



**UNIT TRUST**  
CORPORATION

# EMBRACING TRANSFORMATION



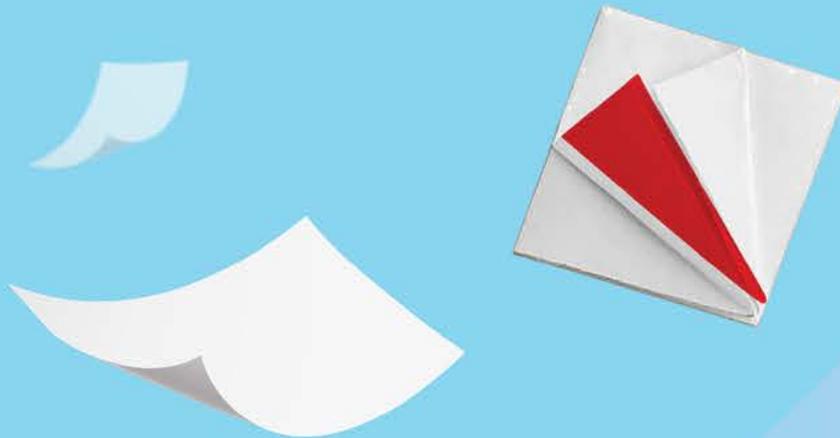
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Annual Report 2022



**UNIT TRUST**  
CORPORATION

# WRITING OUR **NEXT** **CHAPTER**





TOGETHER

# EMBRACING TRANSFORMATION WRITING OUR NEXT CHAPTER TOGETHER

40 years ago, a story began...a story unlike any that had gone before it, born out of the will of the people on the little islands of Trinidad and Tobago. Filled with renewed energy, innovative ideas and the spirit of possibility, an organisation set out on a bold agenda for building wealth and prosperity, regardless of social or economic status. Through the strength of collective investment came empowered communities and a shifting of the financial landscape.

Now, four decades later, the Unit Trust Corporation has remained true to its purpose, delivering exceptional results and solid performances that have sustained our Unitholders through the good and tough times. We have put our hearts into the effort of making our country a better place. The privilege to serve you is one we hold with integrity and pride, hand in hand and from generation to generation. As we build lasting partnerships with you, we remain committed to being the leader in investment management and wealth creation in the region.

In a world of uncertainty, we see adversity as an opportunity to innovate, enhance our technology and maintain our competitiveness. Change, although uncomfortable, has become necessary for us to improve our efficiencies and better serve you.

As a committed and trusted partner, your loyalty has heightened our sense of purpose.

In 2022, the Corporation implemented its new technology platform aimed at improving the way we do business. Looking towards the future with optimism, we are excited to be a catalyst in the evolution of the financial landscape through our entrepreneurial efforts and active steps towards regional growth. We are on a journey of transformation where YOU are at the epicentre of it all.

Meeting change with resilience is integral to our DNA. Because of you, the UTC story began. Because of you, it will continue to be a story of hope, strength and transformation.

**Let us embrace this next chapter together!**

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# UTC HIGHLIGHTS

**TT\$256.3Mn**

TOTAL DISTRIBUTION PAYMENTS  
TO UNITHOLDERS  
16.2% INCREASE OVER 2021

**TT\$55.5Mn**

GIF DISTRIBUTION  
TO UNITHOLDERS  
65% INCREASE OVER 2021

**TT\$142.2Mn**

TTIF DISTRIBUTION  
TO UNITHOLDERS  
1.4% INCREASE OVER 2021

**TT\$47.2Mn**

USIF DISTRIBUTION  
TO UNITHOLDERS  
22.9% INCREASE OVER 2021

**TT\$10.4Bn**

AGGREGATE DISTRIBUTION PAYOUT  
SINCE 1982  
2.5% INCREASE OVER 2021

**TT\$217.1Mn**

FUND RESERVE  
7.4% INCREASE OVER 2021

FIGURES ROUNDED OFF TO ONE DECIMAL POINT

# UTC

## AT A GLANCE

WITH NEARLY EVERY HOUSEHOLD IN TRINIDAD AND TOBAGO INVESTED WITH THE UNIT TRUST CORPORATION (UTC), WE ARE AN INDIGENOUS INSTITUTION WITH A STRONG FOUNDATION, STANDING SIDE BY SIDE WITH OVER **543,600** UNITHOLDERS.

Through prudent advice and judicious fund management, we cater to the diverse needs of individuals, businesses and government institutions. We are focused on helping our investors realise their investment goals by offering investment education and financial advisory services. With sound portfolio management strategies, we are committed to bringing the best value to our investors.

Established **1982**

Designated SIFI\* **2013**

4 Primary Regulatory Relationships  
CBTT, TTSEC, CIMA, TTSE\*\*

Retained Earnings **\$1.7Bn**

FUM **\$24.6Bn**

### 9 Mutual Funds

TT\$ Income Fund  
US\$ Income Fund  
Calypso Macro Index Fund

Growth & Income Fund  
Universal Retirement Fund  
UTC Corporate Fund

Global Investor Select ETF Fund SP -  
Conservative  
Global Investor Select ETF Fund SP -  
Moderate  
Global Investor Select ETF Fund SP -  
Aggressive

### Distribution Channels

9 Investment Centres  
8 ATMs  
Uon  
1 Contact Centre  
9 Online Agencies

Market Share **38.6%**

Team Members **518**

Proudly Serving **543,606**  
Unitholders

Distribution Payments  
Approx. **\$10.4Bn** (Since 1982)

\* Systemically Important Financial Institution

\*\* Central Bank of Trinidad and Tobago (CBTT), Trinidad and Tobago Securities and Exchange Commission (TTSEC), Cayman Islands Monetary Authority (CIMA), Trinidad and Tobago Stock Exchange (TTSE)

## OUR COMMITMENT

### MANDATE

To foster a culture of saving and investment through education and innovative solutions that allow everyone access to the capital markets

### MISSION

To create and enhance wealth for all by providing innovative investment solutions and world-class customer service

### VISION

To be the leader in investment management and wealth creation in the region

## CORE VALUES

### INTEGRITY

We guide our actions by the principles of trust, honesty, fairness and ethical standards.

### ROBUST CORPORATE GOVERNANCE

We continuously enhance our corporate governance framework and processes through effective Board oversight, a strong risk management culture and transparent systems.

### RESPECT

We treat our Team Members, Unitholders and other stakeholders in a courteous, caring and dignified manner.

### LEADERSHIP

We are industry trailblazers who shape future corporate behaviour and performance by creating shared value, product innovation and diversification. Our leaders inspire, motivate, influence, empower and engage Team Members at all levels to achieve our performance targets.

### PERFORMANCE EXCELLENCE

We ignite the passion of our Team Members to deliver value to our Unitholders, achieve organisational sustainability and enhance personal growth and development.

# WHERE WE OPERATE

WITH **18 LOCATIONS NATIONWIDE**, WE HAVE INVESTMENT CENTRES AND ONLINE AGENTS READY TO SERVE OUR UNITHOLDERS.

## Arima

Manager: Schubert Andrews  
44 Green Street, Arima  
Tel: (868) 667-UNIT (8648)  
Fax: (868) 667-2586  
Open: 8:00 a.m. – 2:30 p.m.

## One Woodbrook Place

Manager: Janice Jackman  
Unit 27  
189 Tragarete Road, Port of Spain  
Tel: (868) 625-UNIT (8648)  
Fax: (868) 628-4879  
Open: 10:00 a.m. – 5:00 p.m.

## San Fernando

Manager: Erica Bleasdel  
55A St James Street  
Carlton Centre, San Fernando  
Tel: (868) 657-UNIT (8648)  
Fax: (868) 652-0620  
Open: 8:00 a.m. – 2:30 p.m.

## Tobago

Manager: Dexter Sandy  
Cor. Main & Castries Streets,  
Scarborough, Tobago  
Tel: (868) 639-5096/3921  
Fax: (868) 660-7730  
Open: 8:00 a.m. – 2:30 p.m.

## Chaguanas

Acting Manager: Joanne Norton  
26-28 Endeavour Road  
Chaguanas  
Tel: (868) 671-UNIT (8648)  
Fax: (868) 671-6581  
Open: 8:00 a.m. – 2:30 p.m.

## Point Fortin

Acting Manager: Suzianne Alexis Bryce  
13 Handel Road, Point Fortin  
Tel: (868) 648-6836  
Fax: (868) 648-2997  
Open: 8:00 a.m. – 2:30 p.m.

## Sangre Grande

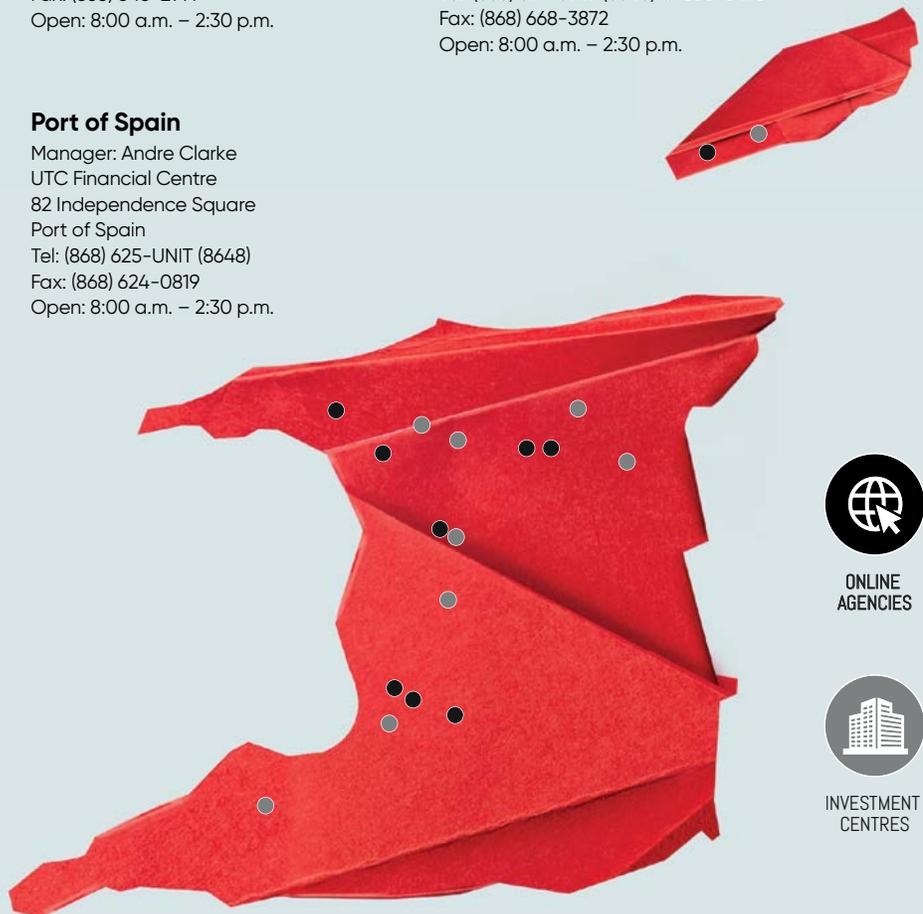
Acting Manager: Fleming Glace  
Sinanan Building  
2 Eastern Main Road, Sangre Grande  
Tel: (868) 691-UNIT (8648) or 668-6475  
Fax: (868) 668-3872  
Open: 8:00 a.m. – 2:30 p.m.

## Couva

Acting Manager: Paula Stewart  
26 Southern Main Road, Couva  
Tel: (868) 636-9871  
Fax: (868) 636-4750  
Open: 8:00 a.m. – 2:30 p.m.

## Port of Spain

Manager: Andre Clarke  
UTC Financial Centre  
82 Independence Square  
Port of Spain  
Tel: (868) 625-UNIT (8648)  
Fax: (868) 624-0819  
Open: 8:00 a.m. – 2:30 p.m.



ONLINE  
AGENCIES



INVESTMENT  
CENTRES

## ONLINE AGENCIES

### Eve Financial Services Limited

(Ruben McSween)  
UTC Agency – Westmall  
Shop 174, The Falls, Westmall  
Western Main Road  
Westmoorings  
Tel: (868) 223-9151/9152/9157  
Open: Mon – Fri 10:00 a.m. – 5:00 p.m.  
Sat 10:00 a.m. – 3:00 p.m.

### Eve Financial Services Limited

(Ruben McSween)  
UTC Agency – MovieTowne  
61 Level 2  
MovieTowne Boulevard  
Invader's Bay  
Audrey Jeffers Highway  
Port of Spain  
Tel: (868) 223-6697/6805/6505/6517  
Open: Mon – Fri 10:00 a.m. – 5:00 p.m.

### Redhead's Pensurance Services Limited

(Michael Redhead)  
UTC Agency – Pointe-a-Pierre  
Suite 11 & 12  
Tropical Plaza, Pointe-a-Pierre  
Tel/Fax: (868) 658-SAVE (7283)  
(868) 658-7340  
Open: Mon – Fri 8:30 a.m. – 4:00 p.m.

### Opufin Limited

(Sheldon Trim)  
UTC Agency – Grand Bazaar  
Shop No. 3, Building A  
Grand Bazaar, Valsayn  
Tel/Fax: (868) 663-8648  
Open: Mon – Fri 11:00 a.m. – 6:00 p.m.  
Sat 10:00 a.m. – 3:00 p.m.

### Unique Investments Limited

(Samuel Saunders)  
UTC Agency – Trincity  
Unit B2 15  
Level 2, Trincity Mall, Trincity  
Tel/Fax: (868) 640-8589  
(868) 275-6572  
Open: Mon – Fri 9:00 a.m. – 5:00 p.m.  
Sat 10:00 a.m. – 5:00 p.m.

### Unique Investments Limited

(Samuel Saunders)  
UTC Agency – Pennywise Plaza  
Unit 56, Upper Level  
Narsaloo Ramaya Road  
Endeavour, Chaguanas  
Tel/Fax: (868) 610-4548  
(868) 275-6575  
Open: Mon – Fri 9:00 a.m. – 5:00 p.m.  
Sat 10:00 a.m. – 5:00 p.m.

### Superior Wealth & Advisory Services Limited

(Ian Narine)  
UTC Agency – Penal/Debe  
2nd Floor, 216 S.S. Erin Road, Debe  
Tel: (868) 647-2721  
Open: Mon – Fri 8:00 a.m. – 4:00 p.m.

### Superior Wealth & Advisory Services Limited

(Ian Narine)  
UTC Agency – C3 Centre  
Level 1, C3 Centre  
Corinth, San Fernando  
Tel: (868) 687-UNIT (8648)  
(868) 657-9999  
Open: Mon – Fri 9:00 a.m. – 5:00 p.m.

### Florence Forbes Agency

203 Milford Road  
Canaan, Tobago  
Tel: (868) 685-9090  
Open: Mon – Fri 9:00 a.m. – 4:00 p.m.

## Auditors

### LOCAL

**The Auditor General of the Republic of Trinidad & Tobago**  
Level 2-4, Tower C  
International Waterfront Centre,  
1 Wrightson Road, Port of Spain

**Head Internal Audit**  
Neesa Bally  
Chief Internal Auditor

### OVERSEAS

**PricewaterhouseCoopers**  
18 Forum Lane  
Camana Bay,  
P.O. Box 258,  
Grand Cayman, KY1-1104,  
Cayman Islands

## Bankers

### LOCAL

**Central Bank of Trinidad & Tobago**  
Central Bank Building,  
Eric Williams Plaza,  
Independence Square, Port of Spain

**Republic Bank Limited**  
Promenade Centre,  
72 Independence Square, Port of Spain

### OVERSEAS

**Citibank N.A.**  
111 Wall Street,  
New York, NY 10043,  
United States of America

**RBC Royal Bank (Trinidad & Tobago) Limited**  
55 Independence Square, Port of Spain

**Citibank (Trinidad & Tobago) Limited**  
12 Queen's Park East, Port of Spain

**US Bank**  
777 East Wisconsin Avenue T10S,  
Milwaukee, WI 53202,  
United States of America

**First Citizens Bank Limited**  
62 Independence Square, Port of Spain

## Attorneys

### LOCAL

**J.D. Sellier & Company**  
129-131 Abercromby Street, Port of Spain

**Johnson, Camacho & Singh**  
5th Floor, Newtown Centre  
30-36 Maraval Road  
Newtown, Port of Spain

### OVERSEAS

**Foley & Lardner**  
777 East Wisconsin Avenue,  
Milwaukee, WI 53202-5367,  
United States of America

**Campbells**  
Floor 4, Willow House, Cricket Square,  
Grand Cayman, KY1-9010,  
Cayman Islands

Jo-Anne Julien

CHAIRMAN'S  
**Letter**



“ EVERY  
 NEW CHAPTER  
 IS AN OPPORTUNITY  
 TO TURN THE PAGE  
 AND START A NEW  
 STORY. ”

Fellow Unitholders,

It is with great pleasure that I pen this letter to you for the first time in my capacity as Chairman of the Board, reflecting on what has been a momentous year in the history of the Trinidad and Tobago Unit Trust Corporation. As we celebrated our 40th Anniversary in November 2022, we did so in a landscape that was vastly different from the one in which I first joined the Board as a member in 2020, during the height of the COVID-19 pandemic with all its uncertainties and unprecedented challenges to our way of life.

Although the road to global economic recovery has been precarious, we are grateful for a return to most aspects of local economic growth after the end of lockdowns and the lifting of public health measures. More centrally, we have seen new opportunities unlocked as a result of the technological imperatives made necessary by social distancing.

Above all — as was highlighted in our 2021 report themed ‘The Power of We’ — we have gained a renewed appreciation for the capacity of our collective efforts to produce remarkable results, even in the face of adversity.

This resilience, demonstrated by the Corporation throughout the pandemic, would not have been possible without the unwavering commitment of you, our loyal Unitholders, and your steadfast faith in our shared vision and direction. Despite the inconveniences and challenges posed by changing circumstances, you have continued to believe in our path towards the future.

As such, our 2022 Annual Report follows the theme ‘Embracing Transformation: Writing Our Next Chapter Together’ and documents a year that witnessed significant milestones for the Corporation — a new technology platform, regional expansion, entrepreneurship development and solid Funds Under Management, to name a few.

### Global 2022 — Navigating Uncertainty

As the pandemic began to loosen its grip on the global economy, the war in Ukraine led to challenges with supply chains, significant fluctuations in energy and food prices, and fresh tensions among global powers.

While 2022 global economic growth was estimated at 3% by the United Nations (UN) and 3.4% by the International Monetary Fund (IMF), global inflationary pressures reached alarming levels, with an average inflation rate of 8.8% (IMF). This prompted central banks worldwide to implement repeated interest rate hikes to curb inflation and mitigate the impact on the cost of living.

This affected many households, and it is undeniable that families continue to face challenges associated with these rising prices. However, the Corporation maintained distributions to Unitholders while managing investment portfolios to weather tough times. Additionally, the work of our Foundation in promoting financial literacy and our efforts to support entrepreneurship has never been more crucial. Cultivating a culture of saving and investing and building a resilient entrepreneurial sector are critical for the future of Trinidad and Tobago and the wider region.

### Performance in 2022

Our robust strategies and business practices continue to redound to the benefit of our investors. All our funds performed credibly despite the challenging market circumstances, in some cases even outpacing global industry benchmarks such as the S&P 500, and distributions increased across three of our major Trinidad and Tobago-domiciled funds. Further, the Corporation increased retained earnings and paid out distributions — TT\$256Mn to our now over 543,600 Unitholders. We also recorded positive net sales of over TT\$600Mn.

### A Year of Change: The Demands of Technological Transformation

We reaffirm our commitment to building and strengthening the financial services sector and delivering unparalleled service excellence to you, our Unitholders. Our enduring success has been rooted in the alignment of sound investment strategies, robust risk management and operational prudence.

Additionally, we have carefully tailored our operations to adopt a 'people and technology'-focused approach to business. The tangible results, which I have witnessed, are evident in our team's implementation of a cutting-edge system, modernised ATMs, new chip and PIN cards, and a state-of-the-art online portal — all enhanced technologies to serve you better.

We acknowledge that change is not always straightforward. Despite our meticulous preparations, many of our valued Unitholders have been inconvenienced during the transition. Please be assured that we are working diligently to mitigate these effects and remain at your service to address any issues you may encounter.

As your trusted Partners for Life, we hold our commitment to you in the highest regard and express our sincere gratitude for your unwavering trust as we forge ahead.

### Beyond Borders — UTC's Regional Expansion

Building prosperity — for our Unitholders, our country and our region — has been our focus from inception. Now we are expanding our expertise to help fuel new projects in the wider Caribbean.



In 2022, we signed a Joint Venture Agreement with Jamaican powerhouse GraceKennedy and had the distinct pleasure of launching three inaugural mutual fund products in Jamaica under the umbrella of GK Mutual Funds in March 2023.

As I remarked at the official launch of the funds, access to secure and judicious investment vehicles helps nurture and sustain a prosperous society, and that is a common goal shared by GraceKennedy and the UTC.

The goal is sustainable wealth creation that will benefit our societies over the long run while empowering our customers to make appropriate choices.

Our regional expansion drive continues apace in 2023, with our exciting Eastern Caribbean initiative moving towards a full launch. We are confident that just as the introduction of the UTC marked a seismic shift in the local financial landscape, these ventures will mark the start of a transformative new era for the financial well-being of our Caribbean people.

### Looking Ahead

At the UTC, we have a long tradition of embracing challenges and turning them into opportunities, and 2023 will be no different. Our fundamentals remain strong, our outlook optimistic, and our team committed to excellence, and I am confident that we will continue to deliver at the highest level as we execute our growth strategy.

On behalf of the Board of Directors, I would like to extend wholehearted thanks to my predecessor, Professor Gerry C. Brooks, whose insight and experience were invaluable to the Corporation. We also express our gratitude for the contributions of Directors Ms. Anne-Marie James, Ms. Lorraine Kam and Mr. Dominic Rampersad, whose terms on the Board came to an end in 2022.

I take this opportunity to welcome our new Board members: Ms. Anne Joseph, Mr. Dirk Nicholas Smith, Mr. Stephen Allum Poon, Mr. Robert Green and Mr. Brevard Nelson. To work with such a dynamic Board and dedicated Management team is an honour.

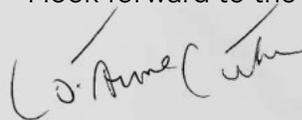
### Exceptional Team

In conclusion, I must celebrate the multiple skills and resolute commitment of the UTC team in delivering excellence across every aspect of our business.

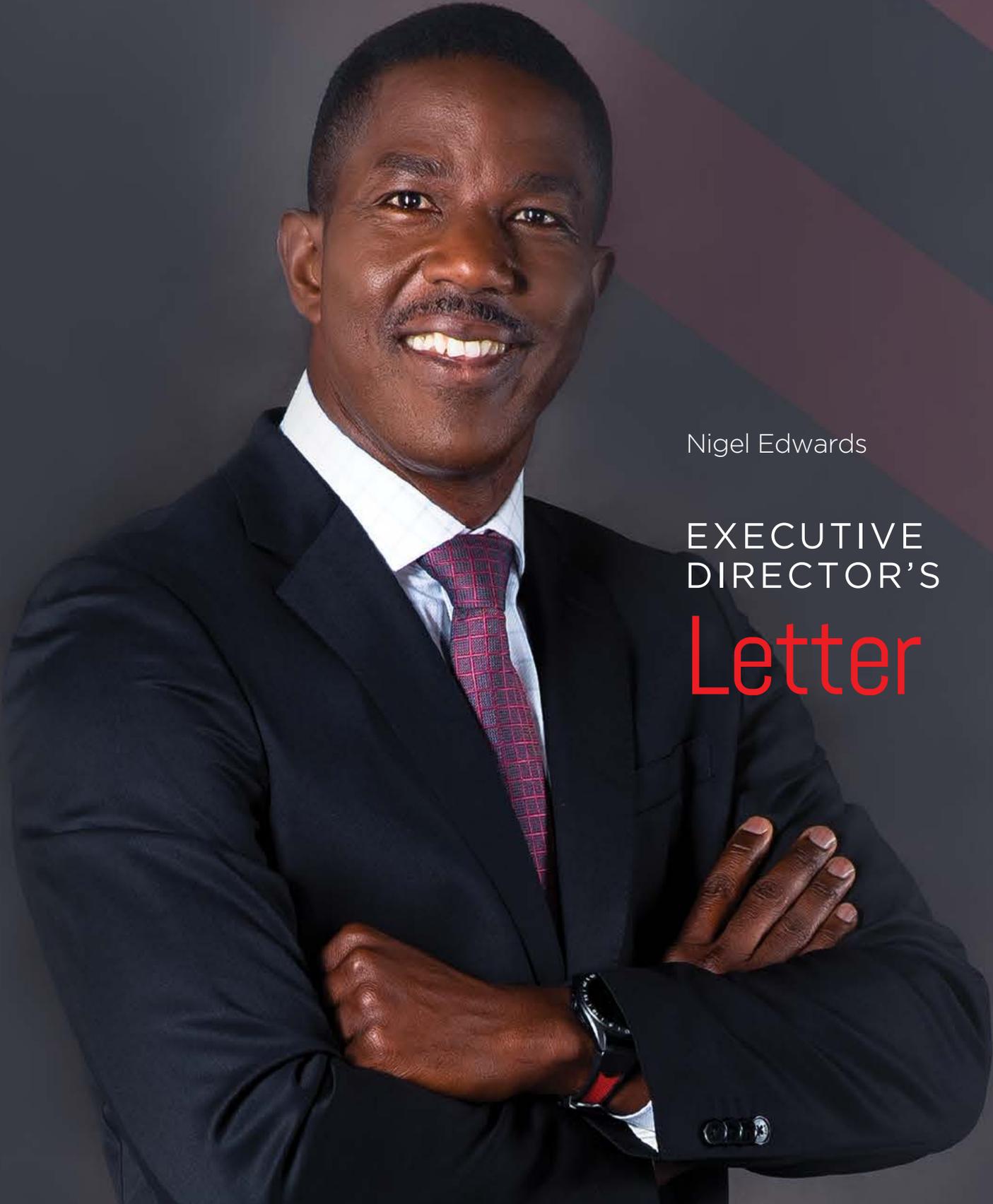
To you, fellow Unitholders, you believed in our potential from the start, your loyalty has seen us through challenging times over the years, and you continue to hold the key to our mutual success.

Together we have the power to shape a future where we can all thrive, and the UTC is dedicated to bringing that vision to life.

I look forward to the next chapter of our story.



**Jo-Anne Julien**  
Chairman  
28th April 2023

A professional portrait of Nigel Edwards, an African man with a mustache, smiling and wearing a dark suit, white shirt, and patterned tie. He has his arms crossed and is wearing a watch on his left wrist. The background is a dark grey with a diagonal maroon stripe.

Nigel Edwards

EXECUTIVE  
DIRECTOR'S  
**Letter**

## 2022 PERFORMANCE HIGHLIGHTS

The Corporation paid a total of  
**TT\$256.3Mn in distributions**  
 to Unitholders in 2022, an increase of 16.2% over 2021

Distributions for the Growth and Income Fund increased by  
**65%** from **TT\$33.6Mn** in 2021 to **TT\$55.5Mn** in 2022

Distributions for the TT Dollar Income Fund increased by 1.4%,  
 from **TT\$140.2Mn** in 2021 to **TT\$142.2Mn** in 2022

Distributions for the US Dollar Income Fund increased by 23%, from  
**TT\$38.3Mn** in 2021 to **TT\$47.1Mn** in 2022

Retained Earnings remained strong, growing by 3.2% to **TT\$1.7Bn**

The Group's Investment Income increased by **17.8%** compared with  
 2021, due to improved dividend declarations from our equity  
 investments and gains realised from increased interest.



# COURAGE

IS ONE STEP AHEAD OF FEAR

## Dear Fellow Unitholders,

Presenting the 2022 Annual Report affords me a unique opportunity for reflection and a holistic review of the past year's successes and challenges. This review creates a space for conversations about the future. The past year was certainly marked by triumphs, and yes, a few trials that impacted both the Corporation and you, our Unitholders.

In the face of a global economy recovering from the impact of the pandemic and troubled by varying conflicts, we maintained our judicious approach to investing and progressed steadily towards our strategic goals. But we did more than this — we met the demands of the moment with the same type of transformative energy from which the Corporation was birthed 40 years ago. We rose to the occasion and have laid the groundwork for the next chapter of our story.

