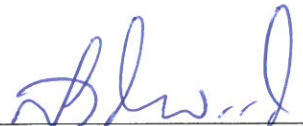



**Trinidad & Tobago Unit Trust Corporation**  
**UNIVERSAL RETIREMENT FUND**  
**STATEMENT OF FINANCIAL POSITION**

As at 30 September, 2018  
Expressed in Trinidad and Tobago Dollars

	Unaudited 30-Sep-18 \$ '000.	Unaudited 30-Sep-17 \$ '000	Audited 31-Dec-17 \$ '000
<b>ASSETS</b>			
Cash and Cash Equivalents	27,434	45,854	33,524
Receivables	1,239	697	2,002
Investment Securities	275,918	254,280	267,122
<b>Total Assets</b>	<b>304,591</b>	<b>300,831</b>	<b>302,648</b>
<b>LIABILITIES</b>			
Payables	1,535	1,933	3,128
<b>Total Liabilities</b>	<b>1,535</b>	<b>1,933</b>	<b>3,128</b>
<b>EQUITY</b>			
Unitholders' Capital	149,811	156,039	150,918
Fair Value Reserve	-	54,749	59,568
Retained Earnings	153,245	88,110	89,034
<b>Total Equity</b>	<b>303,056</b>	<b>298,898</b>	<b>299,520</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>304,591</b>	<b>300,831</b>	<b>302,648</b>
Net Asset Value Per Unit	\$45.30	\$43.74	\$44.59

  
**Director**

  
**Director**

**Trinidad & Tobago Unit Trust Corporation**  
**UNIVERSAL RETIREMENT FUND**  
**STATEMENT OF COMPREHENSIVE INCOME**

**For the nine months ended 30 September, 2018**

**Expressed in Trinidad and Tobago Dollars**

	Unaudited Three months ended		Unaudited Nine months ended		Audited
	<b>30-Sep-18</b>	30-Sep-17	<b>30-Sep-18</b>	30-Sep-17	31-Dec-17
	<b>\$ '000</b>	\$ '000	<b>\$ '000</b>	\$ '000	\$ '000
<b>INCOME</b>					
Interest Income	<b>780</b>	681	<b>2,234</b>	2,502	3,240
Dividend Income	<b>1,636</b>	1,516	<b>5,766</b>	5,412	6,988
Other Income	<b>152</b>	1	<b>152</b>	28	28
Net Change in Fair Value of Investment Securities	<b>959</b>	(14)	<b>1,364</b>	23,307	23,599
Foreign Exchange Loss	<b>(37)</b>	-	<b>(24)</b>	-	-
<b>Total Income</b>	<b>3,490</b>	2,184	<b>9,492</b>	31,249	33,855
<b>EXPENSES</b>					
Management Charge	<b>(1,543)</b>	(1,532)	<b>(4,557)</b>	(4,764)	(6,292)
Other Expenses	<b>(151)</b>	(1)	<b>(154)</b>	(3)	(3)
Bank Charges	<b>(3)</b>	-	<b>(8)</b>	(2)	(3)
<b>Total Expenses</b>	<b>(1,697)</b>	(1,533)	<b>(4,719)</b>	(4,769)	(6,298)
<b>Net Income before Taxation</b>	<b>1,793</b>	651	<b>4,773</b>	26,480	27,557
Withholding Tax	<b>(153)</b>	(79)	<b>(130)</b>	(267)	(420)
<b>Net Income for the period</b>	<b>1,640</b>	572	<b>4,643</b>	26,213	27,137

**Trinidad and Tobago Unit Trust Corporation**  
**UNIVERSAL RETIREMENT FUND**  
**STATEMENT OF CHANGES IN EQUITY**  
For the nine months ended 30 September, 2018  
Expressed in Trinidad and Tobago Dollars

