13%			
Seasoned Loans Structured Transaction Series 2018-2 (Callable) 3.50% Nov 25, 2022	USD 1,196,521	1,555,726	1,645,071	Nov 15, 2028	USD 8,180,000	11,110,178	11,596,758
Select Income Real Estate Investment Trust (Callable) 4.25% Feb 15, 2024	USD 925,000	1,246,846	1,206,880	United Technologies Corporation (Callable) 3.65% Jul 16, 2023	USD 775,000	995,606	1,056,285
Sequoia Mortgage Trust Series 2004-11 1.04% Dec 20, 2034	USD 106,830	119,594	144,083	United Technologies Corporation (Callable) 3.95% Jun 16, 2025	USD 2,900,000	3,800,651	3,939,277
Shire Acquisitions Investments Ireland DAC 1.90% Sep 23, 2019	USD 2,585,000	3,410,993	3,482,920	Validus Holdings Ltd. 8.88% Jan 26, 2040	USD 1,900,000	3,218,815	3,783,775
SLM Private Credit Student Loan Trust 2002-A 1.18% Dec 16, 2030	USD 1,022,787	1,297,650	1,395,837	Verizon Communications Inc. (Callable) 3.50% Aug 01, 2024	USD 1,280,000	1,664,667	1,720,417
SLM Private Credit Student Loan Trust 2004-A (Floating Rate) 2.52% Sep 15, 2022	USD 2,321,472	2,899,019	3,135,217	Verizon Communications Inc. 4.67% Mar 15, 2055	USD 1,140,000	1,391,454	1,420,343
SLM Private Credit Student Loan Trust 2004-B (Callable) 1.65% Sep 15, 2024	USD 350,999	436,083	478,995	Viacom Inc. (Callable) 6.25% Feb 28, 2027	USD 1,770,000	2,277,027	2,228,085
SLM Private Credit Student Loan Trust 2006-A 1.88% Jun 15, 2039	USD 4,399,038	5,468,611	5,902,155	Vodafone Group PLC 6.15% Feb 27, 2037	USD 1,380,000	2,141,509	2,000,725
South Carolina Electric & Gas Company (Callable) 4.25% May 15, 2028	USD 860,000	1,126,867	1,218,520	WaMu Mortgage Pass-Through Certificates Series 2003-AR10 Trust 2.54% Oct 25, 2033	USD 81,027	76,509	112,802
South Carolina Electric & Gas Company 3.50% Aug 15, 2021	USD 810,000	1,063,980	1,107,929	WaMu Mortgage Pass-Through Certificates Series 2003-AR7 Trust 2.43% Aug 25, 2033	USD 148,248	171,595	204,320
South Carolina Student Loan Corporation Series 2015-A 1.95% Jan 25, 2036	USD 2,001,637	2,591,114	2,754,343	WaMu Mortgage Pass-Through Certificates Series 2004-AR1 Trust 2.77% Mar 25, 2034	USD 158,517	204,627	218,484
Sprint Capital Corporation 8.75% Mar 15, 2032	USD 2,935,000	3,333,284	4,223,156	Wells Fargo & Company (Callable) 3.07% Jan 24, 2022	USD 2,095,000	2,681,900	2,791,019
Sprint Communications Inc. 6.00% Nov 15, 2022	USD 1,450,000	1,937,825	1,941,661	Wells Fargo & Company 4.75% Dec 07, 2046	USD 565,000	713,657	747,094
SS&C Technologies Inc. (First Lien Term Loan B5) Apr 16, 2025	USD 1,300,000	1,696,548	1,679,140	Wells Fargo Mortgage Backed Securities Series 2004-P Trust 2.74% Sep 25, 2034	USD 37,240	34,354	51,464
Structured Adjustable Rate Mortgage Loan Trust 2.92% Dec 25, 2034	USD 594	716	815	Wells Fargo Mortgage Backed Securities Series 2005-AR16 Trust 2.90% Oct 25, 2035	USD 12,806	13,114	17,310
Structured Asset Securities Corporation 3.08% Nov 25, 2033	USD 101,328	98,378	140,502	Wells Fargo Mortgage Backed Securities Series 2005-AR2 Trust 2.87% Mar 25, 2035	USD 27,970	24,712	38,901
Sungard Availability Services Capital Inc. (First Lien Term Loan) Oct 01, 2022	USD 1,832,075	2,314,328	2,425,210	Wells Fargo Mortgage Backed Securities Series 2006-AR10 Trust 2.92% Jul 25, 2036	USD 11,598	8,870	15,777
Sunoco Logistics Partners Operations LP (Callable) 5.40% Apr 01, 2047	USD 885,000	1,083,703	1,086,632	Wells Fargo Mortgage Backed Securities Series 2006-AR6 Trust 2.76% Mar 25, 2036	USD 25,508	26,218	35,107
SunTrust Bank/Atlanta GA (Callable) 4.05% Sep 03, 2025	USD 950,000	1,238,418	1,316,196	Wells Fargo Mortgage Backed Securities Series 2007-8 Trust 6.00% Jul 25, 2037	USD 5,273	5,371	7,086
Tennessee Gas Pipeline Co., LLC 8.38% Jun 15, 2032	USD 1,637,000	2,743,114	2,806,512	WFRBS Commercial Mortgage Trust 2014-C20 3.04% May 15, 2047	USD 438,318	567,872	598,544
Time Warner Cable LLC 6.75% Jun 15, 2039	USD 1,045,000	1,482,573	1,453,831	WFRBS Commercial Mortgage Trust 2014-C22 4.37% Sep 15, 2057	USD 500,000	647,589	688,537
Time Warner Entertainment Co LP 8.38% Jul 15, 2033	USD 781,000	1,342,810	1,311,239	WFRBS Commercial Mortgage Trust Series 2013-C12 4.28% Mar 15, 2048	USD 100,000	125,376	135,058
Time Warner Inc. 4.75% Mar 29, 2021	USD 1,147,000	1,615,345	1,606,869	Williams Cos Inc., The (Callable) 4.55% Mar 24, 2024	USD 1,880,000	2,511,260	2,602,785
Turkey Government International Bond 7.25% Dec 23, 2023	USD 2,250,000	2,879,959	3,162,363	Williams Partners LP (Callable) 3.60% Jan 15, 2022	USD 1,635,000	2,158,339	2,198,411
Twenty-First Century Fox Inc. 6.40% Dec 15, 2035	USD 1,787,000	2,761,832	3,047,843	Williams Partners LP (Callable) 5.80% May 15, 2043	USD 1,340,000	1,899,538	1,868,868
United Airlines 2018-1 Class B Pass Through Trust 4.60% Mar 01, 2026	USD 449,000	579,129	610,696			670,829,722	698,454,615
United States Small Business Administration 3.87% Nov 01, 2038	USD 295,000	388,102	412,800			690,950,520	718,953,607
United States Treasury Notes 2.63% Dec 31, 2023	USD 3,755,000	5,112,514	5,150,035				
				TOTAL BONDS AND DEBENTURES			

BOND FUNDS

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 0.0%			
NRG Energy, Inc.	3	69	162
TOTAL EQUITIES		69	162
Transaction Costs		(16,157)	
TOTAL INVESTMENT PORTFOLIO		<u>690,934,432</u>	718,953,769
Unrealized Gain (Loss) on Derivatives – (0.4%)			(3,031,010)
OTHER ASSETS, LESS LIABILITIES – (1.6%)			(11,396,434)
NET ASSETS – 99.9%		<u>704,526,325</u>	

SCHEDULE OF DERIVATIVE INSTRUMENTS

UNREALIZED GAIN ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Gain (\$)
Toronto-Dominion Bank, The	A-1+	Jan. 31, 2019	US Dollar	2,212,919	New Zealand Dollar	3,286,335	1.485	1.489	7,507
									7,507

UNREALIZED LOSS ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Loss (\$)
Standard Chartered Bank	A-1	Jan. 31, 2019	Canadian Dollar	703,027,619	US Dollar	517,693,387	0.736	0.733	(3,017,396)
Toronto-Dominion Bank, The	A-1+	Jan. 31, 2019	US Dollar	1,186,880	Mexican Peso	23,745,614	20.007	19.749	(21,121)
									(3,038,517)

Scotia Private American Core-Plus Bond Pool (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns and to provide income as well as capital growth by investing primarily in a portfolio of U.S. government and corporate bonds and mortgage pass through securities. The Fund may also invest in the U.S. dollar denominated emerging markets, non-investment grade debt and non-U.S. investment grade sovereign and corporate debt.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

Below is a summary of the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	December 31, 2018 (\$)	December 31, 2017 (\$)
Less than 1 year	35,111,370	72,485,321
1-3 years	33,229,593	87,411,262
3-5 years	97,654,620	100,640,481
5-10 years	135,419,549	182,205,185
> 10 years	417,538,475	448,942,048
	718,953,607	891,684,297

As at December 31, 2018, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by \$11,213,944 or approximately 1.6% (December 31, 2017 – \$13,814,539 or approximately 1.6%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

Currency	December 31, 2018			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
Australian Dollar	5,793,111	–	5,793,111	0.8
Indian Rupee	4,112,388	–	4,112,388	0.6
Polish Zloty	3,658,817	–	3,658,817	0.5
European Euro	2,524,435	–	2,524,435	0.4
New Zealand Dollar	3,180,422	(3,011,153)	169,269	0.0
Norwegian Krone	9,485	–	9,485	0.0
Mexican Peso	1,638,303	(1,640,153)	(1,850)	(0.0)
US Dollar	686,265,690	(701,393,709)	(15,128,019)	(2.1)
	707,182,651	(706,045,015)	1,137,636	0.2

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
Australian Dollar	5,612,636	–	5,612,636	0.6
Malaysian Ringgit	4,328,620	–	4,328,620	0.5
Indian Rupee	4,309,027	–	4,309,027	0.5
European Euro	2,416,487	–	2,416,487	0.3
Mexican Peso	3,065,391	(1,194,860)	1,870,531	0.2
Norwegian Krone	9,198	–	9,198	0.0
New Zealand Dollar	7,520,825	(7,535,340)	(14,515)	(0.0)
US Dollar	831,668,421	(838,749,898)	(7,081,477)	(0.8)
	858,930,605	(847,480,098)	11,450,507	1.3

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$113,765 or approximately 0.0% of net assets (December 31, 2017 – \$1,145,051 or approximately 0.1%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 0.0% (December 31, 2017 – 0.0%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$16 (December 31, 2017 – \$25). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

Below is a summary of the credit ratings of bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

Credit ratings	December 31, 2018		December 31, 2017	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
A-1+	–	–	6.2	6.4
AAA	17.4	17.8	54.1	55.7
AA	32.3	33.1	2.4	2.4
A	12.2	12.5	8.9	9.2
BBB	26.5	27.1	19.4	20.0
BB	6.1	6.2	4.8	4.9
B	3.6	3.7	3.4	3.5
CCC	0.8	0.8	0.1	0.2
NOT RATED	1.1	1.2	0.7	0.7
	100.0	102.4	100.0	103.0

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Australian Dollar	0.8	0.6
European Euro	0.3	0.3
Indian Rupee	0.6	–
Malaysian Ringgit	–	0.5
Mexican Peso	0.2	0.3
New Zealand dollar	0.4	0.9
Polish Zloty	0.5	–
Treasury Bills	–	6.4
US Dollar	99.1	93.5

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	162	–	–	162
Bonds and debentures	–	718,953,607	–	718,953,607
Unrealized gain on currency forward contracts	–	7,507	–	7,507
	162	718,961,114	–	718,961,276
Unrealized loss on currency forward contracts	–	(3,038,517)	–	(3,038,517)
	162	715,922,597	–	715,922,759

December 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	249	–	–	249
Bonds and debentures	–	836,584,407	–	836,584,407
Money market instruments	–	55,099,890	–	55,099,890
Unrealized gain on currency forward contracts	–	3,729,930	–	3,729,930
	249	895,414,227	–	895,414,476
Unrealized loss on currency forward contracts	–	(29,935)	–	(29,935)
	249	895,384,292	–	895,384,541

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

Below is a summary of offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts, were to arise. No amounts were offset in the financial statements.

Financial assets – by type	December 31, 2018			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	7,507	(7,507)	–	–
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	7,507	(7,507)	–	–

Financial liabilities – by type	December 31, 2018			
	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	3,038,517	(7,507)	–	3,031,010
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	3,038,517	(7,507)	–	3,031,010

Financial assets – by type	December 31, 2017			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	3,729,930	(9)	–	3,729,921
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	3,729,930	(9)	–	3,729,921

Financial liabilities – by type	December 31, 2017			
	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	29,935	(9)	–	29,926
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	29,935	(9)	–	29,926

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia Private Global High Yield Pool

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STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	362,776,575	—
Derivatives	857,797	—
Cash	7,242,995	150,000
Margin deposited on derivatives	199,785	—
Subscriptions receivable	807,551	—
Accrued investment income and other	5,679,507	—
	<u>377,564,210</u>	<u>150,000</u>
LIABILITIES		
Current liabilities		
Financial liabilities at fair value through profit or loss (note 2)		
Derivatives	15,347,771	—
Payable for securities purchased	3,536,119	—
Redemptions payable	419,580	—
	<u>19,303,470</u>	<u>—</u>
Net assets attributable to holders of redeemable units	<u>358,260,740</u>	<u>150,000</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	85,918,009	75,000
Series F	26,314	—
Series M	<u>272,316,417</u>	<u>75,000</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	9.18	10.00
Series F	9.57	—
Series M	<u>9.18</u>	<u>10.00</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Interest for distribution purposes	18,832,635	—
Net realized gain (loss) on non-derivative financial assets	(6,863,494)	—
Change in unrealized gain (loss) on non-derivative financial assets	(1,548,154)	—
Net realized gain (loss) on derivatives	(9,244,711)	—
Change in unrealized gain (loss) on derivatives	<u>(14,489,974)</u>	<u>—</u>
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	(13,313,698)	—
Net realized and unrealized foreign currency translation gain (loss)	732,839	—
Other income	480	—
Total income (loss), net	<u>(12,580,379)</u>	<u>—</u>
EXPENSES		
Management fees (note 5)	1,197,688	—
Fixed administration fees (note 6)	261,394	—
Independent Review Committee fees	1,249	—
Interest expense and bank overdraft charges	7,625	—
Foreign withholding taxes/tax reclaims	35,711	—
Harmonized Sales Tax/Goods and Services Tax	140,305	—
Transaction costs	1,353	—
Total expenses	<u>1,645,325</u>	<u>—</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(14,225,704)</u>	<u>—</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	(2,699,437)	—
Series F	(476)	—
Series M	<u>(11,525,791)</u>	<u>—</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Pinnacle Series	(0.36)	—
Series F	(0.33)	—
Series M	<u>(0.42)</u>	<u>—</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	7,402,957	7,500
Series F	1,449	—
Series M	<u>27,533,944</u>	<u>7,500</u>

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	75,000	–
Series M	75,000	–
	<u>150,000</u>	<u>–</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	(2,699,437)	–
Series F	(476)	–
Series M	(11,525,791)	–
	<u>(14,225,704)</u>	<u>–</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(4,143,283)	–
Series F	(316)	–
Series M	(12,106,192)	–
	<u>(16,249,791)</u>	<u>–</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	104,078,673	75,000
Series F	26,871	–
Series M	359,052,916	75,000
Reinvested distributions		
Pinnacle Series	4,132,352	–
Series F	235	–
Series M	11,803,227	–
Payments on redemption		
Pinnacle Series	(15,525,296)	–
Series M	(74,982,743)	–
	<u>388,586,235</u>	<u>150,000</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	85,843,009	75,000
Series F	26,314	–
Series M	272,241,417	75,000
	<u>358,110,740</u>	<u>150,000</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	85,918,009	75,000
Series F	26,314	–
Series M	272,316,417	75,000
	<u>358,260,740</u>	<u>150,000</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(14,225,704)	–
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	6,863,494	–
Change in unrealized (gain) loss on non-derivative financial assets	1,548,154	–
Change in unrealized (gain) loss on derivatives	14,489,974	–
Unrealized foreign currency translation (gain) loss	93,132	–
Purchases of non-derivative financial assets and liabilities	(674,820,364)	–
Proceeds from sale of non-derivative financial assets and liabilities	307,168,260	–
Margin deposited on derivatives	(199,785)	–
Accrued investment income and other	(5,679,507)	–
	<u>(364,762,346)</u>	<u>–</u>
Net cash provided by (used in) operating activities	(364,762,346)	–
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	462,350,909	150,000
Amounts paid on redemption of redeemable units	(90,088,459)	–
Distributions to unitholders of redeemable units	(313,977)	–
	<u>371,948,473</u>	<u>150,000</u>
Net cash provided by (used in) financing activities	371,948,473	150,000
Unrealized foreign currency translation gain (loss)	(93,132)	–
Net increase (decrease) in cash	7,186,127	150,000
Cash (bank overdraft), beginning of period	150,000	–
	<u>7,242,995</u>	<u>150,000</u>
CASH (BANK OVERDRAFT), END OF PERIOD		
	7,625	–
Interest paid ⁽¹⁾	7,625	–
Interest received, net of withholding taxes ⁽¹⁾	13,117,418	–

⁽¹⁾ Classified as operating items.

Scotia Private Global High Yield Pool (Continued)

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SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES – 96.8%			
Argentina – 0.3%			
Argentine Republic Government International Bond 7.50% Apr 22, 2026	USD 950,000	1,133,477	1,043,201
Australia – 0.5%			
Nufarm Australia Ltd. / Nufarm Americas Inc. (Callable) 5.75% Apr 30, 2021	USD 1,350,000	1,713,304	1,683,495
Brazil – 4.2%			
Banco do Brasil S.A., Perpetual 6.25%	USD 1,750,000	1,868,034	2,059,189
Banco do Brasil S.A., Perpetual 8.50%	USD 217,000	295,924	317,472
BRF GmbH 4.35% Sep 29, 2026	USD 1,750,000	1,943,087	2,069,812
Petrobras Global Finance BV 4.38% May 20, 2023	USD 3,000,000	3,748,543	3,945,081
Petrobras Global Finance BV 4.75% Jan 14, 2025	EUR 1,140,000	1,947,607	1,862,950
Petrobras Global Finance BV 6.00% Jan 27, 2028	USD 1,600,000	1,914,695	2,085,186
Petrobras Global Finance BV 6.25% Dec 14, 2026	GBP 500,000	954,904	901,385
Vale SA 3.75% Jan 10, 2023	EUR 1,085,000	1,874,902	1,850,974
		14,547,696	15,092,049
British Virgin Islands – 0.5%			
Central American Bottling Corporation (Callable) 5.75% Jan 31, 2022	USD 1,450,000	1,889,102	1,952,298
Canada – 1.7%			
Country Garden Holdings Co., Ltd. (Callable) 4.75% Jul 25, 2020	USD 1,850,000	2,315,793	2,296,475
Eagle Intermediate Global Holding BV/Ruyi US Finance LLC (Callable) 5.38% May 01, 2020	EUR 1,250,000	1,930,777	1,798,723
Times China Holdings Ltd. (Callable) 7.85% Jun 04, 2020	USD 1,550,000	1,974,150	2,070,991
		6,220,720	6,166,189
Chile – 0.8%			
VTR Finance BV (Callable) 6.88% Jan 15, 2019	USD 2,196,000	2,883,804	2,969,369
Colombia – 0.7%			
Millicom International Cellular SA (Callable) 6.00% Mar 15, 2020	USD 1,750,000	2,312,224	2,369,284
France – 1.3%			
Credit Agricole SA, Perpetual 8.13%	USD 1,150,000	1,719,667	1,617,746
Paprec Holding SA (Callable) 4.00% Mar 31, 2021	EUR 1,150,000	1,821,091	1,515,617
SFR Group SA (Callable) 7.38% May 01, 2021	USD 1,300,000	1,617,834	1,633,689
		5,158,592	4,767,052
Germany – 1.2%			
Blitz F18-674 GmbH (Callable) 6.00% Jul 30, 2021	EUR 1,100,000	1,668,774	1,633,604
DEMIRE Deutsche Mittelstand Real Estate AG (Callable) 2.88% Jul 15, 2019	EUR 1,800,000	2,806,526	2,733,612
		4,475,300	4,367,216
Ireland – 1.1%			
Listrindo Capital BV (Callable) 4.95% Sep 14, 2021	USD 1,600,000	1,880,113	1,945,217
Virgin Media Receivables Financing Notes II DAC (Callable) 5.75% Sep 15, 2019	GBP 1,150,000	2,096,308	1,991,198
		3,976,421	3,936,415
Israel – 1.5%			
Teva Pharmaceutical Finance Netherlands II BV (Callable) 3.25% Jan 15, 2022	EUR 2,250,000	3,596,785	3,536,345
Teva Pharmaceutical Finance Netherlands III BV 2.80% Jul 21, 2023	USD 1,700,000	1,949,541	2,005,378
		5,546,326	5,541,723

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)			
Italy – 2.1%			
Assicurazioni Generali SpA (Callable) 5.00% Jun 08, 2028	EUR 1,250,000	2,071,550	1,986,861
Intesa Sanpaolo SpA 6.63% Sep 13, 2023	EUR 1,950,000	3,471,968	3,473,591
Nexi Capital SpA (Callable) 3.63% May 31, 2019	EUR 1,250,000	1,921,156	1,938,077
		7,464,674	7,398,529
Japan – 0.4%			
Sprint Capital Corporation 8.75% Mar 15, 2032	USD 1,100,000	1,536,938	1,582,784
Luxembourg – 1.6%			
Altice Luxembourg SA (Callable) 6.25% Feb 15, 2020	EUR 400,000	603,408	499,517
Altice Luxembourg SA (Callable) 7.25% May 15, 2022	EUR 600,000	931,893	876,565
Altice Luxembourg SA (Callable) 7.63% Feb 15, 2020	USD 250,000	290,813	257,475
Arena Luxembourg Finance S.a. r.l. (Callable) 2.88% Nov 01, 2020	EUR 1,850,000	2,918,060	2,872,620
Garfunkelux Holdco 3 SA (Callable) 3.50% Sep 01, 2023	EUR 950,000	1,416,587	1,227,059
		6,160,761	5,733,236
Mexico – 0.5%			
Grupo Cementos de Chihuahua S.A.B. de C.V. (Callable) 5.25% Dec 23, 2021	USD 1,500,000	1,950,245	1,961,440
Netherlands – 3.3%			
Atradius Finance BV (Callable) 5.25% Sep 23, 2024	EUR 1,850,000	3,374,281	2,987,492
InterXion Holding NV (Callable) 4.75% Jun 15, 2021	EUR 2,400,000	3,756,452	3,844,412
IPD 3 BV (Callable) 4.50% Jul 15, 2019	EUR 1,050,000	1,663,128	1,620,886
Sunshine Mid BV (Callable) 6.50% May 15, 2021	EUR 1,150,000	1,792,701	1,660,794
United Group BV (Callable) 4.88% Jul 01, 2020	EUR 1,150,000	1,822,973	1,772,218
		12,409,535	11,885,802
Nigeria – 0.3%			
Intertrust Group BV (Callable) 3.38% Nov 15, 2021	EUR 300,000	449,930	461,443
Starfruit Finco BV / Starfruit US Holdco LLC (Callable) 6.50% Oct 01, 2021	EUR 400,000	608,032	578,915
		1,057,962	1,040,358
Norway – 0.6%			
Aker BP ASA (Callable) 5.88% Mar 31, 2021	USD 1,500,000	2,023,524	2,047,067
Portugal – 0.5%			
Caixa Geral de Depositos S.A., Perpetual 10.75%	EUR 1,000,000	1,695,527	1,708,257
Sweden – 0.7%			
Nordea Bank AB, Perpetual 5.50%	USD 1,800,000	2,314,366	2,424,701
Switzerland – 0.5%			
Selecta Group B.V. (Callable) 5.38% Feb 01, 2019	EUR 1,200,000	1,842,893	1,796,351
Turkey – 0.6%			
Turkey Government International Bond 4.88% Apr 16, 2043	USD 2,000,000	1,844,921	2,031,825
United Arab Emirates – 0.4%			
Shelf Drilling Holdings Ltd. (Callable) 8.25% Feb 15, 2021	USD 1,300,000	1,634,152	1,533,939
United Kingdom – 5.6%			
Algeco Global Finance PLC (Callable) 6.25% Feb 15, 2019	EUR 1,200,000	1,826,611	1,858,650

BOND FUNDS

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer		Face Value (\$)	Average Cost (\$)	Carrying Value (\$)	Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)	
BONDS AND DEBENTURES (cont'd)					BONDS AND DEBENTURES (cont'd)				
United Kingdom (cont'd)					United States (cont'd)				
Amigo Luxembourg SA (Callable) 7.63%					Covanta Holding Corporation (Callable) 5.88%				
Jan 15, 2020	GBP	550,000	997,207	931,539	Jul 01, 2020	USD	2,200,000	2,817,031	
Aston Martin Capital Holdings Ltd. (Callable)					Crown Americas LLC / Crown Americas Capital				
5.75% Apr 15, 2019	GBP	900,000	1,649,766	1,522,748	Corporation V (Callable) 4.25% Mar 31, 2026	USD	600,000	706,051	
Avation Capital SA (Callable) 6.50%					Crown European Holdings SA (Callable) 3.38%				
May 15, 2020	USD	1,150,000	1,477,978	1,562,159	Nov 15, 2024	EUR	2,100,000	3,351,212	
CPUK Finance Ltd. (Callable) 4.88%					CSC Holdings LLC (Callable) 10.88%				
Aug 28, 2020	GBP	1,400,000	2,448,973	2,287,577	Oct 15, 2020	USD	2,750,000	4,065,722	
Fiat Chrysler Automobiles NV 5.25%					CyrusOne LP / CyrusOne Finance Corporation				
Apr 15, 2023	USD	1,450,000	1,906,068	1,948,287	(Callable) 5.38% Mar 15, 2022	USD	2,150,000	2,786,548	
Iceland Bondco PLC (Callable) 4.63%					DCP Midstream Operating LP 6.75%				
Sep 15, 2020	GBP	1,050,000	1,726,798	1,558,021	Sep 15, 2037	USD	1,000,000	1,421,849	
Miller Homes Group Holdings PLC (Floating					Denbury Resources Inc. (Callable) 9.25%				
Rate) 6.04% Oct 15, 2023	GBP	1,000,000	1,759,769	1,644,456	Mar 31, 2019	USD	1,300,000	1,706,274	
Neptune Energy Bondco PLC (Callable) 6.63%					DISH DBS Corporation 7.75% Jul 01, 2026	USD	1,500,000	1,747,050	
May 15, 2021	USD	1,950,000	2,525,214	2,479,914	Dole Food Company, Inc. (Callable) 7.25%				
Pinewood Finco PLC (Callable) 3.75%					Jun 15, 2020	USD	1,400,000	1,803,843	
Dec 01, 2019	GBP	950,000	1,668,082	1,614,997	Eldorado Resorts Inc. (Callable) 6.00%				
TVL Finance PLC (Callable) 5.40%					Apr 01, 2020	USD	2,850,000	3,752,288	
May 15, 2023	GBP	1,600,000	2,779,515	2,762,652	Encompass Health Corporation (Callable)				
			<u>20,765,981</u>	<u>20,171,000</u>	5.75% Nov 01, 2024	USD	300,000	388,967	
					Encompass Health Corporation (Callable)				
United States – 65.8%					5.75% Sep 15, 2020	USD	1,650,000	2,154,725	
AES Corporation (Callable) 6.00%					Energizer Gamma Acquisition BV (Callable)				
May 15, 2021	USD	2,200,000	2,971,000	3,053,495	4.63% Jul 15, 2021	EUR	250,000	388,659	
Alcoa Nederland Holding BV (Callable) 6.75%					Energizer Gamma Acquisition Inc. (Callable)				
Sep 30, 2019	USD	1,300,000	1,782,422	1,824,323	6.38% Jul 15, 2021	USD	1,650,000	2,224,927	
Alliance One International Inc. (Callable) 9.88%					Energy Transfer Equity LP (Callable) 5.88%				
July 15, 2021	USD	1,350,000	1,596,064	1,392,650	Oct 15, 2023	USD	820,000	1,136,495	
American Axle & Manufacturing Inc. (Callable)					EP Energy LLC / Everest Acquisition Finance Inc.				
6.25% Mar 15, 2021	USD	1,500,000	1,830,167	1,859,838	(Callable) 6.38% Jun 15, 2023	USD	1,500,000	1,126,142	
Ball Corporation 4.38% Dec 15, 2020	USD	3,000,000	3,872,334	4,138,893	Exela Intermediate LLC / Exela Finance Inc.				
Banco de Sabadell SA 5.63% May 06, 2026	EUR	700,000	1,284,539	1,130,523	(Callable) 10.00% Jul 15, 2020	USD	1,100,000	1,391,135	
Becton Dickinson and Co (Floating Rate) 2.94%					First Quality Finance Company Inc. (Callable)				
Mar 01, 2019	USD	1,500,000	1,886,857	2,026,816	5.00% Jul 01, 2020	USD	1,700,000	2,147,653	
Becton Dickinson and Company 3.06%					Five Point Operating Co LP / Five Point Capital				
Jun 06, 2022	USD	1,000,000	1,312,941	1,354,143	Corporation (Callable) 7.88% Nov 15, 2020	USD	1,550,000	2,016,481	
Belden Inc. (Callable) 3.38% Jul 15, 2022	EUR	2,200,000	3,053,696	3,143,638	Freeport-McMoRan Inc. (Callable) 3.88%				
Boyer USA Inc. (Callable) 7.25% May 01, 2021	USD	1,350,000	1,776,222	1,899,094	Dec 15, 2022	USD	1,600,000	1,966,585	
BWX Technologies Inc. (Callable) 5.38%					Freeport-McMoRan Inc. (Callable) 6.88%				
Jul 15, 2021	USD	2,850,000	3,761,737	3,753,348	Feb 15, 2020	USD	1,600,000	2,206,898	
California Resources Corporation (Callable)					Freeport-McMoRan Inc. 3.10% Mar 15, 2020	USD	700,000	873,390	
8.00% Dec 15, 2018	USD	1,200,000	1,264,045	1,118,088	Genesis Energy LP / Genesis Energy Finance				
Catalent Pharma Solutions Inc. (Callable)					Corporation (Callable) 6.25% Feb 15, 2021	USD	2,600,000	3,259,907	
4.75% Dec 15, 2019	EUR	2,050,000	3,359,270	3,209,324	Graham Holdings Company (Callable) 5.75%				
CCO Holdings LLC / CCO Holdings Capital					Jun 01, 2021	USD	2,100,000	2,747,653	
Corporation (Callable) 5.38% May 01, 2020	USD	1,450,000	1,860,424	1,901,310	Gray Escrow Inc. (Callable) 7.00%				
CCO Holdings LLC / CCO Holdings Capital					May 15, 2022	USD	1,250,000	1,635,740	
Corporation (Callable) 5.75% Feb 15, 2021	USD	1,700,000	2,208,290	2,272,742	Grifols SA (Callable) 3.20% May 01, 2020	EUR	2,150,000	3,364,094	
Centene Corporation (Callable) 6.13%					Hanesbrands Finance Luxembourg S.C.A.				
Feb 15, 2019	USD	2,100,000	2,882,070	2,933,133	(Callable) 3.50% Mar 15, 2024	EUR	1,200,000	1,854,635	
CenturyLink Inc. (Callable) 7.50% Jan 01, 2024	USD	1,000,000	1,359,660	1,326,022	HCA Inc. (Callable) 5.25% Dec 15, 2025	USD	700,000	936,762	
Cheniere Corporationus Christi Holdings LLC					HCA Inc. (Callable) 5.63% Mar 01, 2028	USD	2,500,000	3,221,356	
(Callable) 5.88% Oct 02, 2024	USD	1,950,000	2,658,798	2,673,310	HCA Inc. 5.25% Apr 15, 2025	USD	1,800,000	2,381,832	
Cleanway Energy Operating LLC (Callable)					Hilton Domestic Operating Company Inc.				
5.75% Oct 15, 2021	USD	2,200,000	2,866,375	2,868,211	(Callable) 5.13% May 01, 2021	USD	3,600,000	4,690,723	
CNX Midstream Partners LP / CNX Midstream					Horizon Pharma Inc. / Horizon Pharma USA Inc.				
Finance Corporation (Callable) 6.50%					(Callable) 8.75% Nov 01, 2019	USD	1,350,000	1,868,552	
Mar 15, 2021	USD	1,350,000	1,742,174	1,751,770	Huntsman International LLC (Callable) 4.25%				
Commercial Metals Company (Callable) 4.88%					Jan 01, 2025	EUR	1,800,000	3,176,838	
Feb 15, 2023	USD	550,000	729,785	712,994	International Game Technology PLC (Callable)				
Commercial Metals Company (Callable) 5.38%					4.75% Aug 15, 2022	EUR	700,000	1,157,501	
Jul 15, 2022	USD	1,250,000	1,582,056	1,549,933	IQVIA Inc. (Callable) 3.25% Mar 15, 2020	EUR	650,000	981,528	

BOND FUNDS

The accompanying notes are an integral part of the financial statements.

Portfolio Adviser: Allianz Global Investors U.S. LLC

Scotia Private Global High Yield Pool (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

BOND FUNDS

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)	Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)				BONDS AND DEBENTURES (cont'd)			
United States (cont'd)				United States (cont'd)			
Iron Mountain Inc. (Callable) 4.88%				Tallgrass Energy Partners LP / Tallgrass Energy Finance Corporation (Callable) 5.50%			
Sep 15, 2022	USD 1,550,000	1,820,060	1,850,071	Jan 15, 2023	USD 1,950,000	2,484,118	2,546,959
Itron Inc. (Callable) 5.00% Jan 15, 2021	USD 2,850,000	3,535,256	3,566,971	Tallgrass Energy Partners LP / Tallgrass Energy Finance Corporation (Callable) 5.50%			
Jagged Peak Energy LLC (Callable) 5.88%				Sep 15, 2019	USD 2,100,000	2,821,332	2,826,555
May 01, 2021	USD 1,550,000	1,999,873	1,966,361	Tenet Healthcare Corporation (Callable) 4.63%			
Kennedy-Wilson Inc. (Callable) 5.88%				Jul 15, 2020	USD 1,500,000	1,917,084	1,937,817
Apr 01, 2019	USD 1,600,000	2,028,852	2,064,779	Tenet Healthcare Corporation 6.00%			
Kraton Polymers LLC / Kraton Polymers Capital Corporation (Callable) 5.25% May 15, 2021	EUR 1,200,000	1,857,975	1,683,450	Oct 01, 2020	USD 2,350,000	3,093,461	3,263,451
Lennar Corporation (Callable) 4.75%				Tennant Company (Callable) 5.63%			
May 29, 2027	USD 1,500,000	1,836,235	1,874,714	May 01, 2020	USD 1,450,000	1,907,056	1,864,224
Level 3 Financing Inc. (Callable) 5.38%				TerraForm Power Operating LLC (Callable)			
Aug 15, 2022	USD 2,050,000	2,617,245	2,750,168	4.25% Oct 31, 2022	USD 2,150,000	2,687,189	2,748,650
Levi Strauss & Company (Callable) 3.38%				Transocean Inc. 6.80% Mar 15, 2038	USD 1,150,000	1,262,168	1,066,411
Mar 15, 2022	EUR 1,750,000	2,725,808	2,735,700	UGI International LLC (Callable) 3.25%			
LKQ European Holdings BV (Callable) 3.63%				Nov 01, 2021	EUR 500,000	749,367	783,653
Apr 01, 2021	EUR 1,150,000	1,827,936	1,742,879	Universal Hospital Services Inc. 7.63%			
Matthews International Corporation (Callable)				Aug 15, 2020	USD 1,750,000	2,200,205	2,384,180
5.25% Dec 01, 2020	USD 1,955,000	2,479,260	2,483,486	Vantiv LLC / Vanity Issuer Corporation (Callable)			
McDermott Technology Americas Inc. /				3.88% Nov 15, 2020	GBP 950,000	1,659,966	1,557,937
McDermott Technology US Inc. (Callable)				Verscend Escrow Corporation (Callable) 9.75%			
10.63% May 01, 2021	USD 800,000	930,196	925,640	Aug 15, 2021	USD 950,000	1,254,026	1,223,008
Meredith Corporation (Callable) 6.88%				Viking Cruises Ltd. (Callable) 5.88%			
Feb 01, 2021	USD 1,000,000	1,328,982	1,343,646	Sep 15, 2022	USD 1,650,000	2,114,541	2,116,271
MGM Resorts International (Callable) 5.75%				Vistra Operations Co LLC (Callable) 5.50%			
Mar 15, 2025	USD 1,850,000	2,455,133	2,456,598	Sep 01, 2021	USD 2,200,000	2,865,364	2,906,744
Moss Creek Resources Holdings Inc. (Callable)				Voya Financial Inc. (Callable) 4.70%			
7.50% Jan 15, 2021	USD 1,450,000	1,875,927	1,696,097	Jan 23, 2028	USD 2,100,000	2,557,589	2,384,801
MSCI Inc. (Callable) 5.38% May 15, 2022	USD 2,100,000	2,758,885	2,821,571	Warrior Met Coal Inc. (Callable) 8.00%			
Netflix Inc. 5.88% Feb 15, 2025	USD 1,400,000	1,867,641	1,950,046	Nov 01, 2020	USD 1,200,000	1,564,781	1,595,498
NGPL PipeCo LLC 7.77% Dec 15, 2037	USD 1,400,000	2,178,793	2,162,793	Waste Pro USA Inc. (Callable) 5.50%			
Party City Holdings Inc. (Callable) 6.63%				Feb 15, 2021	USD 2,950,000	3,711,323	3,732,369
Aug 01, 2021	USD 1,450,000	1,906,135	1,790,683	WellCare Health Plans Inc. (Callable) 5.38%			
Pilgrim's Pride Corporation (Callable) 5.75%				Aug 15, 2021	USD 2,500,000	3,295,854	3,318,976
Mar 15, 2020	USD 1,850,000	2,358,996	2,371,123	Whiting Petroleum Corporation (Callable)			
Quintiles IMS Inc. (Callable) 2.88%				6.63% Oct 15, 2025	USD 950,000	1,238,260	1,111,431
Sep 15, 2020	EUR 1,650,000	2,534,876	2,454,094	Windstream Services LLC / Windstream Finance Corporation (Callable) 6.38% Aug 01, 2023	USD 1,050,000	765,497	571,135
Reynolds Group Issuer Inc. / Reynolds Group Issuer LLC / Reynolds Group Issuer Lu (Callable)				Wynn Las Vegas LLC / Wynn Las Vegas Capital Corporation (Callable) 5.25% Feb 15, 2027	USD 1,300,000	1,605,576	1,564,910
5.13% Jul 15, 2019	USD 1,400,000	1,806,874	1,819,171			<u>236,439,281</u>	<u>235,908,928</u>
Rockies Express Pipeline LLC 6.00%				Venezuela – 0.1%			
Jan 15, 2019	USD 1,750,000	2,251,695	2,389,098	Petroleos de Venezuela S.A. 6.00%			
Seagate HDD Cayman (Callable) 4.88%				May 16, 2024	USD 1,400,000	369,824	284,075
Mar 01, 2027	USD 1,550,000	1,908,457	1,798,533	TOTAL BONDS AND DEBENTURES		349,367,550	347,396,583
Seagate HDD Cayman 4.75% Jan 01, 2025	USD 1,300,000	1,608,386	1,573,285				
Service Corporation International/US (Callable)				MONEY MARKET INSTRUMENTS – 4.3%			
4.63% Dec 15, 2022	USD 2,200,000	2,743,995	2,885,317	United States – 4.3%			
SESI LLC (Callable) 7.75% Sep 15, 2020	USD 1,200,000	1,600,857	1,307,628	United States Treasury Bills 0.00%			
Shea Homes LP / Shea Homes Funding Corporation (Callable) 5.88% Apr 01, 2023	USD 750,000	968,339	934,727	Jan 03, 2019	USD 1,500,000	1,985,522	2,045,908
Silgan Holdings Inc. (Callable) 3.25%				United States Treasury Bills 0.00%			
Mar 15, 2020	EUR 2,050,000	3,255,456	3,200,671	Nov 07, 2019	USD 3,887,000	5,040,309	5,182,958
Six Flags Entertainment Corporation (Callable)				United States Treasury Bills 0.00%			
4.88% Jul 31, 2019	USD 2,500,000	3,177,984	3,221,988	Nov 07, 2019 (pledged as collateral)	USD 6,113,000	7,926,784	8,151,126
Springleaf Finance Corporation 6.88%						<u>14,952,615</u>	<u>15,379,992</u>
Mar 15, 2025	USD 2,800,000	3,694,316	3,418,721	TOTAL MONEY MARKET INSTRUMENTS		14,952,615	15,379,992
Sprint Communications Inc. 6.00%				TOTAL INVESTMENT PORTFOLIO		364,320,165	362,776,575
Nov 15, 2022	USD 600,000	749,275	803,446	Unrealized Gain (Loss) on Derivatives – (4.0%)			(14,489,974)
Sprint Corporation 7.88% Sep 15, 2023	USD 1,900,000	2,545,788	2,668,859	OTHER ASSETS, LESS LIABILITIES – 2.9%			9,974,139
Stevens Holding Co Inc. (Callable) 6.13%				NET ASSETS – 100.0%			358,260,740
Oct 01, 2023	USD 400,000	520,082	536,776				
Sunoco LP / Sunoco Finance Corporation 5.88%							
Mar 15, 2028	USD 3,050,000	3,830,984	3,968,104				

Instruments with a 0.00% stated interest rate are purchased at a discount to face value. The discount represents the implied effective interest.