### Global Uncertainty Takes a New Shape

As we entered 2022, expectations were tempered, but there was a collective sense of cautious optimism as the major economic impacts of the global pandemic began to fade. However, a new source of uncertainty quickly emerged as the conflict in Ukraine caused energy prices to soar, disrupting newly recovered supply chains. Grain shortages further threatened food security for both established and developing economies, adding to the gloomy economic forecasts already preoccupied with strong inflationary pressures and the likelihood of sequential interest rate hikes by central banks to curb rising prices.

The markets reacted with varying degrees of volatility, which impacted the performance of investments both globally and locally, causing unfavourable fair value movements driven by aggressive interest rate increases in response to inflationary pressures. Despite this, the UTC generated Net Income after taxation of TT\$52.2Mn for fiscal 2022.

Further, our funds returned solid performances, with our Balanced Funds significantly outperforming the international market index in the form of the S&P 500 and our two Fixed-Income Funds recording improvements in net returns as well as distributions.



At UTC, we have full confidence in our investment strategies and robust risk management framework. Consistent with our commitment to value-creating opportunities, our results reflect the resilience and dedication of our team. These will continue to serve as the foundation for another year of strong performance.

### Continued Strong Performance and Solid Fundamentals

In the face of these challenging market conditions, the Corporation produced solid financial results in 2022, with total Funds Under Management almost mirroring the record-setting total of 2021. A particular highlight was the increase in distributions paid out to Unitholders in three of our main funds — the Growth and Income Fund, the TT Dollar Income Fund, and the US Dollar Income Fund.

### 2022 Performance Highlights

- The Corporation paid a total of TT\$256.3Mn in distributions to Unitholders in 2022, an increase of 16.2% over 2021
- Distributions for the Growth and Income Fund increased by 65%, from TT\$33.6Mn in 2021 to TT\$55.5Mn in 2022
- Distributions for the TT Dollar Income Fund increased by 1.4%, from TT\$140.2Mn in 2021 to TT\$142.2Mn in 2022
- Distributions for the US Dollar Income Fund increased by 23%, from TT\$38.3Mn in 2021 to TT\$47.1Mn in 2022
- Retained Earnings remained strong, growing by 3.2% to TT\$1.7Bn
- The Group's Investment Income increased by 17.8% compared with 2021 due to improved dividend declarations from our equity investments and gains realised from increased interest

These strong results were bolstered by our fifth consecutive year of high ratings from the Caribbean Information and Credit Rating Services Limited (CariCRIS). UTC achieved a CariAA Issuer/Corporate Credit Ratings for Foreign and Local Currency on the regional rating scale and tAA on the Trinidad and Tobago (T&T) national scale.

The consistency of our rating performance is a testament to the soundness of our strategic direction and our delivery of healthy investment returns and quality asset management, which has made us one of the best-performing companies in the financial services sector.

CariCRIS also affirmed UTC's strong risk management practices and maintains a stable outlook on the Corporation's credit profile over the next 12-15 months. The Corporation's technological advances are also expected to bolster our ongoing performance.

### **Navigating the Bumps in the Road to Digital Transformation**

As a key component towards maintaining our position as the region's leading asset manager, we pair sound investment strategies with robust operational practices and our ongoing technological transformation, aimed at enhancing our infrastructural capabilities and giving us the necessary capacity to scale.

To this end, in 2022, after very detailed levels of planning and months of careful testing, we were able to transition to our modernised technology platform. This involved the transfer of more than 800,000 customer accounts to the new system — a massive undertaking by any standard!

I particularly want to acknowledge the time and effort our team has invested in this transformation, which has touched every facet of the organisation.

But we know there have been challenges as we moved through the implementation, and there are still intermittent instances where customers experience inconveniences related to system downtime or service unavailability.

I want to thank you for your understanding and patience and to assure you that this technological transformation dovetails with our commitment to meeting you where you are and to continue to offer the guidance and support you need as we settle into this transition.

Additionally, the platform will provide the Corporation with even stronger risk management tools, powerful data insights, enhanced operational rigour, and improved customer experience through digital touchpoints, such as our new online portal Uon, which allows customers greater access to do transactions and manage investments digitally.

### **Cultivating the Entrepreneurial Spirit Within and Without**

We at UTC are no strangers to blazing new trails. The heart of what we do — our origin story — is about creating access, opening doors to building wealth, and creating widespread prosperity in ways that hadn't been seen before in Trinidad and Tobago. Forty years later, we have developed a business that has shaped an entire industry, offering investment solutions that touch the lives of almost every citizen across the country. In order to pursue our growth strategies and our mandate for national and regional development, we must continually tap into that same entrepreneurial spirit that drove our pioneering leaders in the past.



Because of this, we have a deep understanding of the realities and demands of entrepreneurship: the hard work our entrepreneurs need to put in, the difficult conversations they must have, and their constant drive towards the next step. The Corporation lived through those growing pains but pushed past early challenges and consistently innovated in order to succeed.

We are committed to leading the development of an ecosystem that supports entrepreneurial growth through collaboration and deploying the knowledge and expertise we have developed. Hence, we have adopted a partnership model that connects the private, public and academic sectors to offer education, coaching, and in some instances, patient capital to some of our country's most promising entrepreneurs.

These partnerships, such as ScaleUp T&T, presented in conjunction with the Ministry of Trade and Industry (MTI); Entrepreneurship Policy Advisors (EPA), a US-based entrepreneurship policy consulting firm; and UrpreneurPlus, an incubator and accelerator built with UWI Ventures Limited (UVL) are helping to build a sustainable entrepreneurship ecosystem. You can read more about the details of these initiatives in our Entrepreneurship feature on page 51.

Entrepreneurship is fundamental to the socio-economic fabric of Trinidad and Tobago. It is more than just a vehicle for economic prosperity; it is about building character, developing stronger leaders, creating more connected communities, entering new global markets, and diversifying our country's dependence away from energy-related industries.

### **Regional Expansion Becomes a Reality**

In last year's Annual Report, we shared our intentions to pursue regional expansion opportunities. Today, with great pride, I can pen that we are well underway in this arena. We signed a Joint Venture Agreement in May 2022 with GK Capital Management Limited (GK Capital), a GraceKennedy (GK) Limited subsidiary, to offer additional investment options to the Jamaican market. This alignment has borne fruit in the form of three new mutual fund products, denominated in Jamaican and US dollars, designed to be attractive for institutional and individual investors alike. These funds were unveiled at a launch event in Kingston on 6 March 2023.

The GK US Dollar Income Fund, the GK Jamaican Dollar Money Market Fund, and the GK Jamaican Dollar Growth & Income Fund will offer investors innovative investment products predicated on consistency and stability, with a goal of sustainable wealth creation. Investors will benefit from the powerful combination of GK Capital's well-established service offerings and UTC's long track record of success in mutual fund management.

Both the UTC and GK share similar DNA. In GraceKennedy, we found the same drive for growth that benefits our UTC stakeholders, the same values of trust and integrity, and the same unwavering commitment to serve our markets with excellence. We found synergy not only across our positions as respected stalwarts of industry and commerce, not only in the commonality of our corporate values — honesty, integrity, respect, and good governance — but also in our deeply held belief in the promise and the potential of our Caribbean people. We are optimistic about the expected response from the Jamaican market.

We expect to share more regional news with you within fiscal 2023 on the progress and expansion of our initiatives in the eastern Caribbean, so stay tuned.

### **2023 New Pathways to Prosperity**

Despite the local and global challenges, your trust is pivotal to embracing these changes together. Even as uncertainty sweeps global economies, financial markets and industries, UTC's business trajectory is prudently mapped, and our investment management philosophy is rooted in our people-centered approach. We aim to build and maintain resilient portfolios that will provide you, our loyal Unitholders, with the ability to weather turbulent conditions and enjoy excellent returns on —investments.

Going forward, our eyes are fixed on harnessing new technologies, refining our consumer experience to enable market-leading customer satisfaction, and continuing to create value, responsibly and sustainably. I cannot overstate how grateful I am for the dedication of Team UTC who continue to support our vision and bring our values to life every single day.

### Senior Management

Over the course of the year 2022, the Corporation saw senior management changes. I want to welcome Deyson Scott as our new Chief Sales and Marketing Officer, effective January 1, 2023. Prior to his appointment, he held the position of Assistant Vice President, Trust Services. Deyson brings a wealth of technical and operational expertise to his new position and will champion technology-centric business solutions that bolster customer service and drive revenue.

I also recognise Natasha Davis in her new role as Chief Operations Officer, effective January 1, 2023. Natasha, who formerly held the position of Vice President Marketing and Operations, will now lead the continuous improvement of UTC's Operations Division with a focus on driving efficiency and innovation across the organisation while maintaining flexibility and responsiveness to our customers' needs.

Finally, I wish to welcome our new Chairman, Jo-Anne Julien, who took up her appointment in August 2022. Jo-Anne has been a member of the Board since 2020 as an Independent

Director. During that time, she has provided critical insight into conducting strategic direction and oversight in ensuring robust monitoring and execution of the Corporation's objectives and progress. We look forward to her astute leadership and guidance as we embark on our future ventures.

Fellow Unitholders, we recognise that our success depends on helping you navigate this rapidly changing world as you pursue your dreams and goals. We do not take that responsibility lightly. We are so very proud to have served you for the past four decades, and we are resolute to continue to do so!

Let us step boldly together into this next phase of 'Embracing Transformation', confident that your Corporation is well-placed with the tools and resources to deliver future success.



**Nigel Edwards**  
Executive Director  
28th April 2023



Kerri Maharaj

CHIEF  
FINANCIAL  
OFFICER'S  
Report



## 2022 CFO REPORT GROUP PERFORMANCE

### DEAR FELLOW UNITHOLDERS,

Before describing the Group's financial performance, it may be useful to discuss two important factors that influenced it and that feature annually.

#### **New International Financial Reporting Standards**

Each year, new and amended International Financial Reporting Standards (IFRS) and Interpretations are issued that the Group must evaluate and adopt if applicable. At times, these may have a significant impact on the Group's reported results or financial position. The amendments the Group was required to adopt effective 1 January 2022, however, had no material impact on the financial statements for the current or prior periods.

Further information on these new Standards and Amendments can be found in Note 2c of the consolidated financial statements.

#### **Mark-to-Market Accounting**

As a reminder, the Group accounts for its investments and other financial assets in accordance with IFRS 9 *Financial Instruments*. The IFRS requires that their accounting treatment reflect the Group's business activities, referred to as its business model. The nature of the Group's business is that Unitholders can redeem their units within established parameters in each Fund, and as such, each Fund's assets could be sold at any time to fund the redemptions. As a result, the most appropriate carrying value for the Funds' investment portfolios is at fair value. This involves valuing each instrument at the reporting date using its most recent market price; this accounting practice is often described as 'mark-to-market' accounting.

Based on the business model adopted by the Group, when prices change and investment values adjust, the IFRS requires that the Group reports these changes in its Consolidated Statement of Profit or Loss.



The important point to note is that market prices continuously fluctuate. Various factors can contribute to price movements, which could result in large favourable or unfavourable impacts that are reported in the line item 'Net change in fair value of investment securities'. In 2022, this line item was unfavourable — a loss of TT\$1Bn; in 2021, the Group recorded a gain of TT\$671Mn. It is impossible to predict these results in future periods.

While these movements can be unnerving, your investment portfolios are managed by a team of professionals who are trained to look beyond short-term market fluctuations and instead determine whether an investment has value over the long term. Unitholders should therefore try not to be swayed by short-term movements but are encouraged to view the performance of their portfolios over a longer time period.

The Group's investment performance and strategy are described extensively in the Chief Investment Officer's Report.

### **PERFORMANCE REVIEW**

#### **Consolidated Statement of Financial Position**

The Group's Total Assets declined marginally by 1%, decreasing from TT\$25.4Bn to TT\$25.1Bn. The Group's investment securities increased by 2% or TT\$0.4Mn when compared to 2021, as the Group increased its portfolio holdings based on the investment strategy of the respective Funds.

### Consolidated Statement of Profit or Loss

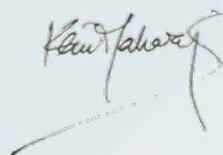
2022 was characterised by significant market turbulence, which affected the performance of funds globally. Our funds recorded an unfavourable Net change in fair value of investment securities of TT\$1Bn for the year ended 31 December 2022 compared to favourable fair value movements of TT\$671Mn for the year ended 31 December 2021. Excluding the impact of fair value movements, Total income increased by 16% from TT\$683Mn in 2021 to TT\$793Mn in 2022 principally from higher portfolio yields in the Income Funds and increased dividend income in our Growth and Income Fund.

Total expenses increased by TT\$27Mn or 8% when compared to 2021, substantially due to outlays in the Group's technology upgrade programme.

Despite the challenging market conditions, the Group maintained its focus on paying distributions to its investors, which amounted to TT\$256Mn in 2022, an increase of TT\$36Mn or 16%. Our Funds also experienced remarkable growth in net subscriptions, ending the year at TT\$610Mn or approximately two times greater than net subscriptions in 2021.

### THE FUTURE

At the close of 2022, the Group continues to be well positioned for growth. We remain committed to creating value for our Unitholders, and regardless of the challenging economic environment, we are unwavering in pursuing our pledge to seek maximised Unitholder value and operational efficiency.



**Kerri Maharaj**  
**Chief Financial Officer**  
**28th April 2023**



YOUR CALM MIND  
IS THE ULTIMATE  
WEAPON AGAINST  
YOUR CHALLENGES

SO

**Relax**

- Bryan McGill

Sekou Mark

CHIEF  
INVESTMENT  
OFFICER'S

# Report

**DEAR FELLOW UNITHOLDERS,**

The financial world in 2022 was quite turbulent. Concerns about global economic growth levels reigned supreme as geopolitical tensions and high inflation levels caused turmoil in local, regional and international financial markets.

In response, central banks across the globe increased interest rates at a rapid pace to levels not seen in many years in a bid to combat these economic challenges.

Amidst all the uncertainty, however, the Trinidad and Tobago Unit Trust Corporation stood firm with our proactive approach, taking steps to safeguard your capital while continuously looking for opportunities to improve your investment returns.

We at the UTC understand that navigating the financial landscape can be challenging and wish to assure you, our valued Unitholders, that we are proud to provide you with the expert advice and solid support needed every step of the way to achieve your financial goals.

Your 'interest' is our main priority. Your financial well-being — our greatest 'return'.

Please read further for valuable insights into the economic climate in 2022, projections for the financial markets in 2023, and most importantly, to learn more about how we at the UTC remain dedicated to your financial success.

**ECONOMIC AND CAPITAL MARKET REVIEW****LOCAL***Cautious Optimism*

According to the Central Statistical Office (CSO), domestic economic activity expanded by 6.6% year-on-year in the second quarter of 2022. A 10.5% increase in the non-energy sector compensated for a decline of 2.5% in the energy sector. Regarding the entirety of 2022, the International Monetary Fund (IMF) is forecasting growth of 2.5%. With respect to price levels,

inflation accelerated during the second half of 2022 largely as a result of external supply-side factors, including high food commodity prices, rising shipping costs as well as international transportation delays. Consequently, headline inflation, which is the overall inflation rate, increased to 8.7% in December 2022 compared to 4.9% in June 2022. Meanwhile, at the end of 2022, official international reserves stood at a healthy US\$6.8Bn or about 8.6 months of import cover, which represents the number of months of imports that can be covered by our foreign currency reserves.

*Positive Developments in Our Energy Sector*

Despite challenges with energy production in recent years, several upstream projects from the likes of BpTT, Shell Trinidad and Tobago, EOG Resources and Touchstone Exploration are expected to boost local energy production. Additionally, in the medium to long term, production levels should also be boosted in the event the governments of Trinidad and Tobago and Venezuela can iron out a commercial deal after the U.S. waived sanctions with respect to the development of the Dragon gas field which has an estimated 4.2 trillion cubic feet (tcf) of gas reserves. Against that backdrop, international consulting firm Rystad estimates that local gas production can rise to 4 billion standard cubic feet per day (bcf/d) by 2030, up from present production levels of under 3 bcf/d.

*Future Prospects*

In his presentation of the 2023 National Budget, the Minister of Finance announced that the total budgeted revenue is expected to be TT\$56.2Bn while total budgeted expenditure is expected to be TT\$57.7Bn, resulting in a projected fiscal deficit of TT\$1.5Bn or 0.8% of Gross Domestic Product (GDP). This estimate is predicated on energy price assumptions of an oil price of US\$92.50 per barrel and a natural gas price of US\$6.00 per mmBtu. Earlier in the year, S&P Global Ratings reaffirmed Trinidad and Tobago's 'BBB' credit rating while upgrading its

outlook from 'Negative' to 'Stable'. The upward revision was based on the agency's view that the local economy will benefit from significantly higher energy and petrochemical prices which will 'more than offset lower-than-expected energy production'. In the event that stronger economic performance and favourable long-term GDP growth prospects lead to a sustained decline in government debt and ease external pressures, an upgrade in the country's credit rating may be on the cards over the next two years.

#### *Local Equity Contraction*

The Trinidad and Tobago Composite Index decreased by 11.0% in 2022, the worst annual performance of the index since it returned -14.2% in 2008. Local (Trinidad and Tobago) stocks fell by 3.7%, whereas cross-listed stocks plunged by 29.9%. CinemaOne Limited (CINE1) was 2022's top performer with an annual price increase of 95.2%. Other key gainers were Agostini's Limited (AGL) and Angostura Holdings Limited (AHL) with annual price increases of 53.9% and 33.3% respectively.

## REGIONAL

According to the Economic Commission for Latin America and the Caribbean (ECLAC), economic growth for the Caribbean region is expected to measure 4.5% in 2022. The region's commodity exporters are estimated to have grown by an impressive 24.6% in 2022, building on the 6.1% growth recorded in 2021. Tourism and service-based economies are estimated to have grown more modestly by 5.2% in 2022, down from the 7.8% recorded in 2021.

#### *Barbados - Solid Rebound*

In Barbados, the Central Bank of Barbados (CBB) estimates that real GDP expanded robustly by 10.0% in 2022, reversing a marginal decline of 0.3% recorded in 2021. This reversal was mainly reflective of a resurgent tourism sector and its spillover effects into the non-traded and manufacturing sectors. Labour market conditions also improved steadily over the year with the unemployment rate falling to 7.1% by the end of the third quarter in 2022, its lowest level since the last quarter of 2007 and down from 9.0% at the beginning of the year. Contributing to the improvement were notable gains in employment within the tourism, wholesale and retail trade,

construction and quarrying, as well as the general services sectors. The country's debt-to-GDP ratio, which had been on an upward trajectory since 2019, declined to 123.8% by the end of 2022, down from the 137.9% recorded at the end of 2021.

#### *Guyana - Fastest in the World*

After recording growth of approximately 20% in 2021, the Guyanese economy continued its growth trajectory in the first half of 2022 with activity in the oil sector growing by 36.4% and non-oil activities growing by 8.4%. According to the IMF, overall growth was projected to measure 57.8% in 2022 which, if materialises, would result in Guyana being the fastest-growing economy in the world. Increases in oil production, government fiscal spending, the removal of all COVID-19 restrictions and accommodative monetary policies were all cited as the main drivers for economic growth. In terms of price levels, the inflation rate stood at 7.2% at the end of December 2022, mainly driven by increased fuel and food prices according to the Bureau of Statistics Guyana. In terms of its external financial position, the Bank of Guyana held foreign reserves equalling US\$823.4Mn, equivalent to 1.4 months of import cover at the end of the third quarter of 2022.





### *Jamaica – Growth Pattern Emerges*

According to the Bank of Jamaica (BOJ), the Jamaican economy is estimated to have grown by 5.9% year-on-year in the third quarter of 2022 compared to 4.8% recorded in the previous quarter. This marked the sixth consecutive quarter of growth. The expansion was mainly driven by increased activity from the hotel and restaurant industries as the total number of visitor arrivals increased by a solid 84.5% year-on-year by the end of November 2022. Meanwhile, Jamaica's inflation rate remained above the BOJ's target range of 4-6%, despite decelerating to 9.4% year-on-year in December 2022, compared to the 10.3% recorded in November. The decline was largely due to slower price increases for fuel and agricultural produce. As a result, the BOJ maintained its policy interest rate at 7.0% in December 2022 following ten (10) consecutive rate hikes.

### *Organisation of Eastern Caribbean States (OECS) – The Recovery Continues*

Economic activity in the OECS continued its recovery in 2022 with the Eastern Caribbean Central Bank (ECCB) estimating growth of 6.4% in 2022, up from the 3.5% recorded in 2021. Activity was primarily boosted by growth in the tourism sector evidenced by a rebound in total tourist arrivals to the region as global travel began to gradually gain momentum following contractions related to the COVID-19 pandemic from the two previous years. Consistent with international trends, the first half of 2022 was characterised by high levels of inflation in the region due to energy and commodity price increases. Inflation in the region climbed by 6.3% in the first half of 2022 compared with 1.9% in the corresponding period of 2021. In terms of outlook, the ECCB expects the rebound in regional economic activity to be sustained in the short to medium term premised on the expectation of continued pent-up, post-pandemic demand for travel to the region and strong labour market indicators in key source markets.

## **GLOBAL**

### *Slowing Growth and Geopolitical Risks*

The IMF reported that global growth is estimated to have slowed to 3.4% in 2022 compared with growth of 5.9% recorded

in 2021. Efforts to combat global inflation, Russia's conflict with Ukraine and a resurgence of COVID-19 in China all weighed negatively on global economic activity in 2022. Particularly as it relates to China, GDP growth fell to 3% in 2022, down from 8.1% in the prior year and marking the first time in more than 40 years that China's growth came in below the global average. This occurred as renewed lockdowns arising from the government's 'Zero-COVID' policy hampered economic activity. European economic growth in 2022, however, was more resilient than expected in the face of the fallout from the Russia-Ukraine conflict with Eurozone GDP expanding by 3.5%. Despite initially being under significant pressure with respect to high energy and food costs as well as the uncertainty with respect to energy supplies due to the region's heavy reliance on Russia, the bloc was able to successfully replace Russian imports and store enough supplies to meet domestic demand. A warmer than expected winter also assisted in bringing energy costs down towards the end of the year.

### *Stubborn Inflation and Rising Rates*

Across the pond, the IMF also estimates that the United States' (U.S.) real GDP expanded by 2.0% in 2022 down from 5.6% a year earlier. The deceleration in growth can be primarily attributed to the tightening of monetary policy by the U.S. Federal Reserve (Fed). In order to achieve its mandate relating to price stability, the Fed sought to counter rising inflation levels which peaked in June 2022 at a level of 9.1%, the highest level in four decades. The Fed raised the rate at which banks lend each other money, its interbank interest rate also known as the fed funds rate, seven times from 0.00%-0.25% in March 2022 to 4.25%-4.50% in December

2022. This represented the most rate increases in a single year since the early 1980s.

#### *The Energy Story — A Tale of 2 Halves*

In terms of energy markets, West Texas Intermediate and Brent crude benchmark oil prices rose by 6.7% and 10.5% respectively in 2022. However, the price movements during the year were anything but linear. Stronger petroleum demand as the COVID-19 pandemic eased and slower crude production growth put upward pressure on global oil prices at the beginning of the year. Prices then surged in March as Russia's invasion of Ukraine created chaos and instilled uncertainty in oil markets with Brent prices reaching \$139 a barrel at one point, the highest level since 2008. This was as several Western nations imposed economic sanctions on Russia and contemplated an embargo on Russian energy supplies. Oil prices then declined in the second half of 2022 as rising interest rates to fight inflation increased recession worries, hampering crude demand in the process. Higher interest rates also boosted the U.S. dollar, making dollar-denominated commodities like crude oil more costly for holders of other currencies.

Additionally, China's Zero-COVID restrictions had diminished demand recovery hopes as the world's top oil importer and second-biggest consumer posted its first drop in oil demand for years. With respect to supply, amid slumping oil prices and concerns about a global recession, Organization of the Petroleum Exporting Countries (OPEC+) made its largest production cut since the early days of the COVID-19 pandemic after agreeing to cut production by 2 million barrels per day starting in November 2022 and lasting through the end of 2023. The move represented a major reversal in production policy for the bloc, which slashed output by a record 10 million barrels per day in early 2020 when demand plummeted due to the COVID-19 pandemic.

#### *No Markets Spared*

Global equity markets experienced an extremely challenging year in 2022 evidenced by a -19.5% price return on the MSCI World Index amidst rising interest rates and recession worries. In the U.S., the S&P 500 fell by 19.4%, marking the worst performance for the benchmark since 2008 with all eleven (11) S&P 500 sectors with the exception of energy posting negative returns. The Nasdaq

Composite Index was the worst performer among the major U.S. equity indices, falling by 33.1% in 2022.

2022 was also a challenging year for global fixed-income markets despite historically being known to be negatively correlated with equity markets as the Barclay's Global Aggregate Bond Total Return Index returned -16.3%. The benchmark 10-year U.S. Treasury yield began the year at 1.51% and more than doubled, ending 2022 at 3.87%. In the rising interest rate environment created by the Fed to combat inflation, new bonds reflected the higher rates, causing the demand for the older, lower-yielding bonds in circulation to fall. The resulting lower demand for these bonds placed downward pressure on bond prices.

## INVESTMENT STRATEGIES

### Navigating Turbulent Times: Insights from Our Portfolio Managers

*Balanced Funds: Growth and Income Fund/  
Universal Retirement Fund*

2022 was an incredibly challenging year for balanced mutual funds. The severe pullback in both international fixed-income and equity markets resulted in the worst market performance seen in more than a decade and left little to no safe places for investors to seek refuge.

In light of this market volatility, Management's primary focus was to arrest the decline in the portfolios, preserve the capital of Unitholders and maintain the stability of the Funds' Net Asset Values (NAVs).

As market jitters continued into the second half of 2022, Management initiated enhanced market monitoring by observing all market indicators in shorter time frames to ensure a more vigilant examination of changes in market sentiment. Our Portfolio Managers also introduced tighter stop losses which triggered the disposal of securities once they reached the approved stop limits. This action helped to limit the decline in the Funds' NAVs in the second half of the year.

Our Portfolio Managers also maintained the use of proprietary financial models to identify sectors and companies which were less vulnerable to rising inflation and interest rates. Throughout the

year, Management utilised fundamental and quantitative analysis to guide asset selection and portfolio decisions.

*Fixed Income Funds: TT Dollar Income Fund/US Dollar Income Fund/UTC Corporate Fund*

In 2022, we witnessed a historic under-performance of the bond market brought on by various global challenges which went beyond the pandemic to the Ukraine conflict to inflationary pressures globally and at home amidst other factors.

With the central theme of neutrality in our risk taking, the early positioning of our income portfolios on the shorter end of the yield

curve allowed us to capitalise on rising rates. Management remained focused on liquidity management and on minimising interest rate risk, in an environment that was not kind at times, whilst implementing strategies to ensure income, minimisation of NAV volatility and enhancement of yields.

The Team's main focus was capital preservation, risk minimisation, yield enrichment and enhancement of payout. Your Portfolio Managers remained focused, unwavering in their navigation of a complex and extremely volatile global economic landscape, marred with several challenges in 2022, ending the year with an excellent performance, preserved capital and superior credit quality.

## INVESTMENT Results

How did the  
Mutual Funds perform?

### The nine (9) Funds under review are:

1. TT Dollar Income Fund (TTDIF)
2. US Dollar Income Fund (USDIF)
3. Growth & Income Fund (GIF)
4. The Universal Retirement Fund (URF)
5. Calypso Macro Index Fund (CALYP)
6. UTC Corporate Fund (UCF)
7. Global Investor Select ETF Funds - Conservative
8. Global Investor Select ETF Funds - Moderate
9. Global Investor Select ETF Funds - Aggressive

Given the challenging economic conditions and testing financial markets not seen since the global financial crisis of 2008-2009, the UTC experienced a marginal decline in the aggregate fund size of our Mutual Funds in 2022, as well as a decline in gross income generated by the Funds. However, despite these challenges, the UTC is delighted to have increased distributions to Unitholders by 16.2% in 2022, totalling TT\$256.3Mn compared to the TT\$220.6Mn distributed in 2021.

Our two main Fixed-Income Funds (TT Dollar Income Fund and US Dollar Income Fund) recorded improvements in terms of net returns as well as distributions to Unitholders in 2022, despite bond markets being battered by aggressive tightening of monetary policy by global central banks.