	<b>Unitholders' Capital \$'000</b>	<b>Fair Value Reserve \$'000</b>	<b>Retained Earnings \$'000</b>	<b>Total \$'000</b>
<b>Balance as at 1 January, 2018</b>	<b>150,918</b>	<b>-</b>	<b>148,602</b>	<b>299,520</b>
Net Income for the period	-	-	4,643	<b>4,643</b>
Subscriptions from Unitholders	15,656	-	-	<b>15,656</b>
Redemptions by Unitholders	(16,763)	-	-	<b>(16,763)</b>
<b>Balance as at 30 September, 2018 (Unaudited)</b>	<b>149,811</b>	<b>-</b>	<b>153,245</b>	<b>303,056</b>
<b>Balance as at 1 January, 2017</b>	<b>173,463</b>	<b>69,536</b>	<b>61,897</b>	<b>304,896</b>
Net Income for the period	-	-	26,213	<b>26,213</b>
Subscriptions from Unitholders	25,170	-	-	<b>25,170</b>
Redemptions by Unitholders	(42,594)	-	-	<b>(42,594)</b>
Other Comprehensive Loss for the period	-	(14,787)	-	<b>(14,787)</b>
<b>Balance as at 30 September, 2017 (Unaudited)</b>	<b>156,039</b>	<b>54,749</b>	<b>88,110</b>	<b>298,898</b>
<b>Balance as at 1 January, 2017</b>	<b>173,463</b>	<b>69,536</b>	<b>61,897</b>	<b>304,896</b>
Net Income for the year	-	-	27,137	<b>27,137</b>
Subscriptions from Unitholders	30,411	-	-	<b>30,411</b>
Redemptions by Unitholders	(52,956)	-	-	<b>(52,956)</b>
Other Comprehensive Loss for the year	-	(9,968)	-	<b>(9,968)</b>
<b>Balance as at 31 December, 2017 (Audited)</b>	<b>150,918</b>	<b>59,568</b>	<b>89,034</b>	<b>299,520</b>

**Trinidad & Tobago Unit Trust Corporation**  
**UNIVERSAL RETIREMENT FUND**  
**STATEMENT OF CASH FLOWS**  
For the nine months ended 30 September, 2018  
Expressed in Trinidad and Tobago Dollars

	Unaudited 30-Sep-18 \$ '000	Audited 30-Sep-17 \$ '000	Audited 31-Dec-17 \$ '000
<b>OPERATING ACTIVITIES</b>			
Net Income before Taxation	4,773	26,480	27,557
<i>Adjustment to Reconcile Net Income to Net Cash and Cash Equivalents From Operating Activities:</i>			
Interest Income	(2,240)	(2,502)	(3,240)
Dividend Income	(5,766)	(5,412)	(6,988)
Realised Capital Gain	-	(19,792)	(19,749)
Net Change in Fair Value of Investment Securities	(1,364)	-	-
Net Foreign Exchange Gain	-	(3,483)	(3,728)
	(4,597)	(4,709)	(6,148)
<i>Movements in Net Current Assets (Decrease)/Increase in Payables</i>	(1,593)	(1,186)	9
	(6,190)	(5,895)	(6,139)
Interest Received	1,417	2,068	2,427
Dividend Received	5,742	5,494	7,105
Taxation Paid	(130)	(267)	(420)
<b>Net Cash Flow From Operating Activities</b>	<b>839</b>	<b>1,400</b>	<b>2,973</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of Investment Securities	(38,843)	(58,243)	(82,334)
Disposal of Investment Securities	32,174	100,314	116,851
<b>Net Cash (Used In)/Flow From Investing Activities</b>	<b>(6,669)</b>	<b>42,071</b>	<b>34,517</b>
<b>FINANCING ACTIVITIES</b>			
Subscriptions from Unitholders	15,656	25,157	29,201
Redemptions by Unitholders	(15,916)	(42,458)	(52,852)
<b>Net Cash Used In Financing Activities</b>	<b>(260)</b>	<b>(17,301)</b>	<b>(23,651)</b>
<b>Net (Decrease)/Increase in Cash and Cash Equivalents</b>	<b>(6,090)</b>	<b>26,170</b>	<b>13,839</b>
Cash and Cash Equivalents at beginning of the period	33,524	19,685	19,685
Cash and Cash Equivalents at end of the period	<b>27,434</b>	<b>45,855</b>	<b>33,524</b>