SCHEDULE OF DERIVATIVE INSTRUMENTS

UNREALIZED GAIN ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Gain (\$)
Barclays PLC	A-2	Jan. 30, 2019	US Dollar	1,500,000	Canadian Dollar	1,970,984	1.314	1.364	74,820
Canadian Imperial Bank of Commerce	A-1	Jan. 30, 2019	US Dollar	14,765,373	British Pound	11,426,185	0.774	0.783	233,335
Barclays PLC	A-2	Jan. 30, 2019	European Euro	2,863,912	Canadian Dollar	4,333,590	1.513	1.567	154,234
Canadian Imperial Bank of Commerce	A-1	Jan. 30, 2019	European Euro	1,225,000	Canadian Dollar	1,850,208	1.51	1.567	69,390
Barclays PLC	A-2	Jan. 30, 2019	US Dollar	840,057	Canadian Dollar	1,115,000	1.327	1.364	30,726
Barclays PLC	A-2	Jan. 30, 2019	British Pound	1,252,706	Canadian Dollar	2,108,853	1.683	1.742	73,506
Barclays PLC	A-2	Jan. 30, 2019	European Euro	718,487	Canadian Dollar	1,080,365	1.504	1.567	45,505
Canadian Imperial Bank of Commerce	A-1	Jan. 30, 2019	US Dollar	2,000,000	Canadian Dollar	2,677,096	1.339	1.364	50,633
Canadian Imperial Bank of Commerce	A-1	Jan. 30, 2019	US Dollar	1,886,206	Canadian Dollar	2,520,906	1.336	1.364	51,623
Barclays PLC	A-2	Jan. 30, 2019	US Dollar	600,000	Canadian Dollar	801,749	1.336	1.364	16,570
Barclays PLC	A-2	Jan. 30, 2019	European Euro	529,082	Canadian Dollar	804,506	1.521	1.567	24,589
Canadian Imperial Bank of Commerce	A-1	Jan. 30, 2019	US Dollar	1,000,000	Canadian Dollar	1,340,350	1.34	1.364	23,514
Canadian Imperial Bank of Commerce	A-1	Jan. 30, 2019	US Dollar	844,606	European Euro	734,195	0.869	0.87	1,383
Barclays PLC	A-2	Jan. 30, 2019	US Dollar	2,758,000	Canadian Dollar	3,753,558	1.361	1.364	7,969
									857,797

UNREALIZED LOSS ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Loss (\$)
Canadian Imperial Bank of Commerce	A-1	Jan. 30, 2019	Canadian Dollar	216,620,095	US Dollar	165,106,779	0.762	0.733	(8,563,385)
Barclays PLC	A-2	Jan. 30, 2019	US Dollar	60,672,177	European Euro	52,894,100	0.872	0.87	(140,891)
Barclays PLC	A-2	Jan. 30, 2019	Canadian Dollar	154,730,784	US Dollar	117,938,645	0.762	0.733	(6,121,693)
Canadian Imperial Bank of Commerce	A-1	Jan. 30, 2019	Canadian Dollar	4,045,218	US Dollar	3,075,054	0.76	0.733	(148,743)
Canadian Imperial Bank of Commerce	A-1	Jan. 30, 2019	Canadian Dollar	2,825,078	US Dollar	2,144,703	0.759	0.733	(100,009)
Barclays PLC	A-2	Jan. 30, 2019	Canadian Dollar	611,036	US Dollar	463,231	0.758	0.733	(20,748)
Canadian Imperial Bank of Commerce	A-1	Jan. 30, 2019	Canadian Dollar	986,346	US Dollar	743,174	0.753	0.733	(27,244)
Canadian Imperial Bank of Commerce	A-1	Jan. 30, 2019	Canadian Dollar	2,343,048	European Euro	1,531,841	0.654	0.638	(57,656)
									(15,180,369)

UNREALIZED LOSS ON FUTURES CONTRACTS

Expiry Date	Number of Contracts	Futures Contracts	Counterparty	Credit Risk	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Unrealized Loss (\$)
BOND FUTURES CONTRACTS							
Mar. 2019	(66)	U.S. 5 Year Treasury Note Futures	Credit Suisse Securities (USA) LLC	A-1	(10,158,040)	(10,325,442)	(167,402)
							<u>(167,402)</u>

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve long term total returns through income generation and capital growth by investing primarily in non-investment grade fixed income securities around the world.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

Below is a summary of the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable. The Fund did not have significant direct interest risk exposure as at December 31, 2017.

Interest rate exposure	December 31, 2018 (\$)	December 31, 2017 (\$)
Less than 1 year	17,601,688	-
1-3 years	17,774,646	-
3-5 years	65,345,105	-
5-10 years	235,921,909	-
> 10 years	25,965,825	-
	362,609,173	-

As at December 31, 2018, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by \$4,030,469 or approximately 1.1%. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable. The Fund did not have significant direct currency risk exposure as at December 31, 2017.

Currency	December 31, 2018			
	Gross Currency Exposure (\$)	Currency Contracts (\$)	Net Exposure (\$)	Percentage of net assets (%)
US Dollar	276,860,011	(276,654,921)	205,090	0.1
British Pound	17,081,228	(17,802,389)	(721,161)	(0.2)
European Euro	77,692,075	(78,407,148)	(715,073)	(0.2)
	371,633,314	(372,864,458)	(1,231,144)	(0.3)

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could

possibly have decreased or increased, respectively, by \$123,114 or approximately 0.0% of net assets. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

The Fund did not have significant direct price risk exposure to equities, underlying funds, derivatives or commodities as at December 31, 2018 or December 31, 2017.

Credit risk

Below is a summary of the credit ratings of bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable. The Fund did not have significant direct credit risk exposure as at December 31, 2017.

Credit ratings	December 31, 2018		December 31, 2017	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
A-1+	4.2	4.3	-	-
BBB	7.8	7.9	-	-
BB	54.2	54.8	-	-
B	32.1	32.4	-	-
CCC	1.6	1.6	-	-
D	0.1	0.1	-	-
	100.0	101.1	-	-

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Argentina	0.3	-
Australia	0.5	-
Brazil	4.2	-
British Virgin Islands	0.5	-
Canada	1.7	-
Chile	0.8	-
Colombia	0.7	-
France	1.3	-
Germany	1.2	-
Ireland	1.1	-
Israel	1.5	-
Italy	2.1	-
Japan	0.4	-
Luxembourg	1.6	-
Mexico	0.5	-
Netherlands	3.3	-
Nigeria	0.3	-
Norway	0.6	-
Portugal	0.5	-
Sweden	0.7	-
Switzerland	0.5	-
Turkey	0.6	-
United Arab Emirates	0.4	-
United Kingdom	5.6	-
United States	70.1	-
Venezuela	0.1	-

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2018	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds and debentures	-	347,396,583	-	347,396,583
Money market instruments	-	15,379,992	-	15,379,992
Unrealized gain on currency forward contracts	-	857,797	-	857,797
	-	363,634,372	-	363,634,372
Unrealized loss on currency forward contracts	-	(15,180,369)	-	(15,180,369)
Unrealized loss on futures contracts	(167,402)	-	-	(167,402)
	(167,402)	348,454,003	-	348,286,601

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

Below is a summary of offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts, were to arise. No amounts were offset in the financial statements. As at December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

	December 31, 2018			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/ received (\$)	Net Amount (\$)
Financial assets – by type				
Currency forward contracts	857,797	(857,797)	-	-
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	857,797	(857,797)	-	-

	December 31, 2018			
	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/ received (\$)	Net Amount (\$)
Financial liabilities – by type				
Currency forward contracts	15,180,369	(857,797)	-	14,322,572
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	15,180,369	(857,797)	-	14,322,572

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

The accompanying notes are an integral part of the financial statements.

Scotia Private Strategic Balanced Pool

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STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	55,821,379	60,340,116
Cash	366,589	551,666
Subscriptions receivable	2,070	6,455
Accrued investment income and other	260,128	259,040
	<u>56,450,166</u>	<u>61,157,277</u>
LIABILITIES		
Current liabilities		
Financial liabilities at fair value through profit or loss (note 2)		
Derivatives	38,738	-
Payable for securities purchased	142,086	-
Redemptions payable	29,964	75,590
	<u>210,788</u>	<u>75,590</u>
Net assets attributable to holders of redeemable units	<u>56,239,378</u>	<u>61,081,687</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	55,143,909	59,855,309
Series F	1,095,469	1,226,378
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	17.62	18.53
Series F	17.84	18.76

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	1,128,339	973,333
Interest for distribution purposes	902,508	906,667
Net realized gain (loss) on non-derivative financial assets	134,961	863,307
Change in unrealized gain (loss) on non-derivative financial assets	(3,110,504)	(479,559)
Net realized gain (loss) on derivatives	(15,128)	12,566
Change in unrealized gain (loss) on derivatives	(38,738)	9,008
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	(998,562)	2,285,322
Securities lending (note 11)	3,010	10,490
Net realized and unrealized foreign currency translation gain (loss)	20,349	(3,564)
Total income (loss), net	<u>(975,203)</u>	<u>2,292,248</u>
EXPENSES		
Management fees (note 5)	11,760	10,181
Fixed administration fees (note 6)	179,401	175,931
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	290	144
Foreign withholding taxes/tax reclaims	12,886	12,211
Harmonized Sales Tax/Goods and Services Tax	19,076	19,072
Transaction costs	12,054	13,293
Total expenses	<u>236,716</u>	<u>231,967</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(1,211,919)</u>	<u>2,060,281</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	(1,180,137)	2,033,004
Series F	(31,782)	27,277
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT*		
Pinnacle Series	(0.36)	0.64
Series F	(0.50)	0.49
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	3,241,821	3,190,064
Series F	63,433	55,171

* The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

BALANCED FUND

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	59,855,309	56,419,693
Series F	1,226,378	791,596
	<u>61,081,687</u>	<u>57,211,289</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	(1,180,137)	2,033,004
Series F	(31,782)	27,277
	<u>(1,211,919)</u>	<u>2,060,281</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(1,745,439)	(1,632,655)
Series F	(23,992)	(20,365)
	<u>(1,769,431)</u>	<u>(1,653,020)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	13,509,731	15,103,724
Series F	60,143	707,999
Reinvested distributions		
Pinnacle Series	1,685,370	1,573,246
Series F	7,330	6,726
Payments on redemption		
Pinnacle Series	(16,980,925)	(13,641,703)
Series F	(142,608)	(286,855)
	<u>(1,860,959)</u>	<u>3,463,137</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	(4,711,400)	3,435,616
Series F	(130,909)	434,782
	<u>(4,842,309)</u>	<u>3,870,398</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	55,143,909	59,855,309
Series F	1,095,469	1,226,378
	<u>56,239,378</u>	<u>61,081,687</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(1,211,919)	2,060,281
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(134,961)	(863,307)
Change in unrealized (gain) loss on non-derivative financial assets	3,110,504	479,559
Change in unrealized (gain) loss on derivatives	38,738	(9,008)
Unrealized foreign currency translation (gain) loss	6	(654)
Purchases of non-derivative financial assets and liabilities	(34,628,840)	(27,476,052)
Proceeds from sale of non-derivative financial assets and liabilities	36,314,120	24,276,653
Accrued investment income and other	(1,088)	(3,411)
Accrued expenses and other payables	—	(538)
Net cash provided by (used in) operating activities	<u>3,486,560</u>	<u>(1,536,477)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	13,574,259	15,895,640
Amounts paid on redemption of redeemable units	(17,169,159)	(13,888,077)
Distributions to unitholders of redeemable units	(76,731)	(73,048)
Net cash provided by (used in) financing activities	<u>(3,671,631)</u>	<u>1,934,515</u>
Unrealized foreign currency translation gain (loss)	(6)	654
Net increase (decrease) in cash	(185,071)	398,038
Cash (bank overdraft), beginning of period	551,666	152,974
CASH (BANK OVERDRAFT), END OF PERIOD	<u>366,589</u>	<u>551,666</u>
Interest paid ⁽¹⁾	290	144
Interest received, net of withholding taxes ⁽¹⁾	913,306	916,841
Dividends received, net of withholding taxes ⁽¹⁾	1,103,568	947,535

⁽¹⁾ Classified as operating items.

Scotia Private Strategic Balanced Pool (Continued)

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SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)	Issuer	Face Value (\$)/ Number of Shares	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES – 47.7%				BONDS AND DEBENTURES (cont'd)			
Corporate Bonds – 18.5%				Corporate Bonds (cont'd)			
407 International Inc. (Callable) 2.43% Feb 04, 2027	50,000	49,982	47,716	Pembina Pipeline Corporation (Callable) 4.02% Dec 27, 2027	160,000	158,165	159,085
407 International Inc. (Callable) 3.30% Sep 27, 2044	40,000	40,041	36,780	Reliance LP (Callable) 3.84% Jan 15, 2025	140,000	139,997	137,668
407 International Inc. (Callable) 3.83% Nov 11, 2045	15,000	15,641	15,116	Reliance LP 4.08% Aug 02, 2021	90,000	91,152	91,450
407 International Inc. (Callable) 4.19% Jan 25, 2042	120,000	133,791	127,526	Rogers Communications Inc. (Callable) 4.00% Dec 13, 2023	250,000	255,780	256,468
Alectra Inc. (Callable) 2.49% Feb 17, 2027	105,000	105,000	100,707	Rogers Communications Inc. 4.00% Jun 06, 2022	350,000	383,320	359,062
AltaGas Ltd. (Callable) 3.57% Mar 12, 2023	105,000	105,426	103,691	Royal Bank of Canada 1.97% Mar 02, 2022	540,000	530,876	526,641
AltaGas Ltd. (Callable) 3.98% Jul 04, 2027	215,000	216,498	207,246	Royal Bank of Canada 3.30% Sep 26, 2023	175,000	175,000	175,807
AltaGas Ltd. (Callable) 4.12% Jan 07, 2026	50,000	49,972	49,398	Shaw Communications Inc. (Callable) 4.35% Oct 31, 2023	30,000	33,240	30,890
AltaLink L.P. (Callable) 4.05% May 21, 2044	90,000	102,060	94,256	Shaw Communications Inc. 5.50% Dec 07, 2020	160,000	189,040	167,301
AltaLink L.P. (Callable) 4.09% Dec 30, 2044	65,000	66,899	68,349	Sun Life Financial Inc. 4.57% Aug 23, 2021	90,000	104,869	94,075
Bank of Montreal 2.12% Mar 16, 2022	715,000	699,203	700,274	TELUS Corporation (Callable) 4.40% Jul 29, 2045	40,000	39,989	37,219
Bank of Montreal 2.70% Sep 11, 2024	80,000	79,990	78,839	TELUS Corporation (Callable) 4.75% Jul 17, 2044	100,000	109,728	98,375
Bank of Nova Scotia, The 2.29% Jun 28, 2024 ¹	95,000	94,994	91,666	TELUS Corporation 3.60% Jan 26, 2021	135,000	137,473	136,766
Bank of Nova Scotia, The 2.36% Nov 08, 2022 ¹	730,000	717,029	715,834	Teranet Holdings LP 4.81% Dec 16, 2020	305,000	330,967	313,722
Bell Canada (Callable) 2.70% Dec 27, 2023	60,000	59,932	57,937	Toronto-Dominion Bank, The 1.91% Jul 18, 2023	465,000	444,880	445,913
Bell Canada (Callable) 2.90% May 12, 2026	145,000	139,185	137,201	Toronto-Dominion Bank, The 3.23% Jul 24, 2024	170,000	180,011	172,435
Bell Canada (Callable) 3.15% Aug 29, 2021	390,000	401,624	391,077	TransCanada PipeLines Ltd. (Callable) 4.35% Dec 06, 2045	150,000	150,629	143,411
Bell Canada (Callable) 3.55% Dec 30, 2025	40,000	39,850	39,735	TransCanada PipeLines Ltd. 4.55% Nov 15, 2041	140,000	159,250	138,205
Bell Canada 3.54% Jun 12, 2020	310,000	330,407	313,369	Westcoast Energy Inc. 3.88% Oct 28, 2021	160,000	177,205	163,818
Cameco Corporation (Callable) 4.19% Mar 24, 2024	70,000	75,600	69,886			<u>10,753,229</u>	<u>10,409,688</u>
Cameco Corporation 3.75% Nov 14, 2022	35,000	37,023	34,803				
Canadian Imperial Bank of Commerce 2.47% Dec 05, 2022	555,000	546,119	546,096	Federal Bonds – 11.8%			
CCL Industries Inc. (Callable) 3.86% Jan 13, 2028	35,000	35,000	35,078	Canada Housing Trust No. 1 2.35% Jun 15, 2027	1,000,000	1,003,937	991,042
CU Inc. 4.54% Oct 24, 2041	110,000	130,865	121,699	Canada Housing Trust No. 1 (Floating Rate) 2.16% Sep 15, 2021	1,980,000	1,998,601	1,997,413
Enbridge Gas Distribution Inc. 4.04% Nov 23, 2020	190,000	209,302	194,831	Government of Canada 0.75% Mar 01, 2021	125,000	121,783	122,067
ENMAX Corporation (Callable) 3.81% Sep 05, 2024	110,000	117,322	113,378	Government of Canada 1.75% Sep 01, 2019	1,220,000	1,252,992	1,219,748
ENMAX Corporation (Callable) 3.84% Mar 05, 2028	50,000	50,000	51,049	Government of Canada Bonds 0.50% Mar 01, 2022	1,075,000	1,021,197	1,029,889
EPCOR Utilities Inc. 4.55% Feb 28, 2042	20,000	24,100	22,337	United States Treasury Notes 3.13% May 15, 2048	USD 895,000	1,145,159	1,248,999
Fair Hydro Trust (Callable) 3.36% Nov 15, 2032	145,000	145,004	147,032			<u>6,543,669</u>	<u>6,609,158</u>
FortisAlberta Inc. 4.54% Oct 18, 2041	40,000	48,480	44,510	Provincial Bonds – 17.4%			
FortisBC Energy Inc. (Callable) 3.38% Oct 13, 2044	25,000	25,000	23,434	Province of Alberta 2.35% Jun 01, 2025	1,070,000	1,037,399	1,049,301
FortisBC Energy Inc. 5.80% May 13, 2038	20,000	27,840	25,564	Province of Alberta 3.45% Dec 01, 2043	160,000	163,619	164,160
Greater Toronto Airports Authority 3.26% Jun 01, 2037	35,000	34,976	33,909	Province of British Columbia 4.30% Jun 18, 2042	355,000	451,825	426,644
Greater Toronto Airports Authority 6.47% Feb 02, 2034	145,000	205,265	195,102	Province of Manitoba 5.70% Mar 05, 2037	410,000	600,357	544,455
Great-West Lifeco Inc. 3.34% Feb 28, 2028	50,000	50,000	50,250	Province of New Brunswick 4.55% Mar 26, 2037	450,000	574,593	522,009
Hydro One Inc. 3.20% Jan 13, 2022	40,000	44,140	40,435	Province of Ontario 2.60% Jun 02, 2025	975,000	964,285	973,234
Hydro One Inc. 4.39% Sep 26, 2041	195,000	221,684	209,583	Province of Ontario 2.60% Jun 02, 2027	1,095,000	1,062,334	1,080,096
Hydro One Inc. 6.03% Mar 03, 2039	50,000	73,299	64,971	Province of Ontario 2.85% Jun 02, 2023	2,200,000	2,386,734	2,236,111
Inter Pipeline Ltd. (Callable) 2.61% Jul 13, 2023	210,000	203,740	201,391	Province of Ontario 3.15% Jun 02, 2022	415,000	444,539	426,072
Inter Pipeline Ltd. (Callable) 2.73% Feb 18, 2024	40,000	40,000	38,132	Province of Ontario 3.45% Jun 02, 2045	720,000	774,460	751,405
Inter Pipeline Ltd. (Callable) 3.17% Dec 24, 2024	60,000	57,479	57,848	Province of Ontario 4.70% Jun 02, 2037	50,000	61,685	60,766
Inter Pipeline Ltd. (Callable) 3.48% Sep 16, 2026	150,000	151,820	144,402	Province of Ontario 3.50% Dec 01, 2045	1,170,000	1,243,285	1,243,840
Keyera Corp. (Callable) 3.93% Mar 21, 2028	50,000	50,000	49,245	Province of Quebec 5.00% Dec 01, 2038	35,000	44,755	44,738
Loblaw Companies Limited 6.15% Jan 29, 2035	130,000	165,815	151,338	Province of Saskatchewan 4.75% Jun 01, 2040	205,000	282,941	252,427
Metro Inc., Series G (Callable) 3.39% Sep 06, 2027	165,000	164,903	157,993			<u>10,092,811</u>	<u>9,775,258</u>
National Bank of Canada 1.81% Jul 26, 2021	185,000	185,039	180,727	TOTAL BONDS AND DEBENTURES			
North West Redwater Partnership / NWR Financing Co., Ltd. (Callable) 2.10% Jan 23, 2022	145,000	143,043	140,979			<u>27,389,709</u>	<u>26,794,104</u>
North West Redwater Partnership / NWR Financing Co., Ltd. (Callable) 3.70% Aug 23, 2042	25,000	24,909	23,242	EQUITIES – 51.3%			
North West Redwater Partnership / NWR Financing Co., Ltd. (Callable) 4.05% Jan 24, 2044	50,000	55,850	49,105	Communication Services – 7.6%			
North West Redwater Partnership / NWR Financing Co., Ltd. (Callable) 4.15% Dec 01, 2032	30,000	29,924	30,641	BCE Inc.	25,391	1,437,422	1,369,336
North West Redwater Partnership / NWR Financing Co., Ltd. (Callable) 4.25% Mar 01, 2029	50,000	49,861	52,187	Rogers Communications, Inc., Class B	13,215	686,436	924,521
Nova Scotia Power Inc. 4.15% Mar 06, 2042	45,000	50,558	46,322	Shaw Communications, Inc., Class B	30,740	819,939	759,585
Nova Scotia Power Inc. 5.61% Jun 15, 2040	30,000	40,174	37,161	TELUS Corporation	12,645	533,211	572,186
				Verizon Communications Inc.	8,535	527,008	654,550
						<u>4,004,016</u>	<u>4,280,178</u>

BALANCED FUND

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares/ Face Value (\$)	Average Cost (\$)	Carrying Value (\$)	
EQUITIES (cont'd)				EQUITIES (cont'd)				
Consumer Staples – 4.1%				Materials – 1.4%				
Metro Inc., Class A	21,340	819,048	1,010,236	Nutrien Ltd.	12,047	658,847	772,454	
North West Company Inc.	19,724	529,071	619,728	Real Estate – 5.0%				
Procter & Gamble Company, The	5,575	589,197	699,042	Brookfield Property Partners LP	40,210	1,086,588	885,424	
		<u>1,937,316</u>	<u>2,329,006</u>	Cominar Real Estate Investment Trust	48,205	593,414	539,896	
Energy – 9.7%				Dream Industrial Real Estate Investment Trust	15,600	102,420	148,512	
ARC Resources Ltd.	78,420	1,135,377	635,202	H&R Real Estate Investment Trust	26,235	518,754	541,753	
Canadian Natural Resources Ltd.	24,253	841,296	798,894	RioCan Real Estate Investment Trust	29,400	801,740	699,720	
Cenovus Energy Inc.	63,895	1,105,642	613,392			<u>3,102,916</u>	<u>2,815,305</u>	
Crescent Point Energy Corp.	135,178	1,248,305	559,637	Utilities – 3.2%				
Enbridge Inc.	35,024	1,566,304	1,485,368	Brookfield Renew Energy Partners LP	9,005	311,036	318,327	
Enerplus Corporation	25,755	230,753	273,518	Hydro One Limited	47,640	1,050,599	964,710	
Husky Energy Inc.	26,311	480,794	371,248	Superior Plus Corp.	51,288	588,950	496,468	
Inter Pipeline Ltd.	37,075	894,432	717,031			<u>1,950,585</u>	<u>1,779,505</u>	
		<u>7,502,903</u>	<u>5,454,290</u>	TOTAL EQUITIES			<u>29,176,686</u>	<u>28,828,117</u>
Financials – 16.0%				MONEY MARKET INSTRUMENTS – 0.4%				
Bank of Montreal	7,560	463,120	674,276	Treasury Bills – 0.4%				
Bank of Nova Scotia, The†	15,950	905,088	1,085,398	Government of Canada 0.00% Apr 04, 2019	200,000	199,058	199,158	
Canadian Imperial Bank of Commerce	5,215	417,867	530,261	Transaction Costs		(25,212)		
Intact Financial Corporation	9,660	838,487	958,175	TOTAL INVESTMENT PORTFOLIO		<u>56,740,241</u>	55,821,379	
Laurentian Bank of Canada	15,078	696,600	574,019	Unrealized Gain (Loss) on Derivatives – (0.1%)			(38,738)	
Manulife Financial Corporation	28,260	607,786	547,396	OTHER ASSETS, LESS LIABILITIES – 0.7%			456,737	
Power Financial Corporation	49,924	1,596,832	1,289,537	NET ASSETS – 100.0%			<u>56,239,378</u>	
Royal Bank of Canada	15,225	895,226	1,422,624					
Sun Life Financial Inc.	11,275	485,227	510,645					
Toronto-Dominion Bank, The	20,845	1,032,875	1,414,542					
		<u>7,939,108</u>	<u>9,006,873</u>					
Health Care – 4.3%								
Chartwell Retirement Residences	40,210	581,988	549,671					
GlaxoSmithKline PLC – ADR	14,105	768,266	735,189					
Johnson & Johnson	2,555	269,584	449,777					
Pfizer Inc.	11,015	461,157	655,869					
		<u>2,080,995</u>	<u>2,390,506</u>					

Instruments with a 0.00% stated interest rate are purchased at a discount to face value. The discount represents the implied effective interest.

† Investment in related party (note 10)

SCHEDULE OF DERIVATIVE INSTRUMENTS

UNREALIZED LOSS ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Loss (\$)
Bank of Nova Scotia, The	A-1	Jan. 10, 2019	Canadian Dollar	307,662	US Dollar	235,000	0.764	0.733	(12,886)
Bank of Nova Scotia, The	A-1	Jan. 10, 2019	Canadian Dollar	355,698	US Dollar	270,000	0.759	0.733	(12,591)
Bank of Nova Scotia, The	A-1	Feb. 07, 2019	Canadian Dollar	423,104	US Dollar	320,000	0.756	0.733	(13,261)
									(38,738)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns through a combination of capital growth and income by investing primarily in large capitalization stocks of Canadian corporations and Canadian government bonds. The weighting of the fund's portfolio will be allocated between asset classes within specified ranges: 40%-80% equities, 20%-60% fixed income securities, and 0%-30% short-term money market securities and cash.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

Below is a summary of the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	December 31, 2018 (\$)	December 31, 2017 (\$)
Less than 1 year	1,418,906	598,366
1-3 years	4,166,616	6,328,867
3-5 years	7,682,998	5,623,681
5-10 years	6,427,925	9,590,499
> 10 years	7,296,817	6,892,565
	26,993,262	29,033,978

As at December 31, 2018, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by \$466,493 or approximately 0.8% (December 31, 2017 – \$505,748 or approximately 0.8%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

Currency	December 31, 2018			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	4,458,149	(1,125,202)	3,332,947	5.9
	4,458,149	(1,125,202)	3,332,947	5.9

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	3,323,046	–	3,323,046	5.4
	3,323,046	–	3,323,046	5.4

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$333,295 or approximately 0.6% of net assets (December 31, 2017 – \$332,395 or approximately 0.5%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 51.3% (December 31, 2017 – 51.2%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$2,882,812 (December 31, 2017 – \$3,130,614). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

Below is a summary of the credit ratings of bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

Credit Ratings	December 31, 2018		December 31, 2017	
	Percentage of total credit rate instruments debentures (%)	Percentage of net assets (%)	Percentage of total credit rate instruments debentures (%)	Percentage of net assets (%)
	AAA/A-1+	26.8	12.9	38.9
AA	14.0	6.7	16.8	8.0
A	39.9	19.2	29.0	13.9
BBB	17.9	8.6	15.3	7.3
BB	1.4	0.7	–	–
	100.0	48.1	100.0	47.6

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset

FUND SPECIFIC NOTES

For the periods indicated in Note 1

type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Communication Services	7.6	-
Consumer Discretionary	-	1.4
Consumer Staples	4.1	2.2
Corporate Bonds	18.5	17.1
Energy	9.7	9.8
Federal Bonds	11.8	16.9
Financials	16.0	18.4
Health Care	4.3	3.8
Materials	1.4	1.9
Provincial Bonds	17.4	12.6
Real Estate	5.0	5.0
Telecommunication Services	-	5.9
Treasury Bills	0.4	1.0
Utilities	3.2	2.8

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2018	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	28,828,117	-	-	28,828,117
Bonds and debentures	-	26,794,104	-	26,794,104
Money market instruments	-	199,158	-	199,158
	28,828,117	26,993,262	-	55,821,379
Unrealized loss on currency forward contracts	-	(38,738)	-	(38,738)
	28,828,117	26,954,524	-	55,782,641

December 31, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	31,306,138	-	-	31,306,138
Bonds and debentures	-	28,435,612	-	28,435,612
Money market instruments	-	598,366	-	598,366
	31,306,138	29,033,978	-	60,340,116

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

Below is a summary of offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts, were to arise. No amounts were offset in the financial statements. As at December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Financial assets – by type	December 31, 2018			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	-	-	-	-
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	-	-	-	-

Financial liabilities – by type	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	38,738	-	-	38,738
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	38,738	-	-	38,738

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

The accompanying notes are an integral part of the financial statements.

Scotia Private Canadian Value Pool

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	181,404,118	212,354,568
Cash	39,552	3,875
Subscriptions receivable	63,351	1,670,545
Accrued investment income and other	769,611	622,813
	<u>182,276,632</u>	<u>214,651,801</u>
LIABILITIES		
Current liabilities		
Redemptions payable	42,829	144,464
	<u>42,829</u>	<u>144,464</u>
Net assets attributable to holders of redeemable units	<u>182,233,803</u>	<u>214,507,337</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	177,715,020	207,303,946
Series F	843,129	1,021,957
Series I	3,675,654	6,181,434
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	21.62	25.08
Series F	21.45	25.03
Series I	22.08	25.81

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	6,325,614	5,774,609
Interest for distribution purposes	93,385	23,432
Net realized gain (loss) on non-derivative financial assets	10,710,405	12,104,276
Change in unrealized gain (loss) on non-derivative financial assets	(38,716,805)	3,725,119
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	(21,587,401)	21,627,436
Securities lending (note 11)	10,213	15,100
Net realized and unrealized foreign currency translation gain (loss)	578	21
Other income	-	827
Total income (loss), net	<u>(21,576,610)</u>	<u>21,643,384</u>
EXPENSES		
Management fees (note 5)	9,129	8,410
Fixed administration fees (note 6)	299,420	290,027
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	288	1,386
Foreign withholding taxes/tax reclaims	-	3,821
Harmonized Sales Tax/Goods and Services Tax	29,565	28,580
Transaction costs	144,684	186,442
Total expenses	<u>484,335</u>	<u>519,801</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(22,060,945)</u>	<u>21,123,583</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	(21,404,262)	20,289,400
Series F	(124,803)	90,237
Series I	(531,880)	743,946
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Pinnacle Series	(2.66)	2.54
Series F	(3.31)	2.53
Series I	(2.73)	2.61
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	8,031,957	7,990,111
Series F	37,705	35,732
Series I	195,001	285,345

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	207,303,946	188,236,198
Series F	1,021,957	854,641
Series I	6,181,434	7,492,398
	<u>214,507,337</u>	<u>196,583,237</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	(21,404,262)	20,289,400
Series F	(124,803)	90,237
Series I	(531,880)	743,946
	<u>(22,060,945)</u>	<u>21,123,583</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(5,707,501)	(5,162,771)
Series F	(18,261)	(16,025)
Series I	(124,743)	(166,136)
	<u>(5,850,505)</u>	<u>(5,344,932)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	40,669,804	38,858,936
Series F	269,948	246,122
Series I	2,100	41,000
Reinvested distributions		
Pinnacle Series	5,681,601	5,140,076
Series F	13,306	10,486
Series I	124,743	166,136
Payments on redemption		
Pinnacle Series	(48,828,568)	(40,057,893)
Series F	(319,018)	(163,504)
Series I	(1,976,000)	(2,095,910)
	<u>(4,362,084)</u>	<u>2,145,449</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	(29,588,926)	19,067,748
Series F	(178,828)	167,316
Series I	(2,505,780)	(1,310,964)
	<u>(32,273,534)</u>	<u>17,924,100</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	177,715,020	207,303,946
Series F	843,129	1,021,957
Series I	3,675,654	6,181,434
	<u>182,233,803</u>	<u>214,507,337</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(22,060,945)	21,123,583
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(10,710,405)	(12,104,276)
Change in unrealized (gain) loss on non-derivative financial assets	38,716,805	(3,725,119)
Unrealized foreign currency translation (gain) loss	209	(104)
Purchases of non-derivative financial assets and liabilities	(89,290,486)	(119,580,944)
Proceeds from sale of non-derivative financial assets and liabilities	92,234,536	118,815,739
Accrued investment income and other	(146,798)	1,478
Accrued expenses and other payables	–	(886)
Net cash provided by (used in) operating activities	<u>8,742,916</u>	<u>4,529,471</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	42,549,046	37,743,916
Amounts paid on redemption of redeemable units	(51,225,221)	(42,290,737)
Distributions to unitholders of redeemable units	(30,855)	(28,233)
Net cash provided by (used in) financing activities	<u>(8,707,030)</u>	<u>(4,575,054)</u>
Unrealized foreign currency translation gain (loss)	(209)	104
Net increase (decrease) in cash	35,886	(45,583)
Cash (bank overdraft), beginning of period	3,875	49,354
CASH (BANK OVERDRAFT), END OF PERIOD	<u>39,552</u>	<u>3,875</u>
Interest paid ⁽¹⁾	288	1,386
Interest received, net of withholding taxes ⁽¹⁾	93,385	23,466
Dividends received, net of withholding taxes ⁽¹⁾	6,178,815	5,772,232

⁽¹⁾ Classified as operating items.