Although our Balanced Funds experienced a decline in returns, they significantly outperformed the broad international market index in the form of the S&P 500 which recorded a return of -19.4%. This outperformance also occurred despite U.S. equity markets in 2022 experiencing levels of uncertainty not seen in over a decade.

Locally, the TT Composite Index recorded a decline of 11%, its worst performance since 2008, as an increase in the supply of shares on the market coupled with limited demand led to a pullback in equity prices.



### TT DOLLAR INCOME FUND (2022) (INCOME FUND)

Fund size as at  
December 31, 2022, measured

## TT\$12.1Bn

- Total income earned of TT\$259.8Mn in 2022
- Paid distributions to Unitholders in 2022 totalling TT\$142.2Mn, an increase of 1.4% over 2021
- Net return to Unitholders of 1.23% for 2022



### US DOLLAR INCOME FUND (2022) (INCOME FUND)

Fund size as at  
December 31, 2022, measured

## US\$734.8Mn

- Total income earned of -US\$16.1Mn in 2022
- Paid distributions to Unitholders in 2022 totalling US\$70Mn, an increase of 23.0% over 2021
- Net return to Unitholders of 1.08% in 2022



### UTC CORPORATE FUND (2022) (INCOME FUND)

Fund size as at  
December 31, 2022, measured

## TT\$577.7Mn

- The Fund generated a net return to Unitholders of 2.0% in 2022
- Fund size grew by 7.6% to TT\$577.7Mn at the end of 2022
- Recorded total income of TT\$16.3Mn, reflecting a 38.3% improvement
- Distributed a total of TT\$11.5Mn in 2022 to Unitholders, an increase of 36.8% over 2021



### GLOBAL INVESTOR SELECT ETF FUNDS CONSERVATIVE (2022) (ETF FUND)

Fund size as at  
December 31, 2022, measured

## US\$1.1Mn

- Generated a net return to Unitholders of -10.1% in 2022
- Fund size fell by 10.3% to US\$1.1Mn
- Net Asset Value (NAV) per unit of US\$20.18



**GROWTH & INCOME  
FUND (2022)**  
(BALANCED FUND)

Fund size as at  
December 31, 2022, measured

**TT\$5.2Bn**

- The Fund generated a net return to Unitholders of -9.0% in 2022
- Gross sales increased by 10.2% in 2022 to TT\$566.3Mn
- Net Asset Value (NAV) per unit of TT\$18.84
- Distributed a total of TT\$55.5Mn to Unitholders compared to the 2021 distribution of TT\$33.6Mn, representing a 65.1% increase



**UNIVERSAL  
RETIREMENT FUND (2022)**  
(BALANCED FUND)

Fund size as at  
December 31, 2022, measured

**TT\$403.2Mn**

- Generated a net return of -10.8%
- Gross sales to decreased by 2.5% in 2022 to TT\$38.2Mn
- Net Asset Value (NAV) per unit of TT\$50.19
- Fund size fell by 9.1% to TT\$403.2Mn



**CALYPSO MACRO  
INDEX FUND (2022)**  
(CLOSED-END MUTUAL FUND  
WITH AN INDEXING STRATEGY)

Fund size as at  
December 31, 2022, measured

**TT\$634.2Mn**

- Net return to Unitholders of 16.4% in 2022 (inclusive of distributions paid and net of management charge and other Fund expenses)
- Aggregate value of portfolio assets increased by 16.2% from TT\$545.6Mn to TT\$634.2Mn
- Unit Net Asset Value (NAV) improved to TT\$31.39 per share in 2022 from TT\$26.96 per share at year-end 2021
- Market Price of CALYP on the Trinidad and Tobago Stock Exchange (TTSE) appreciated to TT\$21.15 by the end of 2022 from TT\$16.65 at year-end 2021, representing an increase of 27.0%
- Total distributions of TT\$15.4Mn in 2022



**GLOBAL INVESTOR  
SELECT ETF FUNDS  
MODERATE (2022)**  
(ETF FUND)

Fund size as at  
December 31, 2022, measured

**US\$1.6Mn**

- Generated a net return to Unitholders of -9.5% in 2022
- Fund size fell by 8.9% from US\$1.8Mn to US\$1.6Mn
- Net Asset Value (NAV) per unit of US\$21.25



**GLOBAL INVESTOR  
SELECT ETF FUNDS  
AGGRESSIVE (2022)**  
(ETF FUND)

Fund size as at  
December 31, 2022, measured

**US\$1.2Mn**

- Generated a net return to Unitholders of -11.0% in 2022
- Fund size fell by 11.2% from US\$1.4Mn to US\$1.2Mn
- Net Asset Value (NAV) per unit of US\$20.95

End of Year published Net Asset Value (NAV)

## MACROECONOMIC OUTLOOK FOR 2023

### The Economic and Capital Market Environments in 2023

#### Local

The IMF projects that Trinidad and Tobago's economy will grow by 3.2% in 2023, but growth is expected to slow down to 1.5% in the medium term due to maturing oil and gas fields. Inflation is also projected to decrease to 4.5% by the end of 2023 from a high of 8.7% in December 2022.

Declining global energy prices and reduced gas and petrochemical exports are expected to cause the current account surplus to decrease to an average of 6.6% of GDP at the end of 2023. Nonetheless, international reserve coverage is expected to be adequate, with around 7.2 months of prospective total imports in 2023.

Trinidad and Tobago is heavily dependent on its energy sector, making it highly susceptible to fluctuations in global energy prices. This vulnerability was evident in 2020, when reduced energy demand during the pandemic led to falling energy prices and caused a contraction in the country's economy. However, in the first half of 2021, there was a surge in energy prices, leading to increased revenue and a relatively positive performance in the energy sector. As a result, recent estimates indicate that the country's economy is expected to grow by approximately 2.5% in 2022, which is attributed to a relatively positive performance in the energy sector.

A recovery in energy prices could have a positive impact on the country's finances, improving its balance of trade and foreign reserves. Furthermore, elevated prices could attract international oil companies to explore and develop upstream energy resources in the country. However, lower energy prices could result in reduced inflows from the energy sector, continuing pressure on revenue and even a potential recession. It could also limit investment and prompt the government to reduce its spending. Overall, Trinidad and Tobago's economy is closely tied to the performance of its energy sector, and the country must be prepared to adapt to changing global energy markets to ensure economic stability and growth.

#### Regional

The Eastern Caribbean Currency Union (ECCU) is showing progress in its economic recovery despite concerns regarding high consumer inflation. The region experienced elevated levels of inflation during 2022, particularly due to rising fuel costs and food price shocks. These factors have contributed to instability in consumer prices. Despite this, the Barbados-based Caribbean Tourism Organisation (CTO) predicts a favourable outlook for Caribbean travel and tourism. The CTO expects the recovery to continue into 2023, albeit at a slower pace.

Caribbean commodity exporters, particularly as a result of Guyana's rapidly expanding oil sector, have experienced a strong recovery due to higher commodity export prices. Guyana's growth is projected to remain in double digits in 2023 as oil production continues to increase sharply.

Overall, financial conditions in the region's stock market remain relatively favourable, even amid global distress and challenges. Opportunities exist as authorities commit to reducing debt levels and supporting revenue growth through accelerated reform in areas such as innovation, energy security and digital transformation.

#### Global

The IMF has projected a decline in the global growth rate from 3.4% in 2022 to 2.9% in 2023, followed by a marginal increase to 3.1% in 2024. Global central banks have increased interest rates to combat inflation, and the ongoing conflict in Ukraine is hindering economic activity. However, the recent reopening of China after the rapid spread of COVID-19 is expected to lead to a faster-than-anticipated recovery.

The global economic outlook is subject to a range of factors that could have positive or negative impacts. For instance, pent-up demand in various economies and a more rapid decline in inflation could boost growth prospects, while severe health issues in China and the escalation of the Ukraine conflict could impede recovery. Additionally, tighter global financing costs could exacerbate debt distress.

The markets are anticipated to encounter obstacles and opportunities in 2023. On the positive side, central banks may have to pause interest rate hikes or even reduce interest rates in 2023 due to deteriorating economic conditions. This could lead to a sustained recovery of asset prices and the economy by the end of the year. However, to make this shift, a combination of factors such as rising unemployment, market volatility and decreasing price levels of risky assets may need to occur, which could create or coincide with downside risks in the near future. These factors may result in economic weakness and negatively impact asset prices in the short term.

### Closing

In summary, the financial markets faced immense difficulties in 2022, resulting in the worst market performance seen in over a decade. This left investors with few safe havens to turn to. However, your UTC Portfolio Managers responded rapidly and decisively, implementing robust measures to mitigate risks and safeguard your hard-earned investments.

We will continue to prioritise your needs and interests, and our approach to portfolio management will remain a clear reflection of this.

Remember, at the Trinidad and Tobago Unit Trust Corporation, WE MANAGE RISK, NOT MONEY.

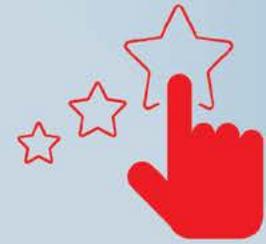
Our focus remains fixed on robust risk management, identifying and seizing latent opportunities, and most importantly, delivering competitive returns even in the face of challenging market conditions.

Thank you for your continued trust and confidence in the Trinidad and Tobago Unit Trust Corporation.

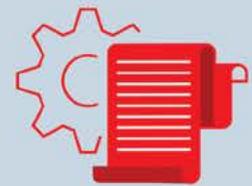
We remain your Partners for Life.



**Sekou A. Mark**  
Chief Investment Officer  
28th April 2023



**EVALUATE**



**PLAN**



**PROCESS**



	2015	2016	2017	2018	2019	2020	2021	2022
<b>Funds Under Management (\$m)</b>								
Growth and Income Fund	4,645.30	4,733.11	4,865.03	4,882.10	5,353.50	5,253.94	5,875.19	5,190.66
TT Dollar Income Fund	10,657.14	10,837.89	10,949.81	11,176.65	11,554.61	12,393.94	12,291.07	12,126.24
Universal Retirement Fund	288.27	304.90	299.52	297.29	346.51	371.92	443.53	403.18
US Dollar Income Fund	4,111.07	4,228.25	4,164.63	4,082.67	3,941.87	4,108.36	4,417.42	4,968.70
UTC Corporate Fund	26.80	12.60	5.12	5.20	22.59	309.23	537.15	577.72
UTC Calypso Macro Index Fund		556.55	547.92	473.56	516.97	425.92	545.60	634.20
Global Investor Select ETF Fund SP – Conservative				5.63	7.87	7.95	8.40	7.52
Global Investor Select ETF Fund SP – Moderate				5.91	7.76	10.51	11.94	10.87
Global Investor Select ETF Fund SP – Aggressive				5.71	10.05	8.07	9.38	8.32
UTC North American Fund	245.62	281.20	298.85					
Pension and Other Funds	582.13	645.87	783.95	797.88	838.70	682.57	750.46	693.45
Treasury portfolio		60.28						
<b>Total Funds Under Management (\$m)</b>	<b>20,616.61</b>	<b>21,600.37</b>	<b>21,914.83</b>	<b>21,732.61</b>	<b>22,600.43</b>	<b>23,572.42</b>	<b>24,890.14</b>	<b>24,620.86</b>
<b>Mutual Fund Sales (\$m)</b>								
Growth and Income Fund	575.43	510.09	508.60	706.77	712.79	455.60	513.95	566.25
TT Dollar Income Fund	3,421.82	3,790.25	3,765.99	3,563.40	3,497.66	3,084.02	2,654.89	2,693.39
Universal Retirement Fund	37.34	37.22	32.56	30.80	40.46	34.59	39.15	38.16
US Dollar Income Fund	1,036.16	809.85	623.59	694.39	523.52	660.36	806.34	2,052.90
UTC Corporate Fund	31.10	0.17	0.10	0.07	17.30	484.62	285.33	381.19
Global Investor Select ETF Fund SP – Conservative				5.70	1.81	0.08	0.00	0.00
Global Investor Select ETF Fund SP – Moderate				6.00	3.73	0.12	0.53	0.07
Global Investor Select ETF Fund SP – Aggressive				5.82	1.87	0.14	0.49	0.00
UTC North American Fund	2.19	4.78	1.82					
<b>Total Sales (\$m)</b>	<b>5,104.04</b>	<b>5,152.36</b>	<b>4,932.66</b>	<b>5,012.95</b>	<b>4,799.14</b>	<b>4,719.54</b>	<b>4,300.69</b>	<b>5,731.96</b>
<b>Funds Mobilised to date (\$m)</b>	<b>114,231.42</b>	<b>119,383.78</b>	<b>124,316.44</b>	<b>129,329.39</b>	<b>134,128.53</b>	<b>138,848.07</b>	<b>143,148.75</b>	<b>148,880.71</b>
<b>Unitholder Accounts to date</b>	<b>855,463</b>	<b>865,196</b>	<b>873,376</b>	<b>882,914</b>	<b>894,447</b>	<b>902,244</b>	<b>909,639</b>	<b>888,545*</b>

\*Arising from the conversion to our new technology platform in 2022, certain inactive accounts were not migrated.



**UTC**

**PORTFOLIO OF  
INVESTMENTS**

## ASSET ALLOCATION FOR

## Trinidad and Tobago Dollar Income Fund

**Bonds**  
83.16%

**Short-Term Investments**  
3.32%

**Cash and Cash Equivalents**  
13.52%

**TT DOLLAR INCOME FUND****TOP TEN HOLDINGS** (As at 31 December 2022)

	<b>% of Securities 2022</b>
Government of Trinidad & Tobago TT\$2.0Bn Tranche 3 TT\$600Mn 6.55% FXRB Due 2042	5.10%
Government of Trinidad & Tobago 3.30% FXRB due July 2023 (VAT Bonds) T2	5.01%
Government of Trinidad & Tobago TT\$1.10Bn Tranche 2 TT\$550Mn 5.90% FXRB Due 2036	4.70%
Government of Trinidad & Tobago FXRB TT\$750Mn 3.30% DUE 2023	4.36%
Government of Trinidad & Tobago Certificate of Participation Due 2028	3.84%
Government of Trinidad & Tobago 3.30% FXRB Due May 15, 2023 (VAT Bonds)	3.57%
UDECOTT TT\$3.40Bn 15Yr Variable Rate Bond due 2028	3.43%
Government of Trinidad & Tobago 15Yrs 2.5Bn 5.20% FXRB Due 2027	3.26%
Government of Trinidad and Tobago TT\$794Mn 5.95% FXRB Due 2023	2.55%
Housing Development Corporation TT\$500Mn 2.00% FXRB Due 2024	2.46%
<b>TOTAL</b>	<b><u>38.28%</u></b>

**TT DOLLAR INCOME FUND PORTFOLIO OF INVESTMENTS** (As at 31 December 2022)

Expressed in Trinidad &amp; Tobago Dollars

	<b>Market Value 2022 TT\$</b>
Corporate Securities	2,757,578,003
Government and Government Guaranteed Securities	7,326,584,153
Short-Term Investments	402,880,250
Deposits with Banks	1,080,005,045
Cash and Cash Equivalents	403,365,907
Other Assets in Excess of Liabilities	155,822,064
<b>Total Net Assets</b>	<b><u>12,126,235,422</u></b>

## ASSET ALLOCATION FOR US Dollar Income Fund

**Bonds**  
82.01%

**Short-Term Investments**  
12.74%

**Cash and Cash Equivalents**  
5.25%

### US DOLLAR INCOME FUND

#### TOP TEN HOLDINGS (As at 31 December 2022)

	<b>% of Securities 2022</b>
Government of Trinidad and Tobago US\$100Mn 3.089yr 3.75% due 2024	4.00%
First Citizens Bank Limited US\$67.051Mn 3.25% 5yr FXB due 2026	3.31%
Trinidad and Tobago Generation Unlimited US\$600Mn 11yr 5.25% FXRB Nov 2027	2.85%
Government of Trinidad and Tobago US\$102.4Mn 6.30% FXRB due April 2023	2.82%
Heritage Petroleum Company Ltd US\$500Mn 9.0% Senior Secured Fixed Rate Facility due 2029	1.46%
NCB Financial Group Ltd US\$75Mn 5.96% Term Loan due 2023	1.41%
Government of Trinidad and Tobago US\$550Mn 4.375% FXRB due 2024	1.38%
Government of Trinidad and Tobago US\$1.0Bn 4.5% FXRB due 2026	1.38%
First Citizens Investment Services Ltd US\$27.4Mn 2.50% FXRB23	1.37%
CVS Health Corporation US\$3.0Bn 3.875% FXRB due 2025	1.37%
<b>TOTAL</b>	<b>21.35%</b>

### US DOLLAR INCOME FUND PORTFOLIO OF INVESTMENTS (As at 31 December 2022)

Expressed in United States Dollars

	<b>Market Value 2022 US\$</b>
Corporate Securities	591,255,859
Government and Government Guaranteed Securities	11,621,198
Short-Term Investments	93,682,689
Deposits with Banks	17,030,900
Cash and Cash Equivalents	16,139,790
Other Assets in Excess of Liabilities	5,410,587
<b>Total Net Assets</b>	<b>735,141,023</b>

## ASSET ALLOCATION FOR Growth & Income Fund

Equities  
63.68%

Bonds  
18.63%

Short-Term Investments  
2.61%

Cash and Cash Equivalents  
15.08%

### GROWTH AND INCOME FUND

#### TOP TEN HOLDINGS (As at 31 December 2022)

	<b>% of Securities 2022</b>
iShares S&P 500 Index Fund	8.23%
Scotiabank Trinidad and Tobago Limited Common Shares	8.09%
First Citizens Group Financial Holdings Limited Common Shares	7.48%
Massy Holdings Limited Common Shares	6.88%
Republic Financial Holdings Limited Common Shares	6.14%
Trinidad and Tobago National Gas Company Limited Common Shares	5.96%
Clico Investment Fund Common Shares	5.57%
Phoenix Park Gas Processors Limited	5.39%
Government of Trinidad and Tobago US\$1.0Bn 4.5% FXRB due 2026	4.03%
ANSA McAL Limited Common Shares	3.58%
<b>TOTAL</b>	<b>61.35%</b>

### GROWTH AND INCOME FUND PORTFOLIO OF INVESTMENTS (As at 31 December 2022)

Expressed in Trinidad & Tobago Dollars

	<b>Market Value 2022 TT\$</b>
Corporate Securities	229,179,941
Government and Government Guaranteed Securities	737,624,983
Short-Term Investments	135,246,000
Equities	3,305,599,619
Deposits with Banks	104,815,650
Cash and Cash Equivalents	707,188,359
Liabilities in Excess of Other Assets	(28,993,723)
<b>Total Net Assets</b>	<b>5,190,660,829</b>

# ASSET ALLOCATION FOR Calypso Macro Index Fund

Equities  
54.71%

Exchange Traded Funds  
42.93%

Cash and Cash Equivalents  
2.36%

## CALYPSO MACRO INDEX FUND

### TOP TEN HOLDINGS (As at 31 December 2022)

	<b>% of Securities 2022</b>
Vanguard Energy Equity Traded Fund	12.88%
Energy Select Sector SPDR Equity Traded Fund	12.78%
iShares US Energy Equity Traded Fund	12.12%
Republic Financial Holdings Limited Common Shares	10.03%
Scotiabank Trinidad and Tobago Limited Common Shares	7.73%
First Citizens Group Financial Holdings Limited Common Shares	7.34%
iShares Global Energy Sector Index Fund	6.20%
ANSA McAL Limited Common Shares	5.09%
Massy Holdings Limited Common Shares	4.92%
British American Tobacco PLC - ADR	4.70%
<b>TOTAL</b>	<b><u>83.79%</u></b>

## CALYPSO MACRO INDEX FUND PORTFOLIO OF INVESTMENTS (As at 31 December 2022)

Expressed in Trinidad & Tobago Dollars

	<b>Market Value 2022 TT\$</b>
Equities	346,941,334
Exchange Traded Funds	272,272,814
Cash and Cash Equivalents	13,976,293
Other Assets in Excess of Liabilities	1,010,887
<b>Total Net Assets</b>	<b><u>634,201,328</u></b>

# ASSET ALLOCATION FOR UTC Corporate Fund

**Government Securities**  
93.25%

**Corporate Securities**  
6.52%

**Cash and Cash Equivalents**  
0.23%

## UTC CORPORATE FUND

### TOP TEN HOLDINGS (As at 31 December 2022)

	<b>% of Securities 2022</b>
Housing Development Corporation TT\$500Mn 2.00% FXRB Due 2024	26.74%
UDECOTT TT\$213Mn 2.93% 5Yr FXR Government of Trinidad and Tobago Guaranteed Loan Due 2027	11.54%
Certificate of Interest in Government of the Republic of Trinidad and Tobago TT\$1 Billion FXRB 2017-2031	7.95%
Certificate of Interest in Government of Trinidad and Tobago TT\$2.0Bn Triple Tranche FXRB Due 2029	7.25%
Airport Authority of Trinidad and Tobago TT\$80Mn 2.95% FXR Amortized Loan Due 2025	6.80%
Certificate of Participation in NIPDEC TT\$310.50Mn FXRB Due 2027-5	6.59%
Certificate of Participation in NIPDEC TT\$310.50Mn FXRB Due 2027-6	6.42%
NIPDEC Trinidad and Tobago 1Bn 4% 16 Yrs Due 2029	4.49%
UDECOTT TT\$100Mn 2.95% FXR Loan Due June 2026	4.35%
Certificate of Interest in Government of Trinidad and Tobago TT\$2.0Bn Triple Tranche FXRB Due 2029	4.04%
<b>TOTAL</b>	<b>86.17%</b>

## UTC CORPORATE FUND PORTFOLIO OF INVESTMENTS (As at 31 December 2022)

Expressed in Trinidad & Tobago Dollars

	<b>Market Value 2022 TT\$</b>
Government Securities	538,733,837
Corporate Securities	37,666,987
Cash and Cash Equivalents	974,942
Other Assets In Excess of Liabilities	342,288
<b>Total Net Assets</b>	<b>577,718,054</b>

## ASSET ALLOCATION FOR Universal Retirement Fund

<b>Equities</b> 64.01%	<b>Bonds</b> 20.13%	<b>Cash and Cash Equivalents</b> 15.86%
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### UNIVERSAL RETIREMENT FUND

**TOP TEN HOLDINGS** (As at 31 December 2022)

	<b>% of Securities 2022</b>
iShares S&P 500 Index Fund	8.24%
SPDR S&P 500 Index Fund	8.23%
Clico Investment Fund Common Shares	8.04%
Scotiabank Trinidad and Tobago Limited Common Shares	7.49%
Trinidad and Tobago National Gas Company Limited Common Shares	7.26%
Massy Holdings Limited Common Shares	6.69%
First Citizens Group Financial Holdings Limited Common Shares	6.37%
Citicorp Certificate of Participation of Government of Trinidad & Tobago Series 30 Bond 4.15% Due 2027	5.27%
Republic Financial Holdings Limited Common Shares	3.71%
Government of Trinidad and Tobago US\$1.0Bn 4.5% FXRB due 2026	3.31%
<b>TOTAL</b>	<b>64.61%</b>

### UNIVERSAL RETIREMENT FUND PORTFOLIO OF INVESTMENTS (As at 31 December 2022)

Expressed in Trinidad & Tobago Dollars

	<b>Market Value 2022 TT\$</b>
Corporate Securities	37,014,643
Government and Government Guaranteed Securities	44,154,211
Equities	258,078,514
Deposits with Banks	3,381,150
Cash and Cash Equivalents	62,128,411
Liabilities in Excess of Other Assets	(1,576,285)
<b>Total Net Assets</b>	<b>403,180,644</b>

# ASSET ALLOCATION FOR Global Investor Select Fund – Conservative

ETF Securities  
71.86%

Cash and Cash Equivalents  
28.14%

## GLOBAL INVESTOR SELECT FUND – CONSERVATIVE

TOP FIVE HOLDINGS (As at 31 December 2022)

	<b>% of Securities 2022</b>
iShares Short Treasury Bond Exchange Traded Fund	13.98%
SPDR Bloomberg Barclays 1-3 Month Treasury Bill Exchange Traded Fund	13.96%
Goldman Sachs Access Treasury 0-1Yr Exchange Traded Fund	13.96%
Vanguard FTSE Developed Exchange Traded Fund	13.65%
SPDR S&P 500 Exchange Traded Fund Trust	13.20%
<b>TOTAL</b>	<b>68.75%</b>

## GLOBAL INVESTOR SELECT FUND – CONSERVATIVE

PORTFOLIO OF INVESTMENTS (As at 31 December 2022)

Expressed in United States Dollars

	<b>Market Value 2022 US\$</b>
Equity Exchange Traded Fund Securities	799,858
Cash and Cash Equivalents	315,192
Other Liabilities in Excess of Assets	(1,939)
<b>Total Net Assets</b>	<b>1,113,111</b>

# ASSET ALLOCATION FOR Global Investor Select Fund – Moderate

ETF Securities  
66.86%

Cash and Cash Equivalents  
33.14%

## GLOBAL INVESTOR SELECT FUND - MODERATE TOP FIVE HOLDINGS (As at 31 December 2022)

	<b>% of Securities 2022</b>
iShares Short Treasury Bond Exchange Traded Fund	14.99%
Goldman Sachs Access Treasury 0-1Yr Exchange Traded Fund	14.98%
SPDR Bloomberg Barclays 1-3 Month Treasury Bill Exchange Traded Fund	14.97%
SPDR S&P 500 Exchange Traded Fund Trust	12.92%
Vanguard FTSE Developed Exchange Traded Fund	11.84%
<b>TOTAL</b>	<b>69.70%</b>

## GLOBAL INVESTOR SELECT FUND - MODERATE PORTFOLIO OF INVESTMENTS (As at 31 December 2022)

Expressed in United States Dollars

	<b>Market Value 2022 US\$</b>
Equity Exchange Traded Securities	1,074,606
Cash and Cash Equivalents	534,649
Other Liabilities in Excess of Assets	(1,968)
<b>Total Net Assets</b>	<b>1,607,287</b>

# ASSET ALLOCATION FOR Global Investor Select Fund – Aggressive

ETF Securities  
74.69%

Cash and Cash Equivalents  
25.31%

## GLOBAL INVESTOR SELECT FUND - AGGRESSIVE TOP FIVE HOLDINGS (As at 31 December 2022)

	<b>% of Securities 2022</b>
iShares Short Treasury Bond Exchange Traded Fund	13.48%
SPDR Bloomberg Barclays 1-3 Month Treasury Bill Exchange Traded Fund	13.47%
Goldman Sachs Access Treasury 0-1 Yr Exchange Traded Fund	13.47%
Vanguard FTSE Developed Exchange Traded Fund	13.14%
SPDR S&P 500 Exchange Traded Fund Trust	12.70%
<b>TOTAL</b>	<b>66.26%</b>

## GLOBAL INVESTOR SELECT FUND - AGGRESSIVE PORTFOLIO OF INVESTMENTS (As at 31 December 2022) Expressed in United States Dollars

	<b>Market Value 2022 US\$</b>
Equity Exchange Traded Fund Securities	918,722
Cash and Cash Equivalents	313,183
Other Liabilities in Excess of Assets	(1,865)
<b>Total Net Assets</b>	<b>1,230,040</b>

I LOOK AT  
**BUILDING A BUSINESS**

AS A CREATIVE  
PROCESS I ENJOY

-Chad Hurley



NURTURING **VIBRANT COMMUNITIES**  
IS THE MOST VITAL INVESTMENT OF ALL,  
AND IT IS THE TRUEST MEASURE OF  
**OUR SUCCESS.**



**WE**  
STRIVE TO  
EMPOWER  
INDIVIDUALS,  
TRANSFORM  
LIVES AND  
INSPIRE A SENSE  
OF BELONGING.



# ADDING VALUE, CREATING Wealth

THE UTC FOUNDATION TOOK FLIGHT IN 2017, DRIVEN BY THE GOAL TO TRANSFORM LIVES AND COMMUNITIES.

Five years later, we continue to live up to our mandate by identifying new opportunities to enhance our communities and promote national development. Through key partnerships with more than 40 schools, non-governmental, non-profit and community-based organisations, we provided over TT\$200,000 in funding support for projects and initiatives under the umbrella of our three pillars: Education, Financial Well-Being and Environmental Citizenship.

In a landscape stamped with the aftereffects of the pandemic, it is vital now more than ever for us to stay connected with our communities and to extend our social footprint.