# Trinidad & Tobago Unit Trust Corporation

## Universal Retirement Fund

### Notes to the Interim Financial Statements For the nine months ended 30 September 2018 (Expressed in Trinidad and Tobago Dollars)

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#### 1 General Information

The Universal Retirement Fund (the Fund) is a Total Return Mutual Fund established under the Unit Trust Corporation Act No. 26 of 1981. The Fund was launched on 27 October 1997 and is denominated in Trinidad and Tobago Dollars. The Fund invests in accordance with its Investment Policy Statement and guidelines approved by the Board of the Trinidad and Tobago Unit Trust Corporation (The Corporation). The Corporation is the Sponsor, Manager, Trustee and Investment Advisor of the Fund.

Overall management of the business and affairs of the Fund is vested in the Board of Directors of the TTUTC which approves all significant agreements in relation to the Fund.

#### 2 Basis of preparation

The interim financial statements for the nine month period ended 30 September 2018 have been prepared in accordance with IAS 34 Interim Financial Reporting.

#### 3 Significant accounting policies

The accounting policies, presentation and methods of computation applied in these financial statements are consistent with those applied in the preparation of the Fund's Annual Financial Statements for the year ended 31 December 2017, except for the adoption of IFRS 9 Financial Instruments on 1 January 2018.

IFRS 9 was issued in July 2014 and is mandatory for annual periods beginning on or after 1 January 2018. Accordingly, the Fund adopted IFRS 9 on 1 January 2018 and, as permitted by the transitional provisions, comparative figures have not been restated. The adoption impacted the financial statements for the nine months ended 30 September 2018 as follows:

- i. All of the Fund's investment securities, previously classified as Available-For-Sale under IAS 39 and reported at Fair Value Through Other Comprehensive Income, were reclassified as Fair Value Through Profit or Loss. As the investment securities were carried at fair value in both instances, there was no difference in the carrying value of the Fund's investment securities on 1 January 2018 as a result of adopting IFRS 9;
- ii. Prior to 1 January 2018, unrealized gains and losses on financial assets were recognized in other comprehensive income with the unrealized gains and losses of impaired assets being reclassified and recognized in profit or loss for the period. The unrealized gains and losses arising on the Fund's financial assets will now be recognized in profit or loss for the period;
- iii. Prior to 1 January 2018, impairment was recognized where the value of Equity Instruments and Exchange-Traded-Fund Instruments (ETF) had declined below cost by 30% or more, or had remained below cost for twelve months or more. Subsequent to initial application of IFRS 9, no impairment will be recognized on financial assets. The Fund will recognize all movements in the fair value of its financial assets in profit or loss for the period; and
- iv. Prior to 1 January 2018, the accumulated net fair value gains on financial assets were captioned 'Fair Value Reserve' on the Statement of Financial Position. On adoption of IFRS 9, the balances on the 'Fair Value Reserve' and 'Retained Earnings' as at 31 December 2017 were amalgamated and are reported as 'Retained Earnings' in these financial statements.

# **Trinidad & Tobago Unit Trust Corporation**

## **Universal Retirement Fund**

### **Notes to the Interim Financial Statements** **For the nine months ended 30 September 2018** (Expressed in Trinidad and Tobago Dollars)

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#### **4 Significant Related Party Transactions**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The Fund is managed by TTUTC (The Investment Manager), a Corporation established by statute in Trinidad and Tobago. Under the terms of the management agreement dated 1 September 1989, the TTUTC is paid a management fee based on the net asset value of the Fund at the end of each semi-annual period at an annual rate of 2%. Management fees for the nine months ended 30 September 2018 amounted to \$4.6 million (September 2017: \$4.8 million). Management fee due to the TTUTC as at 30 September 2018 amounted to \$1.5 million (September 2017: \$1.9 million).

#### **5 Approval of Interim Financial Statements**

The interim financial statements were authorized for issue by the Board of Directors of the Trinidad and Tobago Unit Trust Corporation on 09 November 2018.