Scotia Private Canadian Value Pool (Continued)

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SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 99.1%				MONEY MARKET INSTRUMENTS – 0.5%			
Communication Services – 6.8%				Treasury Bills – 0.5%			
BCE Inc.	26,100	1,228,293	1,407,573	Government of Canada 0.00% Feb 07, 2019	400,000	398,603	399,329
Rogers Communications, Inc., Class B	87,400	3,999,783	6,114,504	Government of Canada 0.00% Mar 07, 2019	600,000	598,154	598,254
TELUS Corporation	106,500	3,520,301	4,819,125			996,757	997,583
		<u>8,748,377</u>	<u>12,341,202</u>	TOTAL MONEY MARKET INSTRUMENTS		<u>996,757</u>	<u>997,583</u>
Consumer Discretionary – 3.8%				Transaction Costs		(250,386)	
Gildan Activewear Inc.	41,700	1,272,118	1,728,048	TOTAL INVESTMENT PORTFOLIO	<u>179,608,925</u>		181,404,118
Magna International Inc.	62,600	3,328,379	3,879,322	OTHER ASSETS, LESS LIABILITIES – 0.4%			<u>829,685</u>
Uni-Select Inc.	70,400	1,496,272	1,366,464	NET ASSETS – 100.0%			<u>182,233,803</u>
		<u>6,096,769</u>	<u>6,973,834</u>				
Energy – 15.6%							
Cameco Corporation	95,600	1,227,924	1,479,888	Instruments with a 0.00% stated interest rate are purchased at a discount to face value. The discount represents the implied effective interest.			
Canadian Natural Resources Ltd.	192,000	6,777,699	6,324,480	† Investment in related party (note 10)			
Cenovus Energy Inc.	285,100	5,053,774	2,736,960				
Crescent Point Energy Corp.	484,400	4,509,034	2,005,416				
Enbridge Inc.	86,500	4,278,465	3,668,465				
Suncor Energy, Inc.	110,414	3,557,714	4,210,086				
TransCanada Corporation	139,300	7,352,358	6,790,875				
Trican Well Service Ltd.	950,160	2,865,639	1,130,690				
		<u>35,622,607</u>	<u>28,346,860</u>				
Financials – 42.3%							
Bank of Montreal	32,300	3,075,061	2,880,837				
Bank of Nova Scotia, The†	178,300	11,243,470	12,133,314				
Canadian Imperial Bank of Commerce	99,000	8,396,877	10,066,320				
CI Financial Corp.	169,300	4,549,424	2,925,504				
ECN Capital Corporation	495,300	1,661,586	1,708,785				
Element Fleet Management Corp.	427,400	4,271,743	2,953,334				
Manulife Financial Corporation	237,480	4,959,364	4,599,988				
Power Corporation of Canada	223,600	6,849,349	5,484,908				
Royal Bank of Canada	187,300	12,954,085	17,501,312				
Toronto-Dominion Bank, The	247,000	11,796,065	16,761,420				
		<u>69,757,024</u>	<u>77,015,722</u>				
Industrials – 11.1%							
Canadian National Railway Company	94,500	6,114,930	9,554,895				
Canadian Pacific Railway Limited	25,000	4,773,039	6,056,000				
WestJet Airlines Ltd.	255,200	5,645,668	4,593,600				
		<u>16,533,637</u>	<u>20,204,495</u>				
Information Technology – 1.0%							
Celestica Inc.	148,900	1,976,136	1,780,844				
Materials – 15.2%							
Barrick Gold Corporation	145,600	3,356,239	2,683,408				
Detour Gold Corporation	115,700	1,232,773	1,334,021				
Goldcorp, Inc.	335,100	5,990,565	4,480,287				
Lundin Mining Corporation	501,200	2,877,960	2,826,768				
Major Drilling Group International Inc.	342,100	2,469,136	1,573,660				
Methanex Corporation	33,200	2,479,822	2,179,912				
Nutrien Ltd.	137,677	9,031,870	8,827,849				
Sherritt International Corporation	1,522,700	3,074,232	685,215				
Teck Resources Ltd., Class B	105,300	3,075,372	3,094,767				
		<u>33,587,969</u>	<u>27,685,887</u>				
Real Estate – 2.0%							
Cominar Real Estate Investment Trust	114,700	1,215,092	1,284,640				
H&R Real Estate Investment Trust	112,600	2,259,969	2,325,190				
		<u>3,475,061</u>	<u>3,609,830</u>				
Utilities – 1.3%							
TransAlta Corporation	437,900	3,064,974	2,447,861				
TOTAL EQUITIES		<u>178,862,554</u>	<u>180,406,535</u>				

CANADIAN EQUITY FUNDS

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns through capital growth by investing primarily in securities of Canadian corporations.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

Below is a summary of the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	December 31, 2018 (\$)	December 31, 2017 (\$)
Less than 1 year	997,583	4,645,308
1-3 years	—	—
3-5 years	—	—
5-10 years	—	—
> 10 years	—	—
	997,583	4,645,308

As at December 31, 2018, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by nil or approximately 0.0% (December 31, 2017 – \$1,246 or approximately 0.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

Currency	December 31, 2018			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	14,945	—	14,945	0.0
	14,945	—	14,945	0.0
Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	6,262	—	6,262	0.0
	6,262	—	6,262	0.0

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net

assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$1,495 or approximately 0.0% of net assets (December 31, 2017 – \$626 or approximately 0.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 99.0% (December 31, 2017 – 96.8%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$18,040,654 (December 31, 2017 – \$20,770,926). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

Below is a summary of the credit ratings of bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

Credit ratings	December 31, 2018		December 31, 2017	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
A-1+	100.0	0.5	100.0	2.2
	100.0	0.5	100.0	2.2

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Communication Services	6.8	—
Consumer Discretionary	3.8	4.8
Energy	15.6	17.1
Financials	42.3	42.6
Industrials	11.1	9.8
Information Technology	1.0	0.7
Materials	15.2	14.8
Real Estate	2.0	0.5
Telecommunication Services	—	5.2
Treasury Bills	0.5	2.2
Utilities	1.3	1.3

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2018	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	180,406,535	-	-	180,406,535
Money market instruments	-	997,583	-	997,583
	180,406,535	997,583	-	181,404,118

December 31, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	207,709,260	-	-	207,709,260
Money market instruments	-	4,645,308	-	4,645,308
	207,709,260	4,645,308	-	212,354,568

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	114,150,213	104,679,558
Cash	3,028,194	749,901
Subscriptions receivable	65,946	872,497
Accrued investment income and other	342,839	296,728
	<u>117,587,192</u>	<u>106,598,684</u>
LIABILITIES		
Current liabilities		
Redemptions payable	14,566	61,542
	<u>14,566</u>	<u>61,542</u>
Net assets attributable to holders of redeemable units	<u>117,572,626</u>	<u>106,537,142</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	88,087,096	88,853,798
Series F	427,481	365,594
Series I	29,058,049	17,317,750
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	18.43	20.89
Series F	18.27	20.73
Series I	18.80	21.31

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	3,450,355	2,105,359
Interest for distribution purposes	181,763	250,835
Net realized gain (loss) on non-derivative financial assets	(419,956)	5,297,052
Change in unrealized gain (loss) on non-derivative financial assets	(15,053,265)	(5,679,614)
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	(11,841,103)	1,973,632
Securities lending (note 11)	104,890	34,503
Net realized and unrealized foreign currency translation gain (loss)	(1,117)	(32,838)
Other income	-	179
Total income (loss), net	<u>(11,737,330)</u>	<u>1,975,476</u>
EXPENSES		
Management fees (note 5)	4,086	3,061
Fixed administration fees (note 6)	260,837	204,984
Independent Review Committee fees	1,249	1,135
Harmonized Sales Tax/Goods and Services Tax	26,650	21,083
Transaction costs	84,890	407,847
Total expenses	<u>377,712</u>	<u>638,110</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(12,115,042)</u>	<u>1,337,366</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	(9,572,323)	1,074,715
Series F	(50,618)	8
Series I	(2,492,101)	262,643
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Pinnacle Series	(1.97)	0.28
Series F	(2.52)	0.00
Series I	(2.17)	0.38
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	4,863,879	3,836,479
Series F	20,052	14,814
Series I	<u>1,148,152</u>	<u>695,149</u>

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

Scotia Private Canadian Mid Cap Pool (Continued)

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	88,853,798	76,587,808
Series F	365,594	282,570
Series I	17,317,750	11,215,500
	<u>106,537,142</u>	<u>88,085,878</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	(9,572,323)	1,074,715
Series F	(50,618)	8
Series I	(2,492,101)	262,643
	<u>(12,115,042)</u>	<u>1,337,366</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(2,361,701)	(1,600,523)
Series F	(8,281)	(3,447)
Series I	(797,351)	(339,265)
From net realized gains on investments		
Pinnacle Series	—	(2,077,705)
Series F	—	(8,134)
Series I	—	(403,563)
	<u>(3,167,333)</u>	<u>(4,432,637)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	36,420,341	22,111,317
Series F	207,001	177,077
Series I	15,362,725	8,721,357
Reinvested distributions		
Pinnacle Series	2,346,732	3,659,724
Series F	7,118	8,719
Series I	797,351	742,828
Payments on redemption		
Pinnacle Series	(27,599,751)	(10,901,538)
Series F	(93,333)	(91,199)
Series I	(1,130,325)	(2,881,750)
	<u>26,317,859</u>	<u>21,546,535</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	(766,702)	12,265,990
Series F	61,887	83,024
Series I	11,740,299	6,102,250
	<u>11,035,484</u>	<u>18,451,264</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	88,087,096	88,853,798
Series F	427,481	365,594
Series I	29,058,049	17,317,750
	<u>117,572,626</u>	<u>106,537,142</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(12,115,042)	1,337,366
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	419,956	(5,297,052)
Change in unrealized (gain) loss on non-derivative financial assets	15,053,265	5,679,614
Purchases of non-derivative financial assets and liabilities	(87,473,189)	(148,340,845)
Proceeds from sale of non-derivative financial assets and liabilities	62,529,314	130,980,407
Accrued investment income and other	(46,111)	(176,884)
Accrued expenses and other payables	—	(591)
Net cash provided by (used in) operating activities	<u>(21,631,807)</u>	<u>(15,817,985)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	52,796,618	30,271,829
Amounts paid on redemption of redeemable units	(28,870,385)	(13,859,457)
Distributions to unitholders of redeemable units	(16,133)	(21,365)
Net cash provided by (used in) financing activities	<u>23,910,100</u>	<u>16,391,007</u>
Net increase (decrease) in cash	2,278,293	573,022
Cash (bank overdraft), beginning of period	749,901	176,879
CASH (BANK OVERDRAFT), END OF PERIOD	<u>3,028,194</u>	<u>749,901</u>
Interest received, net of withholding taxes ⁽¹⁾	181,763	250,938
Dividends received, net of withholding taxes ⁽¹⁾	3,404,244	1,928,374

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares/ Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 89.4%			
Consumer Staples – 7.8%			
Cott Corporation	270,708	4,646,943	5,146,159
Premium Brands Holdings Corporation	54,236	5,318,905	4,060,107
		<u>9,965,848</u>	<u>9,206,266</u>
Energy – 23.2%			
Birchcliff Energy Ltd.	677,933	3,190,524	2,060,916
CES Energy Solutions Corp.	1,207,019	5,628,284	3,802,110
Freehold Royalties Ltd.	322,997	4,193,164	2,671,185
Gibson Energy Inc.	242,248	4,377,500	4,525,193
Keyera Corp.	93,100	3,723,807	2,402,911
Parkland Fuel Corporation	122,965	3,713,681	4,345,583
Tidewater Midstream and Infrastructure Ltd.	2,549,990	3,525,635	3,314,987
Vermilion Energy, Inc.	98,716	4,312,188	2,839,072
Whitecap Resources Inc.	289,078	2,782,815	1,257,489
		<u>35,447,598</u>	<u>27,219,446</u>
Financials – 14.4%			
Brookfield Asset Management Inc., Class A	58,220	2,995,630	3,046,070
Industrial Alliance Insurance and Financial Services Inc.	76,655	3,918,676	3,339,858
Intact Financial Corporation	43,894	4,007,994	4,353,846
Sun Life Financial Inc.	74,258	3,958,259	3,363,145
Toronto-Dominion Bank, The	42,445	2,805,935	2,880,318
		<u>17,686,494</u>	<u>16,983,237</u>
Industrials – 22.5%			
Aecon Group Inc.	241,014	3,736,989	4,244,257
Badger Daylighting Ltd.	104,236	2,543,361	3,361,611
Boyd Group Income Fund	33,405	3,019,410	3,773,095
Cargojet Inc.	55,334	2,551,829	3,917,094
Finning International Inc.	135,768	4,222,960	3,231,278
Morneau Shepell, Inc.	159,745	3,421,481	4,000,015
Stantec Inc.	132,229	4,243,287	3,954,969
		<u>23,739,317</u>	<u>26,482,319</u>
Information Technology – 3.9%			
Open Text Corporation	104,309	3,860,466	4,641,751
Materials – 7.7%			
HudBay Minerals, Inc.	290,092	2,538,670	1,873,994
Intertape Polymer Group Inc.	250,620	5,542,741	4,240,490
Lundin Mining Corporation	524,614	3,958,753	2,958,823
		<u>12,040,164</u>	<u>9,073,307</u>
Real Estate – 3.9%			
Canadian Apartment Properties Real Estate Investment Trust	102,369	3,354,321	4,534,947
Utilities – 6.0%			
Algonquin Power & Utilities Corp.	252,630	3,595,223	3,468,610
Boralex Inc.	212,470	4,265,631	3,577,995
		<u>7,860,854</u>	<u>7,046,605</u>
TOTAL EQUITIES		<u>113,955,062</u>	<u>105,187,878</u>
MONEY MARKET INSTRUMENTS – 7.6%			
Treasury Bills – 7.6%			
Government of Canada 0.00% Apr 04, 2019	9,000,000	8,959,770	8,962,335
TOTAL MONEY MARKET INSTRUMENTS		<u>8,959,770</u>	<u>8,962,335</u>
Transaction Costs		(156,905)	
TOTAL INVESTMENT PORTFOLIO		<u>122,757,927</u>	<u>114,150,213</u>
OTHER ASSETS, LESS LIABILITIES – 3.0%			<u>3,422,413</u>
NET ASSETS – 100.0%			<u>117,572,626</u>

Instruments with a 0.00% stated interest rate are purchased at a discount to face value. The discount represents the implied effective interest.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns through capital growth by investing primarily in stocks of small and medium capitalization Canadian corporations.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

Below is a summary of the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	December 31, 2018 (\$)	December 31, 2017 (\$)
Less than 1 year	8,962,335	2,495,580
1-3 years	-	-
3-5 years	-	-
5-10 years	-	-
> 10 years	-	-
	8,962,335	2,495,580

As at December 31, 2018, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by nil or approximately 0.0% (December 31, 2017 – \$1,176 or approximately 0.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk

The Fund did not have significant direct currency risk exposure as at December 31, 2018 or December 31, 2017.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 89.4% (December 31, 2017 – 95.9%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$10,518,788 (December 31, 2017 – \$10,218,398). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

Below is a summary of the credit ratings of bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

Credit ratings	December 31, 2018		December 31, 2017	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
A-1+	100.0	7.6	100.0	2.3
	100.0	7.6	100.0	2.3

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Consumer Discretionary	-	3.8
Consumer Staples	7.8	5.2
Energy	23.2	24.7
Financials	14.4	12.7
Industrials	22.5	21.9
Information Technology	3.9	3.5
Materials	7.7	10.7
Real Estate	3.9	6.1
Telecommunication Services	-	2.2
Treasury Bills	7.6	2.3
Utilities	6.0	5.1

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	105,187,878	-	-	105,187,878
Money market instruments	-	8,962,335	-	8,962,335
	105,187,878	8,962,335	-	114,150,213

December 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	102,183,978	-	-	102,183,978
Money market instruments	-	2,495,580	-	2,495,580
	102,183,978	2,495,580	-	104,679,558

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia Private Canadian Growth Pool

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STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	202,758,437	236,264,714
Cash	168,182	20,769
Subscriptions receivable	71,591	2,196,401
Accrued investment income and other	487,304	411,531
	<u>203,485,514</u>	<u>238,893,415</u>
LIABILITIES		
Current liabilities		
Redemptions payable	59,839	170,587
	<u>59,839</u>	<u>170,587</u>
Net assets attributable to holders of redeemable units	<u>203,425,675</u>	<u>238,722,828</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	197,477,001	229,410,480
Series F	1,051,819	1,077,672
Series I	4,896,855	8,234,676
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	15.94	17.66
Series F	16.05	17.93
Series I	16.16	18.08

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	5,075,489	5,016,030
Interest for distribution purposes	80,163	23,154
Net realized gain (loss) on non-derivative financial assets	8,771,591	9,663,576
Change in unrealized gain (loss) on non-derivative financial assets	(29,856,263)	4,122,649
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	(15,929,020)	18,825,409
Securities lending (note 11)	3,780	4,341
Net realized and unrealized foreign currency translation gain (loss)	1,543	193
Other income	-	1,139
Total income (loss), net	<u>(15,923,697)</u>	<u>18,831,082</u>
EXPENSES		
Management fees (note 5)	10,662	8,520
Fixed administration fees (note 6)	331,903	318,514
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	490	265
Harmonized Sales Tax/Goods and Services Tax	34,004	32,447
Transaction costs	65,364	110,794
Total expenses	<u>443,672</u>	<u>471,675</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(16,367,369)</u>	<u>18,359,407</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	(15,771,956)	17,502,880
Series F	(114,242)	76,605
Series I	(481,171)	779,922
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Pinnacle Series	(1.28)	1.41
Series F	(1.90)	1.52
Series I	(1.32)	1.43
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	12,362,178	12,449,066
Series F	60,241	50,498
Series I	363,488	543,862

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	229,410,480	198,725,944
Series F	1,077,672	793,118
Series I	8,234,676	10,008,304
	<u>238,722,828</u>	<u>209,527,366</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	(15,771,956)	17,502,880
Series F	(114,242)	76,605
Series I	(481,171)	779,922
	<u>(16,367,369)</u>	<u>18,359,407</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(4,511,565)	(4,160,863)
Series F	(13,625)	(10,140)
Series I	(121,063)	(164,742)
	<u>(4,646,253)</u>	<u>(4,335,745)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	45,259,599	45,959,657
Series F	308,754	285,794
Series I	-	137,600
Reinvested distributions		
Pinnacle Series	4,488,872	4,142,725
Series F	10,106	6,559
Series I	121,063	164,742
Payments on redemption		
Pinnacle Series	(61,398,429)	(32,759,863)
Series F	(216,846)	(74,264)
Series I	(2,856,650)	(2,691,150)
	<u>(14,283,531)</u>	<u>15,171,800</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	(31,933,479)	30,684,536
Series F	(25,853)	284,554
Series I	(3,337,821)	(1,773,628)
	<u>(35,297,153)</u>	<u>29,195,462</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	197,477,001	229,410,480
Series F	1,051,819	1,077,672
Series I	4,896,855	8,234,676
	<u>203,425,675</u>	<u>238,722,828</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(16,367,369)	18,359,407
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(8,771,591)	(9,663,576)
Change in unrealized (gain) loss on non-derivative financial assets	29,856,263	(4,122,649)
Other non-cash transactions	-	(21,864)
Purchases of non-derivative financial assets and liabilities	(1,308,259,818)	(705,134,113)
Proceeds from sale of non-derivative financial assets and liabilities	1,320,681,423	691,628,441
Accrued investment income and other	(75,773)	(150,325)
Accrued expenses and other payables	-	(936)
	<u>17,063,135</u>	<u>(9,105,615)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	47,693,163	44,530,904
Amounts paid on redemption of redeemable units	(64,582,673)	(35,419,666)
Distributions to unitholders of redeemable units	(26,212)	(21,719)
	<u>(16,915,722)</u>	<u>9,089,519</u>
Net cash provided by (used in) financing activities	147,413	(16,096)
Cash (bank overdraft), beginning of period	20,769	36,865
	<u>168,182</u>	<u>20,769</u>
CASH (BANK OVERDRAFT), END OF PERIOD		
Interest paid ⁽¹⁾	489	265
Interest received, net of withholding taxes ⁽¹⁾	80,163	23,157
Dividends received, net of withholding taxes ⁽¹⁾	4,999,716	4,843,840

⁽¹⁾ Classified as operating items.

Scotia Private Canadian Growth Pool (Continued)

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SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 96.8%				MONEY MARKET INSTRUMENTS – 2.9%			
Communication Services – 2.1%				Commercial Paper – 2.9%			
Rogers Communications, Inc., Class B	60,150	4,030,453	4,208,094	Merit Trust Senior 0.00% Jan 02, 2019	5,850,000	5,849,375	5,849,687
Consumer Discretionary – 4.5%				TOTAL MONEY MARKET INSTRUMENTS		5,849,375	5,849,687
Aritzia Inc., Subordinated Voting	57,730	936,560	946,772	Transaction Costs		(105,243)	
Gildan Activewear Inc.	41,590	1,286,708	1,723,490	TOTAL INVESTMENT PORTFOLIO		182,048,527	202,758,437
Restaurant Brands International Inc.	62,170	3,113,137	4,433,964	OTHER ASSETS, LESS LIABILITIES – 0.3%			667,238
Spin Master Corporation	54,060	2,261,773	2,075,363	NET ASSETS – 100.0%			203,425,675
		7,598,178	9,179,589				
Consumer Staples – 7.6%							
Alimentation Couche-Tard Inc., Class B	130,360	5,591,323	8,852,748				
Metro Inc., Class A	74,750	3,143,115	3,538,665				
Saputo Inc.	78,640	2,653,899	3,081,902				
		11,388,337	15,473,315				
Energy – 16.3%							
Canadian Natural Resources Ltd.	249,770	9,200,822	8,227,424				
Enbridge Inc.	218,790	11,576,614	9,278,884				
EnCana Corporation	296,770	4,787,939	2,338,548				
Seven Generations Energy Ltd.	130,000	2,404,392	1,448,200				
Suncor Energy, Inc.	275,090	10,846,541	10,489,182				
Whitecap Resources Inc.	315,380	3,312,084	1,371,903				
		42,128,392	33,154,141				
Financials – 32.7%							
Bank of Nova Scotia, The†	168,480	10,586,083	11,465,064				
Brookfield Asset Management Inc., Class A	146,120	5,427,286	7,644,998				
Canadian Imperial Bank of Commerce	74,620	7,977,033	7,587,362				
Intact Financial Corporation	43,570	3,421,095	4,321,708				
Royal Bank of Canada	177,230	14,250,002	16,560,371				
Sun Life Financial Inc.	115,360	4,814,974	5,224,654				
Toronto-Dominion Bank, The	201,610	10,323,821	13,681,255				
		56,800,294	66,485,412				
Health Care – 0.7%							
Chartwell Retirement Residences	104,850	1,496,661	1,433,300				
Industrials – 12.5%							
Air Canada	101,000	2,513,658	2,621,960				
Canadian National Railway Company	84,070	5,595,801	8,500,317				
Canadian Pacific Railway Limited	32,610	6,670,439	7,899,446				
Waste Connections Inc.	63,280	5,639,519	6,412,162				
		20,419,417	25,433,885				
Information Technology – 8.2%							
CGI Group Inc., Class A	62,690	2,521,575	5,234,615				
Constellation Software Inc.	4,410	1,399,772	3,853,723				
Descartes Systems Group Inc., The	52,870	1,065,237	1,904,906				
Open Text Corporation	37,100	1,682,196	1,650,950				
Shopify Inc., Class A	21,720	1,127,849	4,100,519				
		7,796,629	16,744,713				
Materials – 12.2%							
Agnico-Eagle Mines Limited	91,220	4,643,739	5,026,222				
CCL Industries Inc., Class B	72,800	2,854,360	3,644,368				
First Quantum Minerals Ltd.	158,350	2,720,861	1,748,184				
Franco-Nevada Corporation	33,970	2,436,727	3,251,948				
Lundin Mining Corporation	423,340	3,178,418	2,387,638				
Nutrien Ltd.	88,170	5,767,989	5,653,460				
Teck Resources Ltd., Class B	104,950	3,043,940	3,084,481				
		24,646,034	24,796,301				
TOTAL EQUITIES		176,304,395	196,908,750				

Instruments with a 0.00% stated interest rate are purchased at a discount to face value. The discount represents the implied effective interest.

† Investment in related party (note 10)

CANADIAN EQUITY FUNDS

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns through capital growth by investing primarily in stocks of large and medium capitalization Canadian corporations.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

Below is a summary of the Fund's exposure to interest rate risk by the remaining term to maturity of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	December 31, 2018 (\$)	December 31, 2017 (\$)
Less than 1 year	5,849,687	4,048,338
1-3 years	—	—
3-5 years	—	—
5-10 years	—	—
> 10 years	—	—
	5,849,687	4,048,338

As at December 31, 2018, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by nil or approximately 0.0% (December 31, 2017 – \$420 or approximately 0.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk

The Fund did not have significant direct currency risk exposure as at December 31, 2018 or December 31, 2017.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 96.8% (December 31, 2017 – 97.3%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$19,690,875 (December 31, 2017 – \$23,221,638). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

The accompanying notes are an integral part of the financial statements.

Credit risk

Below is a summary of the credit ratings of bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

Credit ratings	December 31, 2018		December 31, 2017	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
A-1+	100.0	2.9	100.0	1.7
	100.0	2.9	100.0	1.7

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Commercial Paper	2.9	1.1
Communication Services	2.1	—
Consumer Discretionary	4.5	8.7
Consumer Staples	7.6	5.1
Energy	16.3	20.6
Financials	32.7	33.6
Health Care	0.7	—
Industrials	12.5	10.5
Information Technology	8.2	7.8
Materials	12.2	11.0
Treasury Bills	—	0.6

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	196,908,750	—	—	196,908,750
Money market instruments	—	5,849,687	—	5,849,687
	196,908,750	5,849,687	—	202,758,437

December 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	232,216,376	—	—	232,216,376
Money market instruments	—	4,048,338	—	4,048,338
	232,216,376	4,048,338	—	236,264,714

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	572,303,869	773,634,770
Cash	18,791,805	31,766,328
Receivable for securities sold	83,641	-
Subscriptions receivable	231,175	941,353
Accrued investment income and other	1,422,149	1,482,194
	<u>592,832,639</u>	<u>807,824,645</u>
LIABILITIES		
Current liabilities		
Payable for securities purchased	244,434	3,563
Redemptions payable	113,049	1,058,492
Accrued expenses	-	2
	<u>357,483</u>	<u>1,062,057</u>
Net assets attributable to holders of redeemable units	<u>592,475,156</u>	<u>806,762,588</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	105,456,983	117,226,380
Series F	4,671,468	4,810,030
Series I	427,865,540	619,304,393
Series M	<u>54,481,165</u>	<u>65,421,785</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	31.36	40.04
Series F	32.16	40.98
Series I	32.44	41.69
Series M	<u>8.74</u>	<u>11.25</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	12,197,740	11,532,798
Interest for distribution purposes	341,284	121,070
Net realized gain (loss) on non-derivative financial assets	51,113,058	21,165,623
Change in unrealized gain (loss) on non-derivative financial assets	(198,410,932)	54,198,634
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	(134,758,850)	87,018,125
Securities lending (note 11)	209,747	484,209
Net realized and unrealized foreign currency translation gain (loss)	(421)	(25)
Other income	-	489
Total income (loss), net	<u>(134,549,524)</u>	<u>87,502,798</u>
EXPENSES		
Management fees (note 5)	377,376	396,733
Fixed administration fees (note 6)	554,865	493,788
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	63	603
Harmonized Sales Tax/Goods and Services Tax	93,530	79,468
Transaction costs	428,219	376,756
Total expenses	1,455,302	1,348,483
Expenses absorbed by the Manager	-	(104,116)
Net expenses	<u>1,455,302</u>	<u>1,244,367</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(136,004,826)</u>	<u>86,258,431</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	(21,881,600)	11,736,288
Series F	(1,006,214)	387,025
Series I	(100,485,922)	68,030,480
Series M	<u>(12,631,090)</u>	<u>6,104,638</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Pinnacle Series	(6.78)	4.12
Series F	(7.47)	4.25
Series I	(6.95)	4.59
Series M	<u>(2.11)</u>	<u>1.26</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	3,226,384	2,849,952
Series F	134,748	91,059
Series I	14,468,072	14,809,876
Series M	<u>5,986,777</u>	<u>4,855,534</u>

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

Scotia Private Canadian Small Cap Pool (Continued)

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STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	117,226,380	104,339,865
Series F	4,810,030	2,950,683
Series I	619,304,393	568,993,209
Series M	65,421,785	1,050
	<u>806,762,588</u>	<u>676,284,807</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	(21,881,600)	11,736,288
Series F	(1,006,214)	387,025
Series I	(100,485,922)	68,030,480
Series M	(12,631,090)	6,104,638
	<u>(136,004,826)</u>	<u>86,258,431</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(1,945,162)	(1,438,468)
Series F	(23,540)	(26,485)
Series I	(8,796,095)	(8,835,307)
Series M	(725,396)	(604,000)
From net realized gains on investments		
Pinnacle Series	(3,692,837)	(706,240)
Series F	(145,424)	(28,656)
Series I	(14,778,272)	(3,751,435)
Series M	(1,954,501)	(396,859)
	<u>(32,061,227)</u>	<u>(15,787,450)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	38,189,134	19,883,498
Series F	2,412,955	1,886,684
Series I	39,849,453	16,467,354
Series M	14,054,804	70,554,568
Reinvested distributions		
Pinnacle Series	5,613,929	2,138,376
Series F	160,813	50,495
Series I	23,574,367	12,586,742
Series M	2,631,305	990,797
Payments on redemption		
Pinnacle Series	(28,052,861)	(18,726,939)
Series F	(1,537,152)	(409,716)
Series I	(130,802,384)	(34,186,650)
Series M	(12,315,742)	(11,228,409)
	<u>(46,221,379)</u>	<u>60,006,800</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	(11,769,397)	12,886,515
Series F	(138,562)	1,859,347
Series I	(191,438,853)	50,311,184
Series M	(10,940,620)	65,420,735
	<u>(214,287,432)</u>	<u>130,477,781</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	105,456,983	117,226,380
Series F	4,671,468	4,810,030
Series I	427,865,540	619,304,393
Series M	54,481,165	65,421,785
	<u>592,475,156</u>	<u>806,762,588</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(136,004,826)	86,258,431
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(51,113,058)	(21,165,623)
Change in unrealized (gain) loss on non-derivative financial assets	198,410,932	(54,198,634)
Purchases of non-derivative financial assets and liabilities	(124,548,842)	(150,536,074)
Proceeds from sale of non-derivative financial assets and liabilities	178,739,098	111,783,068
Accrued investment income and other	60,045	(189,335)
Accrued expenses and other payables	(2)	(1,301)
Net cash provided by (used in) operating activities	<u>65,543,347</u>	<u>(28,049,468)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	95,216,525	108,005,768
Amounts paid on redemption of redeemable units	(173,653,582)	(63,560,219)
Distributions to unitholders of redeemable units	(80,813)	(21,480)
Net cash provided by (used in) financing activities	<u>(78,517,870)</u>	<u>44,424,069</u>
Net increase (decrease) in cash	(12,974,523)	16,374,601
Cash (bank overdraft), beginning of period	31,766,328	15,391,727
CASH (BANK OVERDRAFT), END OF PERIOD	<u>18,791,805</u>	<u>31,766,328</u>
Interest paid ⁽¹⁾	63	603
Interest received, net of withholding taxes ⁽¹⁾	341,284	127,278
Dividends received, net of withholding taxes ⁽¹⁾	12,257,784	11,337,255

⁽¹⁾ Classified as operating items.

CANADIAN EQUITY FUNDS

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 96.7%			
Consumer Discretionary – 6.8%			
AutoCanada Inc.	661,515	14,443,910	7,508,195
Leon's Furniture Ltd.	831,895	12,775,677	12,503,382
New Look Eyewear Inc.	239,527	6,341,707	7,121,138
Recipe Unlimited Corporation, Subordinated Voting	499,187	14,233,739	13,063,724
		<u>47,795,033</u>	<u>40,196,439</u>
Consumer Staples – 6.9%			
Alimentation Couche-Tard Inc., Class B	251,892	8,335,652	17,105,986
Lassonde Industries Inc.	75,679	18,414,001	15,076,770
Mav Beauty Brands Inc.	791,145	10,444,337	8,449,429
		<u>37,193,990</u>	<u>40,632,185</u>
Energy – 15.9%			
CES Energy Solutions Corporation	3,048,759	14,058,898	9,603,591
Enerflex Ltd.	1,286,990	17,750,329	20,566,096
Kelt Exploration Ltd.	2,177,058	14,650,779	10,101,549
Mullen Group Ltd.	1,182,403	23,661,663	14,437,141
NuVista Energy Ltd.	2,288,171	14,407,252	9,335,738
Peyto Exploration & Development Corp.	468,439	10,586,985	3,316,548
Secure Energy Services Inc.	1,971,354	16,126,619	13,819,192
Trican Well Service Ltd.	4,961,543	18,394,277	5,904,236
ZCL Composites Inc.	1,104,398	7,983,994	6,946,663
		<u>137,620,796</u>	<u>94,030,754</u>
Financials – 6.4%			
Canadian Western Bank	948,763	24,373,138	24,705,789
Equitable Group Inc.	222,968	9,381,216	13,181,868
		<u>33,754,354</u>	<u>37,887,657</u>
Health Care – 1.3%			
Knight Therapeutics Inc.	989,957	6,824,855	7,612,769
Industrials – 25.4%			
ATS Automation Tooling Systems Inc.	1,108,034	13,434,130	15,944,609
Cervus Equipment Corporation	542,450	9,558,200	6,916,238
Exco Technologies Ltd.	1,188,179	12,212,377	10,729,256
GDI Integrated Facility Services Inc.	593,134	8,997,264	10,961,116
Horizon North Logistics Inc.	4,378,642	15,692,614	7,881,556
IBI Group Inc.	1,294,514	8,422,486	5,644,081
K-Bro Linen Inc.	232,672	8,943,374	7,780,552
Logistec Corporation, Class B	107,732	4,369,160	4,661,564
Maxar Technologies Ltd.	339,500	25,537,560	5,537,245
Richelieu Hardware Ltd.	773,927	10,939,209	17,560,404
Russel Metals Inc.	531,725	12,755,336	11,341,694
Savaria Corporation	29,781	360,741	388,940
Stantec Inc.	378,473	8,015,480	11,320,127
Toromont Industries Ltd.	488,988	13,867,445	26,532,489
WSP Global Inc.	121,956	3,920,328	7,155,159
		<u>157,025,704</u>	<u>150,355,030</u>
Information Technology – 7.9%			
Absolute Software Corporation	1,308,397	9,525,622	10,126,993
Enghouse Systems Limited	318,360	11,053,053	21,142,288
Tucows Inc.	189,163	12,927,301	15,497,803
Tucows Inc., Class A	1,341	99,899	109,922
		<u>33,605,875</u>	<u>46,877,006</u>
Materials – 16.5%			
5N Plus Inc.	2,133,382	6,240,279	6,613,484
CCL Industries Inc., Class B	528,528	11,852,474	26,458,112
IPL Plastics Inc.	609,111	8,059,655	6,091,110
Major Drilling Group International Inc.	2,110,606	14,489,371	9,708,788
Stella-Jones Inc.	640,677	17,433,476	25,377,216
Winpak Ltd.	493,071	12,496,954	23,544,140
		<u>70,572,209</u>	<u>97,792,850</u>

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
Real Estate – 9.6%			
Altus Group Ltd.	716,671	20,592,048	16,963,603
Colliers International Group Inc.	253,779	7,934,924	19,107,021
FirstService Corporation	222,527	4,956,140	20,848,555
		<u>33,483,112</u>	<u>56,919,179</u>
Transaction Costs			
		<u>(1,063,919)</u>	
TOTAL INVESTMENT PORTFOLIO			572,303,869
OTHER ASSETS, LESS LIABILITIES – 3.3%			20,171,287
NET ASSETS – 100.0%			592,475,156

The accompanying notes are an integral part of the financial statements.

Portfolio Adviser: Van Berkem & Associates Inc.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund’s investment objective is to achieve superior long term returns through capital growth by investing primarily in stocks of small and medium capitalization Canadian corporations.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the “Underlying Funds”). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund’s financial instruments were non-interest bearing as at December 31, 2018 and December 31, 2017. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

Below is a summary of the Fund’s direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

Currency	December 31, 2018			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	15,497,803	–	15,497,803	2.6
	15,497,803	–	15,497,803	2.6

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	1	–	1	0.0
	1	–	1	0.0

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$1,549,780 or approximately 0.3% of net assets (December 31, 2017 – nil or approximately 0.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 96.7% (December 31, 2017 – 95.9%)

of the Fund’s net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$57,230,387 (December 31, 2017 – \$77,363,477). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund did not have significant direct exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2018 or December 31, 2017.

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund’s concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Consumer Discretionary	6.8	6.3
Consumer Staples	6.9	3.8
Energy	15.9	19.2
Financials	6.4	11.3
Health Care	1.3	2.4
Industrials	25.4	27.7
Information Technology	7.9	8.1
Materials	16.5	13.2
Real Estate	9.6	3.9

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund’s financial instruments within the fair value hierarchy.

December 31, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	572,303,869	–	–	572,303,869
	572,303,869	–	–	572,303,869

December 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	773,634,770	–	–	773,634,770
	773,634,770	–	–	773,634,770

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia Private U.S. Value Pool

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STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	122,719,066	115,308,569
Cash	4,298,347	4,493,299
Subscriptions receivable	43,021	986,057
Accrued investment income and other	280,434	183,854
	<u>127,340,868</u>	<u>120,971,779</u>
LIABILITIES		
Current liabilities		
Redemptions payable	14,777	56,393
	<u>14,777</u>	<u>56,393</u>
Net assets attributable to holders of redeemable units	<u>127,326,091</u>	<u>120,915,386</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	122,408,228	116,184,957
Series F	790,354	598,803
Series I	4,127,509	4,131,626
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	16.08	15.76
Series F	16.08	15.90
Series I	16.60	16.38

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	3,217,998	2,594,950
Interest for distribution purposes	64,908	44,424
Net realized gain (loss) on non-derivative financial assets	5,388,290	1,791,915
Change in unrealized gain (loss) on non-derivative financial assets	(2,326,013)	8,242,025
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	6,345,183	12,673,314
Securities lending (note 11)	6,095	3,795
Net realized and unrealized foreign currency translation gain (loss)	321,832	(353,766)
Other income	78	480
Total income (loss), net	<u>6,673,188</u>	<u>12,323,823</u>
EXPENSES		
Management fees (note 5)	6,687	4,426
Fixed administration fees (note 6)	262,164	222,278
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	181	6
Foreign withholding taxes/tax reclaims	447,238	358,802
Harmonized Sales Tax/Goods and Services Tax	25,342	21,930
Transaction costs	22,447	19,761
Total expenses	<u>765,308</u>	<u>628,338</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>5,907,880</u>	<u>11,695,485</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	5,722,757	11,143,194
Series F	8,525	49,860
Series I	176,598	502,431
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Pinnacle Series	0.77	1.58
Series F	0.21	1.68
Series I	0.73	1.78
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	7,433,071	7,036,045
Series F	40,248	29,700
Series I	242,894	282,927

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	116,184,957	98,668,107
Series F	598,803	406,066
Series I	4,131,626	4,775,390
	<u>120,915,386</u>	<u>103,849,563</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	5,722,757	11,143,194
Series F	8,525	49,860
Series I	176,598	502,431
	<u>5,907,880</u>	<u>11,695,485</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(2,359,331)	(1,980,572)
Series F	(9,595)	(5,364)
Series I	(86,625)	(79,317)
From net realized gains on investments		
Pinnacle Series	(605,914)	—
Series F	(3,976)	—
Series I	(20,183)	—
	<u>(3,085,624)</u>	<u>(2,065,253)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	28,789,525	23,471,002
Series F	372,116	215,867
Series I	917,635	114,075
Reinvested distributions		
Pinnacle Series	2,953,053	1,971,294
Series F	10,349	3,585
Series I	106,808	79,317
Payments on redemption		
Pinnacle Series	(28,276,819)	(17,088,068)
Series F	(185,868)	(71,211)
Series I	(1,098,350)	(1,260,270)
	<u>3,588,449</u>	<u>7,435,591</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	6,223,271	17,516,850
Series F	191,551	192,737
Series I	(4,117)	(643,764)
	<u>6,410,705</u>	<u>17,065,823</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	122,408,228	116,184,957
Series F	790,354	598,803
Series I	4,127,509	4,131,626
	<u>127,326,091</u>	<u>120,915,386</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	5,907,880	11,695,485
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(5,388,290)	(1,791,915)
Change in unrealized (gain) loss on non-derivative financial assets	2,326,013	(8,242,025)
Unrealized foreign currency translation (gain) loss	48,476	(69,251)
Purchases of non-derivative financial assets and liabilities	(28,678,010)	(20,756,610)
Proceeds from sale of non-derivative financial assets and liabilities	24,329,788	15,382,400
Accrued investment income and other	(96,580)	21,843
Accrued expenses and other payables	—	(641)
Net cash provided by (used in) operating activities	<u>(1,550,723)</u>	<u>(3,760,714)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	31,022,313	22,975,335
Amounts paid on redemption of redeemable units	(29,602,652)	(18,398,349)
Distributions to unitholders of redeemable units	(15,414)	(11,057)
Net cash provided by (used in) financing activities	1,404,247	4,565,929
Unrealized foreign currency translation gain (loss)	(48,476)	69,251
Net increase (decrease) in cash	(146,476)	805,215
Cash (bank overdraft), beginning of period	4,493,299	3,618,833
CASH (BANK OVERDRAFT), END OF PERIOD	<u>4,298,347</u>	<u>4,493,299</u>
Interest paid ⁽¹⁾	181	6
Interest received, net of withholding taxes ⁽¹⁾	64,908	45,758
Dividends received, net of withholding taxes ⁽¹⁾	2,674,181	2,256,657

⁽¹⁾ Classified as operating items.