## EDUCATION

### SEA Scholarship Programme

Celebrating its 25th year, the SEA Scholarship Programme has helped facilitate the growth and development of over 500 curious minds since its inception. We are honoured to support academically brilliant students who experience challenging financial and social circumstances and to ensure they are afforded the tools they need to excel in their pursuit of higher education. In 2022, 30 students joined the ranks of their predecessors, earning scholarships to purchase books and school supplies. They were also provided with laptops and noise-cancelling headphones to assist them with their online learning.



All smiles for Presentation College Chaguanas, the secondary school champions of UTC's 2022 Schools' Investment Game. From left to right are Khalil Cooper, Essa Mohammed, Uzochi Bacchus and Kovid Capildeo.

One of our SEA Programme's most impactful features is the Strategies for Success Workshop. It is designed to provide a holistic vision of success for the scholars, fostering continued academic excellence and inspiring them towards good citizenship and responsible behaviour. The workshop's theme for 2022 was 'Amplifying My Voice' and it was filled with motivational content that demonstrated how the scholars could utilise their voices to effect positive changes in our society.

## SCHOOLS' INVESTMENT GAME

To maintain our connection with secondary schools across Trinidad and Tobago, the UTC Foundation hosted a virtual, Jeopardy-style version of our Schools' Investment Game (SIG). It was coupled with a lively online debate that challenged 48 students from 12 secondary schools to match wits for a chance at the top prize. In the end, Presentation College Chaguanas took 1st place, Vishnu Boys' Hindu College earned 2nd place and NorthGate College placed 3rd.

Packaged in an equally engaging and educational format, primary school students participated by submitting individual essays and videos that captured their creativity with saving and managing their allowances. Twelve students from 10 primary schools participated, submitting their storytelling pieces. Inshaan Rambharose, a home-schooled student, took 1st place and tied for 2nd place was Freeport Presbyterian and Trinidad Renaissance School.

Winners from the primary and secondary school competitions all received laptops and Gifts of Units for their participation. First-place winners of the secondary school edition, Presentation College Chaguanas, received an additional prize of internships at the UTC where they will be exposed firsthand to the workings of an investment company and receive one-on-one mentorship from our capable experts.

UTC's Brand Development Officer  
Neil Phillips poses with the winning  
primary school student of UTC's 2022  
Schools' Investment Game,  
Ishaan Rambharose.





Foundation



Team Members of the Unit Trust Corporation pose with bags of trash collected while participating in a beach clean-up at Chacachacare Island on International Coastal Clean-Up Day.

### Financial Well-Being

Under this pillar, we continue to help citizens improve their financial skills and empower them to make healthy financial decisions. By hosting online financial planning seminars, our team of experts offered free financial advice to various groups nationwide, including both public and private institutions, to better understand, manage and grow their wealth. Over the course of 2022, attendees learned about saving vs. investing, the benefits of budgeting, inflation, goal planning, needs vs. wants, mutual funds, portfolio diversification and various other financial well-being topics.

We are always keen to reach new audiences and share our knowledge about investments. If you are interested in accessing these seminars, please forward a request through our website [www.ttutc.com](http://www.ttutc.com) and we will be happy to discuss your needs.

### Environmental Citizenship

The UTC Foundation seeks avenues big and small to make an impact and to help instill care for the environment as a cornerstone of our daily lives. In recognition of International Coastal Clean-Up Day, we participated in a beach clean-up on Chacachacare Island where trash and debris were removed from the coastline.

A particularly proud moment was our sponsorship of the inaugural Green Infrastructure Conference, an initiative by IAMovement and The National Gas Company of Trinidad & Tobago. The hybrid conference, with online streaming, facilitated participation from stakeholders across the Caribbean, Latin American regions and beyond. The much-needed forum provided an opportunity for sharing technological knowledge and adopting and scaling green infrastructure that can help reduce our carbon footprint.

# DRIVING Entrepreneurship

The UTC was founded on the core premise — powerful and audacious in its simplicity — that ordinary people should have the opportunity to control their own financial destiny. Through the provision of collective investment vehicles, we brought access to the financial markets within the reach of the “man on the street.”

Four decades later, that groundbreaking spirit continues to resonate throughout our work in our unrelenting quest for growth and innovation while supporting the next generation of bold and powerful ideas.

The entrepreneurial mindset is deeply embedded in our DNA. We are passionate about promoting an ecosystem of entrepreneurship that can spur our country's diversification and socio-economic growth, and indeed, the continued success of our region.

## Strategic Alliances

With a range of partners, including public sector stakeholders such as the Ministry of Trade and Industry (MTI), educational powerhouses such as The University of the West Indies (UWI), St. Augustine, and experienced international specialists such as Entrepreneurship Policy Advisors (EPA),

we are backing our entrepreneurs from the germination of their ideas all the way through to their expansion ventures into international markets.

## UrpreneurPlus Nurturing Emerging Start-Ups

Urpreneur started in 2020 and was created to provide sound financial and business advice to those starting out on their entrepreneurial journey. This platform identified a need for a more holistic approach that could provide a solid grounding to potential entrepreneurs while also taking into consideration the difficulty they encounter when seeking start-up capital or accessing funding for early-stage research and development. With this in mind, we entered a partnership with UWI Ventures Limited, based in UWI, St. Augustine, to create UrpreneurPlus — a business accelerator initiative directed specifically toward the support of innovative early-stage companies.

Successful applicants are taken through a comprehensive programme, with the most potentially valuable business ideas being shortlisted. Business owners then pitch their ideas for investment funding with the assistance of experienced mentors and coaches. After this, the most commercially viable businesses have



the opportunity to be capitalised through grants and funding in excess of TT\$1Mn.

Unlike many accelerators, UrpreneurPlus is intended for companies not more than three years old and accommodates individuals with seeded ideas who have not yet formally started a business. This allows participants to take advantage of expert guidance and avoid early pitfalls that often hamstring start-ups.

Barbados, St. Lucia, and the U.S. Virgin Islands. All participating companies experienced growth with some pursuing non-traditional sales through new products or new distribution techniques. One company reported a 50% increase in online sales and another an 80% growth in exports.

With ScaleUp's expanding entrepreneurial footprint, the Ministry of Trade and Industry (MTI) partnered with UTC and EPA in 2021 to offer the ScaleUp T&T experience to businesses across the country, a key component of reengineering an entrepreneurial economy.



Senator the Honourable Paula Gopee-Scoon, Minister of Trade and Industry, and Nigel Edwards, Executive Director (front, seated) pose with representatives of participating companies of ScaleUp Trinidad and Tobago, Cohort 2, at UTC's Head Office, Port of Spain. (From left, standing): Emile Clifton, Head, Marketing; Natasha Davis, Chief Operations Officer; and (second from right) Frances Seignoret, Permanent Secretary in the Ministry of Trade and Industry.

### ScaleUp T&T — Unleashing Growth

In June 2021, UTC introduced ScaleUp T&T in partnership with the internationally renowned Entrepreneurship Policy Advisors (EPA). Fast forward to 2023, and many have scaled heights unimaginable from when they first started.

ScaleUp T&T was geared towards growth-focused business owners and operators who wanted to unlock their full growth potential. And grow they did with the 11 participants of Cohort 1 reporting incredible results in just the initial eight-week programme. These included new hires, expanded sales, and even market expansion to other areas of the Caribbean such as Guyana, Jamaica,

The second cohort of ScaleUp T&T started in October 2022 and concluded in February 2023. Participants represented 14 local businesses from a diverse range of sectors, including manufacturing, distribution, information and communications technology, fashion, consultancy, printing and publishing, and medical services. Over the five-month course, there were tangible results: projected revenue growth of 25% over the next 12 months and for an engineering company, expansion from 25 to 44 territories in the Caribbean and Latin America.

If UrpreneurPlus represents the seeds of change, ScaleUp T&T can be said to be the green shoots of unfolding prosperity.

### **Champions of Business Entrepreneurship Award — Showcasing Success**

Building community and fostering sustainable connections are critical to the lasting success of an entrepreneurial ecosystem. One of the ways we achieve this is through our continued support of the Entrepreneurship category at the Trinidad and Tobago Chamber of Commerce's annual Champions of Business Awards.

This award celebrates individuals who have founded a business within the last 10 years that have demonstrated strong growth and continued potential for expansion. Not only is this award aligned with our belief in the power of entrepreneurship and its tangible economic benefits but it is also symbolic of the ingenuity, determination and perseverance of our people.

This year's winner, A&J's Homemade Ice Cream Ltd, was very impressive, representing a robust example of entrepreneurship. Founded in 2017, the company currently sells a diverse range of ice cream, including salt prune, doubles, Thai curry coconut and ginger turmeric. The husband-and-wife team is aiming to make A&J's a household name in Trinidad and Tobago and is working towards exporting to the wider Caribbean within the next five years.

### **Entrepreneurship — Close to Our Heart**

We understand the reality our entrepreneurs face, the hard work they put in, the difficult conversations they have and their constant reflections on the next step in their journey. The Corporation has also lived through those growing pains, pushing past various challenges over the years and consistently innovating and evolving to succeed and stay current.

Our entrepreneurs are fundamental to our country's future. More than just a vehicle for economic prosperity, entrepreneurship is

about building character, developing stronger leaders, creating more connected communities, entering new global markets and diversifying our country's dependence away from energy-related industries. That is why entrepreneurship stands out for us as a strategic focus and why we are more committed than ever to playing our part in the development of a pipeline of investable companies that can contribute to the Corporation and our country's economic growth.



**Emile Clifton, Head, Marketing presenting the Entrepreneurship Award to Anthony and June-Ann Henry of A&J's Homemade Ice Cream Co. Ltd.** UTC sponsored the Entrepreneurship Award category of the Champions of Business Awards hosted by the T&T Chamber of Industry and Commerce. This award is presented to a founder or business that was established within the last 10 years and has been experiencing strong growth. It is designed to applaud and celebrate the success of a business that has turned the most difficult of times into opportunities.





# CORPORATE GOVERNANCE

## Our Governance Framework

The Trinidad and Tobago Unit Trust Corporation was established in 1982 pursuant to an Act of Parliament, the Unit Trust Corporation of Trinidad and Tobago Act ('the UTC Act'). The provisions of the UTC Act, and its subsequent amendments, govern the operation of the Corporation by defining its powers and duties.

The Corporation created the corporate governance framework in recognition of our responsibility to our valued Unitholders and stakeholders. The framework is part of our continuing commitment to the values of probity, fairness, transparency, and accountability.

While the corporate governance framework is based upon existing laws, regulations and guidelines, it is also intended to promote the highest standards of professional conduct and the diligent discharge of duties. Accordingly, our corporate governance framework was drafted in keeping with both national and international best practice principles of governance.

Our corporate governance framework is articulated in the Corporation's Board and Committee Charters. These Charters have been independently reviewed and revised to incorporate developments in the corporate governance landscape but continue to focus on the key elements of effectiveness, accountability, independence, and strong relationships with stakeholders.

## Engaging Our Unitholders

The Corporation continues to engage with our individual and institutional Unitholders, as it is recognised that our relationship with them is at the core of good governance. Unitholders have an opportunity to engage with the Board of Directors and the Auditor General at our Annual General Meeting (AGM). This year, we will return to hosting a physical AGM, and in an effort to extend our reach to a greater audience, we will continue to broadcast our AGM online via a live feed. We have also enhanced our digital touchpoints while providing a superior standard of customer service

through social media, and online tools, to better serve our Unitholders.

## Board of Directors

The Board of Directors has overall accountability for the stewardship of the Corporation, for robust corporate governance across the Corporation and is responsible for setting the strategic direction of the Corporation and managing its performance. The Board establishes policy for the Corporation and provides oversight for the development and delivery of strategies focused on the achievement of the Corporation's objectives.

The Board is responsible for, among other things:

- Performing the duties and responsibilities as outlined in the UTC Act and ensuring compliance with the UTC Act, any regulations made thereunder, and any other legislation applicable to the business of the Corporation;
- The stewardship of the Corporation and robust corporate governance;
- Annually reviewing the Corporation's strategy and business risks, Management's assessment of the internal risk management and control systems, and significant changes to such systems;
- Ensuring that adequate investment and risk management strategies are implemented;
- Ensuring that succession plans are in place for Executive Management;
- Ensuring compliance with the directions or guidelines issued by regulatory authorities;
- Promoting a culture of integrity and corporate values in keeping with the Corporation's code of conduct;
- Ensuring that written policies, which are appropriate for the effective governance of the Corporation, are in place;
- Reviewing and assessing the adequacy of the Board and Committee Charters at least biennially;
- In a group structure, the Board of the parent company has the overall responsibility for adequate corporate governance across the group and ensuring that there are governance policies and mechanisms appropriate to the structure, business, and risks of the group and its entities.

## Division of Roles

In keeping with best practice, there is a clear division of roles and responsibilities between the Board and the Executive Director. The Executive Director is accountable to the Board and is charged with providing leadership and guidance to Executive Management and Team Members of the Corporation.

General and specific duties are outlined in the Charter for the Executive Director who, among other things, is responsible for:

- Executing the Corporation's strategy, goals, and objectives in keeping with approved strategic plans and budget
- Communicating and directing the implementation of Board-approved policies
- The overall day-to-day administration of the Corporation
- Representing the views of Management to the Board

## Board Structure and Composition

In accordance with the UTC Act, the Board consists of 12 directors, including the Chairman, Executive Director and 10 persons who are either independent or non-executive directors. The Board structure and composition are governed by the UTC Act.

Members are appointed pursuant to section 7(1) of the UTC Act as follows:

- A Chairman appointed by instrument in writing by the President upon recommendation of the Central Bank of Trinidad and Tobago ('Central Bank')
- An Executive Director, appointed by the Board in consultation with the Central Bank
- A person appointed by the Central Bank
- A person appointed by the Ministry of Finance
- A person appointed by the National Insurance Board
- Subject to section 7(1) and section 7(3) of the UTC Act, four (4) persons of whom two (2) shall be appointed by the Association of Trinidad and Tobago Insurance Companies as set out in section 17(2)(b) and two (2)

by the Bankers Association of Trinidad and Tobago as referred to in section 17(2)(d) provided that not less than three (3) of such persons shall have special knowledge of or experience in commerce, industry, labour, banking, finance or investment

- Pursuant to section 7(1) and section 7(2) of the UTC Act, the Board may appoint additional persons to be directors but so that the total does not exceed twelve (12) in number

## Director Induction

The Corporation has a formalised Director Induction Programme in place and all new or returning members receive induction training upon joining the Board. The Programme is periodically reviewed and updated to ensure members receive the current and relevant information to support them in fulfilling their duties.

## Director Tenure

Notwithstanding the legislative provisions as articulated in the UTC Act, in order to ensure good governance practices and to adhere to international standards of best practice, a person appointed as a non-executive director may not serve as a member of the Board in any capacity for more than an aggregate period of eight years.

## Changes in the Membership

The following changes to the membership of the Board occurred during the reporting period:

- The appointment of Professor. Gerry C. Brooks expired on March 10, 2022.
- The appointment of Ms. Anne-Marie James, an appointee of the Central Bank of Trinidad and Tobago, expired on May 9, 2022.
- Ms. Anne Joseph, an appointee of the Central Bank of Trinidad and Tobago, was appointed on May 18, 2022, for a period of four (4) years.
- The appointment of Ms. Lorraine Kam, Independent Director, expired on June 4, 2022.

- The appointment of Mr. L. Dominic Rampersad, Independent Director, expired on June 12, 2022.
- Mr. Dirk Smith, an appointee of the Bankers Association of Trinidad and Tobago, was appointed on July 20, 2022, for a period of four (4) years.
- Ms. Jo-Anne Julien resigned as an Independent Director on August 5, 2022, and was appointed as Chairman of the Board of Directors under sections 7 (1)(a) and 10 (1) of the UTC Act, with effect from August 8, 2022, for a period of three (3) years.
- Mr. Robert Green was appointed to the Board of Directors under sections 7 (2) and 7 (5) of the UTC Act effective September 23, 2022, for a period of one (1) year.
- Mr. Stephen Allum Poon was appointed to the Board of Directors under sections 7 (2) and 7 (5) of the UTC Act effective September 23, 2022, for a period of one (1) year.
- Mr. Brevard Nelson was appointed to the Board of Directors under sections 7 (2) and 7 (5) of the UTC Act effective September 23, 2022, for a period of one (1) year.

THE MEMBERS OF THE BOARD AS AT  
DECEMBER 31, 2022, WERE:

Ms. Jo-Anne Julien	Chairman
Mr. Nigel Edwards	Executive Director
Mr. Chip Sa Gomes	Association of Trinidad and Tobago Insurance Companies Appointee
Mr. Douglas Camacho	Association of Trinidad and Tobago Insurance Companies Appointee
Mrs. Sharmaine Caballero	Bankers Association of Trinidad and Tobago Appointee
Mr. Dirk Smith	Bankers Association of Trinidad and Tobago Appointee
Ms. Anne Joseph	Central Bank Appointee
Ms. Naleisha Bally	Ministry of Finance Appointee
Mrs. Fe Lopez-Collymore	National Insurance Board Appointee
Mr. Brevard Nelson	Independent
Mr. Robert Green	Independent
Mr. Stephen Allum Poon	Independent

## Director Independence

In recognition of the importance of Independent Directors being members of the Board of Directors, the Corporation has included in the definition of 'Independent Director' as set out in the Board of Directors' Charter, the criteria as articulated in the Central Bank of Trinidad and Tobago Corporate Governance Guideline. For the reporting period, three directors were classified as independent in keeping with the UTC's Board of Directors' Charter.

## Director Remuneration

The compensation of Directors is consistent with the Corporation's policy to attract and retain a high calibre of Team Members to guide the Corporation's strategic objectives.

Section 11 of the UTC Act provides the framework for the determination of the fees and allowances to be paid to Directors. The Corporation retains the services of an independent consultant to conduct a survey of the fees paid to Directors in the financial services industry. This information is used in consultations with the Central Bank in accordance with the aforementioned section 11 of the UTC Act.

## Board Effectiveness

The effectiveness of the Board as a whole and of its Committees is assessed against the accountabilities set out in the Corporate Governance Framework and each Committee's Charter.

Matters considered in the evaluation include:

- The effectiveness of discussion and debate at Board and Committee meetings;
- The effectiveness of the Board's and Committees' processes and relationship with Management;
- The quality and timeliness of meeting agendas, Board and Committee papers and secretariat support;

- The composition of the Board and each Committee, focusing on the blend of skills, experience, independence and knowledge of the Corporation and its diversity.

In late 2020, the Board commenced a Board evaluation exercise. This included an assessment of each Director and a review of the work and performance of the Board and each Committee in accordance with the processes outlined above. This review was conducted by an independent specialist external consultant.

The review covered the effectiveness of Board Meetings, the nature and format of Board materials as well as training and development for the Board of Directors. The report of the Consultant noted that the Corporation had recently completed a comprehensive revamp of its Charters and Policies which was in no small part due to the strong professional governance support provided by both its Corporate Secretariat and the responsive executives to each Board Committee. The consultant identified specific practical areas where the Corporation would benefit from enhancements to its governance, as this, when added to what the Corporation is already doing very well, will strengthen and recalibrate the Corporation's governance to meet impending strategy and culture drivers and will be aligned with international best practices. The consultant's recommendations were incorporated in the revisions to the Board and Committee Charters which were approved by the Board in 2022.

# Board of Directors



**NIGEL  
EDWARDS**  
EXECUTIVE  
DIRECTOR

**DOUGLAS  
CAMACHO**  
INSURANCE  
REPRESENTATIVE

**NALEISHA BALLY**  
MINISTRY OF FINANCE  
APPOINTEE

**ANNE  
JOSEPH**  
CENTRAL BANK  
APPOINTEE

**STEPHEN  
ALLUM POON**  
INDEPENDENT



<b>JO-ANNE JULIEN</b> CHAIRMAN	<b>SHARMAINE CABALLERO</b> BANKERS ASSOCIATION REPRESENTATIVE	<b>DIRK SMITH</b> BANKERS ASSOCIATION REPRESENTATIVE	<b>ROBERT GREEN</b> INDEPENDENT	<b>CHIP SA GOMES</b> INSURANCE REPRESENTATIVE	<b>FE LOPEZ-COLLYMORE</b> INSURANCE REPRESENTATIVE	<b>BREVARD NELSON</b> INDEPENDENT
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## Board Profiles

### Jo-Anne Julien – August 8, 2022, to present

Ms. Jo-Anne Julien is an Attorney-at-Law who has been in practice for over 40 years in Trinidad and Tobago, all of which have been spent in private practice. She specialises in the practice of corporate commercial law and has extensive knowledge and expertise in mergers and acquisitions, banking and securities law and cross-border transactions.

Before her appointment as Chairman, Ms. Julien held the position of Independent Director on the Board of Directors of the Unit Trust Corporation since November 2020. During that time, she provided critical insight on conducting strategic engagement with stakeholders and oversight in ensuring robust monitoring and execution of the Corporation's objectives and progress.

Ms. Julien is one of the founding partners and currently the Managing Partner of one of the country's leading law firms.

Ms. Julien's dedication to service is unquestionably seen through her involvement with regulatory and legal organisations. She currently serves as Director on the Boards of the Trinidad Building and Loan Association, National Cannery Limited, Bermudez Biscuit Group Limited, and Jamaica Biscuit Company Limited, (Jambisco).

Among her civic duties, she is a sitting member of the Disciplinary Committee of the Institute of Chartered Accountants of Trinidad and Tobago and of the Disciplinary Committee of the Law Association of Trinidad and Tobago.

Directorship on other boards:

- Bermudez Biscuit Group Limited
- Jamaica Biscuit Company Limited (Jambisco)
- Trinidad Building and Loan Association

- National Cannery Limited
- Coloured Fin Limited
- M.G. Daly & Partners
- Unit Trust Corporation Financial and Investment Advisory Services Limited
- UTC Trust Services Limited
- UTC Brokerage and Advisory Services Limited
- UTC Fund Management Services STL Limited
- UTC Global Balanced Fund Limited
- GK Mutual Funds Limited

### Nigel Edwards, Executive Director – June 1, 2018 to present

Nigel Edwards, Executive Director of the Trinidad and Tobago Unit Trust Corporation, has more than 25 years of strategic management experience at the highest levels across an array of disciplines.

He leads the cultural, commercial and technological transformation of the Unit Trust Corporation, focused on a customer-centric approach and driving UTC's future growth, expansion and social connectivity. As the architect of the Corporation's entrepreneurship strategy, he is driving entrepreneurial innovation, creating a more dynamic and diverse business landscape.

Mr. Edwards has demonstrated visionary leadership throughout his career and is a vigorous advocate that people are a company's strongest asset and the foundation for value creation for all stakeholders.

He currently serves as a Board Member of Massy Holdings Ltd. and has been appointed Chairman of the Board of Management of the Trinidad and Tobago Revenue Authority.

Prior to his current role, he served as Chief Financial Officer at Unit Trust. Before that, he was Chief Executive of Tatil Life Assurance Limited, having spent 16 years in senior leadership positions in the

ANSA McAL group. Throughout his career, he has been instrumental in and successfully led multiple complex mergers and acquisitions as well as corporate reorganisations and restructuring efforts.

Mr. Edwards has served as a non-executive Director on several listed companies on the Trinidad and Tobago Stock Exchange as well as on several public interest company Boards. He remains in active service to public authorities and several volunteer community organisations.

A national scholarship winner from St. Augustine Senior Comprehensive School, he is the holder of an MSc in Finance from the London Business School and a BSc in Management Studies from The University of the West Indies, St. Augustine. Mr. Edwards is a Fellow of the Association of Chartered Certified Accountants (ACCA).

Directorship on other boards:

- Unit Trust Corporation Financial and Investment Advisory Services Limited
- UTC Trust Services Limited
- UTC (Cayman) SPC Limited
- UTC Brokerage and Advisory Services Limited
- UTC Fund Management Services STL Limited
- UTC Global Balanced Fund Limited
- Trinidad and Tobago Revenue Authority
- Massy Holdings Limited
- GK Mutual Funds Limited

### Chip Sa Gomes, Director – April 15, 2019, to present

Mr. Chip Sa Gomes is a financial services professional with over 20 years of experience in local and regional financial markets.

He has served as Chairman, Director and Senior Executive of publicly listed and private financial services companies, both in Trinidad and Tobago and Barbados. In these positions, he has grown insurance,

investment, investment banking and consumer finance businesses. Mr. Sa Gomes is currently running an investment advisory firm and serving as a non-executive Director of a consumer finance company, a digital asset fund, and a family-owned land development company.

Mr. Sa Gomes is a Chartered Financial Analyst (CFA®) and was awarded an MBA from the University of Florida and a BSc in Electrical Engineering (Hons) from the University of Texas.

Directorship on other boards:

- Bregon Holdings Limited
- Island Finance Trinidad and Tobago Limited
- Admiral Limited
- Unit Trust Corporation Financial and Investment Advisory Services Limited
- UTC Trust Services Limited
- Digital Asset Fund Inc.
- DACM Global Master Fund Inc.
- GK Mutual Funds Limited

**Douglas Camacho, Director - January 1, 2016, to present**

Mr. Douglas Camacho has been active in the insurance industry for over 30 years during which time he served as a senior executive. Mr. Camacho is a past President of The Association of Trinidad and Tobago Insurance Companies (ATTIC) and the Insurance Association of the Caribbean (IAC). He has also served as the Chairman of the Board of Governors of the Trinidad and Tobago Insurance Institute (TTII), Chairman of the Pan Caribbean Business Coalition (PCBC) and a Board Member of LL Global.

Additionally, Mr. Camacho is a past President of the Trinidad and Tobago Olympic Committee (TTOC), having completed two four-year terms.

Directorship on other boards:

- National Insurance Board of Trinidad and Tobago
- Mayaro Initiative for Private Enterprise Development (MIPED)
- SERVOL

- Home Mortgage Bank
- Trinidad and Tobago Mortgage Finance
- National Insurance Property Development Company Limited (NIPDEC)
- The Sports Company of Trinidad and Tobago
- Impodream Limited
- Family Planning Association of Trinidad and Tobago
- Unit Trust Corporation Financial and Investment Advisory Services Limited
- UTC Trust Services Limited
- UTC Brokerage and Advisory Services Limited
- UTC Fund Management Services STL Limited
- UTC Global Balanced Fund Limited

**Sharmaine Caballero, Director - June 25, 2019, to present**

Mrs. Sharmaine Caballero is a Human Resources professional with over 35 years of experience. During her career, she led the human resources function of the Central Bank of Trinidad and Tobago. Following this, she joined Republic Bank Limited where she was a member of the executive management team, holding the position of General Manager, Human Resources until her retirement.

Mrs. Caballero holds a BSc in Economics and Mathematics by The University of the West Indies and an MBA from New York University.

In addition, Mrs. Caballero is a former part-time lecturer at The University of the West Indies and a former President and Chairman of the Council of the Institute of Banking and Finance of Trinidad and Tobago.

Directorship on other boards:

- Trinidad and Tobago Electricity Commission
- POWERGEN
- Unit Trust Corporation Financial and Investment Advisory Services Limited
- UTC Trust Services Limited

**Anne Joseph, Director - May 18, 2022, to present**

Ms. Anne Joseph is an accomplished and respected economist with over 30 years of experience, whose expertise continues to help shape the development of Trinidad and Tobago's social and economic policy.

During her professional career, she held the position of Senior Economist at the Central Bank of Trinidad and Tobago, where she was involved in enhancing monetary and financial policy in both the financial and non-financial sectors.

Her astute composition of research papers, encompassing the diverse and complex world of economic interconnectedness, has been published regionally in numerous policy journals and is testimony to her intellectual prowess at local and regional economic conferences.

On behalf of the government of Trinidad and Tobago, she has represented the country at the International Monetary Fund (IMF) as Senior Advisor to the Executive Director, Brazilian Constituency, at the Executive Board of the Fund.

She is the holder of a BSc in Economics from The University of the West Indies, St. Augustine.

Directorship on other boards:

- Unit Trust Corporation Financial and Investment Advisory Services Limited
- UTC Trust Services Limited

**Fe Lopez-Collymore, Director - October 22, 2020, to present**

Mrs. Fe Lopez-Collymore brings almost 40 years of legal expertise as an Attorney-at-Law whose career focused on the provision of counsel across a wide scope of commercial activities, including property development, insurance and a diverse range of complex financial services.

She previously held the position of General Counsel and Corporate

Secretary to another financial group that specialises in financial services, including the group's subsidiaries and joint venture companies. She was responsible for the oversight of the provision of legal services, group restructuring and several major acquisitions and disposals in Trinidad and Tobago and other external jurisdictions. During her 25-year tenure with the financial group, she also served as a Director on one of the group's operating subsidiaries.

Mrs. Lopez-Collymore holds an EMBA from the Arthur Lok Jack Global School of Business.

She is currently a part-time lecturer on corporate governance and business law and a faculty member for the Professional Certificate in Effective Corporate Governance Programme at the Arthur Lok Jack Global School of Business.

Directorship on other boards:

- Caribbean Corporate Governance Institute
- Caribbean Mental Health Foundation
- Unit Trust Corporation Financial and Investment Advisory Services Limited
- UTC Trust Services Limited
- Vesta Senior Care Limited

**Dirk Smith, Director -**  
July 20, 2022, to present

Mr. Dirk Smith is a finance professional with over 29 years of experience in strategic leadership and management in the local and international financial services sector.

He began his professional career as an Auditor, and with successive executive positions, is a seasoned business leader with extensive experience in banking and financial services.

He is regarded as an expert in treasury management, investments and international trade. He helped

broker complex acquisitions and deals that added significant value to the respective portfolios of the entities involved and assisted in the transition of the business activities of a global, financial subsidiary to a new financial institution operating in Trinidad and Tobago.

He has extensive experience in risk management, foreign exchange trading and portfolio management, with acute insight into local and foreign currency management.

Mr. Smith holds a BSc in Management Studies from The University of the West Indies, St. Augustine.

Directorship on other boards:

- Unit Trust Corporation Financial and Investment Advisory Services Limited
- UTC Trust Services Limited
- UTC Fund Management Services STL Limited
- UTC Global Balanced Fund Limited

**Brevard Nelson, Director -**  
September 23, 2022, to present

Mr. Brevard Nelson has over 20 years of experience, with demonstrated business acumen in marketing, technology and entrepreneurship.

Prior to his entrepreneurial journey, he held marketing and communications positions at a leading financial services company with a local and regional footprint.

Mr. Nelson is the Co-Founder and Chief Executive Officer of an integrated marketing company dedicated to helping Caribbean brands and businesses become more globally successful and influential through the power of technology and modern marketing.

In addition to his professional work, Mr. Nelson is passionate about giving back, with a special focus on youth and Caribbean development. He has served in various non-profit organisations in multiple leadership roles.

He has completed an Executive Education Programme at Harvard Business School and obtained an MA in Management from ESCM Business School in France, an MA in International Marketing Communications from the London Metropolitan University and a BSc in Management Studies from The University of the West Indies, St. Augustine. Mr. Nelson is currently pursuing a Master of Laws at The University of London.

Directorship on other boards:

- Caribbean Ideas Limited
- Rose Petal Production Limited
- Holy Ghost Fathers Board of Management
- Advertising Agencies Association of Trinidad and Tobago
- Unit Trust Corporation Financial and Investment Advisory Services Limited
- UTC Trust Services Limited

**Robert Green, Director -**  
September 23, 2022, to present

Mr. Robert Green is the Managing Director/Chief Executive Officer of Trinidad and Tobago Mortgage Finance Company Limited and has over 35 years of experience in the mortgage finance industry, having begun his career at the Home Mortgage Bank, where he held several senior management positions.

He is an industry knowledge resource with experience in strategy and policy formulation, operations management, finance and capital markets, human resource management, marketing and public relations, safety and health, enterprise risk management and information technology.

Mr. Green is a member of the Advisory Board of the Faculty of Social Sciences at The University of the West Indies, St. Augustine. He was a former Chairman of the Environmental Management Authority and member of the Management Committee of

the National Academy for the Performing Arts. He was also a member of a government-appointed committee to make recommendations in the areas of housing and tourism development.

Mr. Green is a University of Western Ontario graduate with a BA in Economics and an MBA from The University of the West Indies, Institute of Business.

He is a Rotarian with the Rotary Club of Diego Martin and held the positions of President and Treasurer. As an avid golfer, he has also contributed to the development of the sport in Trinidad and Tobago at both the club and national levels.

Directorship on other boards:

- Calibra Solution Limited
- Evolving TecKnologies and Enterprise Development Company Limited (ETECK)
- Vanguard Hotel Limited
- Unit Trust Corporation Financial and Investment Advisory Services Limited
- UTC Trust Services Limited
- Housing Development Corporation Asset Management Company Limited

**Naleisha Bally, Director – June 22, 2021, to present**

Ms. Naleisha Bally is a career public servant who has held key portfolio positions in the public service for the past 32 years. She is the Treasury Director, assigned to the Financial Management Branch of the Treasury Division, Ministry of Finance and is currently acting Deputy Comptroller of Accounts at the Ministry of Finance.

Ms. Bally is involved in the financial management accounting systems implemented by the Treasury Division for the public service; this includes ensuring proper accountability and transparency

of all public monies collected on behalf of the government. She represents the Treasury Division at committee meetings both internally and externally, provides advice and guidance to ministries/departments/divisions/agencies and oversees the public financial management reform programmes, including:

- Implementation of the Integrated Financial Management Information Systems (IFMIS)
- Introduction of International Public Sector Accounting Standards (IPSAS)
- Electronic Funds Transfer (EFT) Systems
- Reform of Internal Audit in Ministries and Departments within the Public Services

Ms. Bally also has extensive experience in auditing, both in government and statutory authorities, having honed her skills and knowledge at the Auditor General's department.

She was involved in audits of statutory authorities, such as the Central Bank of Trinidad and Tobago, Regional Corporations, Financial Services Ombudsman, National Institute of Higher Education, Research, Science and Technology (NIHERST), National Lotteries Control Board, Strategic Services Agency, the Civil Aviation Authority and others. She has also functioned as a financial investigator at the Integrity Commission.

Ms. Bally holds an MBA from Heriot-Watt University and is a Fellow of the Association of Chartered Certified Accountants (ACCA).

Directorship on other boards:

- Unit Trust Corporation Financial and Investment Advisory Services Limited
- UTC Trust Services Limited

**Stephen Allum Poon, Director – September 23, 2022, to present**

Mr. Stephen Allum Poon is a financial services professional with over 34 years of experience in the banking and insurance industries.

He commenced his professional career as a Senior Investment Analyst at a local insurance company before moving into the local banking sector.

During his tenure at these financial institutions, he held several senior management positions, which included those of Group Treasurer, Group Financial Controller and Asset Management.

He has made significant contributions to these organisations in each position from ensuring continued liquidity stability, product launch and corporate structuring, all of which resulted in impressive value creation.

He also engineered a robust enterprise-wide risk management framework to mitigate risks and increase the bank's competitive edge.

Mr. Allum Poon is currently the Chief Executive Officer of a property company. He holds an MSc in Accounting from The University of the West Indies, St. Augustine and a BSc in Physiology/Biochemistry (Hons) from the Queen Elizabeth College, University of London.

Directorship on other boards:

- RoyBar Services Limited
- Trinidad Building and Loan Association
- Achue Properties Limited
- Unit Trust Corporation Financial and Investment Advisory Services Limited
- UTC Trust Services Limited

## Board of Directors Meetings

The Board of Directors held five meetings during the period January 1 – December 31, 2022, as follows:

Board of Directors	Feb 2	Mar 4	Sep 22	Oct 25	Nov 30
Professor Gerry C. Brooks	√	√			
Nigel Edwards	√	√	√	√	√
Douglas Camacho	√	√	√	√	√
Anne-Marie James	√	√			
L. Dominic Rampersad	√	√			
Lorraine Kam	√	√			
Chip Sa Gomes	√	√	√	√	√
Sharmaine Caballero	√	√	√	√	√
Fe Lopez-Collymore	√	√	√	√	√
Jo-Anne Julien	√	√	√	√	√
Naleisha Bally	√	√	√	√	√
Anne Joseph	*	*	√	√	√
Dirk Smith	*	*	√	√	√
Robert Green	*	*	*	√	√
Brevard Nelson	*	*	*	√	√
Stephen Allum Poon	*	*	*	√	√

\*Indicates that the Director was not a member of the Committee during the period under consideration.

Abs Absent with excuse

■ Ceased to be a Director (Term ended/Resigned)

■ 1st Board Meeting following appointment to Board of Directors

## Board Committees

The Board of Directors of the Unit Trust Corporation has established various Committees to support the discharge of its duties.

Each Committee is governed by a Charter that outlines its respective purpose, composition and responsibilities. Each Committee Charter and the membership of the Committees are reviewed on an annual basis by the Board to determine whether the Committees are being effective in conducting their mandates or whether changes need to be made to strengthen the Charter in keeping with the Corporation's strategies.

The following are the established Board Committees:

- **Audit Committee**
- **Investment Committee**
- **Strategic Risk & Compliance Committee**
- **Corporate Advisory Committee**
- **Human Resources Committee**

Each Committee provides a report to the Board at the end of each reporting period. A brief overview of the Committees and their functions is presented on the following page.

## Audit Committee

Chair — Stephen Allum Poon (Current)

Chair — L. Dominic Rampersad (up to June 12, 2022)

The Audit Committee (AC) is a Committee of the Board of Directors established to discharge independent oversight of the Corporation's financial reports and of the Corporation's compliance with statutory and regulatory requirements.

The Audit Committee held four meetings during the period January 1 - December 31, 2022, as follows:

Directors	Feb 9	May 3	Aug 3	Nov 2
L. Dominic Rampersad	√	√		
Anne-Marie James	√	√		
Chip Sa Gomes	√	Abs.	√	√
Naleisha Bally	√	√	√	√
Anne Joseph	*	*	√	√
Dirk Smith	*	*	√	√
Stephen Allum Poon	*	*	*	√

\* Indicates that the Director was not a member of the Committee during the period under consideration

Abs. Absent with excuse

■ Ceased to be a Director (Term ended/Resigned)

## Investment Committee

Chair — Jo-Anne Julien (Current)

Chair — Professor Gerry C. Brooks (up to March 10, 2022)

The Investment Committee (IC) is a Committee of the Board of Directors established to discharge oversight over the investment activity of the Funds Under Management, managing a portfolio of assets by balancing risk and return on investment for the Corporation's funds.

The Investment Committee held three meetings during the period January 1 - December 31, 2022, as follows:

Directors	Feb 16	Sep 20
Professor Gerry C. Brooks	√	
Douglas Camacho	√	√
Anne-Marie James	√	
Nigel Edwards	√	√
Jo-Anne Julien	*	*
Dirk Smith	*	*
Fe Lopez-Collymore	*	*

\* Indicates that the Director was not a member of the Committee during the period under consideration

■ Ceased to be a Director (Term ended/Resigned)

## Strategic Risk and Compliance Committee

Chair — Robert Green (Current)

Chair — Lorraine Kam (up to June 2, 2022)

The Strategic Risk and Compliance Committee (SRCC) is a Committee of the Board of Directors established to discharge oversight responsibilities with key risks, including strategic and operational risks, and to ensure that the appropriate policies, procedures and guidelines to mitigate such risks are implemented and monitored.

The Strategic Risk and Compliance Committee held three meetings during the period January 1 - December 31, 2022, as follows:

Directors	Feb 21	Jun 1	Nov 22
Lorraine Kam	√	√	
Nigel Edwards	√	√	√
Professor Gerry C. Brooks	√		
Douglas Camacho	Abs	√	√
Chip Sa Gomes	*	*	√
Anne Joseph	*	*	√
Robert Green	*	*	√
Stephen Allum Poon	*	*	√

\* Indicates that the Director was not a member of the Committee during the period under consideration

Abs Absent with excuse

■ Ceased to be a Director (Term ended/Resigned)

## Corporate Advisory Committee

Chair — Dirk Smith (Current)

Chair — Professor Gerry C. Brooks (up to March 10, 2022)

The Corporate Advisory Committee (CAC) is a Committee of the Board of Directors appointed to assist the Board in discharging its oversight responsibilities in the areas of capital expenditure and information technology.

The Corporate Advisory Committee held two meetings during the period January 1 - December 31, 2022, as follows:

Directors	Feb 17	Nov 23
Professor Gerry C. Brooks	√	
Nigel Edwards	√	√
Robert Green	*	√
Brevard Nelson	*	√
Lorraine Kam	√	
Fe Lopez-Collymore	√	√
Chip Sa Gomes	*	√
Dirk Smith	*	√

\* Indicates that the Director was not a member of the Committee during the period under consideration

■ Ceased to be a Director (Term ended/Resigned)

## Human Resources Committee

Chair — Douglas Camacho

The Human Resources Committee (HRC) is a Committee of the Board of Directors appointed to assist the Board in discharging its oversight responsibilities in optimising human resources.

The Human Resources Committee held seven meetings during the period January 1 - December 31, 2022, as follows:

Board of Directors	Jan 17	Mar 14	May 9	Jul 4	Jul 22**	Sep 22	Oct 20
Douglas Camacho	√	√	√	√	√	√	√
Nigel Edwards	√	√	√	√	√	√	√
Sharmaine Caballero	√	√	√	√	√	√	√
Jo-Anne Julien	√	√	√	√	√	√	√

\*\* Indicates that this meeting was a working session that included Directors Anne Joseph and Fe Lopez-Collymore.

### **Strong Internal Controls**

The Internal Audit Department operates as an independent assurance function that reports directly to the Audit Committee. The Internal Audit Charter was reviewed and approved by the Board's Audit Committee; it outlines the authority and responsibilities of the Internal Audit Department.

The Corporation's enterprise-wide risk management framework comprises three lines of defence among Compliance and Risk Management and the Internal Audit Department to mitigate both current and emerging risks. While Compliance and Risk Management develop and implement the policies and procedures that govern the day-to-day operations of the Corporation, Internal Audit provides independent, objective assurance to the Board that internal control and compliance are adequate and effective.

The Audit Committee is satisfied that the internal audit function has been and continues to be executed in a transparent and objective manner and that there is no undue influence from the Management Team.

### **External Auditors**

The UTC Act provides that the Corporation is audited annually by the Auditor General's Department, an independent body established by the Constitution of Trinidad and Tobago.

Our Mutual Funds are audited by a local service provider contracted through a tendering process. This provider has also been engaged in non-audit work for the Corporation. The Audit

Committee is satisfied that they have performed their duties in a transparent and independent manner.

### **Commitment to Ethics**

The Corporation remains committed to fair and ethical business practices, and these form the basis of the Corporation's core values. These principles are entrenched in our Code of Ethics and all Team Members, including Directors, are required to read and attest to adhering to the obligations in the Code on an annual basis.

### **Conflicts of Interest**

The Board, Senior Management and all Team Members are subject to the Corporation's Conflict of Interest Policy. The Audit Committee has oversight of the management and monitoring of this Policy to ensure compliance.

The Policy defines conflicts of interest and also provides the procedure for declaring and managing any disclosed conflicts of interest.

### **Disclosure and Transparency**

All Directors are required to disclose any material interest(s) before participating in any Board or Committee meeting in accordance with Section 9(3A) of the UTC Act.

Where a Director has a direct or indirect personal or business interest, unless the Board or Committee determines that the Director's interest is immaterial or irrelevant, the Director is required to withdraw from the meeting while the Board or Committee considers the matter.

THE  
KEY  
TO SUCCESSFUL  
LEADERSHIP  
IS INFLUENCE,  
NOT AUTHORITY.

-Kenneth H. Blanchard

# Strategic Leadership Team



**KERRI MAHARAJ**

CHIEF FINANCIAL  
OFFICER

**NATASHA  
M. DAVIS**

CHIEF OPERATIONS  
OFFICER

**DEYSON  
SCOTT**

CHIEF SALES  
AND MARKETING  
OFFICER

**CRYSTAL  
RODRIGUEZ  
-GREAVES**

CHIEF RISK  
OFFICER



**SEKOU MARK**  
CHIEF  
INVESTMENT  
OFFICER

**NIGEL EDWARDS**  
EXECUTIVE  
DIRECTOR

**DAWN  
SEEPERSAD**  
GENERAL  
COUNSEL AND  
CORPORATE  
SECRETARY

**NICHOLAS  
NANTON**  
CHIEF  
INFORMATION  
OFFICER

**Nigel Edwards,  
Executive Director**

Nigel Edwards, Executive Director of the Trinidad and Tobago Unit Trust Corporation, has more than 25 years of strategic management experience at the highest levels across an array of disciplines.

He leads the cultural, commercial and technological transformation of the Unit Trust Corporation, focused on a customer-centric approach and driving UTC's future growth, expansion and social connectivity. As the architect of the Corporation's entrepreneurship strategy, he is driving entrepreneurial innovation, creating a more dynamic and diverse business landscape.

Mr. Edwards has demonstrated visionary leadership throughout his career and is a vigorous advocate that people are a company's strongest asset and the foundation for value creation for all stakeholders.

He currently serves as a Board Member of Massy Holdings Ltd. and has been appointed Chairman of the Board of Management of the Trinidad and Tobago Revenue Authority.

Prior to his current role, he served as Chief Financial Officer at the Unit Trust Corporation. Before that, he was Chief Executive of Tatil Life Assurance Limited, having spent 16 years in senior leadership positions in the ANSA McAL group. Throughout his career, he has been instrumental in and successfully led multiple complex mergers and acquisitions as well as corporate reorganisations and restructuring efforts.

Mr. Edwards has served as a non-executive Director for several listed companies on the Trinidad and Tobago Stock Exchange as well as on several public interest company boards. He remains in active service to public authorities and several volunteer community organisations.

A national scholarship winner from St. Augustine Senior Comprehensive School, he is the holder of an MSc in Finance from the London Business School and a BSc in Management

Studies from The University of the West Indies, St. Augustine. Mr. Edwards is a Fellow of the Association of Chartered Certified Accountants (ACCA).

**Dawn Seepersad  
General Counsel and  
Corporate Secretary**

Ms. Dawn Seepersad is an Attorney-at-Law with over 30 years of experience in banking, insurance, commercial law, corporate governance, legal and business management, and administration.

Her career portfolio includes the position of General Counsel and Corporate Secretary at an international bank and Assistant Vice President, Legal and Assistant Corporate Secretary at a regional insurance and financial services company. She has provided legal services in the areas of commercial and civil law, as well as corporate secretarial services and administration at an investment brokerage firm. She also has extensive litigation experience in banking, insurance, and commercial law at the Civil Bar. Ms. Seepersad is the Chairman of the Transparency and Governance Committee of the American Chamber of Commerce (Trinidad and Tobago) and a Member of the Disciplinary Committee of the Institute of Chartered Accountants of Trinidad and Tobago.

Her education includes an LLB (Hons) from The University of the West Indies and a Certificate of Legal Education from the Hugh Wooding Law School. She is also a Chartered Corporate Secretary.

In the role of General Counsel and Corporate Secretary, Ms. Seepersad has executive responsibility for the legal, regulatory, and corporate governance matters of the UTC.

**Natasha M. Davis  
Chief Operations Officer**

Before being named Chief Operations Officer on January 1, 2023, Ms. Natasha Davis served as Vice President Marketing and Operations. She is a catalyst for strategic development,

bringing over 20 years of leadership experience focusing on technology-driven growth, strategic marketing, reputation management, digital strategy, employee empowerment, trust services operations and exceptional customer service.

In her current role, Ms. Davis will lead the continuous improvement of UTC's Operations Division to drive efficiency and innovation across the organisation while maintaining flexibility and responsiveness to our customers' requests. Additionally, she has executive responsibility for Human Resources, Corporate Security, Facilities Management, Corporate Administration, Investment Centre Operations, Process Intelligence and administratively for Information and Communications Technology (ICT).

Before joining the Corporation, Ms. Davis served as Executive Vice President of Marketing at a local telecommunications company. She was responsible for brand development, product deployment, public relations, digital strategy and customer engagement.

Ms. Davis earned an MBA in International Marketing from The University of the West Indies Arthur Lok Jack Global School of Business and a BSc in Management Studies, specialising in Marketing and Finance from The University of the West Indies, St Augustine.

Outside of her professional commitments, some of her personal recovery practices range from travelling, pilates and photography to working with charitable organisations across the country.

**Sekou Mark  
Chief Investment Officer**

Mr. Sekou Mark has executive responsibility for the strategic leadership of the Investment Research and Portfolio Management team in the execution of the critical investment function of the Trinidad and Tobago Unit Trust Corporation.

Mr. Mark is also the Executive Head of the Enterprise Innovation Unit which practices open innovation and ample

usage of agile teams to create a culture of innovation across the Unit Trust Corporation.

He is the holder of an MBA with a concentration in International Business Finance from The George Washington University.

A career banker, Mr. Mark has worked in more than 20 countries across Latin America and the Caribbean in his over 20 years of experience. He spent 10 years in Washington, D.C. at The World Bank and the Inter-American Development Bank, then returned home to the Caribbean to hold senior leadership positions at First Citizens Bank, Citibank and presently at the Trinidad and Tobago Unit Trust Corporation.

Mr. Mark has extensive experience in project finance, corporate finance, public-private partnerships, asset management and strategic innovation.

He is passionate about financial literacy and regional capital market development and is proficient in Spanish.

**Crystal Rodriguez-Greaves, CFA**  
**Chief Risk Officer**

As the Corporation's Chief Risk Officer, Mrs. Crystal Rodriguez-Greaves has responsibility for the Enterprise Risk Management and Compliance Frameworks at the Corporation.

Mrs. Rodriguez-Greaves joined the Unit Trust Corporation in 2004, and over the past 19 years, has held leadership roles in the areas of Finance, Investment Management, Risk Management, and Compliance. Her career portfolio includes expertise in the areas of macroeconomic analysis, financial statement analysis, investment strategy formulation, portfolio management, enterprise risk management, market risk, operational risk, business continuity management, and compliance.

She holds the Chartered Financial Analyst (CFA) designation and a BSc in Management Studies and Finance

from The University of the West Indies, St. Augustine. She is also a member of the Board and President of the CFA Society Trinidad and Tobago.

**Nicholas Nanton**  
**Chief Information Officer**

Mr. Nicholas Nanton brings a wealth of global experience as a senior leader and technology executive with 20 years of experience in the information and communications technology (ICT) industry and more than 10 years in senior leadership roles.

He has a BSc in Electrical and Computer Engineering from The University of the West Indies, St. Augustine. In his role as Chief Information Officer, he has executive responsibility for leading and driving the Corporation's technological thrust and connectivity.

Mr. Nanton has led projects across the Caribbean, the Middle East and Asia, designing technical solutions from the ground up to maximise effectiveness and impact, and has engineered innovative and sustainable technologies for multiple clients across a broad spectrum of technical and commercial projects.

**Kerri Maharaj**  
**Chief Financial Officer**

Mr. Kerri Maharaj brings with him approximately 20 years of management experience and has held senior leadership roles spanning a range of industries for both local and global entities.

In addition to various finance positions, Mr. Maharaj's professional career includes General Manager, Treasury at a global banking entity, and Director, Mergers and Acquisitions at a global institution. His most recent position was Group Chief Financial Officer of a regional financial institution.

Mr. Maharaj holds various UK-based qualifications. He is a fellow of the Association of Corporate Treasurers and the Association of Chartered

Certified Accountants and is the holder of a BSc in Financial Services and Associateship.

Mr. Maharaj has executive responsibility for the finance, accounting, procurement, and treasury functions of the Corporation.

**Deyson Scott**  
**Chief Sales and Marketing Officer**

Mr. Deyson Scott has over 20 years of multifaceted experience in the financial services sector.

Before his appointment as Chief Sales and Marketing Officer, Mr. Scott held the position of Acting Vice President Sales and Service. During that time, he provided critical insight into conducting strategic engagement with various stakeholders and championing the transformational journey and successful launch of our new technology platform.

Mr. Scott, who started at the UTC as Portfolio Manager in 2006, brings a wealth of experience in fund management, business leadership, and corporate strategy. Earlier in his career, he held senior management positions in investment and commercial operations.

He holds a BSc in Economics from The University of the West Indies and a Postgraduate Diploma in Business Administration from the University of Leicester.

With creative, strategic thinking, his experience and leadership will focus on developing and delivering technology-driven business services and solutions, providing outstanding customer service and driving revenue growth.

A fitness enthusiast with a passion for philanthropy, Mr. Scott brings tremendous technical leadership and operational expertise to the Corporation.

# FINANCIAL REPORT



“ THE UNFOLDING  
OF A FLOURISHING  
WITH A  
FUTURE  
BEGINS A  
SOLID  
FOUNDATION ”

- Unknown





**TO: THE BOARD OF DIRECTORS  
TRINIDAD AND TOBAGO UNIT TRUST CORPORATION**

**REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO  
ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE TRINIDAD AND TOBAGO  
UNIT TRUST CORPORATION FOR THE YEAR ENDED 31 DECEMBER, 2022**

**OPINION**

The consolidated financial statements of the Trinidad and Tobago Unit Trust Corporation (the Corporation) for the year ended 31 December 2022 have been audited. The statements as set out on pages 1 to 96 comprise a Consolidated Statement of Financial Position as at 31 December 2022, and the Consolidated Statement of Profit or Loss, a Consolidated Statement of Comprehensive Income, a Consolidated Statement of Changes in Equity and a Consolidated Statement of Cash Flows for the year then ended, and Notes to the Consolidated Financial Statements numbered 1 to 34, including a summary of significant accounting policies.

2. In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Trinidad and Tobago Unit Trust Corporation as at 31 December 2022 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**BASIS FOR OPINION**

3. The audit was conducted in accordance with the principles and concepts of International Standards of Supreme Audit Institutions (ISSAIs). The Auditor General's responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of this report. The Auditor General is independent of the Corporation in accordance with the ethical requirements that are relevant to the audit of the financial statements and other ethical responsibilities have been fulfilled in accordance with these requirements. It is my view that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

**RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH  
GOVERNANCE FOR THE FINANCIAL STATEMENTS**

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

5. In preparing the consolidated financial statements, management is responsible for assessing the Corporation's ability 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 the Corporation or to cease operations, or has no realistic alternative but to do so.

6. Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

7. The Auditor General's responsibility is to express an opinion on these consolidated financial statements based on the audit and to report thereon in accordance with section 30 (4) of the Unit Trust Corporation of Trinidad and Tobago Act, Chapter 83:03.

8. The Auditor General's objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes his opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the principles and concepts of ISSAIs 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 these financial statements.

9. As part of an audit in accordance with the principles and concepts of ISSAIs, the Auditor General exercises professional judgment and maintains professional skepticism throughout the audit. The Auditor General also:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for an 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.
- Obtains 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 the Corporation.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Concludes 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 the Corporation to continue as a going concern. If the Auditor General concludes that a material uncertainty exists, the Auditor General is required to draw attention in her audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify her opinion. The Auditor General's conclusions are based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluates the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding, the financial information of the entities or business activities within the Corporation to express an opinion on the consolidated financial statements. The Auditor General is responsible for the direction, supervision and performance of the audit of the Corporation. The Auditor General remains solely responsible for his audit opinion.

10. The Auditor General communicates 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 were identified during the audit.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

11. The Unit Trust Corporation Chap. 83:03 paragraph 12 (1) states that:

*"The Board shall meet not less than six times a year and at least once every two months and shall observe such rules of procedure in the transaction of business at its meetings as may be made by the Board."*

11.1 During the financial period, the Board of Directors did not meet at least six times a year and at least once every two months as required by the Unit Trust Corporation Act Chap. 83:03 because of the non-appointment of a Chairman on expiration of the office holder's term of office. A Chairman of the Board of Directors was appointed in August 2022.

**27<sup>TH</sup> MARCH, 2023  
PORT OF SPAIN**



*Loirelly*  
**LORELLY PUJADAS  
AUDITOR GENERAL**

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2022

(Expressed in thousands of Trinidad and Tobago dollars)

	Notes	2022	2021
<b>Assets</b>			
Cash at bank	4	1,853,067	2,118,634
Deposits with banks	5	1,792,128	2,194,177
Receivables		199,844	341,361
Prepayments and other assets		27,105	17,810
Investment securities	6	21,100,070	20,645,855
Property, plant and equipment	7	134,489	140,894
Right-of-use assets	8	20,856	7,918
Intangible assets	9	17,722	18,561
<b>Total assets</b>		<b><u>25,145,281</u></b>	<b><u>25,485,210</u></b>
<b>Liabilities</b>			
Accounts payable and short-term liabilities	10	106,825	242,971
Lease liabilities	8	21,610	9,056
Distribution payable		64,436	40,368
Pension and other post-retirement liabilities	11	36,461	32,632
Price guarantee provision	12	2,617	–
Net assets attributable to unitholders	13	23,266,544	23,565,770
Other liabilities		598	1,578
<b>Total liabilities</b>		<b><u>23,499,091</u></b>	<b><u>23,892,375</u></b>

The accompanying notes form an integral part of these financial statements.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2022

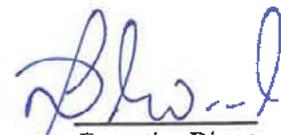
(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

	Notes	2022	2021
<b>Equity</b>			
Statutory reserves		5,050	5,050
Revaluation reserve		(370)	352
Pension and other post retirement benefits reserve		(31,410)	(33,257)
Retained earnings		<u>1,672,920</u>	<u>1,620,690</u>
<b>Total equity</b>		<u>1,646,190</u>	<u>1,592,835</u>
<b>Total liabilities and equity</b>		<u>25,145,281</u>	<u>25,485,210</u>

The accompanying notes form an integral part of these financial statements.