Scotia Private U.S. Value Pool (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 96.2%			
Communication Services – 3.4%			
Omnicom Group Inc.	43,577	4,570,836	4,353,658
Consumer Discretionary – 11.9%			
Dollar General Corporation	36,867	4,278,188	5,435,403
Lowe's Companies, Inc.	40,378	3,962,427	5,087,183
Ross Stores, Inc.	41,320	3,599,180	4,689,562
		11,839,795	15,212,148
Consumer Staples – 16.8%			
Altria Group Inc.	52,020	4,178,491	3,504,758
ConAgra Foods, Inc.	98,422	4,795,682	2,867,755
J.M. Smucker Company, The	33,320	5,746,576	4,249,314
Kroger Company, The	110,502	4,141,873	4,145,257
Philip Morris International Inc.	42,568	4,879,086	3,876,575
Procter & Gamble Company, The	22,077	2,455,452	2,768,208
		26,197,160	21,411,867
Energy – 7.9%			
Chevron Corporation	22,217	3,109,293	3,297,031
Occidental Petroleum Corporation	43,705	4,113,566	3,659,373
Royal Dutch Shell PLC, Class A – ADR	39,583	2,845,399	3,146,316
		10,068,258	10,102,720
Financials – 11.5%			
Aflac, Inc.	90,735	4,392,440	5,639,066
Marsh & McLennan Companies, Inc.	45,756	4,102,182	4,977,685
State Street Corporation	47,310	4,050,317	4,070,281
		12,544,939	14,687,032
Health Care – 30.3%			
Abbott Laboratories	59,559	3,294,873	5,876,443
AmerisourceBergen Corporation	39,819	4,451,253	4,041,215
Amgen Inc.	25,413	5,274,430	6,748,440
CVS Health Corporation	60,873	6,828,620	5,440,605
Johnson & Johnson	30,341	4,919,535	5,341,172
Merck & Co., Inc.	49,017	3,892,258	5,109,114
UnitedHealth Group Inc.	17,794	3,435,746	6,046,872
		32,096,715	38,603,861
Industrials – 9.1%			
3M Company	10,135	2,357,974	2,634,259
Illinois Tool Works Inc.	27,501	4,098,797	4,752,690
W.W. Grainger, Inc.	10,811	3,197,403	4,164,067
		9,654,174	11,551,016
Information Technology – 5.3%			
Automatic Data Processing, Inc.	18,713	2,322,371	3,347,041
Microchip Technology Inc.	35,163	2,465,658	3,449,723
		4,788,029	6,796,764
Transaction Costs		(43,584)	
TOTAL INVESTMENT PORTFOLIO		<u>111,716,322</u>	122,719,066
OTHER ASSETS, LESS LIABILITIES – 3.8%			4,607,025
NET ASSETS – 100.0%			<u>127,326,091</u>

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns through capital growth by investing primarily in stocks of large capitalization U.S. corporations.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2018 and December 31, 2017. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

Currency	December 31, 2018			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	126,458,440	–	126,458,440	99.3
	126,458,440	–	126,458,440	99.3

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	119,664,713	–	119,664,713	99.0
	119,664,713	–	119,664,713	99.0

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$12,645,844 or approximately 9.9% of net assets (December 31, 2017 – \$11,966,471 or approximately 9.9%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 96.2% (December 31, 2017 – 95.4%)

of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$12,271,907 (December 31, 2017 – \$11,530,857). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund did not have significant direct exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2018 or December 31, 2017.

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Communication Services	3.4	–
Consumer Discretionary	11.9	15.5
Consumer Staples	16.8	17.1
Energy	7.9	8.9
Financials	11.5	12.8
Health Care	30.3	24.1
Industrials	9.1	10.7
Information Technology	5.3	6.3

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	122,719,066	–	–	122,719,066
	122,719,066	–	–	122,719,066

December 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	115,308,569	–	–	115,308,569
	115,308,569	–	–	115,308,569

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

The accompanying notes are an integral part of the financial statements.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

**Comparison of net asset value per unit and net assets per unit
(note 2)**

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	96,589,182	91,293,548
Cash	11,979,991	4,507,273
Subscriptions receivable	51,925	1,052,101
Accrued investment income and other	69,256	72,272
	<u>108,690,354</u>	<u>96,925,194</u>
LIABILITIES		
Current liabilities		
Redemptions payable	18,417	35,037
	<u>18,417</u>	<u>35,037</u>
Net assets attributable to holders of redeemable units	<u>108,671,937</u>	<u>96,890,157</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	95,076,964	88,292,080
Series F	553,168	456,013
Series I	13,041,805	8,142,064
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	17.23	18.27
Series F	17.06	18.28
Series I	17.89	19.11

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	1,179,015	1,797,415
Interest for distribution purposes	95,477	38,970
Net realized gain (loss) on non-derivative financial assets	1,545,104	5,219,963
Change in unrealized gain (loss) on non-derivative financial assets	(8,548,027)	3,908,693
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	(5,728,431)	10,965,041
Securities lending (note 11)	4,414	2,776
Net realized and unrealized foreign currency translation gain (loss)	290,906	(409,490)
Other income	268	1,170
Total income (loss), net	<u>(5,432,843)</u>	<u>10,559,497</u>
EXPENSES		
Management fees (note 5)	4,197	89,348
Fixed administration fees (note 6)	497,947	396,085
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	22	5
Foreign withholding taxes/tax reclaims	170,982	169,069
Harmonized Sales Tax/Goods and Services Tax	46,702	47,348
Transaction costs	37,828	60,357
Total expenses	<u>758,927</u>	<u>763,347</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(6,191,770)</u>	<u>9,796,150</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	(5,336,838)	8,236,821
Series F	(44,819)	38,205
Series I	(810,113)	867,834
Series M	-	653,290
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Pinnacle Series	(1.02)	1.84
Series F	(1.60)	1.62
Series I	(1.49)	2.32
Series M	-	0.66
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	5,226,333	4,471,200
Series F	27,977	23,544
Series I	545,106	374,598
Series M	-	989,783

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

Scotia Private U.S. Mid Cap Value Pool (Continued)

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	88,292,080	70,044,228
Series F	456,013	382,305
Series I	8,142,064	5,190,728
Series M	–	52,274,977
	<u>96,890,157</u>	<u>127,892,238</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	(5,336,838)	8,236,821
Series F	(44,819)	38,205
Series I	(810,113)	867,834
Series M	–	653,290
	<u>(6,191,770)</u>	<u>9,796,150</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(444,745)	(1,049,936)
Series F	(704)	(2,824)
Series I	(115,091)	(126,590)
	<u>(560,540)</u>	<u>(1,179,350)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	33,485,267	23,686,671
Series F	214,805	186,440
Series I	6,603,654	2,958,653
Series M	–	2,084,378
Reinvested distributions		
Pinnacle Series	443,456	1,047,507
Series F	506	1,887
Series I	115,091	126,590
Payments on redemption		
Pinnacle Series	(21,362,256)	(13,673,211)
Series F	(72,633)	(150,000)
Series I	(893,800)	(875,151)
Series M	–	(55,012,645)
	<u>18,534,090</u>	<u>(39,618,881)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	6,784,884	18,247,852
Series F	97,155	73,708
Series I	4,899,741	2,951,336
Series M	–	(52,274,977)
	<u>11,781,780</u>	<u>(31,002,081)</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	95,076,964	88,292,080
Series F	553,168	456,013
Series I	13,041,805	8,142,064
Series M	–	–
	<u>108,671,937</u>	<u>96,890,157</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(6,191,770)	9,796,150
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(1,545,104)	(5,219,963)
Change in unrealized (gain) loss on non-derivative financial assets	8,548,027	(3,908,693)
Unrealized foreign currency translation (gain) loss	55,627	(73,681)
Other non-cash transactions	–	(674,721)
Purchases of non-derivative financial assets and liabilities	(28,110,447)	(12,430,882)
Proceeds from sale of non-derivative financial assets and liabilities	15,811,892	51,182,433
Accrued investment income and other	3,016	33,461
Accrued expenses and other payables	–	(2,050)
Net cash provided by (used in) operating activities	<u>(11,428,759)</u>	<u>38,702,054</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	41,303,902	28,241,599
Amounts paid on redemption of redeemable units	(22,345,310)	(69,758,432)
Distributions to unitholders of redeemable units	(1,488)	(3,369)
Net cash provided by (used in) financing activities	18,957,104	(41,520,202)
Unrealized foreign currency translation gain (loss)	(55,627)	73,681
Net increase (decrease) in cash	7,528,345	(2,818,148)
Cash (bank overdraft), beginning of period	4,507,273	7,251,740
CASH (BANK OVERDRAFT), END OF PERIOD	<u>11,979,991</u>	<u>4,507,273</u>
Interest paid ⁽¹⁾	22	5
Interest received, net of withholding taxes ⁽¹⁾	95,477	40,890
Dividends received, net of withholding taxes ⁽¹⁾	1,011,048	985,167

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 88.9%			
Consumer Discretionary – 12.3%			
Carter’s Inc.	28,122	3,440,919	3,131,060
Mohawk Industries, Inc.	12,800	2,986,728	2,042,189
PVH Corp.	27,219	3,549,155	3,451,200
Ross Stores, Inc.	41,403	2,879,760	4,698,982
		<u>12,856,562</u>	<u>13,323,431</u>
Energy – 2.3%			
Pioneer Natural Resources Company	13,880	2,728,045	2,490,175
Financials – 12.3%			
BankUnited	27,163	1,249,608	1,109,374
CIT Group, Inc.	30,684	1,561,535	1,601,840
East West Bancorp, Inc.	44,167	3,206,579	2,622,619
First Republic Bank	27,117	2,266,890	3,214,475
FNF Group	45,855	2,220,794	1,966,608
SEI Investments Company	46,104	2,748,757	2,905,556
		<u>13,254,163</u>	<u>13,420,472</u>
Health Care – 10.7%			
Agilent Technologies, Inc.	44,914	2,563,278	4,133,107
Becton, Dickinson and Company	16,306	3,401,776	5,011,824
Laboratory Corporation of America Holdings	14,700	2,581,565	2,533,819
		<u>8,546,619</u>	<u>11,678,750</u>
Industrials – 21.8%			
Air Lease Corporation	73,567	4,025,531	3,031,673
Carlisle Companies Inc.	14,433	1,768,813	1,979,054
EMCOR Group, Inc.	31,546	2,327,173	2,568,588
Hexcel Corporation	53,099	3,125,002	4,153,294
IDEX Corporation	18,944	1,977,104	3,262,767
Jacobs Engineering Group, Inc.	50,315	2,992,114	4,012,406
JELD-WEN Holding Inc.	22,551	1,026,253	437,128
Roper Technologies Inc.	6,160	1,380,732	2,239,542
Wabtec Corporation	20,439	2,026,845	1,958,640
		<u>20,649,567</u>	<u>23,643,092</u>
Information Technology – 13.5%			
Black Knight Inc.	14,059	769,013	864,160
Euronet Worldwide, Inc.	36,094	3,310,163	5,040,794
Genpact Limited	98,748	3,500,106	3,635,631
Keysight Technologies Inc.	60,121	2,432,414	5,091,275
		<u>10,011,696</u>	<u>14,631,860</u>
Materials – 2.3%			
Albemarle Corporation	23,920	2,419,378	2,514,752
Real Estate – 13.7%			
Alexandria Real Estate Equities, Inc.	20,178	3,118,715	3,171,977
CB Richard Ellis Group, Inc.	76,673	3,299,333	4,187,792
Equinix Inc.	6,879	3,729,383	3,308,316
Mid-America Apartment Communities Inc.	32,315	3,954,313	4,218,565
		<u>14,101,744</u>	<u>14,886,650</u>
Transaction Costs		(62,079)	
TOTAL INVESTMENT PORTFOLIO		<u>84,505,695</u>	96,589,182
OTHER ASSETS, LESS LIABILITIES – 11.1%			12,082,755
NET ASSETS – 100.0%			<u>108,671,937</u>

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns through capital growth by investing primarily in stocks of small and medium capitalization companies located in the U.S.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2018 and December 31, 2017. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

Currency	December 31, 2018			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	100,627,609	–	100,627,609	92.6
	100,627,609	–	100,627,609	92.6

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	95,805,017	–	95,805,017	98.9
	95,805,017	–	95,805,017	98.9

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$10,062,761 or approximately 9.3% of net assets (December 31, 2017 – \$9,580,502 or approximately 9.9%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 88.9% (December 31, 2017 – 94.2%)

of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$9,658,918 (December 31, 2017 – \$9,129,355). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund did not have significant direct exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2018 or December 31, 2017.

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Consumer Discretionary	12.3	15.9
Energy	2.3	2.8
Financials	12.3	16.2
Health Care	10.7	10.2
Industrials	21.8	22.6
Information Technology	13.5	10.8
Materials	2.3	5.3
Real Estate	13.7	10.4

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	96,589,182	–	–	96,589,182
	96,589,182	–	–	96,589,182

December 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	91,293,548	–	–	91,293,548
	91,293,548	–	–	91,293,548

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

**Comparison of net asset value per unit and net assets per unit
(note 2)**

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia Private U.S. Large Cap Growth Pool

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STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	315,208,517	271,690,832
Cash	12,459,595	7,627,268
Subscriptions receivable	162,486	1,495,302
Accrued investment income and other	145,035	114,646
	<u>327,975,633</u>	<u>280,928,048</u>
LIABILITIES		
Current liabilities		
Redemptions payable	245,669	506,268
	<u>245,669</u>	<u>506,268</u>
Net assets attributable to holders of redeemable units	<u>327,729,964</u>	<u>280,421,780</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	150,897,364	132,849,795
Series F	2,157,744	1,139,489
Series I	4,712,467	4,967,623
Series M	169,962,389	141,464,873
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	26.48	22.62
Series F	25.77	22.11
Series I	26.60	22.72
Series M	12.16	10.39

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	2,660,112	1,163,603
Interest for distribution purposes	173,959	71,739
Net realized gain (loss) on non-derivative financial assets	25,671,402	7,290,932
Change in unrealized gain (loss) on non-derivative financial assets	22,770,146	18,919,421
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	51,275,619	27,445,695
Securities lending (note 11)	6,511	348
Net realized and unrealized foreign currency translation gain (loss)	431,973	(453,580)
Other income	274	498
Total income (loss), net	<u>51,714,377</u>	<u>26,992,961</u>
EXPENSES		
Management fees (note 5)	693,865	136,302
Fixed administration fees (note 6)	451,245	343,283
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	55	1,149
Foreign withholding taxes/tax reclaims	432,700	191,001
Harmonized Sales Tax/Goods and Services Tax	111,805	49,708
Transaction costs	35,185	21,936
Total expenses	<u>1,726,104</u>	<u>744,514</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>49,988,273</u>	<u>26,248,447</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	24,314,923	20,052,954
Series F	217,395	275,280
Series I	831,912	968,885
Series M	24,624,043	4,951,328
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Pinnacle Series	4.17	3.47
Series F	3.08	3.44
Series I	4.40	3.77
Series M	1.75	0.37
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	5,836,177	5,771,432
Series F	70,565	80,103
Series I	189,048	256,701
Series M	14,043,269	13,423,418

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	132,849,795	109,331,325
Series F	1,139,489	1,901,836
Series I	4,967,623	5,943,333
Series M	141,464,873	-
	<u>280,421,780</u>	<u>117,176,494</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	24,314,923	20,052,954
Series F	217,395	275,280
Series I	831,912	968,885
Series M	24,624,043	4,951,328
	<u>49,988,273</u>	<u>26,248,447</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(625,111)	(449,823)
Series I	(29,431)	(33,130)
Series M	(466,148)	-
	<u>(1,120,690)</u>	<u>(482,953)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	36,036,296	27,087,153
Series F	1,083,540	646,273
Series I	895,502	55,875
Series M	35,605,783	141,299,520
Reinvested distributions		
Pinnacle Series	622,373	447,769
Series I	29,431	33,130
Series M	453,684	-
Payments on redemption		
Pinnacle Series	(42,300,912)	(23,619,583)
Series F	(282,680)	(1,683,900)
Series I	(1,982,570)	(2,000,470)
Series M	(31,719,846)	(4,785,975)
	<u>(1,559,399)</u>	<u>137,479,792</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	18,047,569	23,518,470
Series F	1,018,255	(762,347)
Series I	(255,156)	(975,710)
Series M	28,497,516	141,464,873
	<u>47,308,184</u>	<u>163,245,286</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	150,897,364	132,849,795
Series F	2,157,744	1,139,489
Series I	4,712,467	4,967,623
Series M	169,962,389	141,464,873
	<u>327,729,964</u>	<u>280,421,780</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	49,988,273	26,248,447
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(25,671,402)	(7,290,932)
Change in unrealized (gain) loss on non-derivative financial assets	(22,770,146)	(18,919,421)
Unrealized foreign currency translation (gain) loss	170,918	(115,760)
Purchases of non-derivative financial assets and liabilities	(96,711,033)	(157,761,259)
Proceeds from sale of non-derivative financial assets and liabilities	101,634,895	24,910,516
Accrued investment income and other	(30,389)	(52,075)
Accrued expenses and other payables	-	(966)
Net cash provided by (used in) operating activities	<u>6,611,116</u>	<u>(132,981,450)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	74,953,938	167,788,138
Amounts paid on redemption of redeemable units	(76,546,607)	(31,637,941)
Distributions to unitholders of redeemable units	(15,202)	(2,055)
Net cash provided by (used in) financing activities	<u>(1,607,871)</u>	<u>136,148,142</u>
Unrealized foreign currency translation gain (loss)	(170,918)	115,760
Net increase (decrease) in cash	5,003,245	3,166,692
Cash (bank overdraft), beginning of period	7,627,268	4,344,816
CASH (BANK OVERDRAFT), END OF PERIOD	<u>12,459,595</u>	<u>7,627,268</u>
Interest paid ⁽¹⁾	55	1,149
Interest received, net of withholding taxes ⁽¹⁾	173,959	74,009
Dividends received, net of withholding taxes ⁽¹⁾	2,197,023	918,256

⁽¹⁾ Classified as operating items.

Scotia Private U.S. Large Cap Growth Pool (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 96.2%			
Communication Services – 14.8%			
Alphabet Inc., Class A	5,458	6,889,715	7,780,040
Alphabet Inc., Class C	14,799	13,450,060	20,906,303
Facebook Inc.	111,584	20,387,741	19,953,547
		<u>40,727,516</u>	<u>48,639,890</u>
Consumer Discretionary – 23.3%			
Booking Holdings Inc.	3,052	6,212,128	7,170,876
Dollar General Corporation	105,582	11,588,604	15,566,245
NIKE, Inc., Class B	168,876	10,252,889	17,079,263
O'Reilly Automotive, Inc.	42,256	10,796,930	19,847,777
Starbucks Corporation	189,780	12,172,559	16,671,894
		<u>51,023,110</u>	<u>76,336,055</u>
Consumer Staples – 3.4%			
Nestlé S.A. – ADR	99,709	10,081,362	11,011,678
Health Care – 10.4%			
Align Technology Inc.	24,221	4,509,511	6,919,578
Regeneron Pharmaceuticals, Inc.	21,667	10,653,850	11,039,211
Zoetis Inc.	138,000	12,979,723	16,102,635
		<u>28,143,084</u>	<u>34,061,424</u>
Information Technology – 44.3%			
Accenture PLC, Class A	76,897	11,628,984	14,791,354
Adobe Systems Inc.	61,767	11,711,947	19,062,266
Automatic Data Processing, Inc.	108,717	14,227,657	19,445,317
Gartner Inc., Class A	66,983	9,491,515	11,680,999
MasterCard, Inc., Class A	34,973	5,803,544	8,999,913
Microsoft Corporation	210,417	23,258,760	29,153,782
NVIDIA Corporation	38,523	14,031,356	7,015,361
Oracle Corporation	195,867	10,794,370	12,063,342
Visa Inc., Class A	127,498	14,353,227	22,947,136
		<u>115,301,360</u>	<u>145,159,470</u>
Transaction Costs		(37,978)	
TOTAL INVESTMENT PORTFOLIO		<u>245,238,454</u>	315,208,517
OTHER ASSETS, LESS LIABILITIES – 3.8%			<u>12,521,447</u>
NET ASSETS – 100.0%			<u>327,729,964</u>

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund’s investment objective is to achieve superior long term returns through capital growth by investing primarily in large capitalization stocks of U.S. corporations.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the “Underlying Funds”). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund’s financial instruments were non-interest bearing as at December 31, 2018 and December 31, 2017. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

Below is a summary of the Fund’s direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

December 31, 2018				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	327,549,064	–	327,549,064	99.9
	327,549,064	–	327,549,064	99.9

December 31, 2017				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	278,779,950	–	278,779,950	99.4
	278,779,950	–	278,779,950	99.4

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$32,754,906 or approximately 10.0% of net assets (December 31, 2017 – \$27,877,995 or approximately 9.9%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at

December 31, 2018, approximately 96.2% (December 31, 2017 – 96.9%) of the Fund’s net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$31,520,852 (December 31, 2017 – \$27,169,083). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund did not have significant direct exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2018 or December 31, 2017.

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund’s concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Communication Services	14.8	–
Consumer Discretionary	23.3	26.2
Consumer Staples	3.4	4.5
Health Care	10.4	14.9
Information Technology	44.3	51.3

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund’s financial instruments within the fair value hierarchy.

December 31, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	315,208,517	–	–	315,208,517
	315,208,517	–	–	315,208,517

December 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	271,690,832	–	–	271,690,832
	271,690,832	–	–	271,690,832

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

The accompanying notes are an integral part of the financial statements.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

**Comparison of net asset value per unit and net assets per unit
(note 2)**

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	950,989,324	1,267,693,403
Derivatives	107	–
Cash	1,057,450	4,537,777
Receivable for securities sold	2,205,095	–
Subscriptions receivable	392,734	2,558,845
Accrued investment income and other	1,074,224	1,039,104
	<u>955,718,934</u>	<u>1,275,829,129</u>
LIABILITIES		
Current liabilities		
Redemptions payable	35,385	593,311
	<u>35,385</u>	<u>593,311</u>
Net assets attributable to holders of redeemable units	<u>955,683,549</u>	<u>1,275,235,818</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	176,843,586	189,340,069
Series F	1,352,663	1,411,869
Series I	<u>777,487,300</u>	<u>1,084,483,880</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	11.84	13.41
Series F	12.05	13.62
Series I	<u>12.19</u>	<u>13.80</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	43,868,137	36,318,289
Interest for distribution purposes	71,483	300,032
Net realized gain (loss) on non-derivative financial assets	9,748,631	62,753,264
Change in unrealized gain (loss) on non-derivative financial assets	(140,896,740)	94,621,488
Change in unrealized gain (loss) on derivatives	107	–
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	(87,208,382)	193,993,073
Securities lending (note 11)	138,411	116,250
Net realized and unrealized foreign currency translation gain (loss)	(250,706)	(202,342)
Other income	–	1,016
Total income (loss), net	<u>(87,320,677)</u>	<u>193,907,997</u>
EXPENSES		
Management fees (note 5)	14,584	12,562
Fixed administration fees (note 6)	874,554	828,007
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	5,525	8,311
Foreign withholding taxes/tax reclaims	6,180,857	5,064,427
Harmonized Sales Tax/Goods and Services Tax	88,864	84,328
Transaction costs	670,126	596,532
Total expenses	<u>7,835,759</u>	<u>6,595,302</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(95,156,436)</u>	<u>187,312,695</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	(15,803,737)	26,151,417
Series F	(135,310)	185,664
Series I	<u>(79,217,389)</u>	<u>160,975,614</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Pinnacle Series	(1.12)	1.95
Series F	(1.26)	1.94
Series I	<u>(1.05)</u>	<u>2.10</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	14,099,684	13,402,882
Series F	107,600	95,914
Series I	<u>75,656,818</u>	<u>76,635,398</u>

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

Scotia Private International Equity Pool (Continued)

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	189,340,069	157,844,724
Series F	1,411,869	1,195,624
Series I	1,084,483,880	958,262,977
	<u>1,275,235,818</u>	<u>1,117,303,325</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	(15,803,737)	26,151,417
Series F	(135,310)	185,664
Series I	(79,217,389)	160,975,614
	<u>(95,156,436)</u>	<u>187,312,695</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(6,341,572)	(4,217,703)
Series F	(35,479)	(18,706)
Series I	(29,949,960)	(26,631,447)
From net realized gains on investments		
Pinnacle Series	–	(1,414,451)
Series F	–	(10,222)
Series I	–	(8,195,470)
	<u>(36,327,011)</u>	<u>(40,487,999)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	44,197,590	39,087,462
Series F	308,898	348,737
Series I	120,837,354	64,693,140
Reinvested distributions		
Pinnacle Series	6,314,255	5,611,551
Series F	26,746	20,466
Series I	29,949,960	34,826,917
Payments on redemption		
Pinnacle Series	(40,863,019)	(33,722,931)
Series F	(224,061)	(309,694)
Series I	(348,616,545)	(99,447,851)
	<u>(188,068,822)</u>	<u>11,107,797</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	(12,496,483)	31,495,345
Series F	(59,206)	216,245
Series I	(306,996,580)	126,220,903
	<u>(319,552,269)</u>	<u>157,932,493</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	176,843,586	189,340,069
Series F	1,352,663	1,411,869
Series I	777,487,300	1,084,483,880
	<u>955,683,549</u>	<u>1,275,235,818</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(95,156,436)	187,312,695
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(9,748,631)	(62,753,264)
Change in unrealized (gain) loss on non-derivative financial assets	140,896,740	(94,621,488)
Change in unrealized (gain) loss on derivatives	(107)	–
Unrealized foreign currency translation (gain) loss	4,580	(2,311)
Other non-cash transactions	(2,311,957)	(1,058,049)
Purchases of non-derivative financial assets and liabilities	(650,216,311)	(676,630,947)
Proceeds from sale of non-derivative financial assets and liabilities	835,879,143	679,713,824
Accrued investment income and other	(35,120)	(91,399)
Accrued expenses and other payables	–	(2,335)
Net cash provided by (used in) operating activities	<u>219,311,901</u>	<u>31,866,726</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	167,509,953	101,883,841
Amounts paid on redemption of redeemable units	(390,261,551)	(132,997,237)
Distributions to unitholders of redeemable units	(36,050)	(29,065)
Net cash provided by (used in) financing activities	<u>(222,787,648)</u>	<u>(31,142,461)</u>
Unrealized foreign currency translation gain (loss)	(4,580)	2,311
Net increase (decrease) in cash	(3,475,747)	724,265
Cash (bank overdraft), beginning of period	4,537,777	3,811,201
CASH (BANK OVERDRAFT), END OF PERIOD	<u>1,057,450</u>	<u>4,537,777</u>
Interest paid ⁽¹⁾	5,525	8,311
Interest received, net of withholding taxes ⁽¹⁾	71,483	301,250
Dividends received, net of withholding taxes ⁽¹⁾	35,340,205	30,103,196

⁽¹⁾ Classified as operating items.

Scotia Private International Equity Pool (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 99.5%				EQUITIES (cont'd)			
Australia – 4.8%				Ireland – 0.6%			
Computershare Ltd.	315,650	5,368,780	5,215,722	Smurfit Kappa Group PLC	152,140	6,553,838	5,512,545
CSL Ltd.	28,256	5,313,288	5,036,336				
Dexus Property Group	232,043	2,278,215	2,368,477	Israel – 0.6%			
Harvey Norman Holdings Limited	800,255	3,324,362	2,432,999	Bank Leumi le-Israel Ltd.	351,360	2,630,807	2,903,085
Lend Lease Group	237,927	3,552,454	2,648,911	NICE Systems Ltd.	21,468	3,006,184	3,172,659
Macquarie Group Ltd.	131,383	9,424,472	13,721,076			5,636,991	6,075,744
Qantas Airways Ltd.	394,511	2,069,141	2,198,015				
Rio Tinto Limited	81,066	5,123,913	6,119,439	Italy – 0.8%			
Santos Ltd.	1,125,121	7,125,342	5,926,564	Fiat Chrysler Automobiles NV	370,193	10,880,249	7,343,381
		43,579,967	45,667,539				
Austria – 0.4%				Japan – 25.4%			
OMV AG	68,954	3,758,175	4,114,834	Alfresa Holdings Corporation	74,700	2,085,307	2,636,840
				Asahi Breweries, Ltd.	121,900	4,817,114	6,496,436
Belgium – 1.3%				Astellas Pharma Inc.	457,900	9,131,913	7,950,825
Telenet Group Holding NV	69,020	4,316,164	4,371,664	Brother Industries, Ltd.	176,900	5,576,284	3,542,815
UCB SA	70,183	6,912,260	7,806,883	Central Japan Railway Company	51,400	11,103,448	14,901,938
		11,228,424	12,178,547	Dai-ichi Life Holdings Inc.	191,500	4,392,689	4,048,684
				Daiwa House Industry Co., Ltd.	121,400	5,315,529	5,260,639
Brazil – 0.3%				Fuji Electric Holdings Co., Ltd.	80,300	2,188,172	3,194,776
Cia de Saneamento Basico do Estado de Sao Paulo	286,500	2,834,270	3,176,007	Hitachi Ltd.	320,900	15,285,891	11,638,565
				Honda Motor Co., Ltd.	133,900	4,858,834	4,774,022
Denmark – 0.2%				Hoya Corporation	221,800	13,941,523	18,497,219
Novo Nordisk A/S, Class B	32,863	1,844,599	2,061,325	Kajima Corporation	404,700	8,685,179	7,401,837
				Kao Corporation	37,700	2,315,552	3,792,336
Finland – 2.1%				KDDI Corporation	325,600	9,744,654	10,586,566
Neste Oyj	47,606	4,033,265	5,015,090	Kirin Holdings Co., Ltd.	447,600	11,810,555	12,846,213
Nokia Oyj	893,737	6,876,050	7,045,651	Lion Corporation	201,700	4,849,703	5,676,513
UPM-Kymmene Oyj	223,314	5,080,437	7,747,443	MEIJI Holdings Co., Ltd.	30,500	4,077,480	3,390,983
		15,989,752	19,808,184	Mitsubishi Chemical Holdings Corporation	243,600	3,168,705	2,500,478
				Mitsubishi Corporation	355,000	10,603,784	13,219,760
France – 8.8%				Mitsubishi Gas Chemical Co., Inc.	186,600	6,485,202	3,803,580
Atos SE	84,810	12,006,354	9,414,980	Nexon Co., Ltd.	297,100	5,744,612	5,178,401
AXA SA	291,224	9,076,698	8,561,045	Nippon Telegraph and Telephone Corporation	44,700	2,335,470	2,483,239
bioMérieux	59,258	5,716,103	5,329,535	Obayashi Corporation	364,100	5,300,136	4,460,743
Kering SA	10,548	7,382,121	6,735,504	ORIX Corporation	367,100	5,898,111	7,277,531
Klepierre	213,539	12,751,221	8,970,180	Shimizu Corporation	370,100	4,275,908	4,149,974
LVMH Moet Hennessy Louis Vuitton SA	12,787	3,048,048	5,126,592	Shionogi & Co., Ltd.	189,600	9,304,740	14,668,808
Peugeot SA	307,828	8,953,972	8,928,035	Sompo Japan Nipponkoa Holdings Inc.	104,300	5,426,196	4,803,558
Safran SA	92,261	7,261,145	15,123,308	Sony Corporation	285,200	18,792,990	18,739,297
STMicroelectronics NV	128,110	3,719,604	2,494,399	Sumitomo Chemical Co., Ltd.	1,043,400	7,211,711	6,962,038
Thales SA	70,115	7,751,667	11,128,342	Sumitomo Corporation	523,000	10,363,571	10,066,581
TOTAL SA	31,677	2,138,801	2,283,227	Suzuki Motor Corporation	96,900	6,335,047	6,689,966
		79,805,734	84,095,147	Teijin Ltd.	131,500	3,027,386	2,856,345
				Tokyo Electron Ltd.	27,700	3,316,605	4,336,107
				Tosoh Corporation	217,200	5,428,718	3,834,492
						233,198,719	242,668,105
Germany – 5.7%				Netherlands – 4.3%			
Allianz SE	44,501	9,581,566	12,183,866	ABN AMRO Group NV	266,058	8,404,044	8,502,870
Bayer AG	53,575	7,053,073	5,068,669	ArcelorMittal	129,289	5,180,095	3,639,712
Continental AG	27,612	7,828,338	5,209,459	Koninklijke Ahold Delhaize NV	678,869	19,454,740	23,366,958
Covestro AG	100,279	9,684,955	6,768,815	Randstand Holding NV	85,967	6,735,457	5,364,583
Deutsche Lufthansa AG	125,235	4,188,236	3,853,507			39,774,336	40,874,123
Deutsche Telekom AG	206,689	4,585,887	4,790,334				
Hochtief AG	39,869	6,934,998	7,331,699	Norway – 1.1%			
SAP SE	52,556	5,653,437	7,142,735	DnB NOR ASA	161,610	4,132,536	3,537,185
United Internet AG	36,100	3,060,688	2,154,657	Equinor ASA	236,150	7,001,571	6,872,080
		58,571,178	54,503,741			11,134,107	10,409,265
Hong Kong – 4.9%				Singapore – 1.3%			
BOC Hong Kong Holdings Ltd.	1,551,500	8,973,672	7,817,090	Genting Singapore PLC	2,106,000	2,203,688	2,056,736
Cheung Kong Property Holdings Ltd	379,000	4,186,702	3,759,551	United Overseas Bank Ltd.	431,800	11,290,564	10,558,576
China Shenhua Energy Co Ltd.	952,000	3,126,632	2,828,597			13,494,252	12,615,312
CK Hutchison Holdings Ltd.	121,000	1,922,976	1,577,364				
Fosun International Ltd.	1,176,000	2,687,565	2,346,892	South Korea – 1.6%			
Galaxy Entertainment Group Ltd.	498,000	3,603,549	4,264,016	KB Financial Group Inc.	169,109	8,855,329	9,656,280
Hang Seng Bank Ltd.	319,300	10,410,175	9,728,623	Samsung Electronics Co., Ltd.	127,023	5,125,278	6,012,249
Hongkong Electric Holdings Limited	604,000	6,773,102	5,720,249			13,980,607	15,668,529
Weichai Power Co., Ltd.	1,595,000	2,262,997	2,467,314				
WH Group Ltd.	5,872,500	6,245,878	6,108,504				
		50,193,248	46,618,200				

The accompanying notes are an integral part of the financial statements.