These financial statements were approved by the Board of Directors and authorised for issue on 15 February 2023 and signed on its behalf by:

 Chairman		 Executive Director
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TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED 31 DECEMBER 2022

(Expressed in thousands of Trinidad and Tobago dollars)

	Notes	2022	2021
<b>Income</b>			
Investment income	14	776,470	659,349
Net change in fair value of investment securities	15	(1,032,717)	671,010
Initial charge		10,136	9,390
Fee income	16	2,772	3,630
Other income	17	3,934	10,140
<b>Total Income</b>		(239,405)	1,353,519
<b>Expenses</b>			
Commissions		(11,007)	(13,101)
Administrative	18	(315,363)	(287,142)
Depreciation and amortisation	7,8,9	(21,348)	(20,852)
<b>Total Expenses</b>		(347,718)	(321,095)
<b>Net income before guarantee adjustment</b>		(587,123)	1,032,424
Price guarantee (charge)/credit		(2,653)	2,977
<b>Net income after guarantee adjustment</b>		(589,776)	1,035,401
Distributions to unitholders	20	(256,283)	(220,555)
Income capitalised		48,063	(51,918)
Net income attributable to unitholders		857,152	(685,755)
<b>Net income before finance charges</b>		59,156	77,173
Finance charges	8	(690)	(858)
<b>Net income before taxation</b>		58,466	76,315
Taxation	21	(6,236)	(4,080)
<b>Net income for the year</b>		52,230	72,235

The accompanying notes form an integral part of these financial statements.

## TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE YEAR ENDED 31 DECEMBER 2022  
 (Expressed in thousands of Trinidad and Tobago dollars)

	<b>Note</b>	<b>Group</b>	
		<b>2022</b>	<b>2021</b>
<b>Net income for the year</b>		52,230	72,235
<b>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</b>			
Remeasurements of pension and other post-retirement liabilities	11	1,847	(12,114)
Exchange differences on translation of foreign operations		<u>(722)</u>	<u>(256)</u>
Other comprehensive income for the year		<u>1,125</u>	<u>(12,370)</u>
<b>Total comprehensive income for the year</b>		<u>53,355</u>	<u>59,865</u>

The accompanying notes form an integral part of these financial statements.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022

(Expressed in thousands of Trinidad and Tobago dollars)

	Statutory reserve fund	Pension and other post retirement benefits reserve	Revaluation reserve	Retained earnings	Total equity
<b>Balance as at 1 January 2021</b>	5,050	(21,143)	608	1,548,455	1,532,970
Profit for the year	–			72,235	72,235
Other comprehensive income for the year	–	(12,114)	(256)	–	(12,370)
<b>Balance as at 31 December 2021</b>	<u>5,050</u>	<u>(33,257)</u>	<u>352</u>	<u>1,620,690</u>	<u>1,592,835</u>
<b>Balance as at 1 January 2022</b>	5,050	(33,257)	352	1,620,690	1,592,835
Profit for the year	–	–	–	52,230	52,230
Other comprehensive income for the year	–	1,847	(722)	–	1,125
<b>Balance as at 31 December 2022</b>	<u>5,050</u>	<u>(31,410)</u>	<u>(370)</u>	<u>1,672,920</u>	<u>1,646,190</u>

The accompanying notes form an integral part of these financial statements.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2022

(Expressed in thousands of Trinidad and Tobago dollars)

	Notes	Group	
		2022	2021
<b>Operating activities</b>			
Net income before taxation		58,466	76,315
<i>Adjustments to reconcile net income to net cash and cash equivalents from operating activities:</i>			
Net income attributable to unitholders		(648,932)	958,228
Depreciation and amortisation	7,8,9	21,348	20,852
Loss on sale of property, plant and equipment		–	15
Increase/(decrease) in price guarantee provision		2,653	(2,977)
Net change in fair value on investment securities		1,072,852	(639,589)
Interest income		(654,980)	(522,807)
Dividend income		(96,860)	(95,922)
Interest portion of lease payments		690	858
Lease modifications		–	328
		<u>(244,763)</u>	<u>(204,699)</u>
<i>Movement in net current assets</i>			
Decrease/(increase) in receivables		187,173	(121,689)
(Increase)/decrease in prepayments and other assets		(9,295)	1,710
(Decrease)/increase in accounts payable and liabilities		(137,126)	165,964
Increase in pension and other post retirement liabilities		5,676	1,410
(Decrease)/increase in other movements in net assets attributable to unitholders		<u>(4,195)</u>	<u>317,913</u>
		(202,530)	160,609
Interest received		609,325	469,516
Dividend received		96,860	95,922
Taxation paid	21	<u>(6,236)</u>	<u>(4,080)</u>
<b>Net cash flows from operating activities</b>		<u>497,419</u>	<u>721,966</u>

The accompanying notes form an integral part of these financial statements.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(Expressed in thousands of Trinidad and Tobago dollars)  
(Continued)

	Notes	Group	
		2022	2021
<b>Investing activities</b>			
Purchase of property, plant and equipment		(5,406)	(9,866)
Purchase of intangible assets		(3,312)	—
Disposal of property, plant and equipment		31	86
Placement of deposits with banks		(1,933,969)	(1,273,971)
Matured deposits with banks		2,335,224	1,124,967
Purchase of investment securities		(17,082,421)	(15,231,231)
Disposal of investment securities		<u>15,556,148</u>	<u>13,818,660</u>
<b>Net cash used in investing activities</b>		<u>(1,133,706)</u>	<u>(1,571,355)</u>
<b>Financing activities</b>			
Subscriptions from unitholders		3,401,864	2,492,308
Redemptions by unitholders		(2,791,680)	(2,115,570)
Distributions to unitholders	20	(232,215)	(216,368)
Guarantee reserve payment	33	(36)	(29)
Principal portion of lease payments		(5,800)	(6,702)
Interest portion of lease payments	8	<u>(690)</u>	<u>(858)</u>
<b>Net cash generated from financing activities</b>		<u>371,443</u>	<u>152,781</u>
Net loss on foreign exchange		(723)	(257)
<b>Net decrease in cash and cash equivalents</b>		(265,567)	(696,865)
<b>Cash at the beginning of the year</b>		<u>2,118,634</u>	<u>2,815,499</u>
<b>Cash at the end of the year</b>		<u>1,853,067</u>	<u>2,118,634</u>

The accompanying notes form an integral part of these financial statements.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(Expressed in thousands of Trinidad and Tobago dollars)

**1. Incorporation and principal activities of the Group**

The Trinidad and Tobago Unit Trust Corporation (the "Corporation") was established by the Unit Trust Corporation of Trinidad and Tobago Act (the "Act"), Chapter 83:03 of the Laws of the Republic of Trinidad and Tobago to provide, inter alia, facilities for members of the public to invest in shares and securities approved by the Board of the Corporation. The Finance Act of 1997 expanded the Corporation's scope of business to include other financial services, such as merchant banking, trustee and card services.

The Corporation's principal place of business is UTC Financial Centre, 82 Independence Square, Port of Spain.

The Consolidated Financial Statements of the Corporation and its subsidiaries, which include its controlled entities, (collectively "the Group") for the year ended 31 December 2022 were authorised for issue by the Board of Directors on 15 February 2023.

**2. Significant Accounting Policies**

The significant accounting policies applied in the preparation of these consolidated financial statements (the "Financial Statements") are set out below. These policies have been consistently applied to all years presented.

**a) Basis of preparation**

- i. The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS).
- ii. The Financial Statements were prepared under the historical cost convention as modified by financial assets measured at fair value through profit or loss (FVPL). The methods used to fair value the Group's financial assets are provided in Note 2 (f).
- iii. The Financial Statements are presented in Trinidad and Tobago dollars as described in Note 2 (o).
- iv. Where necessary, comparative data has been adjusted to conform with changes in presentation in the current year. These adjustments had no impact on the Group's profit or equity.
- v. Globally, the development of COVID-19 remains uncertain, with consequences that are difficult to predict. Notwithstanding these uncertainties, the Group believes it possesses sufficient financial resources to withstand materially unfavourable financial impacts, should they arise, and therefore the going concern basis of accounting remains appropriate.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

**2. Significant Accounting Policies (continued)**

**a) Basis of preparation (continued)**

The major area where judgement could be required would be changes to estimation techniques and assumptions for measuring the fair value of financial assets.

The Group is not aware of material events occurring after its balance sheet date that require either adjusting or disclosure in these financial statements.

**b) Basis of consolidation**

The Financial Statements incorporate the separate financial statements of the Corporation, the financial statements of its collective investment schemes (or Funds) (see Note 33) and the financial statements of its incorporated subsidiaries (see Note 29). The Corporation and the consolidated entities are referred to as the "Group" in these Financial Statements.

Management concluded that for the purposes of IFRS 10, its relationship with certain funds was that of a principal rather than that of an agent hence their consolidation in these Financial Statements. Management's conclusion was based primarily on its exposure to significant variability of returns due to the Corporation's commitment to support them.

The Corporation reassesses at each reporting period whether or not it controls the entities with which it is involved using the control criteria established in IFRS 10. In particular, it concludes that it controls an entity if, and only if, after considering all the circumstances, it forms the view that:

- i. it has power over the entity;
- ii. it is exposed, or has rights, to variable returns from its involvement with the entity; and
- iii. it has the ability to use its power to affect its returns from the entity.

Assets, liabilities, income and expenses of an entity acquired or disposed of during the year are included in the Financial Statements from the date the Group gains control until the date the Group ceases to control the entity.

The line item in the Consolidated Statement of Financial Position "net assets attributable to unitholders" represents the portion of the profit and net assets of consolidated collective investment schemes not owned, directly or indirectly, by either the Corporation or an entity which the Corporation controls. The balance is recognised as a liability in the Consolidated Statement of Financial Position, as the units/shares represent the Group's obligation to deliver cash on presentation of such units/shares for redemption.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

(Expressed in thousands of Trinidad and Tobago dollars)  
(Continued)

**2. Significant Accounting Policies (continued)**

**b) Basis of consolidation (continued)**

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The financial year end of each entity consolidated is 31 December.

**c) Changes in accounting policies and disclosures**

The accounting policies adopted in the preparation of these financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2021 except for the adoption of new standards and interpretations noted below.

***New and amended standards and interpretations***

The Group applied for the first time certain amendments and interpretations that are effective for annual periods beginning on or after 1 January 2022. Although these new amendments and interpretations apply for the first time in 2022, they did not have a material impact on the consolidated financial statements of the Group. These are also described in more detail below. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

**Amendments to IAS 16 – Property, Plant and Equipment: Proceeds before Intended Use – Effective 1 January 2022**

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment had no impact on the consolidated financial statements of the Group in the financial year 2022.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

2. Significant Accounting Policies (continued)

c) Changes in accounting policies and disclosures (continued)

*New and amended standards and interpretations* (continued)

**Amendments to IAS 37 – Onerous Contracts - Costs of Fulfilling a Contract – Effective 1 January 2022**

The amendment apply a 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendment had no impact on the consolidated financial statements of the Group in the financial year 2022.

**Amendments to IFRS 3 – Reference to the Conceptual Framework – Effective 1 January 2022**

The amendment add an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

The amendment had no impact on the consolidated financial statements of the Group in the financial year 2022.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

2. Significant Accounting Policies (continued)

c) Changes in accounting policies and disclosures (continued)

*New and amended standards and interpretations* (continued)

**Annual improvements to IFRS standards 2018-2020 cycle, resulting in amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41 – Effective 1 January 2022**

(i) **Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards**

*Subsidiary as a first-time adopter*

- The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

(ii) **Amendments to IFRS 9 Financial Instruments**

*Fees in the '10 per cent' test for derecognition of financial liabilities*

- The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39.
- An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

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(Continued)

**2. Significant Accounting Policies (continued)**

**c) Changes in accounting policies and disclosures (continued)**

*New and amended standards and interpretations (continued)*

**Annual improvements to IFRS standards 2018-2020 cycle, resulting in amendments to IFRS 1, IFRS 9 and IFRS 16 – Effective 1 January 2022 (continued)**

**(iii) Amendments to IFRS 16 Leases**

*Lease incentives*

- The amendment removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying IFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying IFRS 16.

The amendments had no impact on the consolidated financial statements of the Group in the financial year 2022.

*Standards issued but not yet effective*

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current – Effective 1 January 2023
- Amendments to IAS 8 – Definition of Accounting Estimates – Effective 1 January 2023
- Amendments to IAS 12 – Deferred Tax related at Assets and Liabilities arising from a Single Transaction – Effective 1 January 2023
- Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies – Effective 1 January 2023
- IFRS 17, 'Insurance Contracts' – Effective 1 January 2023

**d) Deposits with Banks**

Deposits with Banks comprise highly liquid financial assets that are subject to an insignificant risk of changes in their fair value.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

2. Significant Accounting Policies (continued)

e) Financial Instruments

Financial assets

(i) *Initial recognition and subsequent measurement*

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Group classifies its financial assets based on the business model of the portfolio within which the financial asset is managed and the contractual cash flow characteristics of the financial asset.

In assessing the objective of a portfolio's business model, the Group considers:

- i. The way in which the assets within the portfolio are managed and information provided to management;
- ii. The stated policies and objectives of the portfolio;
- iii. The operation of the portfolio's stated policies in practice;
- iv. The method of evaluating the performance of the portfolio; and
- v. The risks that affect the performance of the portfolio and how those risks are managed.

The Group's investment securities are held in portfolios which are managed and evaluated on a fair value basis. The receipt of contractual cash flows or, the receipt of contractual cash flows and the purchase and sale of financial assets in the portfolio, are incidental to the objectives of the portfolios.

*Financial assets at fair value through profit or loss (FVPL)*

Investments in equity instruments are classified as FVPL, unless the Group designates an investment that is not held for trading as fair value through other comprehensive income (FVOCI) on initial recognition.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

2. Significant Accounting Policies (continued)

e) Financial Instruments (continued)

Financial assets (continued)

(i) Initial recognition and subsequent measurement (continued)

*Financial assets at fair value through profit or loss (FVPL) (continued)*

Financial assets at FVPL are those that are mandatorily required to be measured at fair value under IFRS 9. Management only designates an instrument at FVPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

- i. The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis
- ii. The liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy

Financial assets at FVPL are recorded in the Consolidated Statement of Financial Position at fair value at the end of each reporting period. Changes in fair value are recorded in the Consolidated Statement of Profit or Loss.

The net gain or loss recognised in the Consolidated Statement of Profit or Loss is included in Note 15. Fair value is determined in the manner described in Note 2 (f).

Interest earned on instruments designated at FVPL is accrued in interest income, using the effective interest rate (EIR) method (see Note 2 (m)), taking into account any discount/premium and qualifying transaction costs being an integral part of instrument.

Dividend income from equity instruments measured at FVPL is recorded in the Consolidated Statement of Profit or Loss as Investment Income.

Dividend income is recognised when:

- (i) the right to receive a dividend payment is established;
- (ii) it is probable that the economic benefits associated with the dividend will flow to the Group;
- (iii) the amount of the dividend can be reliably measured.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
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(Continued)

**2. Significant Accounting Policies (continued)**

**e) Financial Instruments (continued)**

**Financial assets (continued)**

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

*Foreign exchange gains and losses*

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. The foreign exchange component forms part of its fair value gain or loss.

Therefore, for financial assets that are classified as FVPL, the foreign exchange component is recognised in the Consolidated Statement of Profit or Loss.

**ii) Impairment of financial assets**

At each reporting period the Group measures the loss allowance on its financial assets at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If at the reporting date, the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses (ECL).

If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment that is more than 90 days past due is considered credit impaired.

Due to the short-term nature of the Group's financial assets the risk of loss is deemed negligible and the current 12-month ECL balance is nil.

**iii) Derecognition of financial assets**

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

2. Significant Accounting Policies (continued)

e) Financial Instruments (continued)

Financial assets (continued)

iii) *Derecognition of financial assets*

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Any gain or loss on derecognition of financial assets measured at amortised cost is calculated as the difference between the book value (including impairment) and the proceeds received.

Financial liabilities

i) *Initial recognition and subsequent measurement*

The Group recognises a financial liability when it becomes party to the contractual obligations of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

ii) *Derecognition of financial liabilities*

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit or Loss.

f) Fair Value Measurement

*Valuation framework*

The Group has established a control framework for the measurement of fair values. The framework includes a valuation team that is independent of front office management. The valuation team reports to a Valuation Committee comprising the Chief Financial Officer, Chief Risk Officer and other senior officers. On a monthly basis, the Valuation Committee reviews the prices for non-traded bonds prior to incorporation into the Group, while a meeting is held quarterly, or more frequently as required. The Valuation Committee reports to the Audit Committee in relation to significant changes to the valuation methodology. External independent valuers are used for the valuation of Land and buildings every three (3) years.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

**2. Significant Accounting Policies (continued)**

**f) Fair Value Measurement (continued)**

*Valuation techniques*

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premiums used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity indices, EBITDA multiples and revenue multiples and expected price volatilities and correlations.

The Group uses valuation models for determining the fair value of its financial instruments that use observable market data. Observable prices or model inputs are usually available in the market for listed debt and equity securities. The availability of observable market prices and model inputs reduces the need for management judgement and estimation and reduces the uncertainty associated with the determination of fair values. The availability of observable market prices and inputs varies depending on the debt, equity and exchange-traded funds and is prone to changes based on specific events and general conditions in the financial markets.

For more complex instruments, the Group uses proprietary valuation models, which are usually developed from recognised valuation models. Some or all of the significant inputs into these models may not be observable in the market and are derived from market prices or rates or are estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for the selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of the probability of counterparty default and prepayments and selection of appropriate discount rates.

Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that the Group believes that a third party market participant would take them into account in pricing a transaction.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

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FOR THE YEAR ENDED 31 DECEMBER 2022

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

2. Significant Accounting Policies (continued)

D) Fair Value Measurement (continued)

*Valuation techniques* (continued)

Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group and the counterparty where appropriate.

The fair values of financial assets and financial liabilities that are traded in active markets are based on prices obtained directly from an exchange on which the instruments are traded.

An active market is a market in which transactions take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective and requires varying degrees of judgement depending on liquidity, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument. For all other financial instruments, the Group determines fair values using other valuation techniques.

*Fair value hierarchy*

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- **Level 1** - Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- **Level 2** - Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are not considered active; or other valuation techniques in which all significant inputs are directly or indirectly observable
- **Level 3** - Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions such as trading comparables, transaction comparables are required to reflect differences between the instruments.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

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(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

2. Significant Accounting Policies (continued)

f) Fair Value Measurement (continued)

*Fair value hierarchy* (continued)

The Group considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

*Valuation techniques for specific instruments*

*Equity traded in active markets*

The fair value of equities traded in active markets is based on unadjusted quoted prices at the close of trading on the reporting date and categorised as Level 1.

*Equities not traded in an active market (unquoted equities)*

The fair value of significant holdings of unquoted equities is estimated by professional valuers and categorised as Level 3.

Insignificant holdings of unquoted equities are held by the Corporation for strategic purposes. The cost of such holdings is presumed to approximate to its fair value.

*Private equity*

The fair value of the Group's private equity holdings was provided by the General Partners of the entities and were categorised as Level 3.

*Traded local and foreign bonds*

Where quoted prices in an active market are available at the measurement date, those prices are used (Level 1 measurement). The Group measures instruments quoted in an active market at the closing price at the measurement date, because this price provides a reasonable approximation of the price that would be received to sell the bonds between market participants.

*Unquoted local bonds*

The Group uses an internally developed model to value its unquoted local bonds. Management reviews the model regularly to incorporate enhancements in line with established best practice.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
(Expressed in thousands of Trinidad and Tobago dollars)  
(Continued)

**2. Significant Accounting Policies (continued)**

**f) Fair Value Measurement (continued)**

*Valuation techniques for specific instruments (continued)*

*Unquoted local bonds (continued)*

Although no changes were made in 2021 and 2022, during 2019, the following improvements to the model were made:

- Application of bootstrapping methodology to construct a zero-coupon yield curve; previously the Group used par yield curves.
- Use of an extrapolation function to estimate the short end of the yield curve.
- Incorporation of industry specific spreads and credit ratings. The Group now uses the Global Industry Classification Standard (GICS) to estimate the spread desirable for each bond.

*Categorisation of short-term investments*

The Group's short-term investments are assumed to be encashable/tradeable at their carrying value and are categorised as Level 1.

*Receivables, payables and short-term liabilities*

The carrying value of receivables and payables of a short-term nature, are assumed to approximate their fair values.

**g) Property, Plant and Equipment**

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other costs for repairs and maintenance are charged to the Consolidated Statement of Profit or Loss during the financial period in which such costs are incurred.

Where the carrying amount of property, plant and equipment is greater than its estimated recoverable amount, the asset is considered impaired and the carrying amount is written down to its recoverable amount.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
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(Continued)

**2. Significant Accounting Policies (continued)**

**g) Property, Plant and Equipment (continued)**

Gains and losses on disposal of property, plant and equipment are determined by comparing the disposal proceeds with the carrying amounts. The resulting gains or losses are recognised in the Consolidated Statement of Profit or Loss.

Freehold land is capitalised and not depreciated. Leasehold land is capitalised and amortised over the term of the lease.

Depreciation on property, plant and equipment, with the exception of motor vehicles, is calculated using the straight-line method to allocate their cost over the estimated useful lives. Depreciation on motor vehicles is calculated on a reducing balance basis.

The estimated useful life of the various categories of the Group's property, plant and equipment are as follows:

<b>Property, Plant and Equipment category</b>	<b>Estimated Useful Life</b>
Buildings	50 years
Office improvements	3 - 15 years
Computer equipment	2 - 8 years
Office equipment	3 - 13 years
Office furniture and fixtures	3 - 10 years
Motor vehicles	4 years

**h) Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

*The Group as lessee*

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities in respect of lease payments and right-of-use assets representing the right to use the underlying assets.

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2. Significant Accounting Policies (continued)

h) Leases (continued)

(a) Right-Of-Use Assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

• Property	3 - 9 years
• Office equipment	3 years
• Motor vehicles	3 years

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

Right-of-use assets are presented as a separate line item in the Consolidated Statement of Financial Position.

(b) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

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**2. Significant Accounting Policies (continued)**

**h) Leases (continued)**

*(b) Lease Liabilities (continued)*

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments), or a change in the assessment of an option to purchase the underlying asset.

The lease liability is presented as a separate line item in the Consolidated Statement of Financial Position.

*The Group as lessor*

The Group enters into lease agreements as a lessor with respect to some of its properties. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. The Group's leases as lessor are all classified as operating leases.

Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the Consolidated Statement of Profit or Loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

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**2. Significant Accounting Policies (continued)**

**i) Intangible Assets**

Acquired computer software and computer software licenses are the only intangible assets recognised by the Group in these financial statements. Computer software and licenses are capitalised on the basis of the costs incurred to acquire and bring the specific software into operation. The costs are recognised as an intangible asset if, and only if, it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

The cost of intangible assets are amortised on a straight-line basis over the estimated useful life of the asset or the life of the license whichever is shorter.

Costs associated with maintaining computer software are expensed when incurred.

**j) Employee Benefits**

**(i) Short-term benefits**

Short-term employee benefits such as salaries and vacation entitlements are recognised in the accounting period during which the short-term benefits are earned.

**(ii) Pension obligation**

Group contributions to retirement benefit plans are recognised as an expense when employees have rendered service entitling them to contributions.

Defined benefits constitute a small portion of the Group's pension plan benefits (Note 11). The Group's defined benefit obligations are calculated by estimating the value of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of the plan assets are deducted. The discount rate approximates either high quality corporate bonds or the long-term bond rate for government bonds with a duration similar to the duration of the defined benefit obligations.

The defined benefit obligation calculations are performed annually by an actuary using the projected unit credit method. Should the calculation result in a surplus, the surplus is not recognised as an asset since the Group is not entitled to reduce its contributions to the plan.

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**2. Significant Accounting Policies (continued)**

**j) Employee Benefits (continued)**

**(iii) Other post-retirement obligations**

The Group provides post-retirement medical and insurance benefits to its retirees, the cost of which is recognised as an expense. Entitlement to these benefits is dependent on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment, using a methodology similar to that used to compute the defined benefit pension obligations. An independent qualified actuary conducts a valuation of these obligations annually.

**k) Provisions**

Provisions are recognised when:

- (i) the Group has a present or constructive obligation as a result of past events;
- (ii) it is probable that an outflow of resources will be required to settle the obligation; and
- (iii) the amount of the obligation can be reliably estimated.

**l) Guarantee Pricing Liability**

In January 1985, the Board of Directors of the Corporation, pursuant to section 13(1)(d) of the Act, formulated a guarantee pricing plan with respect to units issued under the First Unit Scheme - now the Growth and Income Fund (GIF). Under the guarantee pricing plan, each unitholder that holds units in the GIF for at least three (3) years from the date of purchase, may redeem those units at a price no less than the purchase price of the units. Subsequently, the Corporation established the Guarantee Reserve Fund under section 26(1) of the Act to meet claims under the Guarantee Pricing Plan.

There is significant uncertainty with regard to the timing and value of the claims made under the Guarantee Pricing Plan. Factors that appear to influence the timing of guarantees include:

- (i) The prevailing price of the GIF units. Generally, the price of the GIF units and the total guarantee pricing liability are inversely related. Increases in the price of GIF units generally result in a decrease in the total guarantee pricing liability as the number of eligible units tends to contract. Conversely a decrease in the price of the units generally increases the total guarantee pricing liability as more units are eligible; and
- (ii) General public sentiment with regard to the future performance of the local and global economy.

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**2. Significant Accounting Policies (continued)**

**l) Guarantee Pricing Liability (continued)**

The Corporation has historically funded shortfalls in the guarantee reserve fund and is committed to doing so in the future. The guarantee pricing liability recognised as at 31 December 2022 was \$2.6 million (2021: nil).

**m) Revenue recognition**

Interest income is recognised in the Consolidated Statement of Profit or Loss using the EIR method.

The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or liability or, when appropriate, a shorter period, to the gross carrying amount of the financial asset.

Realised and unrealised investment gains and losses are recognised as income in the Consolidated Statement of Profit or Loss.

**n) Taxation**

*Corporation tax*

The Corporation is exempt from corporation tax. However, it is subject to Green Fund Levy. Corporation tax is payable on profits realised by the corporate subsidiaries, based on the laws applicable in their tax jurisdiction.

*Withholding tax*

Withholding tax is payable on dividends and interest earned in foreign jurisdictions based on the jurisdiction's tax laws and double taxation treaties where applicable.

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**2. Significant Accounting Policies (continued)**

**o) Foreign currency translation**

The consolidated financial statements are presented in Trinidad and Tobago dollars (TT\$), which is the functional currency of the Group. Transactions in foreign currencies are initially recorded in the functional currency at the mid-rate of exchange, quoted by the Central Bank of Trinidad and Tobago, ruling at the date prior to the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the mid-rate of exchange at the reporting date. Non-monetary assets and liabilities are translated using exchange rates that existed at the date of the initial transaction. All revenue and expenditure transactions denominated in foreign currencies are translated at mid-exchange rates and the resulting profits and losses on exchange from these trading activities are dealt with in the Consolidated Statement of Profit or Loss.

On consolidation, the assets and liabilities in foreign operations are translated into TT\$ at the mid-rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at an average exchange rate. The exchange differences arising on translation for consolidation are recognised in Other Comprehensive Income.

**p) Equity movements**

*Statutory reserves*

In accordance with section 51(1) of the Securities Act, Chapter 83:02 and Section 27(1)(a)(ii) of the Security Industry By-Laws, Chapter 83:02, a reserve of \$5 million was established to satisfy the capital requirements for registration as a Broker Dealer and \$50,000 for registration as an Investment Adviser.

*Revaluation Reserve*

Exchange differences arising on translation of foreign controlled entities are recognised in Other Comprehensive Income, as described in note 2(o), and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed.

*Pension and other post retirement benefits reserve*

Revaluations related to the pension plan, the group life benefits post retirement plan and the medical benefits post retirement plan.

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**2. Significant Accounting Policies (continued)**

**q) Impairment of non-financial assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in the Consolidated Statement of Profit or Loss.

**r) Separate funds under management**

The assets and liabilities pertaining to funds managed on behalf of third parties by the Group in accordance with specific Investment Management Agreements are not included in the Consolidated Statement of Financial Position of the Corporation. The market value of these portfolios as at 31 December is \$1.1 billion (2021: \$1.2 billion).

**3. Significant accounting judgments, estimates and assumptions in applying accounting policies**

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets and liabilities in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties include:

- Financial instruments risk management (see Note 25)
- Capital management (see Note 26)

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**3. Significant accounting judgments, estimates and assumptions in applying accounting policies**  
(continued)

**a) Judgments**

In the process of applying the Group's accounting policies, management has made the following judgements, which can have a significant effect on the amounts recognised in the consolidated financial statements:

- The Group's decision to consolidate certain entities for which it is the investment manager, trustee and sponsor (see Note 2 (b)); and
- The Group's decisions with respect to the business models of the investment portfolios of the Growth and Income Fund, the TT Dollar Income Fund, the Universal Retirement Fund, the US Dollar Income Fund and the Corporate Fund.
- The Group's decisions with respect to leases (see Note 8)
  - *Determining the lease term of contracts with renewal and termination options – Group as lessee*

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

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**3. Significant accounting judgments, estimates and assumptions in applying accounting policies**  
(continued)

**a) Judgments (continued)**

- The Group's decisions with respect to property, plant and equipment (see Note 7)
  - Management exercises judgement in determining whether costs incurred can accrue sufficient future economic benefits to the Group to enable the value to be treated as a capital expenditure. Further judgement is used upon annual review of the residual values and useful lives of all capital items to determine any necessary adjustments to carrying value.

**b) Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities in the next year are described below:

- the quantum of the liability under the price guarantee offered to unitholders of the Growth and Income Fund at the reporting date (see Note 2 (l));
- When the fair value of financial assets cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques as described in Note 2 (f). Changes in assumptions relating to these factors could affect the reported fair value of financial instruments (see Notes 2 (f), 23 and 24);
- The cost and the present value of the defined benefit plan, the pension obligation, and other post-retirement benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. The key assumptions in the actuarial valuations include: the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and the long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually (See Note 11); and

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**3. Significant accounting judgments, estimates and assumptions in applying accounting policies**  
(continued)

**b) Estimates and assumptions (continued)**

- The Group cannot determine the interest rate implicit in the leases which it holds as lessee nor can it easily arrive at an incremental borrowing rate to measure its lease liabilities. The Group has used the Central Bank prime lending rate as a proxy for its incremental borrowing rate and used that rate to measure its lease liabilities. The Central Bank prime lending rate used is 7.50% (2021: 7.50%) (See Note 8).

**4. Cash at Bank**

	2022	2021
Corporation	\$29,222	\$43,636
Local collective investment schemes	1,280,014	1,563,518
Foreign funds	7,865	9,976
Other group entities	<u>35,966</u>	<u>1,504</u>
	<u>1,853,067</u>	<u>2,118,634</u>

Cash at bank represents the balances of the accounts held in the various financial institutions as at 31 December.

Cash at bank held by the Funds form part of the net assets of the respective Funds. In compliance with legislation, regulatory restrictions and best practice, all assets of each Fund, including cash at bank, are ring-fenced and are not available for use by other entities within the Group. Restricted cash as at 31 December was \$1.29 billion (2021: \$1.58 billion) (see Note 30).

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**5. Deposits with Banks**

	<b>2022</b>	<b>2021</b>
Corporation	488,758	455,747
Local collective investment schemes	1,303,370	1,704,454
Other group entities	–	33,976
	<u>1,792,128</u>	<u>2,194,177</u>

Deposits with bank held by the Funds form part of the net assets of the respective Funds. In compliance with legislation, regulatory restrictions and best practice, all assets of each Fund, including deposits with banks, are ring-fenced and are not available for use by other entities within the Group. Restricted deposits with banks as at 31 December was \$1.31 billion (2021: \$1.70 billion) (see Note 30).

**6. Investment Securities**

Summaries of the investment securities held by the Group are provided by year, investment type and classification below.

	<b>2022</b>	<b>2021</b>
<b>Investment securities designated at fair value through profit and loss</b>		
Bonds	16,300,441	14,791,248
Equity	3,385,540	3,275,696
Treasury bills	–	454,152
Short-term investments	788,730	766,244
Commercial paper	382,906	67,720
Exchange Traded Funds (ETFs)	85,560	1,166,408
Private equity	2,812	3,088
Mutual funds	<u>154,081</u>	<u>121,299</u>
<b>Total investment securities</b>	<u>21,100,070</u>	<u>20,645,855</u>

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7. Property, Plant and Equipment

2022

	Land	Buildings	Computer equipment	Office Improvements	Office Furniture & Motor Vehicles	Total
Opening net book value	12,978	85,441	23,648	15,617	3,210	140,894
Additions	–	–	3,009	2,077	320	5,406
Disposals	–	–	(28)	–	(3)	(31)
Depreciation/ amortisation	<u>(22)</u>	<u>(2,359)</u>	<u>(5,915)</u>	<u>(2,784)</u>	<u>(700)</u>	<u>(11,780)</u>
<b>Closing net book value</b>	<b><u>12,956</u></b>	<b><u>83,082</u></b>	<b><u>20,714</u></b>	<b><u>14,910</u></b>	<b><u>2,827</u></b>	<b><u>134,489</u></b>
<b>As at 31 December 2022</b>						
Cost	13,603	122,104	114,664	58,660	26,219	335,250
Accumulated depreciation/ amortisation	<u>(647)</u>	<u>(39,022)</u>	<u>(93,950)</u>	<u>(43,750)</u>	<u>(23,392)</u>	<u>(200,761)</u>
<b>Net book value</b>	<b><u>12,956</u></b>	<b><u>83,082</u></b>	<b><u>20,714</u></b>	<b><u>14,910</u></b>	<b><u>2,827</u></b>	<b><u>134,489</u></b>

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7. Property, Plant and Equipment (continued)

2021

	Land	Buildings	Computer equipment	Office Improvements	Office Furniture & Motor Vehicles	Total
Opening net book value	13,000	87,800	21,504	16,069	3,875	142,248
Additions	—	—	7,783	2,021	62	9,866
Disposals	—	—	(97)	—	(4)	(101)
Depreciation/ amortisation	(22)	(2,359)	(5,542)	(2,473)	(723)	(11,119)
<b>Closing net book value</b>	<b>12,978</b>	<b>85,441</b>	<b>23,648</b>	<b>15,617</b>	<b>3,210</b>	<b>140,894</b>
<b>As at 31 December 2021</b>						
Cost	13,604	122,104	112,300	56,583	26,207	330,798
Accumulated depreciation/ amortisation	(626)	(36,663)	(88,652)	(40,966)	(22,997)	(189,904)
<b>Net book value</b>	<b>12,978</b>	<b>85,441</b>	<b>23,648</b>	<b>15,617</b>	<b>3,210</b>	<b>140,894</b>

Land includes leasehold land of \$2.2 million (2021: \$2.2 million) and freehold land of \$11.4 million (2021: \$11.4 million). The lease period is 99 years starting in 1993.

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7. **Property, Plant and Equipment** (continued)

**Fair value of land and buildings**

The fair value of land and buildings was estimated at \$162.6 million at 31 December (2021: \$162.6 million), as analysed in the table below.

Amounts are presented in millions of dollars.

	Independent Cost	Independent Valuation	Date of last valuation	Fair Value 31 Dec 2022	Fair Value 31 Dec 2021	Valuation Level
<b>Property</b>						
Leasehold land	2	15	Oct 2021	15	15	Level 2
Freehold land	11	26	Nov 2021	26	26	Level 2
Buildings	<u>122</u>	<u>121</u>	Nov 2021	<u>121</u>	<u>121</u>	Level 2
<b>Total</b>	<u>135</u>	<u>162</u>		<u>162</u>	<u>162</u>	

Management estimated the fair value of Level 2 land and buildings by reference to an independent valuator and its recent experience in the market.

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8. Leases

Group as lessee

Right-of-use assets

	Property	Motor vehicles	Equipment	Total
<b>Cost</b>				
As at 1 January 2022	17,835	968	3,519	22,322
Additions	–	179	–	179
Extensions	17,751	424	–	18,175
Disposals	–	(247)	–	(247)
<b>As at 31 December 2022</b>	<b>35,586</b>	<b>1,324</b>	<b>3,519</b>	<b>40,429</b>
<b>Accumulated Depreciation</b>				
As at 1 January 2022	(12,089)	(805)	(1,510)	(14,404)
Transfers	392	–	(392)	–
Disposals	–	247	–	247
Depreciation	(4,200)	(340)	(876)	(5,416)
<b>As at 31 December 2022</b>	<b>(15,897)</b>	<b>(898)</b>	<b>(2,778)</b>	<b>(19,573)</b>
<b>Carrying Amount</b>				
As at 31 December 2022	19,689	426	741	20,856
<b>Cost</b>				
As at 1 January 2021	19,211	894	4,667	24,772
Additions	–	–	211	211
Extensions	–	74	–	74
Disposals	(1,376)	–	(1,359)	(2,735)
<b>As at 31 December 2021</b>	<b>17,835</b>	<b>968</b>	<b>3,519</b>	<b>22,322</b>
<b>Accumulated Depreciation</b>				
As at 1 January 2021	(8,878)	(469)	(1,475)	(10,822)
Disposals	1,376	–	1,120	2,496
Depreciation	(4,587)	(336)	(1,155)	(6,078)
<b>As at 31 December 2021</b>	<b>(12,089)</b>	<b>(805)</b>	<b>(1,510)</b>	<b>(14,404)</b>
<b>Carrying Amount</b>				
As at 31 December 2021	5,746	163	2,009	7,918

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**8. Leases (continued)**

**Group as lessee (continued)**

**Right-of-use assets (continued)**

The Group leases buildings, motor vehicles and office equipment. The average term is 3 years. The Group's obligations are secured by the lessors' title to the leased assets.

**Lease liabilities**

Approximately 15% of the leases for properties and equipment expired in the current financial year. The expired contracts were replaced by new leases for identical underlying assets. The maturity analysis of lease liabilities is presented in the table below.

	<b>2022</b>	<b>2021</b>
Less than one year	4,772	5,163
Between one and five years	8,139	3,549
More than five years	8,699	344
	<u>21,610</u>	<u>9,056</u>

The amounts recognised in the Consolidated Statement of Profit or Loss in respect of operating leases is provided below.

	<b>2022</b>	<b>2021</b>
Depreciation expense of Right-of-use assets	5,416	6,078
Finance charges on lease liabilities	690	858
Expense related to short-term leases	333	252
	<u>6,439</u>	<u>7,188</u>

At 31 December 2022, the Group had one (1) short-term lease commitment (2021: one (1)). The total cash outflow for leases amounted to \$6.5 million (2021: \$7.5 million)

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**8. Leases (continued)**

**Group as lessor**

Operating leases, in which the Group is lessor, relate to excess office space within buildings owned by the Group and leased for terms of between 1 to 3 years. The lessees do not have an option to purchase at the expiry of the leased periods.

Maturity analysis of operating lease contracts with tenants at 31 December is shown below.

	<b>2022</b>	<b>2021</b>
Year 1	148	1,161
Year 2	<u>—</u>	<u>148</u>
	<u>148</u>	<u>1,309</u>

Rental income reported in the Consolidated Statement of Profit or Loss for 2022 was \$2.84 million (2021: \$3.01 million).

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(Continued)

**9. Intangible assets**

2022	Computer software	Software licenses	Total
Opening net book value	132	18,429	18,561
Additions	–	3,312	3,312
Amortisation	<u>(32)</u>	<u>(4,119)</u>	<u>(4,151)</u>
<b>Closing net book value</b>	<b><u>100</u></b>	<b><u>17,622</u></b>	<b><u>17,722</u></b>
<b>As at 31 December</b>			
Cost	2,726	26,970	29,696
Accumulated amortisation	<u>(2,626)</u>	<u>(9,348)</u>	<u>(11,974)</u>
<b>Net book value</b>	<b><u>100</u></b>	<b><u>17,622</u></b>	<b><u>17,722</u></b>
<b>2021</b>			
Opening net book value	165	22,051	22,216
Amortisation	<u>(33)</u>	<u>(3,622)</u>	<u>(3,655)</u>
<b>Closing net book value</b>	<b><u>132</u></b>	<b><u>18,429</u></b>	<b><u>18,561</u></b>
<b>As at 31 December</b>			
Cost	2,726	23,658	26,384
Accumulated amortisation	<u>(2,594)</u>	<u>(5,229)</u>	<u>(7,823)</u>
<b>Net book value</b>	<b><u>132</u></b>	<b><u>18,429</u></b>	<b><u>18,561</u></b>

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**10. Accounts payable and short-term liabilities**

	2022	2021
Due to brokers	16,550	167,116
Accounts payable and accruals	68,245	52,169
Other liabilities	22,030	23,686
	<u>106,825</u>	<u>242,971</u>

**11. Pension and other post-retirement liabilities**

A summary of the Group's pension and other post-retirement liabilities is summarised below.

	2022	2021
Net defined benefit liability (Note 11 (a))	—	—
Group life liability (Note 11 (b) (i) and (ii))	5,168	2,566
Medical benefit liability (Note 11 (c) (i) and (ii))	31,293	30,066
Consolidated Statement of Financial Position	<u>36,461</u>	<u>32,632</u>

	2022	2021
Net defined benefit liability (Note 11 (a iv))	12,452	11,627
Group life liability (Note 11 (b iii))	2,875	266
Medical benefit liability (Note 11 (c iii))	3,095	1,722
Consolidated Statement of Profit or Loss	<u>18,422</u>	<u>13,615</u>

	2022	2021
Net defined benefit liability (Note 11 (a v))	(407)	13
Group life liability (Note 11 (b iv))	(210)	(191)
Medical benefit liability (Note 11 (c iv))	(1,230)	12,292
Consolidated Statement of Comprehensive Income	<u>(1,847)</u>	<u>12,114</u>

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11. Pension and other post-retirement liabilities (continued)

a) Pension Benefits

i. Net liability in Consolidated Statement of Financial Position

	2022	2021
Present value of defined benefit obligation	269,369	271,985
Fair value of plan assets	<u>(279,955)</u>	<u>(282,881)</u>
Surplus	(10,586)	(10,896)
Effect of asset ceiling	<u>10,586</u>	<u>10,896</u>
Net defined benefit liability/(asset)	<u>—</u>	<u>—</u>

ii. Movement in Consolidated Statement of Financial Position

Opening present value of defined benefit obligation	271,985	244,866
Current service cost	12,452	11,627
Plan participant contributions	4,307	4,163
Interest cost	15,193	12,456
Experience adjustments	(26,432)	10,344
Actuarial gains from changes in financial assumptions	—	(4,292)
Benefits and expenses paid	<u>(8,136)</u>	<u>(7,179)</u>
Closing present value of defined benefit obligation	<u>269,369</u>	<u>271,985</u>

iii. The defined benefit obligation is allocated between Plan members as follows:

	2022	2021
Active members	67%	69%
Deferred members	13%	14%
Pensioners	20%	17%

97% of the benefits for active members are vested.

25% of the total defined benefit obligation is defined benefit in nature, of which 20% is matched by purchased immediate annuity policies. 2% of the liabilities is conditional on active members' future salary increases. The weighted average duration of the defined benefit liability component of the obligation is 12.8 years.

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**11. Pension and other post-retirement liabilities (continued)**

**a) Pension Benefits (continued)**

iv. Changes in the fair value of Plan assets are as follows:

	<b>2022</b>	<b>2021</b>
Opening fair value of plan assets	282,881	250,560
Expected return	15,782	12,741
Actuarial loss	(26,924)	10,956
Employer contributions for current service	12,045	11,640
Plan participant contributions for current service	4,307	4,163
Benefits and expenses paid	<u>(8,136)</u>	<u>(7,179)</u>
Closing fair value of plan assets	<u>279,955</u>	<u>282,881</u>
Actual return on plan assets	<u>(11,142)</u>	<u>23,697</u>

v. Asset allocation

	<b>2022</b>	<b>2021</b>
Collective investment schemes	209,658	218,865
TT\$ National Insurance bonds	3,630	3,597
TT\$ Government bonds	11,200	11,066
Cash and cash equivalents	1,655	2,835
Insured annuities	<u>53,812</u>	<u>46,518</u>
	<u>279,955</u>	<u>282,881</u>

The Plan's assets are invested in a strategy agreed with the Plan's trustee and management committee. This strategy is largely dictated by statutory constraints (at least 80% of the assets must be invested in Trinidad and Tobago and no more than 50% in equities) and the availability of suitable investments.

The line item "collective investment schemes" in the analysis above represents investments in the Group's controlled entities (Universal Retirement Fund and TT\$ Income Fund).

A decision was taken during 2021 for pensions in payment for existing and new retirees to be secured by purchase of immediate annuity policies to reduce the Plan's exposure to defined benefit risks. The Plan retains ownership of the insured liabilities so remains exposed to the financial strength of the insurers issuing the policies.

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11. Pension and other post-retirement liabilities (continued)

a) Pension Benefits (continued)

iv. Expense recognised in the Consolidated Statement of Profit or Loss

	<b>2022</b>	<b>2021</b>
Current service costs	<u>12,452</u>	<u>11,627</u>

v. Re-measurements recognised in the Consolidated Statement of Comprehensive Income

	<b>2022</b>	<b>2021</b>
Actuarial (gains)/losses	492	(4,904)
Effect of asset ceiling	<u>(899)</u>	<u>4,917</u>
	<u>(407)</u>	<u>13</u>

vi. Summary of principal assumptions as at 31 December

	<b>2022</b>	<b>2021</b>
Discount rate	5.50%	5.50%
Average individual salary increases	4.00%	4.00%
Future pension increases	0.00%	0.00%

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11. Pension and other post-retirement liabilities (continued)

b) Group Life Benefits

i. Net liability in consolidated Statement of Financial Position

	2022	2021
Present value of defined benefit obligation	5,168	2,566
Fair value of plan assets	<u>—</u>	<u>—</u>
Net Defined Benefit Liability	<u>5,168</u>	<u>2,566</u>

ii. Movement in Consolidated Statement of Financial Position

Opening present value of defined benefit obligation	2,566	2,555
Current service cost	132	140
Interest cost	140	126
Past service cost	2,603	—
Experience adjustments	(210)	78
Actuarial gains from changes in financial assumptions	—	(269)
Benefits paid	<u>(63)</u>	<u>(64)</u>
Closing present value of defined benefit obligation	<u>5,168</u>	<u>2,566</u>

iii. Expense recognised in the Consolidated Statement of Profit or Loss

	2022	2021
Current service cost	132	140
Net interest cost	140	126
Past service cost	<u>2,603</u>	<u>—</u>
	<u>2,875</u>	<u>266</u>

iv Re-measurements recognised in the Consolidated Statement of Comprehensive Income

	2022	2021
Experience gains	<u>(210)</u>	<u>(191)</u>

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11. Pension and other post-retirement liabilities (continued)

c) Medical Benefits

i. Net Liability in Consolidated Statement of Financial Position

	2022	2021
Present value of defined benefit obligation	31,293	30,066
Fair value of plan assets	<u>—</u>	<u>—</u>
Net Defined Benefit Liability	<u>31,293</u>	<u>30,066</u>

ii. Movement in Consolidated Statement of Financial Position

	2022	2021
Opening present value of obligation	30,066	16,553
Current service cost	1,459	907
Interest cost	1,636	815
Experience adjustments	(1,230)	15,662
Actuarial gains from changes in financial assumptions	—	(3,370)
Benefits paid	<u>(638)</u>	<u>(501)</u>
Closing present value of obligation	<u>31,293</u>	<u>30,066</u>

iii. Expense recognised in the Consolidated Statement of Profit or Loss

	2022	2021
Current service cost	1,459	907
Net interest cost	<u>1,636</u>	<u>815</u>
	<u>3,095</u>	<u>1,722</u>

iv Re-measurements recognised in the Consolidated Statement of Comprehensive Income

	2022	2021
Experience (gains)/losses	<u>(1,230)</u>	<u>12,292</u>

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(Continued)

**11. Pension and other post-retirement liabilities (continued)**

**c) Medical Benefits (continued)**

v. Summary of principal assumptions as at 31 December

	2022	2021
Discount rate	5.50%	5.50%
Average individual salary increases	4.00%	4.00%

**12. Price guarantee provision**

	2022	2021
Opening balance	–	3,006
Guarantee reserve payments	(36)	(29)
Price guarantee charge/(credit)	2,653	(2,977)
	<u>2,617</u>	<u>–</u>

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**13. Net assets attributable to unitholders**

This represents the amounts payable on demand to unitholders in the Growth and Income Fund, the TT Dollar Income Fund, the Universal Retirement Fund, the US Dollar Income Fund, the Corporate Fund and to participating shareholders of UTC (Cayman) SPC Ltd. The units/shares issued by each of the aforementioned Funds may be redeemed at any time. Each Fund is responsible for redemption of its units/shares out of its assets.

An analysis by Fund of the net assets attributable to unitholders is provided below.

	2022	2021
Initial Capital - Growth and Income Fund	4,766	4,766
Unit Capital - Growth and Income Fund	5,185,895	5,870,418
Unit Capital - TT Dollar Income Fund	12,125,891	12,290,724
Unit Capital - Universal Retirement Fund	403,181	443,535
Unit Capital - US Dollar Income Fund	4,968,959	4,415,922
Unit Capital - Corporate Fund (See Note 28.)	571,496	531,789
Participating Shares - UTC (Cayman) SPC Ltd.	6,356	8,616
	<u>23,266,544</u>	<u>23,565,770</u>
<b>Balance as at 1 January</b>	23,565,770	22,133,444
UCF balance as at 1 January due to first time consolidation	–	309,232
Subscriptions from unitholders	3,401,864	2,492,308
Redemptions by unitholders	(2,791,680)	(2,115,570)
Net income attributable to unitholders	(905,215)	737,673
Other movements	(4,195)	8,683
<b>Balance as at 31 December</b>	<u>23,266,544</u>	<u>23,565,770</u>

The line item "other movements" in the analysis above represents mainly foreign currency translation of the US\$ denominated funds.

Initial capital in the analysis above, represents the capital subscribed by the initial contributors in accordance with Section 17 of the Act. The subscriptions were invested in the Growth and Income Fund. Initial capital as at 31 December 2022 was \$4.8 million (2021: \$4.8 million).

Unit capital in the analysis above, represents the net asset value of the five (5) investment funds domiciled in Trinidad and Tobago at the reporting date. In respect of the Growth and Income Fund, this excludes the acquisition cost of the units issued in respect of initial capital.

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**13. Net assets attributable to unitholders (continued)**

Participating shares represent the participating shares of three (3) segregated portfolios of UTC (Cayman) SPC Ltd. not held by the Corporation or other Group entities.

Financial information is provided for the local collective investment schemes above in Note 32 and 33 (i) to (v). Financial information for UTC (Cayman) SPC Ltd. is provided in Note 33 (vi).

**14. Investment income**

The Group's investment income is analysed by major entity and type of income below:

<b>Entity</b>	<b>2022</b>	<b>2021</b>
Growth & Income Fund	171,388	158,361
TT Dollar Income Fund	405,935	337,381
Universal Retirement Fund	11,319	9,851
US Dollar Income Fund	134,783	113,728
Corporate Fund	14,899	9,441
UTC (Cayman) SPC Ltd.	200	400
Local subsidiaries	352	390
Corporation	37,594	29,797
	<u>776,470</u>	<u>659,349</u>
<b>Type of income</b>	<b>2022</b>	<b>2021</b>
Interest income	654,980	543,165
Dividend income	119,282	111,939
Other income	2,208	4,245
	<u>776,470</u>	<u>659,349</u>

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**15. Net change in fair value on investment securities**

The Group's net change in fair value on investment securities is analysed by major entity below:

Entity	2022	2021
Growth & Income Fund	(600,972)	656,300
TT Dollar Income Fund	(145,111)	24,009
Universal Retirement Fund	(50,375)	50,425
US Dollar Income Fund	(243,438)	(70,736)
Corporate Fund	1,398	2,346
UTC (Cayman) SPC Ltd.	(2,275)	3,070
Corporation	8,057	5,596
	<u>(1,032,717)</u>	<u>671,010</u>

The fair value on investment securities is determined in accordance with the significant accounting policies note 2(f).

**16. Fee income**

	2022	2021
Management charge - third parties	2,770	3,596
Trustee fees	–	20
Paying agent fees	2	14
	<u>2,772</u>	<u>3,630</u>

**17. Other income**

	2022	2021
Foreign exchange (loss)/gain	(2,391)	4,321
Rental income	2,842	3,007
Other management charge	3,064	2,449
Other income	419	363
	<u>3,934</u>	<u>10,140</u>

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**18. Administrative expenses**

	<b>2022</b>	<b>2021</b>
Audit fees	656	800
Directors' fees	2,602	3,016
General administration	147,811	130,671
Staff costs (see note 19)	<u>164,294</u>	<u>152,655</u>
	<u>315,363</u>	<u>287,142</u>

**19. Staff costs**

	<b>2022</b>	<b>2021</b>
Salaries and wages	111,194	102,041
Other staff costs	28,239	30,704
Pension costs (see note 11)	18,422	13,615
National insurance	<u>6,439</u>	<u>6,295</u>
	<u>164,294</u>	<u>152,655</u>
Number of employees	<u>519</u>	<u>525</u>

**20. Distributions to unitholders**

	<b>2022</b>	<b>2021</b>
Growth & Income Fund	55,497	33,619
TT Dollar Income Fund	142,174	140,231
US Dollar Income Fund	47,114	38,301
Corporate Fund	<u>11,498</u>	<u>8,404</u>
	<u>256,283</u>	<u>220,555</u>

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**20. Distributions to unitholders (continued)**

**a) Growth & Income Fund**

The Growth & Income Fund paid \$55.5 million to its unitholders in respect of its June 2022 and December 2022 distributions (2021: \$33.6 million). Included in the \$55.5 million was distributions paid to initial capital contributors of \$0.2 million (2021: \$0.3 million)

**b) TT Dollar Income Fund**

The TT Dollar Income Fund makes quarterly distributions at the end of February, May, August and November. Income accrued as at 31 December for distributions in the quarter ending 28 February 2023 amounted to \$11.6 million (2021: \$11.4 million).

**c) US Dollar Income Fund**

Distributions in the US Dollar Income Fund are paid by calendar quarters.

**d) Corporate Fund**

Distributions in the Corporate Fund are paid by calendar quarters. (See Note 31.)

**21. Taxation**

The Group's local subsidiaries are subject to Trinidad and Tobago corporation tax while its foreign subsidiaries are subject to taxation in their country of domicile.

	<b>2022</b>	<b>2021</b>
Net income before taxation	58,466	76,315
less: income taxed at 0%	<u>(58,158)</u>	<u>(76,066)</u>
Net income subject to tax	<u>308</u>	<u>249</u>
Corporation tax charge/(refund) for foreign subsidiaries	4	112
Withholding tax on interest and dividends received	5,326	2,854
Green fund levy	<u>906</u>	<u>1,114</u>
	<u>6,236</u>	<u>4,080</u>

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**22. Related party transactions and balances**

Related parties consist of either individuals or entities. An individual is related to the Group when that individual or a close member of that individual's family either:

- i. has significant influence over the Corporation or one of its subsidiaries; or
- ii. is a director or key member of the management of the Corporation or one of its subsidiaries.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group.

An entity is related to the Group if the entity is:

- i. a subsidiary of the Corporation;
- ii. an associate of the Corporation;
- iii. has significant influence over the Corporation or one of its subsidiaries; or
- iv. a post-employment benefit plan of either the Corporation or one of its related entities.

Related party transactions and balances, not disclosed elsewhere in these Financial Statements, are disclosed below.