Portfolio Adviser: Strategic Global Advisors, LLC

Scotia Private International Equity Pool (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
Spain – 3.2%			
Aena S.A.	40,380	6,780,407	8,542,212
Red Electrica Corporation S.A.	280,059	7,425,319	8,511,394
Repsol S.A.	609,079	12,607,390	13,359,041
		<u>26,813,116</u>	<u>30,412,647</u>
Sweden – 2.8%			
Atlas Copco AB, Series A	138,734	4,544,497	4,524,003
Swedbank AB, Series A	159,850	4,871,355	4,863,792
Volvo AB, Class B	964,926	22,329,238	17,317,718
		<u>31,745,090</u>	<u>26,705,513</u>
Switzerland – 6.9%			
Nestlé S.A.	107,466	10,442,421	11,919,377
Novartis AG	71,015	7,471,384	8,297,679
Partners Group Holding AG	8,090	4,504,591	6,708,409
Roche Holdings AG	64,724	19,047,032	21,833,916
Swiss Life Holding AG	23,261	6,293,858	12,248,379
Swisscom AG	7,607	4,630,570	4,966,331
		<u>52,389,856</u>	<u>65,974,091</u>
United Kingdom – 17.2%			
3i Group PLC	1,100,794	10,508,390	14,752,030
BAE Systems PLC	810,130	6,309,204	6,453,727
Barclays PLC	3,825,812	11,855,076	10,016,697
Berkeley Group Holdings	28,945	2,119,488	1,752,340
Burberry Group PLC	337,060	10,084,456	10,121,708
Carnival PLC	138,358	10,134,347	9,058,283
Diageo PLC	64,082	2,623,342	3,108,839
GlaxoSmithKline PLC	234,982	6,424,597	6,087,300
Glencore PLC	545,877	2,350,475	2,748,085
Imperial Brands PLC	87,100	3,614,434	3,595,021
Intertek Group PLC	27,807	1,746,689	2,310,630
ITV PLC	1,454,910	3,692,187	3,151,453
Legal & General Group PLC	3,369,186	14,237,712	13,493,613
Lloyds Banking Group PLC	17,015,225	19,603,026	15,345,909
Persimmon PLC	222,177	7,473,273	7,429,448
RELX PLC	277,841	6,124,575	7,788,894
Royal Dutch Shell PLC, Class B	123,927	5,772,607	5,033,308
Smith & Nephew PLC	211,550	5,064,720	5,370,209
Taylor Wimpey PLC	1,757,927	4,976,828	4,150,278
Tesco PLC	5,015,918	16,473,536	16,589,398
TUI AG	127,312	2,469,332	2,493,835
Unilever PLC	195,503	11,091,390	13,965,920
		<u>164,749,684</u>	<u>164,816,925</u>
United States – 5.2%			
Autohome Inc.	88,893	9,211,021	9,486,140
Check Point Software Technologies Ltd.	78,645	10,270,268	11,012,317
ICON PLC	37,409	5,353,710	6,593,574
iShares MSCI EAFE ETF	38,942	3,335,642	3,122,457
Nomad Foods Ltd.	130,090	3,253,369	2,967,077
NXP Semiconductors NV	63,446	6,362,967	6,342,177
Taro Pharmaceutical Industries Ltd.	21,925	4,456,668	2,531,418
Ternium S.A. – ADR	114,917	3,323,280	4,248,173
Teva Pharmaceutical Industries Ltd. – ADR	160,987	4,938,793	3,386,287
		<u>50,505,718</u>	<u>49,689,620</u>
Transaction Costs		(434,462)	
TOTAL INVESTMENT PORTFOLIO		<u>928,227,448</u>	950,989,324
Unrealized Gain (Loss) on Derivatives – 0.0%			107
OTHER ASSETS, LESS LIABILITIES – 0.5%			4,694,118
NET ASSETS – 100.0%			<u>955,683,549</u>

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve long term returns through capital growth by investing primarily in large capitalization stocks of companies in Europe, Australia and the Far East.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)
Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2018 and December 31, 2017. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

Currency	December 31, 2018			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
European Euro	259,163,584	–	259,163,584	27.1
Japanese Yen	242,924,762	–	242,924,762	25.4
British Pound	165,249,946	–	165,249,946	17.3
Swiss Franc	65,974,092	–	65,974,092	6.9
US Dollar	49,711,505	–	49,711,505	5.2
Hong Kong Dollar	46,618,200	–	46,618,200	4.9
Australian Dollar	45,710,012	–	45,710,012	4.8
Swedish Krona	26,705,513	–	26,705,513	2.8
South Korean Won	15,668,530	–	15,668,530	1.6
Singapore Dollar	12,615,311	–	12,615,311	1.3
Norwegian Krone	10,409,265	–	10,409,265	1.1
Israel Shekel	6,075,744	–	6,075,744	0.6
Brazilian Real	3,176,007	–	3,176,007	0.3
Danish Krone	2,061,325	–	2,061,325	0.2
	952,063,796	–	952,063,796	99.5

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
European Euro	376,489,438	–	376,489,438	29.5
Japanese Yen	312,303,638	–	312,303,638	24.5
British Pound	221,646,460	–	221,646,460	17.4
Swiss Franc	79,608,220	–	79,608,220	6.2
Australian Dollar	74,887,399	–	74,887,399	5.9
US Dollar	64,659,558	–	64,659,558	5.1
Hong Kong Dollar	43,960,034	–	43,960,034	3.4
Danish Krone	35,331,306	–	35,331,306	2.8
South Korean Won	26,009,202	–	26,009,202	2.0
Swedish Krona	19,837,465	–	19,837,465	1.6
Brazilian Real	6,573,053	–	6,573,053	0.5
Norwegian Krone	4,376,817	–	4,376,817	0.3
Singapore Dollar	3,212,860	–	3,212,860	0.3
	1,268,895,450	–	1,268,895,450	99.5

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$95,206,380 or approximately 10.0% of net assets (December 31, 2017 – \$126,889,546 or approximately 10.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 99.5% (December 31, 2017 – 99.4%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$95,098,932 (December 31, 2017 – \$126,769,340). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund did not have significant direct exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2018 or December 31, 2017.

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Australia	4.8	5.9
Austria	0.4	0.5
Belgium	1.3	1.7
Brazil	0.3	0.5
Denmark	0.2	2.8
Finland	2.1	1.4
France	8.8	9.4
Germany	5.7	8.7
Hong Kong	4.9	3.4
Ireland	0.6	–
Israel	0.6	–
Italy	0.8	2.3
Japan	25.4	24.5
Netherlands	4.3	2.4
Norway	1.1	0.3
Singapore	1.3	0.3
South Korea	1.6	2.0
Spain	3.2	3.2
Sweden	2.8	1.6
Switzerland	6.9	6.2
United Kingdom	17.2	17.3
United States	5.2	5.0

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2018	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	46,567,163	901,299,704	-	947,866,867
Underlying funds	3,122,457	-	-	3,122,457
Unrealized gain on currency spot contracts	-	107	-	107
	49,689,620	901,299,811	-	950,989,431

December 31, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	64,299,284	1,203,033,846	-	1,267,333,130
Warrants, rights and options	-	360,273	-	360,273
	64,299,284	1,203,394,119	-	1,267,693,403

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

Below is a summary of the Underlying Funds owned by the Fund.

Underlying Fund	December 31, 2018	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares MSCI EAFE ETF	3,122,457	0.0
	3,122,457	

Underlying Fund	December 31, 2017	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares MSCI EAFE ETF	26,018,338	0.0
	26,018,338	

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	63,013,422	74,656,701
Derivatives	–	78
Cash	539,724	882,864
Receivable for securities sold	–	15,756
Subscriptions receivable	22,198	620,442
Accrued investment income and other	101,914	76,584
	<u>63,677,258</u>	<u>76,252,425</u>
LIABILITIES		
Current liabilities		
Payable for securities purchased	–	81,092
Redemptions payable	12,883	40,170
Accrued expenses	1,277	–
	<u>14,160</u>	<u>121,262</u>
Net assets attributable to holders of redeemable units	<u>63,663,098</u>	<u>76,131,163</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	62,209,956	74,114,867
Series F	567,922	586,403
Series I	885,220	1,429,893
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	29.64	34.80
Series F	29.94	35.40
Series I	30.04	35.54

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	1,642,187	1,575,961
Interest for distribution purposes	4,818	5,668
Net realized gain (loss) on non-derivative financial assets	4,630,240	5,146,530
Change in unrealized gain (loss) on non-derivative financial assets	(15,141,711)	10,750,427
Change in unrealized gain (loss) on derivatives	(78)	78
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	(8,864,544)	17,478,664
Securities lending (note 11)	336	979
Net realized and unrealized foreign currency translation gain (loss)	(18,188)	(17,458)
Other income	–	257
Total income (loss), net	<u>(8,882,396)</u>	<u>17,462,442</u>
EXPENSES		
Management fees (note 5)	6,132	6,777
Fixed administration fees (note 6)	356,216	325,613
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	1,008	1,247
Foreign withholding taxes/tax reclaims	213,663	200,889
Harmonized Sales Tax/Goods and Services Tax	32,954	31,064
Transaction costs	78,706	70,261
Total expenses	<u>689,928</u>	<u>636,986</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(9,572,324)</u>	<u>16,825,456</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	(9,338,713)	16,225,461
Series F	(99,008)	166,934
Series I	(134,603)	433,061
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Pinnacle Series	(4.61)	7.84
Series F	(5.67)	7.69
Series I	(4.20)	8.42
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	2,027,442	2,070,120
Series F	17,473	21,701
Series I	32,070	51,410

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	74,114,867	56,746,676
Series F	586,403	658,376
Series I	1,429,893	1,764,711
	<u>76,131,163</u>	<u>59,169,763</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	(9,338,713)	16,225,461
Series F	(99,008)	166,934
Series I	(134,603)	433,061
	<u>(9,572,324)</u>	<u>16,825,456</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(1,002,379)	(965,120)
Series F	(5,914)	(1,608)
Series I	(18,833)	(24,790)
	<u>(1,027,126)</u>	<u>(991,518)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	17,096,306	15,791,806
Series F	308,300	133,763
Series I	30,730	13,860
Reinvested distributions		
Pinnacle Series	997,644	960,633
Series F	5,118	1,220
Series I	18,833	24,790
Payments on redemption		
Pinnacle Series	(19,657,769)	(14,644,589)
Series F	(226,977)	(372,282)
Series I	(440,800)	(781,739)
	<u>(1,868,615)</u>	<u>1,127,462</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	(11,904,911)	17,368,191
Series F	(18,481)	(71,973)
Series I	(544,673)	(334,818)
	<u>(12,468,065)</u>	<u>16,961,400</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	62,209,956	74,114,867
Series F	567,922	586,403
Series I	885,220	1,429,893
	<u>63,663,098</u>	<u>76,131,163</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(9,572,324)	16,825,456
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(4,630,240)	(5,146,530)
Change in unrealized (gain) loss on non-derivative financial assets	15,141,711	(10,750,427)
Change in unrealized (gain) loss on derivatives	78	(78)
Unrealized foreign currency translation (gain) loss	1,294	(335)
Other non-cash transactions	(7,606)	(65,068)
Purchases of non-derivative financial assets and liabilities	(43,061,451)	(36,399,497)
Proceeds from sale of non-derivative financial assets and liabilities	44,135,530	36,338,787
Accrued investment income and other	(25,330)	(24,314)
Accrued expenses and other payables	1,277	(878)
	<u>1,982,939</u>	<u>777,116</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	18,033,580	15,423,441
Amounts paid on redemption of redeemable units	(20,352,834)	(15,779,558)
Distributions to unitholders of redeemable units	(5,531)	(4,947)
	<u>(2,324,785)</u>	<u>(361,064)</u>
Net cash provided by (used in) operating activities		
	<u>1,982,939</u>	<u>777,116</u>
CASH (BANK OVERDRAFT), END OF PERIOD		
	<u>539,724</u>	<u>882,864</u>
Interest paid ⁽¹⁾	1,008	1,247
Interest received, net of withholding taxes ⁽¹⁾	4,818	5,892
Dividends received, net of withholding taxes ⁽¹⁾	1,395,588	1,285,096

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 99.0%				EQUITIES (cont'd)			
Australia – 5.7%				Germany – 6.7%			
Beach Energy Limited	436,378	286,087	562,362	Aareal Bank AG	4,138	196,971	174,497
Charter Hall Group	90,486	445,432	645,412	Alstria Office Real Estate Investment Trust AG	16,008	299,522	305,296
CSR Ltd.	90,363	338,284	244,066	Bechtle AG	3,175	234,276	336,782
Downer EDI Ltd.	44,231	293,096	287,410	Carl Zeiss Meditec AG	4,961	312,412	529,673
Metcash Ltd	119,901	350,582	282,377	Duerr AG	4,879	175,696	232,755
Northern Star Resources Ltd.	60,948	450,782	544,561	Gerresheimer AG	2,402	248,305	214,991
Orora Ltd.	65,398	211,335	192,981	HUGO BOSS AG	2,761	287,344	232,333
OZ Minerals Ltd.	26,048	138,754	220,335	Kloeckner & Co SE	19,335	292,158	183,091
Pendal Group Ltd.	25,589	291,145	195,004	Koenig & Bauer AG	2,854	211,393	162,841
Seven Group Holdings Ltd.	18,249	203,045	249,151	Rheinmetall AG	2,296	315,055	276,622
Star Entertainment Group Ltd., The	51,011	285,152	223,595	SAF-Holland SA	13,095	199,719	229,413
		<u>3,293,694</u>	<u>3,647,254</u>	Scout24 AG	4,438	255,056	278,691
Belgium – 0.7%				Siltronic AG			
Warehouses De Pauw SCA	2,577	292,207	464,098	Stabilus SA	3,598	194,959	308,155
Canada – 6.2%				TAG Immobilien AG			
Air Canada	10,432	121,010	270,815			<u>3,904,565</u>	<u>4,262,315</u>
Badger Daylighting Ltd.	6,648	210,668	214,398	Hong Kong – 1.2%			
BRP Inc.	7,221	249,688	255,190	Luk Fook Holdings International Ltd.	68,000	361,574	264,840
Canadian Apartment Properties Real Estate Investment Trust	7,489	170,405	331,763	Nexteer Automotive Group Ltd.	140,000	268,617	269,699
Canadian Western Bank	7,545	282,899	196,472	Towngas China Co., Ltd.	245,000	261,363	246,833
Capital Power Corporation	11,193	279,112	297,622			<u>891,554</u>	<u>781,372</u>
Enerflex Ltd.	14,769	241,492	236,009	Ireland – 0.3%			
Gran Tierra Energy, Inc.	83,706	309,184	249,444	Dalata Hotel Group PLC	26,394	231,314	192,949
IAMGOLD Corporation	38,989	250,093	195,335	Israel – 0.3%			
Kirkland Lake Gold Ltd.	12,221	341,649	435,068	Israel Discount Bank Ltd. – ADR	44,999	207,581	189,252
Parex Resources Inc.	25,141	294,507	411,055	Italy – 3.2%			
Tamarack Valley Energy Ltd.	103,497	297,220	244,253	A2A SpA	170,040	256,001	417,326
TFI International Inc.	9,110	311,359	321,583	Amplifon SpA	26,661	258,344	589,076
Tricon Capital Group Inc.	27,436	267,060	265,855	Brembo SpA	14,806	100,123	205,406
		<u>3,626,346</u>	<u>3,924,862</u>	DiaSorin SpA	2,016	235,471	222,867
Denmark – 1.7%				Infrastrutture Wireless Italiane SpA			
Dfds A/S	4,514	359,836	248,097	Technogym SpA	13,252	199,448	193,547
GN Store Nord A/S	5,803	182,330	295,993			<u>1,383,139</u>	<u>2,054,285</u>
Royal Unibrew A/S	5,585	390,277	524,734	Japan – 22.9%			
		<u>932,443</u>	<u>1,068,824</u>	Advantest Corporation	7,300	208,584	200,658
Finland – 2.0%				Aiful Corporation			
Cramo Oyj Class B	12,381	332,617	288,134	Asahi Intecc Co., Ltd.	5,500	160,495	319,418
DNA Oyj	9,578	260,945	255,999	Bic Camera Inc.	17,800	358,594	306,707
Metsa Board Oyj	23,112	305,063	185,901	Daifuku Co., Ltd.	4,200	115,158	258,320
Tieto Oyj	4,973	206,978	183,580	Daikyonyshikawa Corporation	13,700	245,208	181,917
Valmet Oyj	13,520	250,454	378,841	Denka Co., Ltd.	6,300	217,549	241,929
		<u>1,356,057</u>	<u>1,292,455</u>	DMG Mori Co., Ltd.	14,400	305,366	219,286
France – 8.5%				en-japan Inc.			
Alstom SA	4,060	234,148	223,116	Fuji Oil Holdings Inc.	9,000	331,431	391,888
Alten SA	3,741	328,633	423,775	Horiba Ltd.	3,700	278,044	204,198
Arkema SA	4,378	534,427	509,744	IT Holdings Corporation	9,500	342,775	515,044
Eiffage SA	4,636	495,304	529,183	Japan Hotel REIT Investment Corporation	331	332,912	323,043
Euronext NV	5,794	281,070	454,010	JCR Pharmaceuticals Co., Ltd.	3,200	190,734	182,213
Faurecia	4,371	320,108	223,833	Kanamoto Co., Ltd.	6,900	264,696	249,939
Ipsen SA	1,078	98,047	189,697	Keihin Corporation	12,800	339,191	290,559
Korian S.A.	4,203	205,691	203,722	Kenedix Office Investment Corporation	38	302,692	330,871
Nexity SA	6,178	350,374	380,477	Kumagai Gumi Co., Ltd.	5,400	218,573	220,164
SCOR SE	4,528	223,488	278,243	Lasertec Corporation	5,800	263,486	198,573
SEB SA	1,055	182,539	185,247	Maeda Corporation	19,500	210,242	247,055
SOITEC	2,570	303,834	202,557	Makino Milling Machine Co., Ltd.	3,700	235,915	177,441
Teleperformance	4,234	326,238	924,739	Matsumotokiyo Holdings Co., Ltd.	7,500	244,952	316,034
Television Francaise 1	20,634	304,616	227,154	NET One Systems Co., Ltd.	22,500	322,615	546,155
UBISOFT Entertainment	2,309	294,752	252,740	Nippon Accommodations Fund Inc.	54	278,712	355,570
Worldline SA	3,305	183,665	217,840	Nippon Suisan Kaisha Ltd.	38,600	283,192	293,553
		<u>4,666,934</u>	<u>5,426,077</u>	North Pacific Bank Ltd.	67,100	264,828	243,728
				OKUMA Corporation	3,600	270,617	233,404

The accompanying notes are an integral part of the financial statements.

Portfolio Adviser: Victory Capital Management

Scotia Private International Small to Mid Cap Value Pool (Continued)

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SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
Japan (cont'd)				Spain (cont'd)			
Open House Co., Ltd.	4,100	162,083	190,731	Masmovil Ibercom S.A.	6,805	227,891	206,770
PALTAC CORPORATION	7,600	326,561	484,618	Melia Hotels International S.A.	14,364	255,811	184,398
Penta-Ocean Construction Co Ltd.	37,400	282,051	280,404	Merlin Properties Socimi S.A.	13,729	200,743	231,441
Rengo Co., Ltd.	23,600	268,591	253,656	Unicaja Banco S.A.	100,786	238,155	179,369
Rohto Pharmaceutical Co., Ltd.	7,900	282,468	291,024			<u>1,304,818</u>	<u>1,221,996</u>
Round One Corporation	18,200	196,760	256,686	Sweden – 3.1%			
Ryobi Limited	7,100	192,703	234,290	Dometic Group AB	29,817	336,151	253,394
Sankyu Inc.	4,300	270,799	263,920	Loomis AB, Class B	7,221	310,760	318,923
Sanwa Shutter Corporation	21,900	171,498	337,197	Peab AB	20,831	231,502	232,959
Seino Transportation Co., Ltd.	17,900	223,514	318,459	Resurs Holding AB	27,151	242,177	228,351
Shiga Bank, Ltd., The	10,600	358,925	337,480	SSAB Svenskt Staal AB, Series B	70,391	367,393	269,493
Ship Healthcare Holdings Inc.	6,000	218,794	303,896	Swedish Orphan Biovitrum AB	6,635	147,764	196,946
Starts Corporation Inc.	8,100	237,574	244,375	Wihlborgs Fastigheter AB	29,077	337,493	459,860
Sumitomo Bakelite Co Ltd.	5,600	214,881	261,342			<u>1,973,240</u>	<u>1,959,926</u>
Sumitomo Forestry Co., Ltd.	16,600	198,406	294,436	Switzerland – 5.1%			
Sushiro Global Holdings Ltd.	3,200	233,592	237,586	Forbo Holding AG	130	257,385	248,850
Taiyo Yuden Co., Ltd.	14,200	308,274	292,635	Georg Fischer AG	340	323,439	370,038
Takasago Thermal Engineering Co., Ltd.	12,700	284,129	280,245	Helvetia Holding AG	256	125,205	204,426
Toda Corporation	25,900	199,434	218,634	Julius Baer Group Ltd.	4,939	324,267	240,772
Tokai Carbon Co., Ltd.	15,500	315,619	237,617	Logitech International SA	13,878	272,607	598,210
Tokyo Steel Manufacturing Co., Ltd.	30,100	289,742	331,517	Siegfried Holding AG	374	227,542	174,216
UT Group Co., Ltd.	7,500	173,523	177,113	Straumann Holding AG	369	202,853	318,405
Valor Holdings Co., Ltd.	6,500	225,336	214,799	Swiss Life Holding AG	1,368	233,364	720,338
YA-MAN Ltd.	10,500	215,674	181,397	Vontobel Holding AG	4,773	423,332	334,875
Yamato Kogyo Co., Ltd.	7,500	308,620	238,496			<u>2,389,994</u>	<u>3,210,130</u>
Zenkoku Hosho Co., Ltd.	7,800	398,855	330,768	United Kingdom – 17.2%			
		<u>13,696,502</u>	<u>14,568,523</u>	Hays PLC	104,577	290,645	253,223
Netherlands – 2.1%				Ashmore Group PLC	43,888	317,779	277,725
AMG Advanced Metallurgical Group NV	5,396	217,105	235,568	Auto Trader Group PLC	37,060	259,801	291,940
ASM International NV	2,792	231,932	156,787	AVEVA Group PLC	5,397	265,973	226,380
ASR Nederland NV	8,672	349,427	467,021	B&M European Value Retail SA	44,957	309,497	220,178
IMCD NV	2,713	239,493	236,393	Beazley PLC	36,530	215,812	318,567
TKH Group NV	3,226	143,642	205,370	Bellway PLC	5,579	281,695	243,180
		<u>1,181,599</u>	<u>1,301,139</u>	Cairn Energy PLC	73,592	297,958	191,681
New Zealand – 0.6%				Cineworld Group PLC	83,196	422,142	380,039
Summerset Group Holdings Ltd.	64,352	259,849	375,987	Clinigen Group PLC	20,712	267,050	272,521
Norway – 0.3%				Coats Group PLC	163,797	210,062	232,006
FLEX LNG Ltd.	107,298	237,898	208,563	Coca-Cola HBC AG	13,077	586,305	555,380
Singapore – 1.1%				Computacenter PLC	14,982	261,242	261,511
Frasers Logistics & Industrial Trust	328,700	341,130	338,257	Costain Group PLC	28,629	180,461	157,069
Mapletree Industrial Trust	189,378	308,226	361,645	Electrocomponents PLC	33,452	197,387	293,637
		<u>649,356</u>	<u>699,902</u>	Entertainment One Ltd.	57,249	294,884	353,748
South Korea – 5.5%				Grafton Group PLC	21,776	268,318	242,858
AfreecaTV Co., Ltd.	4,819	222,376	231,125	Hikma Pharmaceuticals PLC	8,850	271,188	262,619
Chong Kun Dang Pharmaceutical Corp.	2,139	300,635	266,893	Hunting PLC	22,024	246,858	182,465
DuzonBizon Co., Ltd.	4,918	156,439	314,136	IG Group Holdings PLC	21,098	305,853	208,797
GS Home Shopping Inc.	1,171	280,556	258,123	Intermediate Capital Group PLC	21,484	319,195	347,907
KIWOOM Securities Co., Ltd.	2,949	207,319	281,369	J D Wetherspoon PLC	10,017	215,341	193,966
Korea United Pharm Inc.	6,502	222,939	182,043	JD Sports Fashion PLC	65,270	343,954	394,727
LS Industrial Systems Co., Ltd.	4,174	279,720	250,060	Keller Group PLC	16,187	236,927	137,855
Maeil Dairies Co., Ltd.	3,018	328,501	292,326	LondonMetric Property PLC	81,283	257,382	245,737
Poongsan Corporation	5,270	189,636	176,188	Meggitt PLC	27,153	264,488	221,708
Seoul Semiconductor Co., Ltd.	8,790	217,351	209,542	Moneysupermarket.com Group PLC	39,404	210,202	188,314
SFA Engineering Corporation	6,613	230,134	280,186	National Express Group PLC	50,713	293,724	329,363
SKC Co., Ltd.	6,211	253,670	271,408	Northgate PLC	28,306	266,428	187,007
SL Corporation	9,664	213,893	235,853	OneSavings Bank PLC	36,287	276,863	220,266
Soulbrain Co., Ltd.	3,896	304,914	228,083	Redrow PLC	26,443	236,934	225,319
		<u>3,408,083</u>	<u>3,477,335</u>	RPC Group PLC	14,614	215,710	165,175
Spain – 1.9%				Safestore Holdings PLC	42,539	294,196	374,108
Bankinter S.A.	19,828	182,766	216,218	Spectris PLC	6,348	308,740	250,845
Cia de Distribucion Integral Logista Holdings SA	5,976	199,452	203,800	Stock Spirits Group PLC	48,219	253,551	174,218

FOREIGN EQUITY FUNDS

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
United Kingdom (cont'd)			
Synthomer PLC	32,575	239,751	201,797
Tate & Lyle PLC	38,654	470,431	442,934
Unite Group PLC	24,471	214,726	342,672
United Drug PLC	31,716	240,529	328,319
Vesuvius PLC	32,944	311,603	288,969
Wizz Air Holdings PLC	5,687	223,708	277,468
		<u>11,445,293</u>	<u>10,964,198</u>
United States – 2.7%			
Canada Goose Holdings Inc.	8,324	228,960	496,433
Globant SA	3,368	270,060	258,752
Nomad Foods Ltd.	10,119	252,866	230,793
Sierra Wireless Inc.	8,644	240,896	158,358
Vanguard FTSE Developed Markets ETF	11,414	599,509	577,644
		<u>1,592,291</u>	<u>1,721,980</u>
Transaction Costs		<u>(56,569)</u>	
TOTAL INVESTMENT PORTFOLIO		<u>58,868,188</u>	63,013,422
OTHER ASSETS, LESS LIABILITIES – 1.0%			<u>649,676</u>
NET ASSETS – 100.0%			<u>63,663,098</u>

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns through capital growth by investing in stocks of small and medium capitalization corporations in Europe, Australia and the Far East.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)
Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2018 and December 31, 2017. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

Currency	December 31, 2018			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
European Euro	16,221,761	–	16,221,761	25.5
Japanese Yen	14,601,395	–	14,601,395	22.9
British Pound	10,994,126	–	10,994,126	17.3
Australian Dollar	3,674,312	–	3,674,312	5.8
South Korean Won	3,531,741	–	3,531,741	5.5
Swiss Franc	3,210,131	–	3,210,131	5.0
Swedish Krona	1,959,926	–	1,959,926	3.1
US Dollar	1,727,059	–	1,727,059	2.7
Danish Krone	1,068,824	–	1,068,824	1.7
Hong Kong Dollar	781,372	–	781,372	1.2
Singapore Dollar	699,902	–	699,902	1.1
New Zealand Dollar	375,987	–	375,987	0.6
Norwegian Krone	208,563	–	208,563	0.3
Israel Shekel	189,252	–	189,252	0.3
	59,244,351	–	59,244,351	93.0

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
European Euro	19,629,854	–	19,629,854	25.8
Japanese Yen	18,274,394	–	18,274,394	24.0
British Pound	12,689,236	–	12,689,236	16.7
Australian Dollar	3,729,209	–	3,729,209	4.9
Swiss Franc	3,649,839	–	3,649,839	4.8
South Korean Won	3,533,554	–	3,533,554	4.6
Swedish Krona	2,559,975	–	2,559,975	3.4
Hong Kong Dollar	1,375,059	–	1,375,059	1.8
US Dollar	1,335,190	–	1,335,190	1.8
Danish Krone	987,090	–	987,090	1.3
Singapore Dollar	737,057	–	737,057	1.0
New Zealand Dollar	376,498	–	376,498	0.5
Norwegian Krone	193,952	–	193,952	0.3
	69,070,907	–	69,070,907	90.9

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$5,924,435 or approximately 9.3% of net assets (December 31, 2017 – \$6,907,091 or approximately 9.1%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 98.8% (December 31, 2017 – 98.2%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$6,301,342 (December 31, 2017 – \$7,465,671). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund did not have significant direct exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2018 or December 31, 2017.

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Australia	5.7	4.9
Belgium	0.7	0.5
Canada	6.2	7.5
Denmark	1.7	1.3
Finland	2.0	0.9
France	8.5	7.8
Germany	6.7	8.3
Hong Kong	1.2	1.8
Ireland	0.3	0.3
Israel	0.3	–
Italy	3.2	3.4
Japan	22.9	24.0
Netherlands	2.1	3.0
New Zealand	0.6	0.5
Norway	0.3	0.3
Singapore	1.1	1.0
South Korea	5.5	4.1
Spain	1.9	1.5
Sweden	3.1	3.4
Switzerland	5.1	4.8
Thailand	–	0.5
United Kingdom	17.2	16.6
United States	2.7	1.8

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2018	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	5,069,198	57,366,580	-	62,435,778
Underlying funds	577,644	-	-	577,644
	5,646,842	57,366,580	-	63,013,422

December 31, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	7,006,302	67,650,399	-	74,656,701
Unrealized gain on currency spot contracts	-	78	-	78
	7,006,302	67,650,477	-	74,656,779

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

Below is a summary of the Underlying Funds owned by the Fund.

Underlying Fund	December 31, 2018	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Vanguard FTSE Developed Markets ETF	577,644	0.0
	577,644	

Underlying Fund	December 31, 2017	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Vanguard FTSE Developed Markets ETF	563,849	0.0
	563,849	

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia Private Emerging Markets Pool

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STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	383,589,728	304,702,867
Cash	5,307,312	7,707,569
Subscriptions receivable	106,935	627,512
Accrued investment income and other	218,549	221,606
	<u>389,222,524</u>	<u>313,259,554</u>
LIABILITIES		
Current liabilities		
Redemptions payable	929,932	48,034
	<u>929,932</u>	<u>48,034</u>
Net assets attributable to holders of redeemable units	<u>388,292,592</u>	<u>313,211,520</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	99,034,016	75,320,432
Series F	30,196	–
Series I	273,828,590	221,056,564
Series M	<u>15,399,790</u>	<u>16,834,524</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	10.22	11.61
Series F	9.90	–
Series I	10.36	11.77
Series M	<u>10.25</u>	<u>11.62</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	10,651,031	10,703,460
Interest for distribution purposes	129,634	74,810
Net realized gain (loss) on non-derivative financial assets	7,491,888	18,290,211
Change in unrealized gain (loss) on non-derivative financial assets	(50,047,108)	44,979,240
Change in unrealized gain (loss) on derivatives	–	6,805
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	(31,774,555)	74,054,526
Securities lending (note 11)	8,315	7,609
Net realized and unrealized foreign currency translation gain (loss)	(263,417)	(360,973)
Other income	135	293
Total income (loss), net	<u>(32,029,522)</u>	<u>73,701,455</u>
EXPENSES		
Management fees (note 5)	130,510	104,679
Fixed administration fees (note 6)	396,203	312,598
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	13,496	9,768
Foreign withholding taxes/tax reclaims	1,336,878	1,250,945
Harmonized Sales Tax/Goods and Services Tax	50,706	40,686
Transaction costs	597,240	502,094
Total expenses	<u>2,526,282</u>	<u>2,221,905</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(34,555,804)</u>	<u>71,479,550</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	(10,871,223)	17,051,310
Series F	(182)	–
Series I	(21,374,828)	50,796,075
Series M	<u>(2,309,571)</u>	<u>3,632,165</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Pinnacle Series	(1.29)	2.68
Series F	(0.11)	–
Series I	(1.08)	2.76
Series M	<u>(1.41)</u>	<u>2.62</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	8,417,123	6,359,727
Series F	1,609	–
Series I	19,815,104	18,435,486
Series M	<u>1,637,864</u>	<u>1,385,667</u>

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	75,320,432	58,757,538
Series I	221,056,564	175,801,605
Series M	16,834,524	12,618,893
	<u>313,211,520</u>	<u>247,178,036</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	(10,871,223)	17,051,310
Series F	(182)	-
Series I	(21,374,828)	50,796,075
Series M	(2,309,571)	3,632,165
	<u>(34,555,804)</u>	<u>71,479,550</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(2,089,707)	(2,113,088)
Series F	(701)	-
Series I	(6,364,704)	(6,616,894)
Series M	(209,096)	(385,619)
	<u>(8,664,208)</u>	<u>(9,115,601)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	49,064,110	14,350,213
Series F	30,889	-
Series I	101,353,367	10,835,139
Series M	8,259,404	5,699,276
Reinvested distributions		
Pinnacle Series	2,080,407	2,103,877
Series F	190	-
Series I	6,364,704	6,616,894
Series M	192,029	360,296
Payments on redemption		
Pinnacle Series	(14,470,003)	(14,829,418)
Series I	(27,206,513)	(16,376,255)
Series M	(7,367,500)	(5,090,487)
	<u>118,301,084</u>	<u>3,669,535</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	23,713,584	16,562,894
Series F	30,196	-
Series I	52,772,026	45,254,959
Series M	(1,434,734)	4,215,631
	<u>75,081,072</u>	<u>66,033,484</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	99,034,016	75,320,432
Series F	30,196	-
Series I	273,828,590	221,056,564
Series M	15,399,790	16,834,524
	<u>388,292,592</u>	<u>313,211,520</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(34,555,804)	71,479,550
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(7,491,888)	(18,290,211)
Change in unrealized (gain) loss on non-derivative financial assets	50,047,108	(44,979,240)
Change in unrealized (gain) loss on derivatives	-	(6,805)
Unrealized foreign currency translation (gain) loss	689	(3,737)
Other non-cash transactions	(190,495)	(1,359,699)
Purchases of non-derivative financial assets and liabilities	(380,716,092)	(237,253,215)
Proceeds from sale of non-derivative financial assets and liabilities	259,464,508	233,117,162
Accrued investment income and other	3,057	99,937
Accrued expenses and other payables	-	(1,074)
Net cash provided by (used in) operating activities	<u>(113,438,917)</u>	<u>2,802,668</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	159,228,346	30,385,315
Amounts paid on redemption of redeemable units	(48,162,118)	(36,312,404)
Distributions to unitholders of redeemable units	(26,879)	(34,666)
Net cash provided by (used in) financing activities	111,039,349	(5,961,755)
Unrealized foreign currency translation gain (loss)	(689)	3,737
Net increase (decrease) in cash	(2,399,568)	(3,159,087)
Cash (bank overdraft), beginning of period	7,707,569	10,862,919
CASH (BANK OVERDRAFT), END OF PERIOD	<u>5,307,312</u>	<u>7,707,569</u>
Interest paid ⁽¹⁾	13,496	9,768
Interest received, net of withholding taxes ⁽¹⁾	129,634	76,948
Dividends received, net of withholding taxes ⁽¹⁾	9,128,182	8,190,614

⁽¹⁾ Classified as operating items.

Scotia Private Emerging Markets Pool (Continued)

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SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 98.9%				EQUITIES (cont'd)			
Brazil – 7.5%				India (cont'd)			
Atacadao Distribuicao Comercio e Industria Ltd.	392,200	2,267,229	2,504,399	JSW Steel Ltd.	426,848	2,486,312	2,567,480
Banco do Estado do Rio Grande do Sul S.A.	276,000	2,086,986	2,161,711	Mahindra & Mahindra Ltd.	203,782	2,874,963	3,205,657
Banco Santander Brasil S.A.	232,900	2,944,199	3,515,227	Maruti Suzuki India Ltd.	20,696	2,767,840	3,021,760
Cia Brasileira de Distribuicao, Preference	98,000	2,754,562	2,784,184	NIIT Technologies Ltd.	137,652	2,414,765	3,094,160
Estacio Participacoes S.A.	323,300	2,713,256	2,690,464	Power Finance Corporation Ltd.	1,086,817	1,914,080	2,281,575
Itausa – Investimentos Itau S.A., Preference	1,067,100	4,034,174	4,555,337	Tata Consultancy Services Ltd.	105,315	3,867,490	3,912,076
LOG Commercial Properties e Participacoes S.A.	34,192	190,495	216,595	Tech Mahindra Ltd.	270,626	3,246,907	3,834,676
MRV Engenharia e Participacoes S.A.	473,900	2,242,302	2,054,481			<u>36,365,330</u>	<u>40,393,507</u>
Sul America S.A.	287,800	2,447,278	2,896,506				
Telefonica Brasil S.A.	185,400	2,584,385	3,025,271	Indonesia – 2.0%			
Vale S.A. – ADR, Preference	148,070	2,305,333	2,666,047	Bank Mandiri Persero Tbk PT	4,202,900	2,736,452	2,940,151
		<u>26,570,199</u>	<u>29,070,222</u>	Perusahaan Gas Negara Persero Tbk	11,895,900	2,397,495	2,392,123
				United Tractors Tbk PT	930,500	3,096,180	2,416,341
						<u>8,230,127</u>	<u>7,748,615</u>
Hong Kong – 28.0%				Malaysia – 0.4%			
Agile Property Holdings Ltd.	1,766,000	2,689,639	2,802,867	Genting Bhd	816,900	2,152,508	1,646,891
Agricultural Bank of China Ltd.	6,009,000	3,697,508	3,571,422				
Anhui Conch Cement Co., Ltd.	460,500	2,646,981	3,014,271	Mexico – 1.7%			
ANTA Sports Products Ltd.	470,000	2,976,253	3,048,755	Grupo Financiero Banorte S.A.B. de C.V., Series O	497,019	3,830,303	3,307,776
Bank of China Ltd., Class H	4,966,000	3,270,559	2,910,606	Walmart Inc., de Mexico S.A.B. de C.V.	901,738	2,913,700	3,130,963
Bank of Communications Co., Ltd., Class H	3,083,000	2,906,040	3,271,879			<u>6,744,003</u>	<u>6,438,739</u>
BOC Aviation Ltd.	232,200	2,303,301	2,330,430				
China CITIC Bank Corporation Limited	3,869,000	3,563,439	3,196,459	Poland – 0.7%			
China Communications Services Corporation Ltd., Class H	2,114,000	2,403,772	2,392,844	Powszechna Kasa Oszczednosci Bank Polski SA	189,330	3,144,228	2,722,787
China Construction Bank Corporation, Class H	4,812,494	4,767,458	5,382,448				
China Evergrande Group	892,000	2,855,578	3,615,497	Russia – 0.3%			
China Minsheng Banking Corporation Ltd.	2,544,500	2,502,081	2,392,394	Mining and Metallurgical Company Norilsk			
China Mobile Limited	231,000	3,256,488	3,036,832	Nickel – ADR	51,769	1,018,934	1,324,885
China Pacific Insurance Group Co., Ltd.	366,400	1,982,953	1,607,429				
China Petroleum & Chemical Corporation	3,472,000	4,169,655	3,383,959	South Africa – 5.6%			
China Shenhua Energy Co Ltd.	1,087,500	3,373,952	3,231,197	Aspen Pharmacare Holdings Ltd.	122,216	2,856,651	1,565,804
China Traditional Chinese Medicine Holdings Co., Ltd.	3,146,000	3,296,630	2,480,930	Barloworld Ltd.	159,071	1,751,976	1,728,158
CITIC Ltd.	1,454,000	2,993,616	3,094,032	Bid Corporation Ltd.	97,899	2,703,663	2,456,087
CNOOC Ltd.	1,918,000	3,463,970	4,008,514	Growthpoint Properties Ltd.	1,259,179	3,109,346	2,774,644
CSPC Pharmaceutical Group Ltd.	1,130,000	2,450,423	2,203,490	Mondi Ltd.	68,259	2,425,701	2,000,008
Fosun International Ltd.	1,036,500	2,220,176	2,068,498	Naspers Limited N Shares	22,172	6,595,561	6,014,526
Guangzhou R&F Properties Co., Ltd.	967,600	1,971,182	1,976,986	Rand Merchant Investment Holdings Ltd.	821,729	3,089,386	2,827,864
Hengan International Group Co., Ltd.	276,000	2,824,403	2,730,692	Truworths International Ltd.	296,083	2,548,977	2,477,125
Huaneng Power International Inc., Class H	3,222,000	2,435,650	2,779,189			<u>25,081,261</u>	<u>21,844,216</u>
Industrial and Commercial Bank of China Ltd., Class H	2,543,392	2,274,869	2,462,299	South Korea – 14.9%			
Ping An Insurance Group Company of China Ltd.	138,500	1,657,795	1,658,940	Daelim Industrial Co., Ltd.	29,447	2,922,382	3,691,745
Postal Savings Bank of China Co., Ltd.	3,314,000	2,611,905	2,374,456	Dongbu Insurance Co., Ltd.	26,030	1,835,550	2,246,194
Shanghai Pharmaceuticals Holding Co., Ltd.	711,300	2,134,136	1,964,531	Doosan Infracore Co., Ltd.	217,716	2,098,424	2,015,823
Shenzhou International Group Holdings Ltd.	204,000	3,200,803	3,131,024	DuzonBizon Co., Ltd.	38,629	2,381,806	2,467,417
Shimao Property Holdings Ltd.	838,000	2,808,549	3,023,864	Hana Financial Group Inc.	85,890	3,751,830	3,812,740
Sinopec Shanghai Petrochemical Co., Ltd.	2,642,000	1,784,208	1,568,005	Hankook Tire Co., Ltd.	42,130	2,160,339	2,071,850
Sinopharm Group Co., Ltd., Class H	480,000	3,021,412	2,741,720	Hyundai Department Store Co., Ltd.	16,802	1,869,706	1,858,119
Tencent Holdings Limited	323,400	10,367,666	17,487,192	Hyundai Marine & Fire Insurance Co., Ltd.	44,711	1,994,777	2,249,746
YiChang HEC Changjiang Pharmaceutical Co., Ltd., Class H	357,600	2,112,801	1,616,267	Hyundai Mobis Co., Ltd.	12,439	2,923,787	2,890,872
		<u>102,995,851</u>	<u>108,559,918</u>	Hyundai Steel Company	43,567	2,347,828	2,408,499
				Industrial Bank of Korea	157,398	2,635,628	2,711,007
				LG Electronics Inc.	32,928	2,611,990	2,532,774
				LG Uplus Corp.	140,991	1,997,850	3,046,004
				Samsung Electronics Co., Ltd.	262,456	10,385,897	12,422,561
				Shinhan Financial Group Co., Ltd.	73,873	3,779,803	3,586,051
				SK Hynix Inc.	62,397	5,790,733	4,613,809
				SK Telecom Co., Ltd.	9,699	2,961,954	3,206,990
		<u>5,040,034</u>	<u>6,472,396</u>			<u>54,450,284</u>	<u>57,832,201</u>
India – 10.4%				Taiwan – 12.4%			
Hindalco Industries Ltd.	781,014	3,554,284	3,451,246	China Steel Corporation	2,360,000	2,483,723	2,552,521
Hindustan Unilever Ltd.	123,959	3,103,962	4,415,710	Far EasTone Telecommunications Co., Ltd.	699,000	2,130,087	2,376,675
Housing Development Finance Corporation Ltd.	166,330	6,001,082	6,422,218	Feng TAY Enterprise Co., Ltd.	367,000	2,809,589	2,856,501
Infosys Ltd.	323,723	4,133,645	4,186,949	Formosa Chemicals & Fibre Corporation	648,000	3,136,397	3,008,832

FOREIGN EQUITY FUNDS

The accompanying notes are an integral part of the financial statements.

Portfolio Adviser: LMCG Investments, LLC

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
Taiwan (cont'd)			
Nanya Technology Corporation	951,000	2,375,361	2,302,377
President Chain Store Corporation	180,000	2,651,152	2,492,389
Shin Kong Financial Holding Co., Ltd.	6,757,801	3,078,698	2,684,332
Synnex Technology International Corporation	1,259,000	2,286,969	2,026,066
Taiwan Semiconductor Manufacturing Company Ltd.	1,341,818	8,847,140	13,349,301
Tripod Technology Corporation	479,000	2,000,075	1,707,749
Unimicron Technology Corporation	2,788,000	2,299,787	2,740,585
Uni-President Enterprises Corporation	1,171,000	3,289,110	3,632,044
United Microelectronics Corporation	4,504,000	3,128,528	2,241,168
Walsin Lihwa Corp.	2,933,000	2,581,773	2,162,178
Wistron Corporation	2,299,040	1,876,704	1,941,302
		<u>44,975,093</u>	<u>48,074,020</u>
Thailand – 1.9%			
Land & Houses PCL	5,259,900	2,441,397	2,195,161
PTT Exploration & Production PCL	679,200	3,307,320	3,245,320
Thanachart Capital PCL	970,300	2,099,080	2,035,643
		<u>7,847,797</u>	<u>7,476,124</u>
Turkey – 2.8%			
BIM Birlesik Magazalar AS	90,758	2,090,646	2,035,942
Eregli Demir ve Celik Fabrikalari TAS (Erdemir)	1,202,940	2,600,177	2,223,144
Tekfen Holding AS	385,900	2,256,219	2,057,278
Turkiye Garanti Bankasi AS	651,362	1,914,019	1,316,880
Turkiye Sise ve Cam Fabrikalari AS	1,363,653	1,829,124	1,984,655
Yapi ve Kredi Bankasi AS	2,970,129	2,868,166	1,222,555
		<u>13,558,351</u>	<u>10,840,454</u>
United Kingdom – 0.4%			
Severstal PAO	77,422	1,444,530	1,441,648
United States – 8.2%			
58.com Inc.	38,519	3,976,240	2,848,414
Alibaba Group Holding Ltd.	56,368	10,162,492	10,539,589
Baidu, Inc.	13,366	3,998,789	2,891,700
Gazprom – ADR	466,412	3,323,796	2,812,164
iShares MSCI Emerging Markets ETF	128,892	7,067,295	6,867,629
Lukoil Oil Company – ADR	40,138	2,723,149	3,906,047
Mobile TeleSystems – ADR	192,440	2,316,668	1,837,562
		<u>33,568,429</u>	<u>31,703,105</u>
Transaction Costs		<u>(353,723)</u>	
TOTAL INVESTMENT PORTFOLIO		<u>372,833,236</u>	383,589,728
OTHER ASSETS, LESS LIABILITIES – 1.1%			<u>4,702,864</u>
NET ASSETS – 100.0%			<u>388,292,592</u>

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve long term returns through capital growth by investing primarily in equity and equity-related securities of companies located in emerging markets and emerging industries of any market.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2018 and December 31, 2017. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

Currency	December 31, 2018			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
Hong Kong Dollar	108,559,922	-	108,559,922	28.0
South Korean Won	57,832,206	-	57,832,206	14.9
Taiwan Dollar	48,100,821	-	48,100,821	12.4
Indian Rupee	40,393,507	-	40,393,507	10.4
US Dollar	34,628,925	-	34,628,925	8.9
Brazilian Real	29,138,702	-	29,138,702	7.5
South African Rand	21,844,216	-	21,844,216	5.6
Turkish Lira	10,840,454	-	10,840,454	2.8
Indonesian Rupiah	7,748,614	-	7,748,614	2.0
Thai Baht	7,476,124	-	7,476,124	1.9
Hungary Forint	6,472,396	-	6,472,396	1.7
Mexican Peso	6,438,738	-	6,438,738	1.7
Polish Zloty	2,722,787	-	2,722,787	0.7
Malaysian Ringgit	1,646,891	-	1,646,891	0.4
	383,844,303	-	383,844,303	98.9

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
Hong Kong Dollar	77,516,987	-	77,516,987	24.7
South Korean Won	55,128,476	-	55,128,476	17.6
Taiwan Dollar	38,846,497	-	38,846,497	12.4
US Dollar	32,402,010	-	32,402,010	10.3
Brazilian Real	21,075,585	-	21,075,585	6.7
Indian Rupee	17,351,503	-	17,351,503	5.5
South African Rand	15,908,309	-	15,908,309	5.1
Thai Baht	12,716,425	-	12,716,425	4.1
Turkish Lira	8,947,289	-	8,947,289	2.9
Malaysian Ringgit	7,001,261	-	7,001,261	2.2
Mexican Peso	6,407,375	-	6,407,375	2.0
Hungary Forint	4,725,177	-	4,725,177	1.5
Polish Zloty	3,252,772	-	3,252,772	1.0
Indonesian Rupiah	2,218,025	-	2,218,025	0.7
European Euro	1,683,430	-	1,683,430	0.5
	305,181,121	-	305,181,121	97.2

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$38,384,430 or approximately 9.9% of net assets (December 31, 2017 – \$30,518,112 or approximately 9.7%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 98.9% (December 31, 2017 – 97.4%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$38,358,973 (December 31, 2017 – \$30,470,287). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund did not have significant direct exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2018 or December 31, 2017.

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Brazil	7.5	6.7
China	-	0.7
Greece	-	0.5
Hong Kong	28.0	24.1
Hungary	1.7	-
India	10.4	5.5
Indonesia	2.0	0.7
Malaysia	0.4	2.2
Mexico	1.7	2.0
Poland	0.7	1.0
Russia	0.3	0.4
South Africa	5.6	5.1
South Korea	14.9	17.6
Taiwan	12.4	12.4
Thailand	1.9	4.1
Turkey	2.8	2.9
United Kingdom	0.4	0.5
United States	8.2	9.5

The accompanying notes are an integral part of the financial statements.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2018	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	31,274,215	345,447,884	–	376,722,099
Underlying funds	6,867,629	–	–	6,867,629
	38,141,844	345,447,884	–	383,589,728

December 31, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	36,101,250	268,601,617	–	304,702,867
	36,101,250	268,601,617	–	304,702,867

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

Below is a summary of the Underlying Funds owned by the Fund.

Underlying Fund	December 31, 2018	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares MSCI Emerging Markets ETF	6,867,629	0.0
	6,867,629	

Underlying Fund	December 31, 2017	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares MSCI India ETF	4,772,987	0.1
iShares MSCI Emerging Markets ETF	1,530,820	0.0
	6,303,807	

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia Private Global Equity Pool

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STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	434,371,107	383,445,133
Derivatives	4,747	–
Cash	9,389,043	15,934,196
Subscriptions receivable	–	10
Accrued investment income and other	316,129	213,809
	<u>444,081,026</u>	<u>399,593,148</u>
LIABILITIES		
Current liabilities		
Payable for securities purchased	522,685	–
Redemptions payable	1,547	421,638
	<u>524,232</u>	<u>421,638</u>
Net assets attributable to holders of redeemable units	<u>443,556,794</u>	<u>399,171,510</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	23,902,488	30,781,514
Series F	7,171,161	8,885,382
Series I	412,483,145	359,504,614
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	25.81	27.59
Series F	25.49	27.29
Series I	26.19	27.99

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	6,503,661	5,412,927
Interest for distribution purposes	137,968	45,668
Net realized gain (loss) on non-derivative financial assets	37,520,406	53,128,941
Change in unrealized gain (loss) on non-derivative financial assets	(49,437,929)	24,237,004
Change in unrealized gain (loss) on derivatives	4,747	4,753
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	(5,271,147)	82,829,293
Securities lending (note 11)	143,853	15,000
Net realized and unrealized foreign currency translation gain (loss)	(58,670)	(226,823)
Total income (loss), net	<u>(5,185,964)</u>	<u>82,617,470</u>
EXPENSES		
Management fees (note 5)	96,357	100,833
Fixed administration fees (note 6)	241,484	246,533
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	776	1,189
Foreign withholding taxes/tax reclaims	763,079	517,780
Harmonized Sales Tax/Goods and Services Tax	29,350	29,909
Transaction costs	142,325	109,941
Total expenses	<u>1,274,620</u>	<u>1,007,320</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(6,460,584)</u>	<u>81,610,150</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	(38,087)	6,231,323
Series F	(274,139)	1,965,007
Series I	(6,148,358)	73,413,820
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT*		
Pinnacle Series	(0.04)	5.59
Series F	(0.82)	5.25
Series I	(0.50)	5.72
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	940,931	1,114,423
Series F	333,869	374,221
Series I	12,341,387	12,832,434

* The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	30,781,514	29,903,016
Series F	8,885,382	9,424,124
Series I	359,504,614	339,369,606
	<u>399,171,510</u>	<u>378,696,746</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	(38,087)	6,231,323
Series F	(274,139)	1,965,007
Series I	(6,148,358)	73,413,820
	<u>(6,460,584)</u>	<u>81,610,150</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(224,042)	(275,230)
Series F	(355)	—
Series I	(5,313,426)	(4,281,737)
From net realized gains on investments		
Pinnacle Series	(977,820)	(2,142,299)
Series F	(343,601)	(647,613)
Series I	(16,800,701)	(25,055,152)
	<u>(23,659,945)</u>	<u>(32,402,031)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	3,375,342	1,747,067
Series F	2,243,377	3,286,938
Series I	105,710,863	1,372,800
Reinvested distributions		
Pinnacle Series	1,191,407	2,386,879
Series F	330,970	622,508
Series I	22,114,127	29,336,888
Payments on redemption		
Pinnacle Series	(10,205,826)	(7,069,242)
Series F	(3,670,473)	(5,765,582)
Series I	(46,583,974)	(54,651,611)
	<u>74,505,813</u>	<u>(28,733,355)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	(6,879,026)	878,498
Series F	(1,714,221)	(538,742)
Series I	52,978,531	20,135,008
	<u>44,385,284</u>	<u>20,474,764</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	23,902,488	30,781,514
Series F	7,171,161	8,885,382
Series I	412,483,145	359,504,614
	<u>443,556,794</u>	<u>399,171,510</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(6,460,584)	81,610,150
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(37,520,406)	(53,128,941)
Change in unrealized (gain) loss on non-derivative financial assets	49,437,929	(24,237,004)
Change in unrealized (gain) loss on derivatives	(4,747)	(4,753)
Unrealized foreign currency translation (gain) loss	19	(1,247)
Other non-cash transactions	(1,094,164)	(510,431)
Purchases of non-derivative financial assets and liabilities	(188,993,268)	(80,978,353)
Proceeds from sale of non-derivative financial assets and liabilities	127,766,620	149,280,487
Accrued investment income and other	(102,320)	(18,236)
Accrued expenses and other payables	—	(986)
Net cash provided by (used in) operating activities	<u>(56,970,921)</u>	<u>72,010,686</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	111,329,592	6,481,805
Amounts paid on redemption of redeemable units	(60,880,364)	(67,687,834)
Distributions to unitholders of redeemable units	(23,441)	(55,756)
Net cash provided by (used in) financing activities	50,425,787	(61,261,785)
Unrealized foreign currency translation gain (loss)	(19)	1,247
Net increase (decrease) in cash	(6,545,134)	10,748,901
Cash (bank overdraft), beginning of period	15,934,196	5,184,048
CASH (BANK OVERDRAFT), END OF PERIOD	<u>9,389,043</u>	<u>15,934,196</u>
Interest paid ⁽¹⁾	776	1,189
Interest received, net of withholding taxes ⁽¹⁾	137,968	47,866
Dividends received, net of withholding taxes ⁽¹⁾	4,544,098	4,364,281

⁽¹⁾ Classified as operating items.

Scotia Private Global Equity Pool (Continued)

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SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 97.9%				EQUITIES (cont'd)			
Denmark – 2.6%				United States (cont'd)			
Chr Hansen Holding A/S	56,374	4,844,633	6,812,734	Check Point Software Technologies Ltd.	34,661	4,217,365	4,853,429
Novozymes A/S, Class B	80,751	4,189,661	4,925,246	Cognex Corporation	78,114	4,836,591	4,120,517
		<u>9,034,294</u>	<u>11,737,980</u>	Cognizant Technology Solutions Corporation	63,423	5,823,547	5,492,023
Finland – 1.6%				Colgate-Palmolive Company	67,565	4,108,156	5,485,716
Kone Oyj	109,455	6,887,286	7,114,158	eBay Inc.	122,487	5,354,114	4,690,089
France – 5.1%				Exxon Mobil Corporation	43,159	4,084,214	4,014,585
Air Liquide SA	30,726	3,505,399	5,190,226	First Republic Bank	111,601	9,846,909	13,229,289
Essilor International SA	72,456	11,289,316	12,483,108	Grifols S.A. – ADR	251,594	5,670,048	6,301,176
L'Oreal SA	16,033	2,883,934	5,021,536	Grupo Televisa S.A.B. – ADR	102,352	2,272,882	1,756,409
		<u>17,678,649</u>	<u>22,694,870</u>	ICICI Bank Limited – ADR	297,636	3,202,604	4,177,817
Germany – 5.3%				IPG Photonics Corporation	31,731	3,575,063	4,903,701
Bayerische Motoren Werke AG	38,345	4,854,890	4,237,066	Itau Unibanco Holding S.A. – ADR	322,501	3,529,075	4,020,924
Linde PLC	37,128	5,653,182	8,043,722	MasterCard, Inc., Class A	35,098	4,228,885	9,032,081
Symrise AG	111,976	10,223,106	11,290,257	Microsoft Corporation	40,411	2,436,225	5,599,041
		<u>20,731,178</u>	<u>23,571,045</u>	Nestlé S.A. – ADR	59,354	4,560,228	6,554,946
Hong Kong – 3.8%				NIKE, Inc., Class B	86,306	4,891,156	8,728,552
AAC Acoustic Technologies Holdings Inc.	267,000	4,187,904	2,093,667	NVIDIA Corporation	57,865	14,126,363	10,537,701
AIA Group Ltd.	1,326,100	9,319,699	14,881,126	PayPal Holdings Inc.	182,055	10,012,746	20,883,130
		<u>13,507,603</u>	<u>16,974,793</u>	Regeneron Pharmaceuticals, Inc.	18,489	8,938,718	9,420,038
Indonesia – 0.7%				Roper Technologies Inc.	41,464	8,282,479	15,074,733
PT Bank Central Asia Tbk	1,226,700	2,452,510	3,026,048	Schlumberger Limited	116,653	9,729,666	5,741,311
Japan – 10.3%				SVB Financial Group	16,242	2,404,907	4,207,836
FANUC Corporation	19,200	3,504,256	3,938,351	Tenaris S.A. – ADR	109,426	3,533,536	3,182,412
Keyence Corporation	12,086	3,425,454	8,310,778	Verisk Analytics, Inc.	82,254	7,999,764	12,234,649
Kubota Corporation	304,700	6,195,632	5,853,908	WABCO Holdings Inc.	44,039	6,626,043	6,448,336
M3, Inc.	269,122	3,394,126	4,975,729	Walgreens Boots Alliance Inc.	71,461	7,768,666	6,660,842
Makita Corporation	99,400	3,863,121	4,802,605	Walt Disney Company, The	45,740	6,365,089	6,841,533
Monotaro Co., Ltd.	181,000	1,555,181	6,022,407	Waters Corporation	26,809	4,234,902	6,898,999
Park24 Co., Ltd.	80,900	2,818,447	2,439,889			<u>203,762,906</u>	<u>252,462,836</u>
Sysmex Corporation	78,574	6,175,349	5,172,440	Transaction Costs		(170,595)	
ZOZO, Inc.	169,500	4,969,652	4,174,383	TOTAL INVESTMENT PORTFOLIO		<u><u>358,419,459</u></u>	<u>434,371,107</u>
		<u>35,901,218</u>	<u>45,690,490</u>	Unrealized Gain (Loss) on Derivatives – 0.0%			4,747
South Africa – 0.8%				OTHER ASSETS, LESS LIABILITIES – 2.1%			9,180,940
Naspers Limited N Shares	12,684	4,100,318	3,440,747	NET ASSETS – 100.0%			<u><u>443,556,794</u></u>
Spain – 1.0%							
Banco Bilbao Vizcaya Argentaria S.A.	600,881	5,221,610	4,324,666				
Sweden – 1.2%							
Intrum Justitia AB	163,260	6,412,830	5,188,388				
Switzerland – 4.0%							
Lonza Group AG	33,155	7,173,988	11,759,019				
Sonova Holdings AG	25,996	3,896,732	5,782,538				
		<u>11,070,720</u>	<u>17,541,557</u>				
United Kingdom – 4.6%							
Abcam PLC	212,364	2,732,886	4,012,492				
Reckitt Benkiser Group PLC	56,853	6,535,641	5,925,913				
Samsung Electronics Co., Ltd. – GDR	2,093	2,928,780	2,469,980				
Standard Chartered PLC	776,772	9,631,625	8,195,144				
		<u>21,828,932</u>	<u>20,603,529</u>				
United States – 56.9%							
3M Company	16,786	2,471,529	4,362,968				
Abbott Laboratories	72,269	3,710,158	7,130,486				
Alibaba Group Holding Ltd.	17,959	4,012,749	3,357,942				
Amazon.com, Inc.	3,726	3,003,311	7,634,010				
AmerisourceBergen Corporation	45,755	5,220,860	4,643,657				
Apple Inc.	41,456	8,943,518	8,920,267				
Baidu, Inc.	12,642	3,815,098	2,735,065				
Booking Holdings Inc.	5,357	9,925,742	12,586,626				

FOREIGN EQUITY FUNDS

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve long term returns through capital growth by investing primarily in stocks of large capitalization companies in North America, Europe, Australia and the Far East.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)
Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2018 and December 31, 2017. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

Currency	December 31, 2018			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	255,084,602	–	255,084,602	57.5
European Euro	57,740,254	–	57,740,254	13.0
Japanese Yen	45,815,897	–	45,815,897	10.3
British Pound	18,133,549	–	18,133,549	4.1
Swiss Franc	17,541,562	–	17,541,562	4.0
Hong Kong Dollar	16,974,793	–	16,974,793	3.8
Danish Krone	11,737,980	–	11,737,980	2.6
Swedish Krona	5,188,388	–	5,188,388	1.2
South African Rand	3,440,747	–	3,440,747	0.8
Indonesian Rupiah	3,026,048	–	3,026,048	0.7
	434,683,820	–	434,683,820	98.0

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	217,927,316	–	217,927,316	54.6
European Euro	52,918,516	–	52,918,516	13.3
Japanese Yen	45,467,302	–	45,467,302	11.4
Hong Kong Dollar	19,888,009	–	19,888,009	5.0
British Pound	16,371,546	–	16,371,546	4.1
Danish Krone	11,077,792	–	11,077,792	2.8
Swiss Franc	10,417,017	–	10,417,017	2.6
Swedish Krona	9,678,225	–	9,678,225	2.4
	383,745,723	–	383,745,723	96.2

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$43,468,382 or approximately 9.8% of net assets (December 31, 2017 – \$38,374,572 or

approximately 9.6%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 97.9% (December 31, 2017 – 96.1%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$43,437,111 (December 31, 2017 – \$38,344,514). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund did not have significant direct exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2018 or December 31, 2017.

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Denmark	2.6	2.8
Finland	1.6	1.0
France	5.1	3.6
Germany	5.3	5.4
Hong Kong	3.8	5.0
Indonesia	0.7	–
Italy	–	1.3
Japan	10.3	11.4
South Africa	0.8	–
Spain	1.0	2.0
Sweden	1.2	2.4
Switzerland	4.0	2.6
United Kingdom	4.6	4.1
United States	56.9	54.5

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2018				
Equities	252,462,836	181,908,271	–	434,371,107
Unrealized gain on currency spot contracts	–	4,747	–	4,747
	252,462,836	181,913,018	–	434,375,854

FUND SPECIFIC NOTES

For the periods indicated in Note 1

December 31, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	217,778,316	165,666,817	-	383,445,133
	217,778,316	165,666,817	-	383,445,133

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	302,634,837	–
Cash	5,254,398	150,000
Subscriptions receivable	436,242	–
Accrued investment income and other	896,943	–
	<u>309,222,420</u>	<u>150,000</u>
LIABILITIES		
Current liabilities		
Redemptions payable	226,083	–
	<u>226,083</u>	<u>–</u>
Net assets attributable to holders of redeemable units	<u>308,996,337</u>	<u>150,000</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	85,335,893	75,000
Series F	20,581	–
Series M	<u>223,639,863</u>	<u>75,000</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	9.85	10.00
Series F	9.82	–
Series M	<u>9.82</u>	<u>10.00</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	10,107,290	–
Interest for distribution purposes	86,687	–
Net realized gain (loss) on non-derivative financial assets	3,413,730	–
Change in unrealized gain (loss) on non-derivative financial assets	<u>(4,048,286)</u>	<u>–</u>
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	9,559,421	–
Net realized and unrealized foreign currency translation gain (loss)	222,622	–
Other income	271	–
Total income (loss), net	<u>9,782,314</u>	<u>–</u>
EXPENSES		
Management fees (note 5)	944,223	–
Fixed administration fees (note 6)	353,082	–
Independent Review Committee fees	1,249	–
Interest expense and bank overdraft charges	3,072	–
Foreign withholding taxes/tax reclaims	1,073,194	–
Harmonized Sales Tax/Goods and Services Tax	133,771	–
Transaction costs	<u>224,689</u>	<u>–</u>
Total expenses	2,733,280	–
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>7,049,034</u>	<u>–</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	3,429,627	–
Series F	(168)	–
Series M	<u>3,619,575</u>	<u>–</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Pinnacle Series	0.52	–
Series F	(0.15)	–
Series M	<u>0.19</u>	<u>–</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	6,568,801	7,500
Series F	1,104	–
Series M	<u>18,979,668</u>	<u>7,500</u>

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

Scotia Private Global Infrastructure Pool (Continued)

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	75,000	–
Series M	75,000	–
	<u>150,000</u>	<u>–</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	3,429,627	–
Series F	(168)	–
Series M	3,619,575	–
	<u>7,049,034</u>	<u>–</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(1,739,489)	–
Series F	(422)	–
Series M	(4,539,586)	–
From net realized gains on investments		
Pinnacle Series	(924,477)	–
Series F	(224)	–
Series M	(2,412,656)	–
	<u>(9,616,854)</u>	<u>–</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	90,762,962	75,000
Series F	20,906	–
Series M	243,285,787	75,000
Reinvested distributions		
Pinnacle Series	2,657,296	–
Series F	489	–
Series M	6,862,457	–
Payments on redemption		
Pinnacle Series	(8,925,026)	–
Series M	(23,250,714)	–
	<u>311,414,157</u>	<u>150,000</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	85,260,893	75,000
Series F	20,581	–
Series M	223,564,863	75,000
	<u>308,846,337</u>	<u>150,000</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	85,335,893	75,000
Series F	20,581	–
Series M	223,639,863	75,000
	<u>308,996,337</u>	<u>150,000</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	7,049,034	–
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(3,413,730)	–
Change in unrealized (gain) loss on non-derivative financial assets	4,048,286	–
Unrealized foreign currency translation (gain) loss	62,392	–
Purchases of non-derivative financial assets and liabilities	(432,608,436)	–
Proceeds from sale of non-derivative financial assets and liabilities	129,339,045	–
Accrued investment income and other	(896,943)	–
Net cash provided by (used in) operating activities	<u>(296,420,352)</u>	<u>–</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	333,633,412	150,000
Amounts paid on redemption of redeemable units	(31,949,657)	–
Distributions to unitholders of redeemable units	(96,613)	–
Net cash provided by (used in) financing activities	301,587,142	150,000
Unrealized foreign currency translation gain (loss)	(62,392)	–
Net increase (decrease) in cash	5,166,790	150,000
Cash (bank overdraft), beginning of period	150,000	–
CASH (BANK OVERDRAFT), END OF PERIOD	<u>5,254,398</u>	<u>150,000</u>
Interest paid ⁽¹⁾	3,072	–
Interest received, net of withholding taxes ⁽¹⁾	86,687	–
Dividends received, net of withholding taxes ⁽¹⁾	8,137,193	–

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 98.0%			
Australia – 7.3%			
Aurizon Holdings Ltd.	747,108	2,923,238	3,073,729
Transurban Group	1,736,218	19,806,761	19,453,867
		<u>22,729,999</u>	<u>22,527,596</u>
Brazil – 2.4%			
CCR S.A.	1,843,700	8,291,579	7,296,185
Canada – 8.5%			
Emera Inc.	134,400	5,650,621	5,874,624
Hydro One Limited	300,800	6,283,221	6,091,200
TransCanada Corporation	296,000	16,357,096	14,430,000
		<u>28,290,938</u>	<u>26,395,824</u>
France – 2.4%			
Getlink SE	18,039	307,719	330,299
Vinc.i SA	61,978	7,647,715	6,949,170
		<u>7,955,434</u>	<u>7,279,469</u>
Hong Kong – 4.6%			
China Merchants Port Holdings Co., Ltd.	1,402,000	4,152,887	3,452,312
COSCO SHIPPING Ports Ltd.	2,106,000	2,795,965	2,813,867
Jiangsu Expressway Co., Ltd., Class H	4,236,000	7,892,232	8,025,724
		<u>14,841,084</u>	<u>14,291,903</u>
Italy – 3.2%			
Atlantia SpA	345,867	13,649,162	9,772,113
Japan – 8.3%			
East Japan Railway Company	108,200	13,622,827	13,121,821
Osaka Gas Co., Ltd.	152,400	3,871,874	3,799,521
Tokyo Gas Co., Ltd.	94,400	3,001,844	3,257,306
West Japan Railway Company	56,300	5,330,823	5,425,133
		<u>25,827,368</u>	<u>25,603,781</u>
Mexico – 1.0%			
Promotora y Operadora de Infraestructura S.A.B. de C.V.	231,231	2,932,781	3,022,681
Spain – 4.6%			
Aena S.A.	38,497	8,511,610	8,143,871
Ferrovial S.A.	224,079	6,041,360	6,166,205
		<u>14,552,970</u>	<u>14,310,076</u>
United Kingdom – 6.0%			
National Grid PLC	617,350	8,797,586	8,148,640
Severn Trent PLC	169,961	5,861,995	5,359,567
SSE PLC	273,400	5,749,011	5,130,725
		<u>20,408,592</u>	<u>18,638,932</u>
United States – 49.7%			
Alliant Energy Corporation	103,271	5,276,606	5,951,874
American Electric Power Company Inc.	128,488	12,151,339	13,099,789
American Tower Corporation	39,558	6,829,432	8,536,149
Crown Castle International Corp.	57,841	7,836,883	8,571,053
Dominion Resources, Inc.	215,322	19,102,135	20,989,401
Evergy Inc.	118,521	7,908,703	9,178,312
Eversource Energy	78,969	7,005,127	7,006,253
Kinder Morgan Inc.	790,189	17,896,166	16,578,145
NextEra Energy, Inc.	73,026	14,502,631	17,315,135
NiSource Inc.	135,870	4,289,394	4,698,402
Norfolk Southern Corporation	20,740	3,841,325	4,230,725
PG&E Corporation	118,258	6,581,363	3,831,270
Portland General Electric Co.	55,578	3,082,547	3,476,089
SBA Communications Corporation, Class A	33,969	6,954,081	7,501,557
Southern Company	71,037	3,997,532	4,255,941
UGI Corporation	20,659	1,258,975	1,503,462
Union Pacific Corporation	43,937	8,297,624	8,284,787

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
United States (cont'd)			
Williams Companies Inc., The	282,192	10,391,353	8,487,933
		<u>147,203,216</u>	<u>153,496,277</u>
Transaction Costs		(118,708)	
TOTAL INVESTMENT PORTFOLIO		<u>306,564,415</u>	302,634,837
OTHER ASSETS, LESS LIABILITIES – 2.0%			6,361,500
NET ASSETS – 100.0%			<u>308,996,337</u>

The accompanying notes are an integral part of the financial statements.

Portfolio Adviser: Colonial First State Asset Management (Australia) Limited

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund’s investment objective is to generate inflation protected income and long term capital growth by investing in equity securities issued by companies around the world that own or operate infrastructure assets.

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the “Underlying Funds”). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund’s financial instruments were non-interest bearing as at December 31, 2018 and December 31, 2017. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

Below is a summary of the Fund’s direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable. The Fund did not have significant direct currency risk exposure as at December 31, 2017.

Currency	December 31, 2018			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	154,889,311	–	154,889,311	50.1
European Euro	31,654,760	–	31,654,760	10.2
Japanese Yen	25,917,338	–	25,917,338	8.4
Australian Dollar	23,249,178	–	23,249,178	7.5
British Pound	19,626,267	–	19,626,267	6.4
Hong Kong Dollar	15,152,490	–	15,152,490	4.9
Brazilian Real	7,296,185	–	7,296,185	2.4
Mexican Peso	3,064,075	–	3,064,075	1.0
	280,849,604	–	280,849,604	90.9

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$28,084,960 or approximately 9.1% of net assets (December 31, 2017 – nil or approximately 0.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at

December 31, 2018, approximately 98.0% (December 31, 2017 – 0.0%) of the Fund’s net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$30,263,484 (December 31, 2017 – nil). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund did not have significant direct exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2018 or December 31, 2017.

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund’s concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Australia	7.3	–
Brazil	2.4	–
Canada	8.5	–
France	2.4	–
Hong Kong	4.6	–
Italy	3.2	–
Japan	8.3	–
Mexico	1.0	–
Spain	4.6	–
United Kingdom	6.0	–
United States	49.7	–

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund’s financial instruments within the fair value hierarchy.

December 31, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	182,914,782	119,720,055	–	302,634,837
	182,914,782	119,720,055	–	302,634,837

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

**Comparison of net asset value per unit and net assets per unit
(note 2)**

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia Private Global Real Estate Pool

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	319,536,319	337,671,520
Cash	7,799,643	11,781,062
Receivable for securities sold	298,210	-
Subscriptions receivable	427,961	1,640,419
Accrued investment income and other	1,377,238	1,103,292
	<u>329,439,371</u>	<u>352,196,293</u>
LIABILITIES		
Current liabilities		
Financial liabilities at fair value through profit or loss (note 2)		
Derivatives	497	-
Redemptions payable	46,254	117,491
	<u>46,751</u>	<u>117,491</u>
Net assets attributable to holders of redeemable units	<u>329,392,620</u>	<u>352,078,802</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Pinnacle Series	104,464,528	163,163,252
Series F	642,776	763,944
Series I	224,285,316	188,151,606
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Pinnacle Series	17.49	17.60
Series F	17.24	17.32
Series I	18.13	18.25

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	10,022,101	11,094,879
Interest for distribution purposes	340,551	331,848
Net realized gain (loss) on non-derivative financial assets	(1,330,633)	4,136,191
Change in unrealized gain (loss) on non-derivative financial assets	(884,565)	(3,187,945)
Change in unrealized gain (loss) on derivatives	(497)	-
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	8,146,957	12,374,973
Securities lending (note 11)	6,357	4,623
Net realized and unrealized foreign currency translation gain (loss)	150,343	(1,522,512)
Other income	-	1,007
Total income (loss), net	<u>8,303,657</u>	<u>10,858,091</u>
EXPENSES		
Management fees (note 5)	7,037	8,012
Fixed administration fees (note 6)	194,309	225,664
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	4,416	1,164
Foreign withholding taxes/tax reclaims	1,074,932	1,514,845
Harmonized Sales Tax/Goods and Services Tax	19,771	22,913
Transaction costs	1,019,734	1,157,713
Total expenses	<u>2,321,448</u>	<u>2,931,446</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>5,982,209</u>	<u>7,926,645</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Pinnacle Series	651,610	3,564,077
Series F	10,069	5,393
Series I	5,320,530	4,357,175
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Pinnacle Series	0.10	0.41
Series F	0.25	0.12
Series I	0.49	0.45
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Pinnacle Series	6,756,354	8,753,565
Series F	40,100	46,113
Series I	10,820,296	9,667,714

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Pinnacle Series	163,163,252	151,089,747
Series F	763,944	940,882
Series I	188,151,606	166,930,671
	<u>352,078,802</u>	<u>318,961,300</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Pinnacle Series	651,610	3,564,077
Series F	10,069	5,393
Series I	5,320,530	4,357,175
	<u>5,982,209</u>	<u>7,926,645</u>
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income		
Pinnacle Series	(2,902,245)	(4,658,636)
Series F	(10,413)	(11,958)
Series I	(6,465,714)	(5,577,822)
	<u>(9,378,372)</u>	<u>(10,248,416)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Pinnacle Series	22,168,906	35,201,665
Series F	84,111	225,113
Series I	85,751,053	18,969,045
Reinvested distributions		
Pinnacle Series	2,880,825	4,632,249
Series F	7,240	7,004
Series I	6,465,714	5,577,822
Payments on redemption		
Pinnacle Series	(81,497,820)	(26,665,850)
Series F	(212,175)	(402,490)
Series I	(54,937,873)	(2,105,285)
	<u>(19,290,019)</u>	<u>35,439,273</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Pinnacle Series	(58,698,724)	12,073,505
Series F	(121,168)	(176,938)
Series I	36,133,710	21,220,935
	<u>(22,686,182)</u>	<u>33,117,502</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Pinnacle Series	104,464,528	163,163,252
Series F	642,776	763,944
Series I	224,285,316	188,151,606
	<u>329,392,620</u>	<u>352,078,802</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	5,982,209	7,926,645
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	1,330,633	(4,136,191)
Change in unrealized (gain) loss on non-derivative financial assets	884,565	3,187,945
Change in unrealized (gain) loss on derivatives	497	-
Unrealized foreign currency translation (gain) loss	101,388	(144,957)
Other non-cash transactions	(403,784)	(1,322,319)
Purchases of non-derivative financial assets and liabilities	(568,081,724)	(669,131,977)
Proceeds from sale of non-derivative financial assets and liabilities	584,107,302	636,371,700
Accrued investment income and other	(273,946)	100,241
Accrued expenses and other payables	-	(681)
Net cash provided by (used in) operating activities	<u>23,647,140</u>	<u>(27,149,594)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	109,216,527	53,095,825
Amounts paid on redemption of redeemable units	(136,719,105)	(29,129,524)
Distributions to unitholders of redeemable units	(24,593)	(31,341)
Net cash provided by (used in) financing activities	<u>(27,527,171)</u>	<u>23,934,960</u>
Unrealized foreign currency translation gain (loss)	(101,388)	144,957
Net increase (decrease) in cash	(3,880,031)	(3,214,634)
Cash (bank overdraft), beginning of period	11,781,062	14,850,739
CASH (BANK OVERDRAFT), END OF PERIOD	<u>7,799,643</u>	<u>11,781,062</u>
Interest paid ⁽¹⁾	4,416	1,164
Interest received, net of withholding taxes ⁽¹⁾	340,551	337,817
Dividends received, net of withholding taxes ⁽¹⁾	8,269,438	8,351,987

⁽¹⁾ Classified as operating items.

Scotia Private Global Real Estate Pool (Continued)

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SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 97.0%			
Australia – 3.1%			
Dexus Property Group	581,452	5,566,760	5,934,917
Goodman Group	429,943	3,730,610	4,392,126
		<u>9,297,370</u>	<u>10,327,043</u>
Canada – 2.5%			
Killam Apartment Real Estate Investment Trust	381,913	5,639,535	6,087,693
RioCan Real Estate Investment Trust	84,700	2,080,190	2,015,860
		<u>7,719,725</u>	<u>8,103,553</u>
France – 0.6%			
Gecina SA	11,529	2,376,073	2,030,629
Germany – 4.0%			
Aroundtown SA	453,008	4,738,752	5,129,677
Deutsche Wohnen AG-Br	126,952	7,131,348	7,939,488
		<u>11,870,100</u>	<u>13,069,165</u>
Hong Kong – 6.4%			
Cheung Kong Property Holdings Ltd	620,000	5,997,705	6,150,190
Hongkong Land Holdings Limited	509,629	4,469,852	4,382,418
Link Real Estate Investment Trust, The	617,200	6,913,497	8,478,886
Wharf Real Estate Investment Co., Ltd.	249,000	2,154,509	2,019,087
		<u>19,535,563</u>	<u>21,030,581</u>
Japan – 11.0%			
Daiwa Office Investment Corporation	767	5,674,676	6,594,185
Japan Prime Realty Investment Corporation	264	1,232,245	1,367,847
Japan Rental Housing Investments Inc.	3,919	3,892,999	4,001,892
Kenedix Office Investment Corporation	598	4,768,931	5,206,868
Mitsui Fudosan Co., Ltd.	272,200	8,476,083	8,229,091
Sumitomo Realty & Development Co., Ltd.	137,300	6,095,640	6,842,120
United Urban Investment Corporation	1,943	3,934,916	4,110,725
		<u>34,075,490</u>	<u>36,352,728</u>
Singapore – 1.6%			
CapitaLand Ltd.	503,200	1,607,882	1,561,298
Mapletree Commercial Trust	2,297,313	3,456,787	3,791,264
		<u>5,064,669</u>	<u>5,352,562</u>
Spain – 0.8%			
Inmobiliaria Colonial Socimi SA	197,528	2,670,400	2,505,035
Sweden – 0.7%			
Fabege AB	130,660	2,112,929	2,374,247
United Kingdom – 6.0%			
Assura PLC	3,268,066	3,293,374	3,001,815
Grainger PLC	1,002,929	4,206,415	3,659,926
Great Portland Estates PLC	166,115	2,012,144	1,900,017
Green REIT PLC	2,321,687	5,229,751	4,953,651
Tritax EuroBox PLC	2,289,256	3,968,104	3,682,335
Unite Group PLC	175,884	2,360,407	2,462,935
		<u>21,070,195</u>	<u>19,660,679</u>
United States – 60.3%			
American Tower Corporation	16,027	3,030,625	3,458,437
Americold Realty Trust	79,641	2,651,182	2,774,637
Apartment Investment & Management Company	124,466	6,806,088	7,450,167
AvalonBay Communities Inc.	37,663	8,489,161	8,942,060
Boston Properties Inc.	28,422	4,587,007	4,363,638
Brookdale Senior Living Inc.	1,638,004	19,939,458	14,970,566
Camden Property Trust	62,812	7,389,275	7,544,329
Columbia Property Trust Inc.	156,465	4,479,829	4,129,969
CubeSmart	114,231	4,407,921	4,470,573
Cushman & Wakefield PLC	226,895	5,142,052	4,478,598
Digital Realty Trust Inc.	9,133	1,362,855	1,327,442
Duke Realty Corporation	120,859	4,289,634	4,269,995
Equinix Inc.	4,638	2,528,445	2,230,552

FOREIGN EQUITY FUNDS

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
United States (cont'd)			
Equity LifeStyle Properties Inc.	43,088	5,069,839	5,708,978
Equity Residential Real Estate Investment Trust	136,796	11,543,780	12,317,761
Essex Property Trust, Inc.	5,272	1,624,874	1,763,446
Extra Space Storage Inc.	24,680	2,757,430	3,046,116
HCP, Inc. Real Estate Investment Trust	123,723	4,882,578	4,713,788
Host Hotels & Resorts Inc.	104,926	2,656,721	2,385,983
Invitation Homes Inc.	102,788	2,924,524	2,815,495
Kimco Realty Corporation	57,527	1,168,126	1,149,630
Liberty Property Trust	69,200	3,859,950	3,953,315
MGM Growth Properties LLC	35,320	1,233,676	1,272,441
National Retail Properties Inc.	85,143	4,722,050	5,634,156
Omega Healthcare Investors Inc.	63,553	2,581,644	3,047,264
Park Hotels & Resorts Inc.	76,064	2,931,840	2,695,671
ProLogis	95,558	7,975,072	7,654,234
Regency Centers Corporation	72,750	6,009,556	5,823,334
Rexford Industrial Realty Inc.	136,859	5,419,651	5,501,766
RLJ Lodging Trust	91,729	2,515,766	2,052,103
Simon Property Group Inc.	64,524	14,428,491	14,786,090
SITE Centers Corp.	113,901	2,029,550	1,719,982
Store Capital Corporation	243,346	8,467,094	9,397,508
Sun Communities Inc.	53,035	6,619,514	7,358,255
UDR Inc.	141,554	7,117,838	7,650,419
Vornado Realty Trust Real Estate Investment Trust	37,026	3,455,115	3,132,977
Welltower Inc.	134,538	10,984,040	12,738,422
		<u>198,082,251</u>	<u>198,730,097</u>
Transaction Costs		(287,963)	
TOTAL INVESTMENT PORTFOLIO		<u>313,586,802</u>	319,536,319
Unrealized Gain (Loss) on Derivatives – 0.0%			(497)
OTHER ASSETS, LESS LIABILITIES – 3.0%			<u>9,856,798</u>
NET ASSETS – 100.0%			<u>329,392,620</u>

The accompanying notes are an integral part of the financial statements.

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve superior long term returns through income and capital growth, by investing primarily in U.S., Canadian and non-North American real estate stocks and real estate investment trusts (REITs).

The Fund may also invest a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2018 and December 31, 2017. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

Below is a summary of the Fund's direct exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency contracts, as applicable.

Currency	December 31, 2018			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	210,976,945	-	210,976,945	64.1
Japanese Yen	36,619,015	-	36,619,015	11.1
European Euro	26,485,269	-	26,485,269	8.0
Hong Kong Dollar	16,709,221	-	16,709,221	5.1
British Pound	11,156,278	-	11,156,278	3.4
Australian Dollar	10,476,865	-	10,476,865	3.2
Singapore Dollar	5,371,116	-	5,371,116	1.6
Swedish Krona	2,374,247	-	2,374,247	0.7
	320,168,956	-	320,168,956	97.2

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	201,069,628	-	201,069,628	57.1
European Euro	43,349,888	-	43,349,888	12.3
British Pound	27,172,382	-	27,172,382	7.7
Hong Kong Dollar	22,332,878	-	22,332,878	6.3
Japanese Yen	21,407,467	-	21,407,467	6.1
Singapore Dollar	12,989,311	-	12,989,311	3.7
Australian Dollar	9,323,394	-	9,323,394	2.6
	337,644,948	-	337,644,948	95.8

If the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund could possibly have decreased or increased, respectively, by \$32,016,896 or approximately 9.7% of net assets (December 31, 2017 - \$33,764,495 or approximately 9.6%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

The accompanying notes are an integral part of the financial statements.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 97.0% (December 31, 2017 - 95.9%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$31,953,632 (December 31, 2017 - \$33,767,152). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund did not have significant direct exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2018 or December 31, 2017.

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Australia	3.1	2.6
Canada	2.5	2.8
France	0.6	1.8
Germany	4.0	5.2
Hong Kong	6.4	7.3
Japan	11.0	6.0
Netherlands	-	0.8
Singapore	1.6	3.7
Spain	0.8	2.6
Sweden	0.7	-
United Kingdom	6.0	9.6
United States	60.3	53.5

Fair Value Classification (note 2)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2018	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	206,833,650	112,702,669	-	319,536,319
	206,833,650	112,702,669	-	319,536,319
Unrealized loss on currency spot contracts	-	(497)	-	(497)
	206,833,650	112,702,172	-	319,535,822

December 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	198,350,270	139,321,250	-	337,671,520
	198,350,270	139,321,250	-	337,671,520

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2018 or December 31, 2017.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2018 and December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2018	December 31, 2017
ASSETS		
Current assets		
Financial assets at fair value through profit or loss (note 2)		
Non-derivative financial assets	34,479,278	55,009,871
Cash	13,468	71,379
Receivable for securities sold	18,000	90,000
Subscriptions receivable	15,179	37,838
Accrued investment income and other	41	48
	<u>34,525,966</u>	<u>55,209,136</u>
LIABILITIES		
Current liabilities		
Redemptions payable	29,297	88,437
	<u>29,297</u>	<u>88,437</u>
Net assets attributable to holders of redeemable units	<u>34,496,669</u>	<u>55,120,699</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series A	32,751,299	55,120,699
Series F	1,745,370	-
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series A	14.19	14.96
Series F	9.73	-

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2018	2017
INCOME		
Dividends	563,965	763,738
Interest for distribution purposes	554,203	689,500
Net realized gain (loss) on non-derivative financial assets	3,108,964	2,938,163
Change in unrealized gain (loss) on non-derivative financial assets	(5,148,476)	65,454
Net gain (loss) on financial assets and liabilities at fair value through profit or loss	(921,344)	4,456,855
Other income	1,676	241
Total income (loss), net	<u>(919,668)</u>	<u>4,457,096</u>
EXPENSES		
Management fees (note 5)	907,987	1,289,179
Fixed administration fees (note 6)	34,686	49,112
Independent Review Committee fees	1,249	1,135
Interest expense and bank overdraft charges	554	190
Foreign withholding taxes/tax reclaims	37,980	53,197
Harmonized Sales Tax/Goods and Services Tax	87,063	123,658
Total expenses	<u>1,069,519</u>	<u>1,516,471</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(1,989,187)</u>	<u>2,940,625</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series A	(1,947,610)	2,940,625
Series F	(41,577)	-
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series A	(0.68)	0.69
Series F	(0.39)	-
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series A	2,877,971	4,238,571
Series F	105,620	-

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series A	55,120,699	65,444,592
Series F	55,120,699	65,444,592
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series A	(1,947,610)	2,940,625
Series F	(41,577)	-
	<u>(1,989,187)</u>	<u>2,940,625</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series A	451,746	4,358,148
Series F	1,791,947	-
Payments on redemption		
Series A	(20,873,536)	(17,622,666)
Series F	(5,000)	-
	<u>(18,634,843)</u>	<u>(13,264,518)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series A	(22,369,400)	(10,323,893)
Series F	1,745,370	-
	<u>(20,624,030)</u>	<u>(10,323,893)</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series A	32,751,299	55,120,699
Series F	1,745,370	-
	<u>34,496,669</u>	<u>55,120,699</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	(1,989,187)	2,940,625
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(3,108,964)	(2,938,163)
Change in unrealized (gain) loss on non-derivative financial assets	5,148,476	(65,454)
Other non-cash transactions	(1,078,918)	(1,398,833)
Purchases of non-derivative financial assets and liabilities	(36,000)	(796,000)
Proceeds from sale of non-derivative financial assets and liabilities	19,678,000	14,810,656
Accrued investment income and other	7	18
Accrued expenses and other payables	-	(4,211)
Net cash provided by (used in) operating activities	<u>18,613,414</u>	<u>12,548,638</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	2,266,351	4,961,661
Amounts paid on redemption of redeemable units	(20,937,676)	(17,625,485)
Net cash provided by (used in) financing activities	(18,671,325)	(12,663,824)
Net increase (decrease) in cash	(57,911)	(115,186)
Cash (bank overdraft), beginning of period	71,379	186,565
CASH (BANK OVERDRAFT), END OF PERIOD	<u>13,468</u>	<u>71,379</u>
Interest paid ⁽¹⁾	554	190
Interest received, net of withholding taxes ⁽¹⁾	1,278	1,227

⁽¹⁾ Classified as operating items.

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2018

Issuer	Number of Units	Average Cost (\$)	Carrying Value (\$)
CANADIAN EQUITY FUNDS – 30.0%			
Scotia Private Canadian Growth Pool Series I†	257,161	3,387,055	4,156,133
Scotia Private Canadian Mid Cap Pool Series I†	83,520	1,279,497	1,570,297
Scotia Private Canadian Small Cap Pool Series I†	46,169	1,245,346	1,497,858
Scotia Private Canadian Value Pool Series I†	141,099	2,681,969	3,115,514
		<u>8,593,867</u>	<u>10,339,802</u>
FIXED INCOME FUNDS – 40.0%			
Scotia Private High Yield Income Pool Series I†	415,334	3,851,667	3,416,247
Scotia Private Income Pool Series I†	978,930	10,744,295	10,367,551
		<u>14,595,962</u>	<u>13,783,798</u>
FOREIGN EQUITY FUNDS – 30.0%			
Scotia Private Emerging Markets Pool Series I†	66,536	653,104	689,496
Scotia Private Global Real Estate Pool Series I†	112,207	1,633,688	2,034,780
Scotia Private International Equity Pool Series I†	229,508	2,686,795	2,796,667
Scotia Private International Small to Mid Cap Value Pool Series I†	22,740	389,084	683,171
Scotia Private U.S. Large Cap Growth Pool Series I†	65,162	609,557	1,733,477
Scotia Private U.S. Mid Cap Value Pool Series I†	67,048	1,052,469	1,199,490
Scotia Private U.S. Value Pool Series I†	73,408	880,689	1,218,597
		<u>7,905,386</u>	<u>10,355,678</u>
TOTAL INVESTMENT PORTFOLIO		<u>31,095,215</u>	<u>34,479,278</u>
OTHER ASSETS, LESS LIABILITIES – 0.0%			17,391
NET ASSETS – 100.0%			<u>34,496,669</u>

† Investment in related party (note 10)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve a balance of long-term capital growth and current income. It invests primarily in a mix of equity and income mutual funds managed by us.

The Fund invests primarily in funds managed by the Manager and/or by the third party investment managers (the "Underlying Funds"). To ensure the Fund's composition meets the investment objectives of the Fund, the portfolio advisor monitors the Underlying Funds on an ongoing basis and rebalances the Fund's assets among the Underlying Funds. In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risk associated with financial instruments (note 4)**Interest rate risk**

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2018 and December 31, 2017. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

The Fund did not have significant direct currency risk exposure as at December 31, 2018 or December 31, 2017.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Direct exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2018, approximately 100.0% (December 31, 2017 – 99.8%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$3,447,928 (December 31, 2017 – \$5,500,987). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund had no significant direct exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2018 or December 31, 2017.

Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of

the Fund's concentration risk by carrying value as a percentage of net assets:

	Percentage of net assets (%)	
	December 31, 2018	December 31, 2017
Canadian Equity Funds	30.0	30.1
Fixed Income Funds	40.0	40.0
Foreign Equity Funds	30.0	29.7

Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2018				
Underlying funds	34,479,278	–	–	34,479,278
	34,479,278	–	–	34,479,278

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2017				
Underlying funds	55,009,871	–	–	55,009,871
	55,009,871	–	–	55,009,871

Transfers between levels

During the periods ended December 31, 2018 and December 31, 2017, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2018 and December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

Below is a summary of the Underlying Funds owned by the Fund.

Underlying Fund	December 31, 2018	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Scotia Private Canadian Growth Pool Series I	4,156,133	2.0
Scotia Private Income Pool Series I	10,367,551	1.9
Scotia Private Canadian Value Pool Series I	3,115,514	1.7
Scotia Private Canadian Mid Cap Pool Series I	1,570,297	1.3
Scotia Private International Small to Mid Cap Value Pool Series I	683,171	1.1
Scotia Private U.S. Mid Cap Value Pool Series I	1,199,490	1.1
Scotia Private U.S. Value Pool Series I	1,218,597	1.0
Scotia Private Global Real Estate Pool Series I	2,034,780	0.6
Scotia Private U.S. Large Cap Growth Pool Series I	1,733,477	0.5
Scotia Private High Yield Income Pool Series I	3,416,247	0.4
Scotia Private Canadian Small Cap Pool Series I	1,497,858	0.3
Scotia Private International Equity Pool Series I	2,796,667	0.3
Scotia Private Emerging Markets Pool Series I	689,496	0.2
	34,479,278	

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Underlying Fund	December 31, 2017	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Scotia Private Income Pool Series I	16,532,607	3.2
Scotia Private Canadian Growth Pool Series I	6,617,723	2.8
Scotia Private Canadian Mid Cap Pool Series I	2,497,737	2.3
Scotia Private Canadian Value Pool Series I	4,971,438	2.3
Scotia Private U.S. Mid Cap Value Pool Series I	1,900,807	2.0
Scotia Private U.S. Value Pool Series I	1,904,615	1.6
Scotia Private International Small to Mid Cap Value Pool Series I	1,100,710	1.4
Scotia Private U.S. Large Cap Growth Pool Series I	2,713,282	1.0
Scotia Private Global Real Estate Pool Series I	3,300,324	0.9
Scotia Private High Yield Income Pool Series I	5,502,694	0.4
Scotia Private Emerging Markets Pool Series I	1,102,554	0.4
Scotia Private Canadian Small Cap Pool Series I	2,491,561	0.3
Scotia Private International Equity Pool Series I	4,373,819	0.3
	55,009,871	

Comparison of net asset value and net assets per unit (note 2)

As at December 31, 2018 or December 31, 2017, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Notes to the Financial Statements

For the periods indicated in Note 1.

1. The Funds

1832 Asset Management L.P., a wholly owned subsidiary of the Bank of Nova Scotia (“Scotiabank”), is the manager and trustee of the funds. In this document, “we”, “us”, “our”, the “Manager”, the “Trustee”, and “1832 Asset Management” refer to 1832 Asset Management L.P. The registered office of the funds is 1 Adelaide Street East, 28th Floor, Toronto, ON, M5C 2V9.

The Funds presented in these financial statements are open-ended mutual fund trusts. Throughout this document, we refer to these mutual fund trusts individually as a “Fund” and collectively, as the “Funds”.

The Funds are established under the laws of the Province of Ontario pursuant to an Amended and Restated Master Declaration of Trust dated November 24, 2011, as amended from time to time.

The Statements of Financial Position of each of the Funds are as at December 31, 2018 and 2017, as applicable, and the Statements of Comprehensive Income, Changes in Net Assets Attributable to Holders of Redeemable Units and Cash Flows are for the years ended December 31, 2018 and 2017, as applicable, except for Funds that inceptioned during either period, where the information presented is for the period from the Fund’s inception date to December 31, 2018 or 2017, as applicable. The Schedule of Investment Portfolio for each of the Funds is as at December 31, 2018. Throughout this document, reference to the period or periods refers to the reporting periods described above.

These financial statements were approved and authorized for issue on March 08, 2019 by the Board of Directors of 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset Management L.P., in its capacity as Trustee of the Funds.

The investment objectives for each of the Funds are provided in the respective Fund’s “Fund Specific Notes”. The inception date for each Fund is as follows:

Scotia Private Pools	Inception Date
Scotia Private American Core-Plus Bond Pool	January 28, 2002
Scotia Private Canadian Growth Pool	September 3, 1997
Scotia Private Canadian Mid Cap Pool	January 28, 2002
Scotia Private Canadian Small Cap Pool	September 3, 1997
Scotia Private Canadian Value Pool	September 3, 1997
Scotia Private Emerging Markets Pool	September 8, 2010
Scotia Private Global Equity Pool	September 3, 1997
Scotia Private Global Real Estate Pool	January 28, 2002
Scotia Private High Yield Income Pool	September 3, 1997
Scotia Private Income Pool	September 3, 1997
Scotia Private International Equity Pool	September 3, 1997
Scotia Private International Small to Mid Cap Value Pool	January 28, 2002
Scotia Private Short Term Income Pool	September 3, 1997
Scotia Private Strategic Balanced Pool	September 3, 1997
Scotia Private U.S. Large Cap Growth Pool	January 18, 2001
Scotia Private U.S. Mid Cap Value Pool	January 28, 2002
Scotia Private U.S. Value Pool	September 3, 1997
Scotia Private Global High Yield Pool	November 14, 2017
Scotia Private Global Infrastructure Pool	November 14, 2017
Pinnacle Portfolios	
Pinnacle Balanced Portfolio	April 22, 2005

Each Fund may offer an unlimited number of units of some or all of its respective series. Each series of a Fund is intended for different investors.

A description of each series is provided below:

- Series A:** Series A units are only available through Scotia McLeod or otherwise as permitted by the Manager.
- Pinnacle Series:** Pinnacle Series units are only available to investors who participate in the Pinnacle Program.
- Series F:** Series F units are available for purchase into a fee-based account with authorized brokers or dealers.
- Series I:** Series I units may only be purchased by eligible institutional investors and other qualified investors as determined by the Manager.
- Series K:** Series K units are only available to investors who participate in the ScotiaMcLeod Investment Portfolio (“SIP”). Series K units are only available in the SIP multi-manager mandates or SIP optimized portfolios and are not available as single funds.
- Series M:** Series M units are available to investors who have signed a discretionary investment management agreement with the Manager or Scotiatrust.

2. Summary of Significant Accounting Policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(a) Basis of accounting

These annual financial statements of the Funds have been prepared in compliance with International Financial Reporting Standards (“IFRS”).

The preparation of these financial statements in accordance with IFRS requires the use of judgment in applying accounting policies and to make estimates and assumptions concerning the future. Significant accounting judgments and estimates made by the Manager are disclosed in Note 3.

Accounting standards effective January 1, 2018

The Funds have adopted IFRS 9, *Financial Instruments* in the current reporting period commencing January 1, 2018. The adoption of IFRS 9 has been applied retrospectively and does not result in a change to the classification or measurement of financial instruments.

Previously under IAS 39, the Funds classified investments, including derivatives, as financial assets or financial liabilities at fair value through profit or loss. This category had two sub categories: financial assets and financial liabilities as either held for trading or designated at fair value through profit or loss at inception.

Financial assets or financial liabilities held for trading were those acquired principally for the purpose of selling or repurchasing in the near future or on initial recognition as part of an identical portfolio of financial instruments that were managed together for which there was evidence of actual

short-term profit taking. Derivatives and short positions were included in this category.

Financial assets and financial liabilities at fair value through profit or loss at inception were financial instruments that were not classified as held for trading but were managed and their performance was evaluated on a fair value basis in accordance with the respective Fund's investment strategy.

On adoption of IFRS 9, all investments and derivatives are classified as fair value through profit or loss.

(b) Financial instruments

Classification

The Funds classify investments, including derivatives and short positions, at fair value through profit and loss. Investment classification is based on both the Funds' business model for managing those investments and their contractual cash flow characteristics. The portfolio of investments is managed and performance is evaluated on a fair value basis. The Funds are primarily focused on fair value information and use that information to assess performance and to make decisions. The contractual cash flows of the Funds' debt securities are generally principal and interest, however, the collection of contractual cash flows is only incidental to achieving the Funds' business model's objective. Consequently, all investments are measured at fair value through profit or loss.

The Funds may sell securities short, in which a borrowed security is sold in anticipation of a decline in the market value of that security. Short sales are held for trading and are consequently classified as financial liabilities at fair value through profit or loss.

Derivatives include warrants, swaps, options, futures and forward currency contracts. Derivative contracts that have a negative fair value are classified as financial liabilities at fair value through profit or loss.

As such, the Funds classify all investments and derivatives as financial assets or liabilities at fair value through profit or loss.

The Funds' obligations for net assets attributable to holders of redeemable units are presented at the redemption amount.

Receivable for securities sold, subscription receivable, accrued investment income and other, and mortgage payments receivables are measured at amortized cost.

All other financial liabilities, other than those classified as fair value through profit or loss are measured at amortized cost.

Recognition and measurement

Regular purchases and sales of investments are recognized on the date on which the Funds commit to purchase or sell investments at fair value. Transaction costs are expensed as incurred in the Statements of Comprehensive Income. Financial assets and liabilities at fair value through profit or loss are measured at fair value as presented below. Gains and losses arising from changes in their fair value are included in the

Statements of Comprehensive Income for the periods in which they arise.

(c) Fair value measurement and hierarchy of financial instruments

Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). Fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) is based on quoted market prices at the close of trading on the reporting date. The Funds use the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Funds use a variety of methods and make assumptions that are based on market conditions existing at each reporting date. Valuation techniques include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other techniques commonly used by market participants which make the maximum use of observable inputs.

IFRS 13, Fair value measurement, requires the use and disclosure of a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value of financial instruments. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets and the lowest priority to unobservable inputs. The three level hierarchy based on inputs levels are defined as follows:

- Level 1: Fair value is based on unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: Fair value is based on inputs other than unadjusted quoted prices included in level 1 that are observable for the assets or liabilities, either directly or indirectly; and
- Level 3: Fair value is based on at least one significant non-observable input that is not supported by market data for the financial assets or liabilities.

Changes in valuation methodology may result in transfer in and out of a level. The Funds' policy is to recognize these transfers as of the date of the event or circumstance giving rise to the transfer. The three level fair value hierarchy, transfers between levels and a reconciliation of level 3 financial instruments, as applicable, are disclosed in the respective Fund's "Fund Specific Notes".

The Manager is responsible for performing the fair value measurements included in the financial statements of the Funds,

including level 3 measurements. The Manager obtains pricing from a third party pricing vendor, which is monitored and reviewed by the valuation team daily. At each financial reporting date, the Manager reviews and approves all level 3 fair value measurements. The Manager also has a Valuation Committee which includes members of the finance team, as well as members of the investment council and compliance teams. The committee meets quarterly to perform detailed reviews of the valuations of investments held by the Funds.

Financial instruments are valued at their fair value as summarized below:

- (i) North American equities, including exchange traded funds and closed end funds, are valued at the closing market price recorded by the security exchange on which the security is principally traded. Non-North American equities are valued at fair value based on information provided by an independent pricing source.
- (ii) Fixed income securities, including bonds and mortgage-backed securities, are valued using quotations received from independent pricing sources.
- (iii) Short-term debt instruments are carried at amortized cost, which approximates fair value.
- (iv) Investments in underlying mutual funds are valued based on the net asset value per unit provided by the underlying mutual funds' manager at the end of each valuation date.
- (v) Unlisted warrants are valued using the Black-Scholes option valuation model. The model factors in the time value of money and the volatility inputs significant to such valuation. For purposes of determining Net Asset Value as defined below, unlisted warrants are valued at their intrinsic value.
- (vi) Options contracts are valued at their mid-price as reported by the principal exchange or the over-the-counter market on which the contract is traded. All transactions in over-the-counter options are valued using quotations received from independent pricing sources. Options on futures are valued using settlement price determined by the exchange (if available); if no settlement price is available, the last reported closing sale price on the valuation date; or, if no closing sale price is available, the last reported settlement price.
- (vii) Futures contracts are valued at their settlement prices on each valuation date.
- (viii) Open forward currency contracts are valued at the gain or loss that would arise as a result of closing the position on the valuation date.
- (ix) Over-the-counter swap contracts are valued at the amount that the Funds would receive or pay to terminate the swap, based on the current value of the underlying interest on the valuation date; centrally cleared swaps listed or traded on a multilateral or trade facility platform,

such as a registered exchange, are valued at the daily settlement price determined by the respective exchange (if available).

(d) Net Assets versus Net Asset Value

The Funds' accounting policies for measuring the fair value of their investments and derivatives are identical to those used in measuring their net asset value for transactions with unitholders in accordance with Part 14 of National Instrument 81-106 Investment Funds for Continuous Disclosure ("NI 81-106"), except where the last traded market price for financial assets and liabilities are not within the bid-ask spread or the Fund holds unlisted warrants as described above. A comparison of the net assets per unit in accordance to IFRS ("Net Assets per unit") and the net asset value per unit calculated in accordance to NI 81-106 ("Net Asset Value per unit") is presented in the "Fund Specific Notes" for each Fund, as applicable.

(e) Income recognition

Gains and losses arising from changes in fair value of non-derivative financial assets are shown in the Statements of Comprehensive Income as "Change in unrealized gain (loss) on non-derivative financial assets", and as "Net realized gain (loss) on non-derivative financial assets" when positions are sold.

Gains and losses arising from changes in fair value of securities sold short are shown in the Statements of Comprehensive Income as "Change in unrealized gain (loss) on non-derivative financial liabilities", and as "Net realized gain (loss) on non-derivative financial liabilities" when positions are closed out, where applicable.

Gains and losses arising from changes in fair value of derivatives are shown in the Statements of Comprehensive Income as "Change in unrealized gain (loss) on derivatives", and as "Net realized gain (loss) on derivatives" when positions are closed out or have expired, where applicable.

The premium received or paid on options purchased or written are included in the cost of the options. Any difference resulting from revaluation at the reporting date is treated as "Change in unrealized gain (loss) on derivatives", while the gains and losses realized when the position is closed is included in the Statements of Comprehensive Income as "Net realized gain (loss) on derivatives".

Dividend income and distributions from Underlying Funds are recognized on the ex-dividend date. Where applicable, interest and dividends on investments sold short are accrued as earned and are reported as a liability in the Statements of Financial Position in "Payable for interest and dividends on securities sold short" and in the Statements of Comprehensive Income in "Dividend and interest expense on securities sold short".

Distributions received from income trusts are recognized based on the nature of the underlying components such as dividend income, interest income, capital gains, and return of capital by applying previous year characterizations reported by the trust as current year characterizations are not available until the

following year. The interest income component of the distributions received from Underlying Funds are included as part of “Interest for distribution purposes” in the Statements of Comprehensive Income.

Interest for distribution purposes represents the coupon interest received by the Funds, recognized on an accrual basis. The Funds do not amortize premiums paid or discounts received on the purchase of fixed income securities. Realized gains or losses on the sale of short-term debt instruments are recorded as an adjustment to interest for distribution purposes.

(f) Functional and presentation currency and foreign exchange translation

The functional and reporting currency for all Funds is the Canadian dollar. The functional currency is the currency of the primary economic environment in which the Funds operate, or where mixed indicators exist in the primary environment, the currency in which they primarily raise capital. Any currency other than functional currency represents foreign currency to the Funds. Amounts denominated in foreign currencies are converted into the functional currency as follows:

- (i) The fair values of investments, derivative contracts and monetary and non-monetary assets and liabilities at the rates of exchange prevailing as at the valuation date;
- (ii) Foreign income and expenses at the rates of exchange applicable on the respective dates of such transactions; and
- (iii) Purchase or sale of investments and investment income at the rate of exchange prevailing on the respective dates of such transactions.

Gains and losses on foreign exchange incurred in the Funds from monetary or non-monetary assets and liabilities other than investments and derivatives are shown in the Statements of Comprehensive Income as “Net realized and unrealized foreign currency translation gain (loss)”.

(g) Investments in unconsolidated structured entities

Certain Funds may invest in mutual funds, exchange-traded funds or closed-ended funds managed by the Manager or third party investment managers. The relevant Funds consider all investments in such instruments (“Underlying Funds”) to be investments in unconsolidated structured entities based on the fact that the decisions made by these Underlying Funds are not governed by voting rights or any other similar rights held by the Funds. The Funds account for these unconsolidated structured entities at fair value.

The Underlying Funds each have their own objectives and investment strategies which assist the Funds in achieving their investment objectives. The Underlying Funds primarily finance their operations by issuing redeemable units or shares which are puttable at the holder’s option in the case of mutual funds and exchange-traded funds or through issuing non-redeemable units or partnership interests in the case of closed end funds. The

Underlying Funds entitle the holder to a proportional stake in the respective fund’s net assets. The Funds hold units, shares or partnership interests in each of their Underlying Funds. These investments are included in “Non-derivative financial assets” in the Statements of Financial Position. The change in fair value of each Underlying Fund is included in the Statements of Comprehensive Income in “Change in unrealized gain (loss) on non-derivative financial assets”. The exposure to investments in Underlying Funds at fair value is disclosed in the Funds’ “Fund Specific Notes”. The Funds’ maximum exposure to loss from their interests in Underlying Funds is equal to the total carrying value of their investments in Underlying Funds.

Mortgage-backed securities or asset-backed securities are also considered to be unconsolidated structured entities. Mortgage-backed securities are formed by pooling various types of mortgages while asset-backed securities are formed by pooling assets such as auto loans, credit card receivables or student loans. An interest or claim to this future cash flow (interest and principal) is then sold in the form of debt or equity securities, which could be held by the Funds. The Funds account for these unconsolidated structured entities investments at fair value. The fair value of such securities, as disclosed in the Schedule of Investment Portfolio, as applicable, represents the maximum exposure to losses at that date.

(h) Redeemable units issued by the Funds

The Funds’ outstanding redeemable units qualify as “puttable instruments” as per the International Accounting Standard 32, *Financial Instruments: Presentation* (“IAS 32”) which states that units or shares of an entity that include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset should be classified as financial liabilities.

The Funds’ redeemable units’ entitlements include a contractual obligation to distribute any net income and net realized capital gains at least annually in cash (at the request of the unitholder) and therefore meet the contractual obligation requirement.

This violates one of the criteria that are required in order for the redeemable units to be presented as equity under IAS 32. Consequently, the Funds’ outstanding redeemable units are classified as financial liabilities in these financial statements.

(i) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is presented in the Statements of Financial Position only if there is an unconditional legal right to offset the amounts and there is an intention either to settle on a net basis or to realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under IFRS, for gains and losses arising from a group of similar transactions, such as gains and losses from financial instruments at fair value through profit or loss. Financial assets and liabilities that are subject to master netting or comparable agreements and the related potential effect of offsetting are disclosed in the respective Fund’s “Fund Specific Notes”.

(j) Increase (decrease) in net assets attributable to holders of redeemable units per unit

“Increase (decrease) in net assets attributable to holders of redeemable units per unit” is disclosed in the Statements of Comprehensive Income and represents, for each series of units, the increase or decrease in net assets attributable to holders of redeemable units from operations for the period attributable to each series divided by the weighted average number of units outstanding for the corresponding series during the period.

(k) Short selling

If a Fund sells a security short, it will borrow that security from a broker to complete the sale. The Fund will incur a loss as a result of a short sale if the price of the borrowed security increases between the date of the short sale and the date on which the Fund closes out its short position by buying that security. There can be no assurance that a Fund will be able to close out a short position at an acceptable time or price. Until the Fund replaces a borrowed security, it will maintain a margin account with the broker containing cash and liquid securities such that the amount deposited as margin will be more than the current market value of the security sold short. The cash held on margin in respect of short sale activity is noted in the Statements of Financial Position in “Deposits with brokers for securities sold short”, if applicable.

(l) Cash

Cash is comprised of cash on deposit and bank overdrafts, as applicable. Short term instruments are disclosed in “Non-derivative financial assets” in the Statements of Financial Position.

(m) Non-cash transactions

Non-cash transactions on the Statements of Cash Flows include reinvested distributions from the underlying mutual funds and stock dividends from equity investments. These amounts represent non-cash income recognized in the Statements of Comprehensive Income.

In addition, reclassifications between series of the same fund are also non-cash in nature and have been excluded from “Proceeds from issue of redeemable units” and “Amounts paid on redemption of redeemable units” on the Statements of Cash Flows.

(n) Comparative balances

Certain prior year balances have been reclassified in the financial statements in order to conform to the current year’s classification of these financial statement items.

Unrealized gain or loss on currency forward contracts and unrealized gain or loss on futures contracts are now included in “Derivatives” on the Statements of Financial Position. Change in unrealized gain (loss) on forward contracts and change in unrealized gain (loss) on futures contracts are now included in “Change in unrealized gain (loss) on derivatives” in the Statements of Comprehensive Income and the Statements of

Cash Flows. Net realized gain (loss) on currency forward contracts and net realized gain (loss) on futures contracts are now included in “Net realized gain (loss) on derivatives” in the Statements of Comprehensive Income.

3. Significant Accounting Judgments and Estimates

The preparation of financial statements requires the Manager to use judgment in applying its accounting policies and to make estimates and assumptions about the future. These estimates are made based on information available as at the date of issuance of the financial statements. Actual results could materially differ from those estimates. The following discusses the most significant accounting judgments and estimates that the Funds have made in preparing the financial statements:

Investment Entities

In accordance with IFRS 10: *Consolidated Financial Statements*, the Manager has determined that the Funds meet the definition of an Investment Entity which requires that the Funds obtain funds from one or more investors for the purpose of providing investment management services, commit to their investors that their business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and measure and evaluate the performance of their investments on a fair value basis. Consequently, the Funds do not consolidate their investments in subsidiaries, if any, but instead measure these at fair value through profit or loss, as required by the accounting standard.

Classification and measurement of financial instruments

In classifying and measuring certain financial instruments held by the Funds, the Manager is required to make significant judgments about whether or not the business model of the Funds is to manage their assets on a fair value basis and to realize those fair values, for the purpose of classifying all financial instruments as fair value through profit or loss under IFRS 9.

Fair value measurement of financial instruments not quoted in an active market

Key areas of estimation, where the Manager has made complex or subjective judgments, include the determination of fair values of financial instruments that are not quoted in an active market. The use of valuation techniques for financial instruments that are not quoted in an active market requires the Manager to make assumptions that are based on market conditions existing as at the date of the financial statements. Changes in these assumptions as a result of changes in market conditions could affect the reported fair value of financial instruments.

4. Discussion of Financial Instrument Risk

Each Fund's investment activities expose it to a variety of financial risks: market risk (including interest rate risk, currency risk, and other price risk), credit risk and liquidity risk. Each Fund's investment practices include portfolio monitoring to ensure compliance with stated investment guidelines. The Manager seeks to minimize potential adverse effects of risks on each Fund's performance by employing and overseeing professional and experienced portfolio advisors that regularly monitor each Fund's securities and financial market developments. The risks are measured using a method that reflects the expected impact on the results and net assets attributable to unitholders of the Funds from reasonably possible changes in the relevant risk variables.

The Manager maintains a risk management practice that includes monitoring compliance with investment restrictions to ensure that the Funds are being managed in accordance with the Funds' stated investment objectives, strategies and securities regulations.

Some Funds invest in Underlying Funds. These Funds are indirectly exposed to market risk, credit risk, and liquidity risk in the event that the Underlying Funds invest in financial instruments that are subject to those risks.

A Fund's exposure to market risk, credit risk and liquidity risk, where applicable, is disclosed in the respective Fund's "Fund Specific Notes".

(a) Market risk

(i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the future cash flows or the fair values of interest-bearing financial instruments. Each Fund's exposure to interest rate risk is concentrated in its investments in debt instruments (such as bonds and debentures) and interest rate sensitive derivative instruments, if any.

(ii) Currency risk

The Funds may invest in monetary and non-monetary assets denominated in currencies other than their functional currency. Currency risk is the risk that the value of foreign instruments will fluctuate due to changes in the foreign exchange rates of those currencies in relation to the Fund's functional currency. Funds may enter into foreign exchange forward contracts, currency futures contracts and/or foreign currency option contracts for hedging purposes to reduce their foreign currency risk exposure.

(iii) Price risk

Price risk is the risk that the fair value of a Fund's financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, Underlying Funds, derivatives and commodities. The maximum risk resulting from these financial instruments is

equivalent to their fair value, except for written options, short sales and short futures contracts, where possible losses can be unlimited.

(b) Credit risk

Credit risk is the risk that the issuer of a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Funds. A Fund's investment in financial instruments such as bonds, debentures, money market instruments, preferred shares and derivatives represents the main concentration of credit risk. The fair value of financial instruments includes consideration of the creditworthiness of the issuer, and accordingly, represents the maximum credit risk exposure to the Funds. All the transactions in listed securities are settled or paid upon delivery using approved brokers with an approved credit rating. The risk of default with the counterparty is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is only made on a purchase once the securities have been received by the broker.

The Trade Management Oversight Committee responsible for regulatory evaluation and approval of trade management policies and procedures, when applicable, is also responsible for counterparty selection and oversight. The committee review counterparties regularly to ensure they still meet preapproved credit standards established by the committee. The counterparty policies and procedures established by the committee have been reviewed and approved by the Board of Directors of the Manager.

The Funds enter into transactions with approved counterparties with a designated rating in accordance with securities regulations. The credit ratings reported in the financial statements for issuers of debt instruments, counterparties of derivative transactions, prime brokers and custodians, where applicable, are S&P Global Ratings' credit ratings or S&P Global Ratings equivalent for credit ratings from other approved rating agencies. In instances where the credit rating was to fall below the designated rating, the Manager would take appropriate action.

The Funds can also be exposed to credit risk to the extent that the Funds' custodian may not be able to settle trades for cash. Canadian securities regulations require that the Funds employ a custodian that meets certain capital requirements. These regulations state that, among other things, a fund's custodian be either a bank listed in Schedule I, II, or III of the Bank Act (Canada), or a company incorporated in Canada affiliated with a bank with shareholders' equity of not less than \$10,000,000. The Bank of Nova Scotia and State Street Trust Company Canada, as custodians of the Funds, meet all Canadian Securities Administrators' requirements to act as custodian.

A Fund may enter into securities lending transactions with counterparties whereby the Fund temporarily exchanges securities for collateral with a commitment by the counterparty to deliver the same securities on a future date. Credit risk associated with these transactions is considered minimal as all counterparties have approved credit rating and the market value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned as at the end of each trading day.

(c) Liquidity risk

The Funds' exposure to liquidity risk arises primarily from the daily cash redemption of units. The Funds primarily invest in securities that are traded in active markets and can be readily disposed of. In addition, each Fund aims to retain sufficient cash and cash equivalent positions to maintain liquidity. The Funds may, from time to time, enter into over-the-counter derivative contracts or invest in securities that are not traded in an active market and may be illiquid. Illiquid securities are identified in the respective Fund's Schedule of Investment Portfolio, as applicable.

(d) Concentration risk

Concentrations of risk arise from financial instruments that have similar characteristics and are affected similarly by changes in economic or other conditions. The identification and disclosure of concentration risk is provided in the respective Fund's "Fund Specific Notes".

5. Management Fees

The Funds pay the Manager a management fees for each series of securities, other than Series I, Series K and Pinnacle Series. Management fees for Series I securities are paid directly by investors. The management fees cover the costs of managing the Funds, arranging for investment analysis, recommendations and investment decision making for the Funds, arranging for, distribution of the Funds, marketing and promotion of the Funds and providing or arranging for other services for the Funds.

The management fee for all Series except Series I, Series K and Pinnacle Series is an annualized rate based on the net asset value of each series of the Funds. The management fee for Series I is negotiated and paid directly by its unitholders and not by the Funds. No management fees are charged by the Manager in respect of the Series K and Pinnacle Series units of the funds. The management fees paid by the Funds are accrued daily and payable monthly on the first business day of the following calendar month.

The Manager may reduce the effective management fee payable by clients who invest large amounts in a particular Fund by waiving a portion of the management fee that it would otherwise be entitled to receive from the Fund or a securityholder and directing the Fund to make a management fee distribution, in the amount of such waiver. All management fee distributions and management fee rebates are automatically reinvested in additional units of the relevant series of the Funds.

There is no duplication of management fees, sales charges or redemption fees between the Funds and the Underlying Funds held

directly by them, if any. The Manager is entitled to an annual management fee, exclusive of sales taxes, as follows:

	% of Net Asset Value		
	Series A	Series F	Series M
Scotia Private Pools			
Scotia Private Short Term Income Pool	–	0.50	–
Scotia Private Income Pool	–	0.70	–
Scotia Private High Yield Income Pool	–	0.75	0.30
Scotia Private American Core-Plus Bond Pool	–	0.75	–
Scotia Private Strategic Balanced Pool	–	1.00	–
Scotia Private Canadian Value Pool	–	1.00	–
Scotia Private Canadian Growth Pool	–	1.00	–
Scotia Private Canadian Small Cap Pool	–	1.00	0.70
Scotia Private Canadian Mid Cap Pool	–	1.00	–
Scotia Private U.S. Value Pool	–	1.00	–
Scotia Private U.S. Large Cap Growth Pool	–	1.00	0.40
Scotia Private U.S. Mid Cap Value Pool	–	0.80	0.55
Scotia Private International Equity Pool	–	1.00	–
Scotia Private International Small to Mid Cap Value Pool	–	1.00	–
Scotia Private Global Equity Pool	–	1.00	–
Scotia Private Global Real Estate Pool	–	1.00	–
Scotia Private Emerging Markets Pool	–	1.00	0.70
Scotia Private Global High Yield Pool	–	0.75	0.45
Scotia Private Global Infrastructure Pool	–	1.00	0.50
Pinnacle Portfolios			
Pinnacle Balanced Portfolio	2.10	0.80	–

6. Fixed Administration Fees and Operating Expenses

The Manager pays certain operating expenses of the Funds ("FAF Funds"), other than Scotia Private Short Term Income Pool. These expenses include regulatory filing fees and other day-to-day operating expenses including, but not limited to, transfer agency and recordkeeping, accounting and fund valuation costs, custody fees, audit and legal fees, administration costs, bank charges, costs of preparing and distributing annual and semi-annual reports, prospectuses, annual information forms, Fund Facts and statements, investor communications and continuous disclosure materials. The Manager is not obligated to pay any other expense, cost or fee, including those arising from new government or regulatory requirements relating to the foregoing expenses, costs and fees. In return, each series of the FAF Funds pays a Fixed Administration fee to the Manager (the "Fixed Administration fee").

In addition to the Fixed Administration Fee, each series of the FAF Funds pays certain operating expenses directly, referred to as "Fund Costs". These include the costs and expenses related to the Independent Review Committee ("IRC") of the Funds, the ongoing audit costs associated with compliance with IFRS, the cost of any new government or regulatory requirements, including compliance with the Volcker Rule under *Dodd Frank Wall Street Reform and Consumer Protection Act* and other applicable U.S. regulations, any new fees introduced by a securities regulators or other government authority that is based on the assets or other criteria of the Funds, any transaction costs, including all fees and costs related to derivatives, and any borrowing costs, and taxes (including, but not limited to, GST or HST, as applicable). Refer to the simplified prospectus of the Funds for more details on Fund Costs. Fund Costs will be allocated

among the FAF Funds and each series of the FAF Funds is allocated its own expenses and its proportionate share of these expenses that are common to all Series.

The Fixed Administration Fee does not apply to Scotia Private Short Term Income Pool. Each series of this Fund pays its own share of all expenses (“Operating Expenses”) common to the Fund along with series specific expenses relevant to each series. Operating expenses may include legal fees and other costs incurred in order to comply with legal and regulatory requirements and policies, audit fees, taxes, brokerage commissions, unitholder communication costs and other administrative costs. Examples of other administrative costs include departmental expenses incurred and paid by the Manager which support the daily operation of the Funds. These expenses also include the costs in connection with the operation of the IRC (such as the

costs of holding meetings, insurance premiums for the IRC, and fees and expenses of any advisor engaged by the IRC), the fees paid to each IRC member, and the reasonable expenses associated with the performance of his or her duties as an IRC member.

The Manager has agreed to absorb certain expenses associated with some of the Funds. The absorbed amounts are shown in the Statements of Comprehensive Income as “Expenses absorbed by the Manager”, where applicable. Such absorption, where applicable, may be terminated by the Manager at any time without notice.

The Fixed Administration Fee, Fund Costs and Operating Expense are accrued daily and paid monthly. The maximum annual rates of the Fixed Administration Fee, which are a percentage of the net asset value for each series of units of each Fund, are as follows:

	% of Net Asset Value					
	Series A	Series F	Series I	Series K	Series M	Pinnacle Series
Scotia Private Pools						
Scotia Private Income Pool	–	0.08	0.03	–	–	0.07
Scotia Private High Yield Income Pool	–	0.05	0.03	0.11	0.03	0.11
Scotia Private American Core-Plus Bond Pool	–	0.10	0.03	–	–	0.18
Scotia Private Strategic Balanced Pool	–	0.10	–	–	–	0.30
Scotia Private Canadian Value Pool	–	0.10	0.05	–	–	0.15
Scotia Private Canadian Growth Pool	–	0.10	0.04	–	–	0.15
Scotia Private Canadian Small Cap Pool	–	0.10	0.03	–	0.15	0.22
Scotia Private Canadian Mid Cap Pool	–	0.10	0.08	–	–	0.24
Scotia Private U.S. Value Pool	–	0.10	0.03	–	–	0.21
Scotia Private U.S. Large Cap Growth Pool	–	0.10	0.07	–	0.02	0.27
Scotia Private U.S. Mid Cap Value Pool	–	0.10	0.10	–	0.08	0.49
Scotia Private International Equity Pool	–	0.10	0.04	–	–	0.24
Scotia Private International Small to Mid Cap Value Pool	–	0.10	0.10	–	–	0.50
Scotia Private Global Equity Pool	–	0.10	0.04	–	0.10	0.31
Scotia Private Global Real Estate Pool	–	0.10	0.03	–	–	0.11
Scotia Private Emerging Markets Pool	–	0.10	0.07	–	0.09	0.23
Scotia Private Global High Yield Pool	–	0.10	–	–	0.05	0.18
Scotia Private Global Infrastructure Pool	–	0.10	–	–	0.10	0.25
Pinnacle Portfolios						
Pinnacle Balanced Portfolio	0.08	0.08	–	–	–	–

7. Redeemable Units

Units issued and outstanding represent the capital of each Fund. Each of the Funds may issue an unlimited number of units. Each unit is redeemable at the option of the unitholder in accordance with the Declaration of Trust, ranks equally with all other units of the Funds and entitles the unitholder to a proportionate undivided interest in the Net Asset Value of the Funds. Unitholders are entitled to distributions when declared. Distributions on units of a Fund are reinvested in additional units of the Fund or at the option of the unitholder, paid in cash. The Funds’ capital is managed in accordance with each of the Funds’ investment objectives, policies and

restrictions, as outlined in the Funds’ prospectus. The Funds have no specific restrictions or specific capital requirements on the subscriptions or redemptions of units, other than minimum subscription requirements.

The units of each series of the Funds are issued and redeemed at their Net Asset Value per unit of each series which is determined as of the close of business on each day that the Toronto Stock Exchange is open for trading. The Net Asset Value per unit is calculated by dividing the Net Asset Value per Series by the total number of outstanding units of each series.

For the periods ended December 31, 2018 and 2017, the following number of units were issued, reinvested and redeemed:

	December 2018					December 2017				
	Opening Units	Units Issued	Units Reinvested	Units Redeemed	Ending Units	Opening Units	Units Issued	Units Reinvested	Units Redeemed	Ending Units
Scotia Private Pools										
Scotia Private American Core-Plus Bond Pool										
Pinnacle Series Units	12,046,753	3,121,386	426,659	4,175,560	11,419,238	10,470,587	3,383,797	400,174	2,207,805	12,046,753
Series F Units	34,383	7,290	367	14,202	27,838	23,143	14,772	317	3,849	34,383
Series I Units	79,283,343	3,225,849	2,936,415	18,861,591	66,584,016	75,037,925	3,609,927	2,897,612	2,262,121	79,283,343
Scotia Private Canadian Growth Pool										
Pinnacle Series Units	12,986,792	2,604,228	291,507	3,494,272	12,388,255	11,957,258	2,725,454	235,612	1,931,532	12,986,792
Series F Units	60,097	17,238	652	12,449	65,538	47,354	16,791	371	4,419	60,097
Series I Units	455,558	–	7,754	160,316	302,996	593,528	7,998	9,236	155,204	455,558
Scotia Private Canadian Mid Cap Pool										
Pinnacle Series Units	4,252,755	1,750,232	131,816	1,355,530	4,779,273	3,544,202	1,047,429	177,026	515,902	4,252,755
Series F Units	17,632	10,093	403	4,729	23,399	13,199	8,414	425	4,406	17,632
Series I Units	812,791	742,630	43,906	53,796	1,545,531	509,169	405,316	35,236	136,930	812,791
Scotia Private Canadian Small Cap Pool										
Pinnacle Series Units	2,927,783	984,136	186,397	735,459	3,362,857	2,843,017	520,987	53,646	489,867	2,927,783
Series F Units	117,367	64,147	5,205	41,470	145,249	78,759	48,129	1,244	10,765	117,367
Series I Units	14,855,817	1,040,950	756,622	3,465,029	13,188,360	14,987,158	421,799	305,241	858,381	14,855,817
Series M Units	5,816,348	1,282,553	313,426	1,178,960	6,233,367	103	6,780,529	89,193	1,053,477	5,816,348
Scotia Private Canadian Value Pool										
Pinnacle Series Units	8,266,065	1,676,793	270,966	1,994,099	8,219,725	8,106,216	1,624,312	205,961	1,670,424	8,266,065
Series F Units	40,837	11,107	640	13,272	39,312	37,121	10,282	424	6,990	40,837
Series I Units	239,502	88	5,825	78,946	166,469	315,711	1,664	6,515	84,388	239,502
Scotia Private Emerging Markets Pool										
Pinnacle Series Units	6,486,624	4,269,447	207,328	1,277,514	9,685,885	6,334,650	1,342,497	181,133	1,371,656	6,486,624
Series F Units	–	3,030	20	–	3,050	–	–	–	–	–
Series I Units	18,780,879	9,372,491	625,881	2,355,309	26,423,942	18,698,215	982,322	562,021	1,461,679	18,780,879
Series M Units	1,448,789	701,523	19,087	666,952	1,502,447	1,358,596	531,493	30,994	472,294	1,448,789
Scotia Private Global Equity Pool										
Pinnacle Series Units	1,115,606	116,817	47,853	354,281	925,995	1,226,709	64,417	85,695	261,215	1,115,606
Series F Units	325,635	77,163	13,460	134,911	281,347	389,943	119,733	22,578	206,619	325,635
Series I Units	12,843,577	3,592,614	875,526	1,561,181	15,750,536	13,710,612	50,088	1,037,464	1,954,587	12,843,577
Scotia Private Global High Yield Pool										
Pinnacle Series Units	7,500	10,538,899	435,598	1,620,520	9,361,477	–	7,500	–	–	7,500
Series F Units	–	2,724	25	–	2,749	–	–	–	–	–
Series M Units	7,500	36,180,911	1,244,050	7,768,074	29,664,387	–	7,500	–	–	7,500
Scotia Private Global Infrastructure Pool										
Pinnacle Series Units	7,500	9,267,357	271,089	885,539	8,660,407	–	7,500	–	–	7,500
Series F Units	–	2,046	50	–	2,096	–	–	–	–	–
Series M Units	7,500	24,397,111	702,638	2,326,195	22,781,054	–	7,500	–	–	7,500
Scotia Private Global Real Estate Pool										
Pinnacle Series Units	9,271,871	1,260,157	164,820	4,724,338	5,972,510	8,526,226	1,973,574	263,578	1,491,507	9,271,871
Series F Units	44,105	4,997	420	12,232	37,290	54,096	13,008	405	23,404	44,105
Series I Units	10,309,688	4,601,640	356,804	2,899,840	12,368,292	9,083,228	1,032,019	306,042	111,601	10,309,688
Scotia Private High Yield Income Pool										
Pinnacle Series Units	26,077,671	3,699,101	1,122,245	14,798,158	16,100,859	23,716,044	5,347,410	1,221,050	4,206,833	26,077,671
Series F Units	1,721,259	67,594	19,062	162,985	1,644,930	1,745,903	128,445	16,166	169,255	1,721,259
Series I Units	61,800,705	5,831,462	3,595,362	26,790,267	44,437,262	55,944,736	4,243,396	2,977,857	1,365,284	61,800,705
Series K Units	1,133,645	635,804	81,644	446,914	1,404,179	128,577	1,092,921	40,255	128,108	1,133,645
Series M Units	53,641,437	5,683,656	1,454,213	31,523,493	29,255,813	50,459,644	12,370,186	2,016,165	11,204,558	53,641,437
Scotia Private Income Pool										
Pinnacle Series Units	47,367,901	13,624,796	1,209,799	12,436,601	49,765,895	43,507,985	13,542,664	984,679	10,667,427	47,367,901
Series F Units	142,134	18,600	881	33,580	128,035	172,404	44,464	1,103	75,837	142,134
Series I Units	1,877,805	1,934	35,975	775,454	1,140,260	2,279,453	49,024	46,452	497,124	1,877,805

	December 2018					December 2017				
	Opening Units	Units Issued	Units Reinvested	Units Redeemed	Ending Units	Opening Units	Units Issued	Units Reinvested	Units Redeemed	Ending Units
Scotia Private Pools										
Scotia Private International Equity Pool										
Pinnacle Series Units	14,118,804	3,308,555	547,863	3,043,720	14,931,502	13,306,846	3,008,501	414,822	2,611,365	14,118,804
Series F Units	103,638	22,913	2,281	16,536	112,296	99,283	26,071	1,489	23,205	103,638
Series I Units	78,569,837	8,981,027	2,525,845	26,271,932	63,804,777	78,500,698	4,896,622	2,501,466	7,328,949	78,569,837
Scotia Private International Small to Mid Cap Value Pool										
Pinnacle Series Units	2,129,456	492,380	34,835	557,964	2,098,707	2,069,418	501,310	27,603	468,875	2,129,456
Series F Units	16,564	8,645	177	6,420	18,966	23,849	4,168	35	11,488	16,564
Series I Units	40,233	932	649	12,348	29,466	63,453	437	701	24,358	40,233
Scotia Private Short Term Income Pool										
Pinnacle Series Units	708,488	1,180,769	3,931	1,007,591	885,597	588,967	833,371	1,741	715,591	708,488
Series F Units	15,098	1,200	90	10,327	6,061	7,411	9,563	24	1,900	15,098
Scotia Private Strategic Balanced Pool										
Pinnacle Series Units	3,230,469	739,546	93,390	933,358	3,130,047	3,065,214	820,537	85,964	741,246	3,230,469
Series F Units	65,359	3,468	402	7,811	61,418	42,512	37,913	363	15,429	65,359
Scotia Private U.S. Large Cap Growth Pool										
Pinnacle Series Units	5,874,076	1,435,205	24,652	1,635,609	5,698,324	5,691,434	1,278,228	19,478	1,115,064	5,874,076
Series F Units	51,542	43,624	–	11,431	83,735	100,701	29,957	–	79,116	51,542
Series I Units	218,631	34,479	1,160	77,124	177,146	307,650	2,725	1,435	93,179	218,631
Series M Units	13,619,736	2,989,237	39,136	2,669,748	13,978,361	–	14,078,016	–	458,280	13,619,736
Scotia Private U.S. Mid Cap Value Pool										
Pinnacle Series Units	4,833,302	1,787,541	26,776	1,130,359	5,517,260	4,204,946	1,371,008	56,441	799,093	4,833,302
Series F Units	24,951	11,398	31	3,953	32,427	23,196	10,752	103	9,100	24,951
Series I Units	426,039	341,632	6,694	45,356	729,009	300,217	166,866	6,569	47,613	426,039
Series M Units	–	–	–	–	–	3,153,521	123,271	–	3,276,792	–
Scotia Private U.S. Value Pool										
Pinnacle Series Units	7,370,819	1,764,693	191,044	1,716,082	7,610,474	6,827,413	1,567,244	123,372	1,147,210	7,370,819
Series F Units	37,662	22,497	670	11,667	49,162	28,024	14,255	224	4,841	37,662
Series I Units	252,167	53,559	6,695	63,778	248,643	320,186	7,494	4,811	80,324	252,167
Pinnacle Portfolios										
Pinnacle Balanced Portfolio										
Series A Units	3,684,560	28,110	–	1,404,647	2,308,023	4,589,552	299,966	–	1,204,958	3,684,560
Series F Units	–	179,930	–	498	179,432	–	–	–	–	–

(i) Included in units redeemed are redemptions related to payments of the Pinnacle Program Fee, where applicable.

8. Income Taxes

Each of the Funds, qualifies as a mutual fund trust under the *Income Tax Act (Canada)*. The Funds are subject to tax on their net investment income, including the taxable portion of net realized capital gains that are not paid or payable to their unitholders. Each Fund distributes sufficient amounts of its net investment income, including net realized capital gains, less the amount retained to enable each Fund to utilize any available tax losses or, if applicable, tax credits attributable to redemptions during the period by its unitholders such that no income tax (other than alternative minimum tax, if applicable) will be paid or payable by the Funds. Such net investment income, including net realized capital gains are taxable in the hands of the unitholders. Accordingly, the Funds do not record Canadian income taxes in their financial statements.

The Funds may distribute a return of capital. A return of capital is generally not taxable to unitholders but will reduce the adjusted cost base of the units held.

Losses carried forward

Capital losses can be carried forward indefinitely to reduce future net realized capital gains. Non-capital losses for income tax purposes may be carried forward up to twenty years and applied against all sources of income. Since the Funds do not record income taxes, the tax benefit of capital and non-capital losses have not been reflected in the Statements of Financial Position as a deferred income tax asset.

As of the 2018 tax year end, the Funds have capital and non-capital losses available to carry forward as indicated in the table below:

	Year of expiry	Non- Capital Loss \$	Capital Loss \$
Scotia Private Pools			
Scotia Private American Core-Plus Bond Pool	–	–	46,703,087
Scotia Private Canadian Growth Pool	–	–	34,300,599
Scotia Private Canadian Value Pool	–	–	4,151,795
Scotia Private Emerging Markets Pool	–	–	11,477,410
Scotia Private Global High Yield Pool	–	–	15,539,816
Scotia Private High Yield Income Pool	–	–	70,904,169
Scotia Private Income Pool	–	–	21,852,783
Scotia Private International Small to Mid Cap Value Pool	–	–	20,189,946
Scotia Private Strategic Balanced Pool	–	–	5,159,828
Scotia Private U.S. Large Cap Growth Pool	–	–	1,655,901
Scotia Private U.S. Mid Cap Growth Pool	–	–	30,875,964
Scotia Private U.S. Mid Cap Value Pool	–	–	266,710
Pinnacle Portfolios			
Pinnacle Balanced Portfolio	2037	25,809	520,755

Withholding taxes

The Funds currently incur withholding taxes imposed by certain countries on investment income and in some cases, capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income.

Uncertain income taxes

The Funds invest in securities issued by entities which are domiciled in countries other than Canada. These foreign countries may impose taxes on capital gains realized by non-residents. In addition, the Funds may be required to determine these capital gains taxes on a self-assessment basis; therefore, such taxes may not be deducted by the Funds' broker on a "withholding" basis.

If applicable, the uncertain tax liabilities recorded by the Funds are shown in the Statements of Financial Position as "Provision for uncertain tax" and in the Statements of Comprehensive Income as "Foreign withholding taxes/tax reclaims". While any such provision represents the Manager's best estimate, the estimated value could differ significantly from the amount ultimately payable.

9. Client Brokerage Commissions

Client brokerage commissions are arrangements pursuant to which products or services, other than the execution of portfolio securities transactions, are obtained by a portfolio advisor from or through a broker-dealer in exchange for directing client securities transactions to the broker-dealer. The ascertainable client brokerage commissions paid in connection with investment portfolio transactions for the periods ended December 31, 2018 and 2017 are set out below.

Fund	2018	2017
Scotia Private Canadian Growth Pool	\$ –	\$ 5,206
Scotia Private Canadian Mid Cap Pool	–	5,842
Scotia Private Canadian Small Cap Pool	56,983	55,666
Scotia Private Emerging Markets Pool	137,100	129,748
Scotia Private Global Equity Pool	42,329	5,196
Scotia Private Global Real Estate Pool	485,998	475,029
Scotia Private International Small to Mid Cap Value Pool	10,739	16,318
Scotia Private Strategic Balanced Pool	78	1,406
Scotia Private U.S. Value Pool	–	–

10. Related Party Transactions

The Manager is a wholly owned subsidiary of The Bank of Nova Scotia ("Scotiabank"). Scotiabank also owns, directly or indirectly, 100% of Scotia Securities Inc. and Tangerine Investment Funds Limited, each a mutual fund dealer, and Scotia Capital Inc., (which includes ScotiaMcLeod and Scotia iTRADE), an investment dealer.

The Manager, on behalf of the Funds, may enter into transactions or arrangements with other members of Scotiabank or certain other companies that are related or connected to the Manager (each a "related party"). All transactions between the Funds and the related parties are in the normal course of business and are carried out at arm's length terms.

- The Manager earns fees for acting as trustee and/or manager of the Funds, as applicable and a Fixed Administration Fee in return for paying certain operating expenses of certain of Funds as detailed in note 5 and note 6 respectively. In addition, Scotiabank as custodian for certain Funds during the period earned a fee for providing custody and related services. The management fees, fixed administration fees, and custodian fees (for Funds that are not subject to Fixed Administration Fee) are disclosed separately in the Statements of Comprehensive Income and Statements of Financial Position. The custodian fee charged to Funds that are subject to Fixed Administration Fee is paid by the Manager, in exchange for a portion of the Fixed Administration Fee received from these Funds.
- Decisions about the purchase and sale of each Fund's portfolio investments are made by appointed Portfolio Managers of each Fund. Provided that the pricing, service and other terms are comparable to those offered by other dealers, a portion of the portfolio transactions may be executed for the Funds, by a related party to the Funds. In such cases, the related party will receive commissions from the Fund. Brokerage fees paid to related parties for the periods ended December 31, 2018 and 2017 are as follows:

Fund	December 31, 2018	December 31, 2017
Scotia Private Strategic Balanced Pool	1,063	1,749
Scotia Private Canadian Value Pool	32,413	36,921
Scotia Private Canadian Mid Cap Pool	3,738	34,206
Scotia Private Canadian Growth Pool	4,958	13,173
Scotia Private Canadian Small Cap Pool	31,313	39,158
Scotia Private Global Infrastructure Pool	158	–

- Certain registered dealers through which units of the Fund are distributed are related parties to the Fund and the Manager. The Manager may pay a trailing commission, which is negotiated with dealers, to dealers for their financial advisors in respect of the

assets of their clients invested in securities of the Funds. The Manager may also pay trailing commissions to dealers for securities purchased or held through discount brokerage accounts.

- (d) The Manager received approval from the Independent Review Committee to invest the Funds' overnight cash with Scotiabank with interest paid by Scotiabank to the Funds based on prevailing market rates. The interest earned by the Funds is included in "Interest for distribution purposes" in the Statements of Comprehensive Income.
- (e) The Manager has received approval from the Independent Review Committee for the Funds to purchase securities of related parties, which include investments in related funds as described in (f) below and investments in securities of Scotiabank. Any related party securities held by the Funds are disclosed in the Schedule of Investment Portfolio for the respective Funds. The Funds are also permitted to enter into derivative transactions with Scotiabank as counterparty.
- (f) The Funds may invest in investment funds managed by the Manager or a related party, which are disclosed in the Schedule of Investment Portfolio for the respective Funds. These include Scotia Funds, Scotia Private Pools, Pinnacle Portfolios, Scotia ETFs, Dynamic Funds, Marquis Funds and Dynamic Private Investment Pools.
- (g) Units held by the Manager in the Funds as at December 31, 2018 and 2017, are disclosed below:

Fund	December 31, 2018	December 31, 2017
Pinnacle Balanced Portfolio	100 Series F Units	–
Scotia Private Emerging Markets Pool	102 Series F Units	–
Scotia Private Global High Yield Pool	101 Series F Units	–
Scotia Private Global High Yield Pool	–	7500 Series Pinnacle Units
Scotia Private Global High Yield Pool	–	7500 Series M Units
Scotia Private Global Infrastructure Pool	103 Series F Units	–
Scotia Private Global Infrastructure Pool	–	7500 Series Pinnacle Units
Scotia Private Global Infrastructure Pool	–	7500 Series M Units

The aggregate market value of the securities on loan and the collateral received by the Funds as at December 31, 2018 and 2017 are presented below along with the income earned for the years ended December 31, 2018 and 2017.

	As at December 31, 2018		For the period ended December 31, 2018		
	Market value of securities on loan (\$)	Market value of collateral on loan (\$)	Net amount received by the Fund (\$)	Amount earned by lending agent (\$)	Gross securities lending revenue earned (\$)
Scotia Private American Core-Plus Bond Pool	7,094,427	7,454,396	29,061	12,455	41,516
Scotia Private Canadian Growth Pool	3,643,683	3,830,888	3,780	1,620	5,400
Scotia Private Canadian Mid Cap Pool	5,325,984	5,596,261	104,890	44,953	149,843
Scotia Private Canadian Small Cap Pool	14,972,017	15,747,875	209,747	89,892	299,639
Scotia Private Canadian Value Pool	9,270,482	9,754,325	10,213	4,377	14,590
Scotia Private Emerging Markets Pool	17,405,200	18,323,014	8,315	3,564	11,879
Scotia Private Global Equity Pool	25,478,562	26,769,250	143,853	61,651	205,504
Scotia Private Global Real Estate Pool	10,398,485	10,933,486	6,357	2,724	9,081
Scotia Private High Yield Income Pool	8,587,663	8,874,336	118,827	50,926	169,753
Scotia Private Income Pool	64,947,168	68,242,595	45,520	19,509	65,029
Scotia Private International Equity Pool	12,980,795	13,670,166	138,411	59,319	197,730
Scotia Private International Small to Mid Cap Value Pool	155,310	163,500	336	144	480
Scotia Private Strategic Balanced Pool	2,785,151	2,927,418	3,010	1,290	4,300
Scotia Private U.S. Large Cap Growth Pool	25,557,543	26,872,840	6,511	2,790	9,301
Scotia Private U.S. Mid Cap Value Pool	5,389,806	5,664,213	4,414	1,892	6,306
Scotia Private U.S. Value Pool	3,542,026	3,730,476	6,095	2,612	8,707

- (h) Distributions received from related party funds are included in "Interest for distribution purposes", "Dividends", or "Net realized gain (loss) on non-derivative financial assets", as applicable, in the Statements of Comprehensive Income.

11. Securities Lending

Some of the Funds may enter into securities lending transactions under a securities lending program with State Street Bank and Trust Company. These transactions involve the temporary exchange of securities for collateral with a commitment to return the same securities to the Fund on a future date. In accordance with security regulations, the Funds receive minimum collateral of 102%. Collateral is received in the form of debt obligations of the Government of Canada, a Canadian provincial government, the government of the United States of America, certain financial institutions or other qualified securities, and is not included in the Schedule of Investment Portfolio. The Funds do not receive cash collateral from any securities lending transactions. The aggregate market value of all securities loaned by a Fund cannot exceed 50% of the Net Assets of the Fund. The fair value of the securities lent and collateral held is determined on a daily basis. The securities lending arrangement can be terminated by the borrower, the securities lending agent or the Fund at any time.

The income earned from these securities lending transactions is included as part of "Securities lending" in the Statements of Comprehensive Income.

The securities lending agent earns 30% of the gross income generated through any securities lending transactions in the Funds.

	As at December 31, 2017		For the period ended December 31, 2017		
	Market value of securities on loan (\$)	Market value of collateral on loan (\$)	Net amount received by the Fund (\$)	Amount earned by lending agent (\$)	Gross securities lending revenue earned (\$)
Scotia Private American Core-Plus Bond Pool	–	–	77,612	33,262	110,874
Scotia Private Canadian Growth Pool	1,728,082	1,816,019	4,341	1,860	6,201
Scotia Private Canadian Mid Cap Pool	9,062,834	9,601,605	34,503	14,787	49,290
Scotia Private Canadian Small Cap Pool	20,129,015	21,243,439	484,209	207,518	691,727
Scotia Private Canadian Value Pool	7,492,459	7,863,966	15,100	6,471	21,571
Scotia Private Emerging Markets Pool	11,483,041	12,422,234	7,609	3,261	10,870
Scotia Private Global Equity Pool	2,588,453	2,800,161	15,000	6,429	21,429
Scotia Private Global Real Estate Pool	–	–	4,623	1,981	6,604
Scotia Private High Yield Income Pool	15,047,255	15,628,390	85	36	121
Scotia Private Income Pool	28,479,098	29,672,762	42,144	18,062	60,206
Scotia Private International Equity Pool	421,263	464,052	116,250	49,821	166,071
Scotia Private International Small to Mid Cap Value Pool	270,199	283,949	979	420	1,399
Scotia Private Short Term Income Pool	–	–	17	7	24
Scotia Private Strategic Balanced Pool	610,250	641,304	10,490	4,496	14,986
Scotia Private U.S. Large Cap Growth Pool	–	–	348	149	497
Scotia Private U.S. Mid Cap Value Pool	–	–	2,776	1,190	3,966
Scotia Private U.S. Value Pool	–	–	3,795	1,626	5,421

12. Currency Legend

The following is a list of abbreviations that may be used in the Financial Statements:

AUD	Australian Dollar	KRW	South Korean Won
BMD	Bermuda Dollar	MXN	Mexican Peso
BRL	Brazilian Real	MYR	Malaysian Ringgit
CAD	Canadian Dollar	NOK	Norwegian Krone
CHF	Swiss Franc	NZD	New Zealand Dollar
DKK	Danish Krone	PHP	Philippine Peso
EUR	Euro	PKR	Pakistani Rupee
GBP	Pound Sterling	SEK	Swedish Krona
HKD	Hong Kong Dollar	SGD	Singapore Dollar
IDR	Indonesian Rupiah	THB	Thailand Baht
ILS	Israeli Shekel	TWD	New Taiwan Dollar
INR	Indian Rupee	USD	US Dollar
JPY	Japanese Yen	ZAR	South African Rand

Management Responsibility for Financial Reporting

The accompanying financial statements of the Funds (as defined in Note 1) have been prepared by 1832 Asset Management L.P., in its capacity as manager (the “Manager”) of the Funds, and have been approved by the Board of Directors of 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset Management L.P., in its capacity as trustee (the “Trustee”) of the Funds. The Board of Directors of 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset Management L.P., is responsible for the information and representations contained in these financial statements and the management report of fund performance.

The Manager maintains appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and include certain amounts that are based on estimates and judgments made by the Manager. The significant accounting policies which the Manager believes are appropriate for the Funds are described in Note 2 to the financial statements.

The Board of Directors of 1832 Asset Management G.P. Inc. has delegated responsibility for oversight of the financial reporting process to the Finance Committee of the Board of Directors of 1832 Asset Management G.P. Inc. (the “Finance Committee”). The Finance Committee is responsible for reviewing the financial statements and the management report of fund performance and recommending them to the Board of Directors of 1832 Asset Management G.P. Inc. for approval, in addition to meeting with management, internal auditors and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues.

PricewaterhouseCoopers LLP is the external auditor of the Funds, appointed by the Trustee of the Funds. The auditor of the Funds has audited the financial statements in accordance with Canadian generally accepted auditing standards to enable it to express to the securityholders its opinion on the financial statements. The auditor’s report is set out herein.



Glen Gowland
President
1832 Asset Management L.P.

March 8, 2019



Anil Mohan
Chief Financial Officer
1832 Asset Management L.P.

Independent Auditor's Report

To the Unitholders and Trustee of,

Scotia Private Short Term Income Pool
Scotia Private Income Pool
Scotia Private High Yield Income Pool
Scotia Private American Core-Plus Bond Pool
Scotia Private Global High Yield Pool
Scotia Private Strategic Balanced Pool
Scotia Private Canadian Value Pool
Scotia Private Canadian Mid Cap Pool
Scotia Private Canadian Growth Pool
Scotia Private Canadian Small Cap Pool
Scotia Private U.S. Value Pool
Scotia Private U.S. Mid Cap Value Pool
Scotia Private U.S. Large Cap Growth Pool
Scotia Private International Equity Pool
Scotia Private International Small to Mid Cap Value Pool
Scotia Private Emerging Markets Pool
Scotia Private Global Equity Pool
Scotia Private Global Infrastructure Pool
Scotia Private Global Real Estate Pool
Pinnacle Balanced Portfolio

(collectively, the Funds, individually the Fund)

Our opinion

In our opinion, the accompanying December 31, 2018 annual financial statements of each of the Funds present fairly, in all material respects, the financial position of each Fund, its financial performance and its cash flows as at and for the periods indicated in note 1 in accordance with International Financial Reporting Standards (IFRS).

PricewaterhouseCoopers LLP
18 York Street, Toronto, Ontario, Canada M5J 0B2
T: +1 416 863 1133, F: +1 416 365 8215

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

What we have audited

The financial statements of each of the Funds comprise:

- the statements of financial position as at the period-end dates indicated in note 1;
- the statements of comprehensive income for the periods indicated in note 1;
- the statements of changes in net assets attributable to holders of redeemable units for the periods indicated in note 1;
- the statements of cash flows for the periods indicated in note 1; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of each of the Funds in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Management is responsible for the other information of each of the Funds. The other information comprises the Annual Management Report of Fund Performance of each of the Funds.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of each of the Funds, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of each of the Funds or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements of each of the Funds in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of each of the Funds to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate any of the Funds or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of each of the Funds.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole for each Fund are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements of each of the Funds.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of each of the Funds, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of each of the Funds.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of each of the Funds to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements of each of the Funds or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause any of the Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of each of the Funds, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
March 8, 2019

For more information about Scotia Private Pools® and Pinnacle Portfolios:

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