	2022	2021
<b>Assets</b>		
<b>Investment securities</b>	<u>154,075</u>	<u>121,293</u>
<b>Loans</b>		
Key management	<u>—</u>	<u>11</u>
<b>Represented by:</b>		
Balance at the beginning of the year	11	52
Loan repayments	<u>(11)</u>	<u>(41)</u>
Balance at the end of the year	<u>—</u>	<u>11</u>
<b>Liabilities</b>		
<b>Net assets attributable to unitholders</b>		
Key management	4,445	4,242
Directors	<u>3,390</u>	<u>3,724</u>
Balance at the end of the year	<u>7,835</u>	<u>7,966</u>

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**22. Related party transactions and balances (continued)**

	<b>2022</b>	<b>2021</b>
<b>Income</b>		
Dividend income	5,484	5,015
Net change in fair value on investment securities	<u>32,782</u>	<u>19,232</u>
Balance at the end of the year	<u>38,266</u>	<u>24,247</u>
<b>Expenses</b>		
<b>Management charge</b>	<u>3,064</u>	<u>2,449</u>
<b>Distributions to unitholders</b>		
Key management	40	35
Directors	<u>33</u>	<u>25</u>
Balance at the end of the year	<u>73</u>	<u>60</u>
<b>Key management compensation</b>		
	<b>2022</b>	<b>2021</b>
Short-term benefits	20,867	19,246
Post employment benefits	<u>4,004</u>	<u>7,035</u>
	<u>24,871</u>	<u>26,281</u>
<b>Other related party transactions - directors remuneration</b>		
	<b>2022</b>	<b>2021</b>
Directors' fees (see Note 18)	<u>2,602</u>	<u>3,016</u>

All transactions with related parties were undertaken on commercial terms and at market rates. No expense was recognised in the current or prior year for bad or doubtful debts for amounts owed by any related party.

There were no balances outstanding for related parties except for the loans to key management noted above.

There were no commitments to related parties during the year and no commitments outstanding at the year end.

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**23. Segment information**

For management purposes the Group is organised into two (2) operating segments based on the following sub-portfolios of the Funds. Each sub-portfolio is managed separately because they entail different investment objectives and strategies and contain investments in different products.

i. Equity portfolio

Consists of a diversified portfolio of equity securities issued on authorised stock exchanges and foreign/local unlisted companies to achieve capital appreciation and dividend income.

ii. Fixed Income portfolio

Assets from domestic and foreign fixed income security markets to achieve the highest possible risk-adjusted yield.

The board of directors reviews the internal management reports of each sub-portfolio at least quarterly.

Information regarding the results of each reportable segment is included below.

Segment information is measured on the same basis as that used in the preparation of the Group's financial statements.

All segment revenues are from external sources. There were no inter-segment transactions between the reportable segments during the year.

No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Group's total revenue in 2022 or 2021.

Unallocated amounts are revenue or costs not directly associated with the equity and fixed income portfolios, the treasury portfolio of the Corporation which is not a reportable segment and the Group's consolidation eliminations.

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23. Segment information (continued)

The following table presents income and profit and certain asset and liability information regarding the Group's operating segments.

	Equity Portfolio	Fixed Income Portfolio	Unallocated	Total
<b>2022</b>				
Total operating income	(299,377)	57,044	2,928	(239,405)
Commissions	—	—	(11,007)	(11,007)
Administrative	—	—	(315,363)	(315,363)
Depreciation and amortisation	—	—	(21,348)	(21,348)
Price guarantee charge	—	—	(2,653)	(2,653)
Distributions to unitholders	—	—	(256,283)	(256,283)
Net income attributable to unitholders	302,554	(56,727)	659,388	905,215
Finance charges	—	—	(690)	(690)
Profit before taxation	3,177	317	54,971	58,466
Taxation	(2,899)	(2,431)	(905)	(6,236)
Profit after taxation	277	(2,115)	54,066	52,230
Total assets	1,508,091	20,404,286	3,232,903	25,145,281
Total liabilities	1,486,817	20,403,976	1,608,298	23,499,091
Purchase of fixed assets	—	—	5,406	5,406

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23. Segment information (continued)

	Equity Portfolio	Fixed Income Portfolio	Unallocated	Total
<b>2021</b>				
Total operating income	575,254	697,505	80,760	1,353,519
Commissions	–	–	(13,101)	(13,101)
Administrative	–	–	(287,142)	(287,142)
Depreciation and amortisation	–	–	(20,852)	(20,852)
Price guarantee credit	–	–	2,977	2,977
Distributions to unitholders	–	–	(220,555)	(220,555)
Net income attributable to unitholders	(570,052)	(697,105)	529,484	(737,673)
Finance charges	–	–	(858)	(858)
Profit before taxation	5,202	400	70,713	76,315
Taxation	(4,518)	1,233	(794)	(4,080)
Profit after taxation	684	1,632	69,918	72,235
Total assets	4,260,890	18,065,939	3,158,381	25,485,210
Total liabilities	4,243,796	18,065,545	1,583,034	23,892,375
Purchase of fixed assets	–	–	9,866	9,866

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**24. Fair value of financial instruments**

**(i) Determination of fair value and fair value hierarchies**

The Group uses a valuation hierarchy to rank the fair value of its investments (see Note 2 (f)).

2022	Level 1	Level 2	Level 3	Total
<b>Investment securities designated at FVPL</b>				
Bonds	6,276,125	9,971,952	52,364	16,300,441
Equity	3,141,678	–	243,862	3,385,540
Treasury bills	–	–	–	–
Short-term investments	788,730	–	–	788,730
Commercial paper	–	382,906	–	382,906
Exchange Traded Funds (ETFs)	85,560	–	–	85,560
Private equity	–	–	2,812	2,812
Mutual funds	154,081	–	–	154,081
	<u>10,446,174</u>	<u>10,354,858</u>	<u>299,038</u>	<u>21,100,070</u>

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24. Fair value of financial instruments (continued)

(i) Determination of fair value and fair value hierarchies (continued)

2021	Level 1	Level 2	Level 3	Total
<b>Investment securities designated at FVPL</b>				
Bonds	797,226	–	13,994,022	14,791,248
Equity	2,990,834	–	284,862	3,275,696
Treasury bills	454,152	–	–	454,152
Short-term investments	766,244	–	–	766,244
Commercial paper	67,720	–	–	67,720
Exchange Traded Funds (ETFs)	1,166,408	–	–	1,166,408
Private equity	–	–	3,088	3,088
Mutual funds	121,299	–	–	121,299
	<u>6,363,883</u>	<u>–</u>	<u>14,281,972</u>	<u>20,645,855</u>

At each reporting date the Group assesses the fair value hierarchy of its financial instruments. A transfer between levels will occur when a financial instrument no longer meets the criteria in which the financial instrument is classified.

During the current year, there was sufficient information available to measure the fair values of securities determined as Level 3 in 2021. The table below shows the transfers between levels for the year ended 31 December 2022.

	<b>Total</b>
Transferred from Level 3 to Level 2	7,381,304
Transferred from Level 3 to Level 1	4,111,618
Transferred from Level 1 to Level 2	272,083
No transfers between levels	4,292,128
Purchases during the year	<u>5,042,937</u>
	<u>21,100,070</u>

There were no transfers between levels for the year ended 31 December 2021.

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24. Fair value of financial instruments (continued)

(ii) Valuation techniques used to derive Level 3 fair values

The valuation techniques used by the Group to arrive at the fair value of Level 3 investment securities are set out in Note 2 (f). The tables below summarise the valuation techniques used in estimating the fair value of level 3 investment securities, the significant unobservable inputs, the relationship of the unobservable inputs to fair value and the impact that an increase or decrease in the unobservable inputs would have had on the valuation results.

Values in the following tables are expressed in millions of dollars.

2022

Investment securities designated at FVPL	Level 3 fair value	Valuation technique	Significant unobservable inputs	Possible shift in inputs	Changes in valuation
Bonds	52	Valuation model, indicative quotations	Interest rates, spreads	1%	1
Equity	244	Professional/management valuations	Not applicable	Not applicable	Not applicable
Private equity	<u>3</u>	General partner's valuation	Not applicable	Not applicable	Not applicable
	<u>299</u>				<u>1</u>

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24. Fair value of financial instruments (continued)

(ii) Valuation techniques used to derive Level 3 fair values (continued)

2021

Investment securities designated at FVPL	Level 3 fair value	Valuation technique	Significant unobservable inputs	Possible shift in inputs	Changes in valuation
Bonds	13,994	Valuation model, indicative quotations	Interest rates, spreads	1%	140
Equity	285	Professional/management valuations	Not applicable	Not applicable	Not applicable
Private equity	3	General partner's valuation	Not applicable	Not applicable	Not applicable
	<u>14,282</u>				<u>140</u>

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24. Fair value of financial instruments (continued)

(iii) Movements in Level 3 financial instruments

The following table shows a reconciliation from the opening balances to the closing balances for fair value measurements in Level 3 of the fair value hierarchy.

Values in the following tables are expressed in millions of dollars.

2022

	Bonds	Equity	Private Equity	Total
Carrying value as at 1 January 2022	13,994	285	3	14,282
Purchases/ capitalised interest	1,156	—	1	1,157
Sales/ repayments/ maturities	(3,188)	—	(1)	(3,189)
Net losses recognised in P&L	(458)	—	—	(458)
Transfers into Level 3	—	—	—	—
Transfers out of Level 3	(11,452)	(41)	—	(11,493)
Carrying value as at 31 December 2022	52	244	3	299

2021

	Bonds	Equity	Private Equity	Total
Carrying value as at 1 January 2021	12,351	250	4	12,605
Purchases/ capitalised interest	7,460	—	1	7,461
Sales/ repayments/ maturities	(5,719)	—	—	(5,719)
Net (losses)/gains recognised in P&L	(98)	35	(2)	(65)
Transfers into Level 3	—	—	—	—
Transfers out of Level 3	—	—	—	—
Carrying value as at 31 December 2021	13,994	285	3	14,282

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**25. Risk management**

The financial assets and liabilities of the Group are summarised below.

	2022	2021
<b>Financial assets</b>		
Cash at bank (see Note 4)	1,853,067	2,118,634
Deposits with banks (see Note 5)	1,792,128	2,194,177
Receivables	199,844	341,361
Other assets	7,693	7,659
Investment securities (see Note 6)	<u>21,100,070</u>	<u>20,645,855</u>
	<u>24,952,802</u>	<u>25,307,686</u>
<b>Financial liabilities</b>		
Accounts payable	106,825	242,971
Lease liabilities	21,610	9,056
Distribution payable	64,436	40,368
Net assets attributable to unitholders	23,266,544	23,565,770
Other liabilities	<u>598</u>	<u>1,578</u>
	<u>23,460,013</u>	<u>23,859,743</u>

**Risk management framework**

The collective investment schemes managed by the Corporation and the Corporation's investment activities expose the Group to a variety of financial risks. The Board of Directors has established policies, procedures, an Audit Committee and a Strategic Risk and Compliance Committee (SRCC) to minimise the potential loss that may arise from such financial risks.

The SRCC has oversight of risk management and compliance and is responsible for establishing and implementing the Corporation's enterprise risk management framework and appropriate risk policies and mitigation plans.

During 2022, the SRCC met at least once per quarter to:

- i. monitor compliance with the risk management policies and procedures established by the Board;
- ii. ensure that the overall risk profile and policy environment of the Group was appropriate and consistent with the Group's strategic objectives; and

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**25. Risk management (continued)**

**Risk management framework (continued)**

- iii. consider reports and recommendations submitted by the Risk Management and Internal Audit departments.

The Audit Committee is responsible for discharging independent oversight of the Corporation's financial reports and the Corporation's compliance with statutory and regulatory requirements. The Audit Committee is also responsible for ensuring that Management has:

- i. maintained the reliability and integrity of the accounting policies and financial reporting and disclosure practices
- ii. established and maintained processes to assure that an adequate system of internal control is functioning within the Corporation.

**Risk exposures**

The primary risks to which the Group is exposed are:

- i. market risk, which comprises:
  - equity, exchange traded funds (ETF), and traded bonds price risk
  - interest rate risk
  - currency risk
- ii. credit risk
- iii. liquidity risk; and
- iv. operational risk

At an operational level, and in line with the Corporation's Governance Framework, these risk exposures are managed on an ongoing basis to ensure that they remain in compliance with approved risk tolerances and that adequate corrective actions are implemented when necessary.

**Market risk**

Market risk is the risk that changes in market prices e.g. equity and ETF price risk, bond price risk, foreign exchange rates, and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising returns.

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25. Risk management (continued)

**Equity and ETF price risk**

Equity and ETF price risk is the risk that the fair value of the equities/ETFs decreases as a result of changes in the market price for these securities.

Two (2) Funds within the Group have significant holdings of equities and ETFs, all of which are traded on either the local or North American stock exchanges. Negative equity price movements in the local and foreign markets can subject the portfolios to decreases in their Net Asset Values. This risk is managed by:

- i. careful asset allocation and security selection;
- ii. daily monitoring of security prices; and
- iii. monitoring and measurement of each portfolio's price risk exposure

Equity price risk exposure is monitored and measured with reference to the beta of equity instruments. Beta is a measure of the stock's price sensitivity to the stock market e.g. stocks that have a beta of 1 would change by approximately 1% for every 1% move in the overall stock market.

A stock with a beta less than 0.9 is considered to have a low equity price risk relative to the overall market. A stock with a beta above 1.1 is considered to have a high equity price risk vis-à-vis the market. A stock with a beta between 0.9 and 1.1 is regarded as having equity price risk comparable to the market.

The Group's equity and ETF holdings are categorised below, both in dollars and as a percentage of total equity holdings, into three (3) categories to reflect the Group's exposure to movements in equity prices.

	<b>Lower than market</b>	<b>Comparable to market</b>	<b>Higher than market</b>
As at December 2022	1,712,568 47.2%	1,328,532 36.6%	584,081 16.1%
As at December 2021	2,145,062 47.0%	1,312,494 28.8%	1,105,841 24.2%

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25. Risk management (continued)

Equity and ETF price risk (continued)

The following table presents the approximate sensitivity of the net asset value of the Group to a 5% change in the TTSE composite index and the S&P 500 index respectively as at 31 December with all other variables held constant.

Values in the following table are expressed in millions of dollars.

Market indices	Change in equity price %	Effect on net asset value	
		2022 +/-	2021 +/-
TTSE	+/- 5	104	128
S&P 500	+/- 5	33	71

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group holds a significant portion of fixed rate debt securities, which exposes it to fair value interest rate risk and to cash flow interest rate risk. The exposure arises primarily on the debt securities held by its two (2) Income Funds - TT\$ Income Fund and the US\$ Income Fund. The debt securities held by the other entities within the Group also expose it to interest rate risk.

The Group manages its overall interest rate risk through judicious adjustments of the overall weighted average term to maturity (duration) of its portfolios.

The Group's exposure to interest rate risk as at 31 December is summarised below. The Group's assets and liabilities are included at their carrying amount and categorised by the earlier of contractual re-pricing or maturity dates.

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25. Risk management (continued)

Interest rate risk (continued)

2022	Less than one year	One to five years	Over five years	Total
<b>Assets</b>				
Cash at bank	1,853,067	–	–	1,853,067
Deposits with banks	1,792,128	–	–	1,792,128
Bonds	3,984,139	7,734,753	4,581,551	16,300,443
Short-term investments	788,730	–	–	788,730
Commercial paper	382,907	–	–	382,907
<b>Liabilities</b>				
Lease liability (see Note 7)	(4,772)	(8,139)	(8,699)	(21,610)
	<u>8,796,199</u>	<u>7,726,614</u>	<u>4,572,852</u>	<u>21,095,665</u>
2021	Less than one year	One to five years	Over five years	Total
<b>Assets</b>				
Cash at bank	2,118,634	–	–	2,118,634
Deposits with banks	2,194,177	–	–	2,194,177
Bonds	1,466,447	13,324,801	–	14,791,248
Treasury bills	454,152	–	–	454,152
Short-term investments	1,255,781	–	–	1,255,781
Commercial paper	67,722	–	–	67,722
<b>Liabilities</b>				
Lease liability (see Note 7)	(5,163)	(3,549)	(344)	(9,056)
	<u>7,551,750</u>	<u>13,321,252</u>	<u>(344)</u>	<u>20,872,658</u>

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**25. Risk management (continued)**

**Interest rate risk (continued)**

The following tables demonstrate the sensitivity of the Group's profit or loss for the year to a reasonable possible change in interest rates, with all other variables held constant. The sensitivity of the profit or loss for the year is the effect of the assumed change in interest rates on:

- i. The interest income for one year, based on the floating rate assets held at the end of the reporting period; and
- ii. Changes in the fair value for the year, based on revaluing fixed rate financial assets at the end of the reporting period.

	Change in basis points	Sensitivity of interest income	Sensitivity of changes in fair value of investments
<b>2022</b>			
US interest rates	100	–	62,289
LIBOR	100	20	–
T&T interest rates	100	–	82,720
		Sensitivity of interest income	Sensitivity of changes in fair value of investments
<b>2021</b>			
US interest rates	100	18	56,724
LIBOR	100	212	–
T&T interest rates	100	113	72,377

**Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The TT\$ denominated portfolios contain investments denominated in US\$, these portfolios can be negatively impacted by movements in the US\$/TT\$ exchange rate.

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25. Risk management (continued)

Currency risk (continued)

The foreign currency assets and liabilities of the Group as at 31 December are summarised below.

	2022		2021	
	US\$ (presented in TT\$)	Other foreign currencies	US\$ (presented in TT\$)	Other foreign currencies
Cash at bank	1,092,424	—	556,044	—
Deposits with banks	255,398	—	432,663	—
Bonds	6,566,928	—	6,272,403	—
Short-term investments	676,230	—	677,245	—
Commercial paper	382,907	—	67,722	—
Equity, ETFs, Private equity	971,412	59,605	1,913,536	72,521
<b>Total financial assets</b>	<b>9,945,299</b>	<b>59,605</b>	<b>9,919,613</b>	<b>72,521</b>
Net assets attributable to Unitholders (see Note 13)	(4,975,315)	—	(4,424,538)	—
<b>Total financial liabilities</b>	<b>(4,975,315)</b>	<b>—</b>	<b>(4,424,538)</b>	<b>—</b>
<b>Net currency risk exposure</b>	<b>4,969,984</b>	<b>59,605</b>	<b>5,495,075</b>	<b>72,521</b>
Reasonably possible change in currency rate	1%	1%	1%	1%
<b>Approximate change in US\$ holdings</b>	<b>49,700</b>	<b>596</b>	<b>54,951</b>	<b>725</b>

Concentration of foreign currency exposure

At the reporting date, the net open positions in foreign currencies expressed as a percentage of the Group's assets were as follows:

	2022	2021
% of total financial assets	20%	22%

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**25. Risk management (continued)**

**Credit risk (continued)**

Credit risk is the risk that the counterparty to a financial instrument will default on its financial obligations, that is, it fails to make full and timely payments of scheduled interest and/or principal sums due.

The Group is exposed to credit risk primarily on debt securities, short-term investments and bank balances. The carrying value of these assets represents the Group's maximum exposure to credit risk on the respective reporting dates. Hence no separate maximum exposure to credit risk disclosure is provided for these instruments.

Credit risk is managed by:

- i. subjecting counterparties to robust credit risk assessments prior to initial acquisition;
- ii. limiting the acquisition or retention of debt instruments to certain credit ratings;
- iii. regular review, measurement and monitoring of counterparties' credit ratings; and
- iv. placing limits on the amount of risk accepted in relation to a single counterparty or group of related counterparties and to geographical segments.

The credit quality of the Group's debt securities, short-term investments and bank balances is analysed in the following table into high, moderate and low using ratings primarily from recognised international rating agencies and local rating agencies for either the instrument, the issuer, the sponsor in the case of Bond ETFs, or the sovereign in the case of state-owned entities. In those few instances where instruments were rated internally, the ratings were mapped to the international credit quality grades used by Standard and Poor's.

The security ratings by S&P and their corresponding impact on the credit quality on the investment securities are:

- ratings with AAA to BBB- are considered high credit quality instruments
- ratings with BB+ to B- are considered medium credit quality instruments
- ratings with CCC+ and below are considered low credit quality instruments

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**25. Risk management (continued)**

**Credit risk (continued)**

An analysis of security ratings is presented in the table below.

Values are expressed in millions of dollars.

	<b>High</b>	<b>Medium</b>	<b>Low</b>	<b>Total</b>
<b>2022</b>				
Cash at bank	1,853	–	–	1,853
Deposits with banks	1,792	–	–	1,792
Bonds	14,320	1,684	297	16,301
Treasury bills	–	–	–	–
Short-term investments	789	–	–	789
Commercial paper	383	–	–	383
<b>Total financial assets</b>	<b>19,137</b>	<b>1,684</b>	<b>297</b>	<b>21,118</b>
<b>2021</b>				
Cash at bank	2,119	–	–	2,119
Deposits with banks	2,194	–	–	2,194
Bonds	12,976	1,780	36	14,792
Treasury bills	454	–	–	454
Short-term investments	766	–	–	766
Commercial paper	68	–	–	68
<b>Total financial assets</b>	<b>18,577</b>	<b>1,780</b>	<b>36</b>	<b>20,393</b>

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**25. Risk management (continued)**

**Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset as they become due.

The units of the local collective investment schemes (see Note 33) and the participating shares of the segregated portfolios of UTC (Cayman) SPC Ltd. are redeemable on demand. This risk is mitigated by ensuring that the Corporation holds adequate cash and liquidity to fund commitments, and that each portfolio hold adequate cash, cash equivalents and short-term investments to fund redemptions. In addition, substantial portions of the investments held by the portfolios are tradeable.

*Analysis of financial liabilities by remaining contractual maturities*

The tables below summarise the maturity profile of the Group's financial liabilities as at 31 December 2022 and 2021, based on contractual repayment obligations, over the remaining life of those liabilities.

	<b>Less than one year</b>	<b>Greater than one year</b>	<b>Total</b>
<b>2022</b>			
Accounts payable	106,825	–	106,825
Lease liabilities	4,772	16,838	21,610
Distribution payable	64,436	–	64,436
Net assets attributable to unitholders	23,266,544	–	23,266,544
Other liabilities	598	–	598
	<u>23,443,175</u>	<u>16,838</u>	<u>23,460,013</u>

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25. Risk management (continued)

Liquidity risk (continued)

*Analysis of financial liabilities by remaining contractual maturities (continued)*

	Less than one year	Greater than one year	Total
<b>2021</b>			
Accounts payable	242,971	–	242,971
Lease liabilities	5,163	3,893	9,056
Distribution payable	40,368	–	40,368
Net assets attributable to unitholders	23,565,770	–	23,565,770
Other liabilities	<u>1,578</u>	<u>–</u>	<u>1,578</u>
	<u>23,855,850</u>	<u>3,893</u>	<u>23,859,743</u>

**Operational risk**

Operational risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk is inherent within all business activities and has the potential for financial or reputational loss, this includes errors, omissions, disasters and fraud.

Operational risk is managed through a combination of systems and procedures to monitor and document transactions, and where appropriate, the risk is transferred by the placement of adequate insurance coverage.

The Group has developed business contingency arrangements and support of operations in the event of disasters.

Managing information security threats across the Group remains a priority and the Corporation is responsible for overseeing information security risks and maintaining its risk appetite. Mechanisms are in place to prevent, detect and respond against cyber threats and where appropriate, risk is transferred by the placement of adequate insurance coverage.

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**26. Capital management**

The Group's capital consists of reserves and retained earnings. The Group's objectives when managing capital are:

- i. to comply with the capital requirements stipulated by the regulators of the markets where the Group operates;
- ii. to safeguard the Group's ability to continue as a going concern; and
- iii. to provide attractive risk adjusted returns.

**27. Commitments**

As at 31 December, the Group had contractual obligations for capital contributions in the amounts of approximately \$19.7 million (2021: \$37 million) which relates to infrastructure projects and other investments.

**28. Contingent liabilities**

As at 31 December 2022, there were four (4) matters before the courts. The contingent liability in relation to the four (4) matters is estimated at \$6.0 million (2021: \$3.3 million).

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29. Interest in corporate entities

(i) Local corporate entities

The Corporation has three (3) wholly-owned local subsidiary companies incorporated under the Companies Act 81:01 of the Laws of the Republic of Trinidad and Tobago, namely:

<b>Company</b>	<b>Principal place of business</b>	<b>Date of incorporation</b>	<b>Interest</b>
Unit Trust Corporation Financial and Investment Advisory Services Limited (formerly UTC Financial Services Limited)	82 Independence Square, Port of Spain, Trinidad	23 March 1999	100%

<b>Company</b>	<b>Principal place of business</b>	<b>Date of incorporation</b>	<b>Interest</b>
UTC Trust Services Limited	82 Independence Square, Port of Spain, Trinidad	2 June 1999	100%

<b>Company</b>	<b>Principal place of business</b>	<b>Date of incorporation</b>	<b>Interest</b>
Unit Trust Corporation Brokerage and Advisory Services Corporation Limited	82 Independence Square, Port of Spain, Trinidad	14 January 2021	100%

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**29. Interest in corporate entities (continued)**

**(i) Local corporate entities (continued)**

All directors of the foregoing three (3) companies are directors of the Corporation. Unit Trust Corporation Financial and Investment Advisory Services Limited carries on the business of a registrar and paying agent, while UTC Trust Services Limited is the registered trustee for certain bonds. Unit Trust Corporation Brokerage and Advisory Services Corporation Limited carries on the business of stockbrokering.

The assets, liabilities and results of these subsidiaries have been fully incorporated in these financial statements.

Unit Trust Corporation Brokerage and Advisory Services Corporation Limited had no activities for the period.

The auditor for Unit Trust Corporation Financial and Investment Advisory Services Limited and UTC Trust Services Limited is the Auditor General's Department of the Republic of Trinidad and Tobago.

**(ii) Foreign corporate entities**

The Corporation has three (3) foreign subsidiaries which are consolidated. These are:

<b>Company</b>	<b>Interest</b>	<b>Country of incorporation</b>	<b>Date of incorporation</b>
UTC Fund Services, Inc.	100%	Delaware, USA	8 December 1997
UTC Financial Services USA, Inc	100%	Rhode Island, USA	8 June 1999
UTC (Cayman) SPC Ltd.	69%	Cayman Islands	4 September 2015

UTC Fund Services Inc. and UTC Financial Services USA, Inc. have been dormant since closure of the North American Fund in 2018.

UTC (Cayman) SPC Ltd. is incorporated in the Cayman Islands as an exempted segregated portfolio company with limited liability. It operates three (3) open-ended mutual funds namely:

- i. UTC Global Investor Select ETF Fund Segregated Portfolio - Conservative
- ii. UTC Global Investor Select ETF Fund Segregated Portfolio - Moderate
- iii. UTC Global Investor Select ETF Fund Segregated Portfolio - Aggressive

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29. Interest in corporate entities (continued)

(ii) Foreign corporate entities (continued)

*Auditors foreign subsidiaries*

UTC Fund Services Inc. does not require auditors for any statutory or regulatory purpose. The auditors for the UTC Financial Services USA, Inc. and UTC (Cayman) SPC Ltd. are as follows:

Company	Auditors
UTC Financial Services USA, Inc	Accell Audit & Compliance, PA, Tampa, Florida
UTC (Cayman) SPC Ltd.	Pricewaterhouse Coopers, Cayman Islands

(iii) Regional corporate entities

The Corporation has two (2) regional subsidiaries which are consolidated. These are:

Company	Interest	Country of incorporation	Date of incorporation
UTC Fund Management Services STL Limited	100%	St. Lucia	7 June 2021
UTC Global Balanced Fund	100%	St. Lucia	7 June 2021

All the directors of the foregoing two (2) companies are directors of the Corporation. UTC Fund Management Services STL Limited carries on the business of mutual fund management while UTC Global Balanced Fund Limited is the mutual fund company.

These subsidiaries had no activities for the period.

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**30. Restricted assets**

The Group, in keeping with best practice and legislation, has no access to the investment securities, cash holdings or other assets of the collective investment schemes it manages. The collective investment schemes' assets, including cash, are ring-fenced and used exclusively for the benefit of the unitholders/shareholders. The table below analyses the significant line items in the Consolidated Statement of Financial Position which include assets that are not available to the Group.

<b>Particulars</b>	<b>2022</b>	<b>2021</b>
Cash at bank (see Note 4)	1,853,067	2,118,634
Restricted cash	(1,290,643)	(1,575,308)
Deposits with banks (see Note 5)	1,792,128	2,194,177
Restricted deposits with banks	<u>(1,309,513)</u>	<u>(1,698,586)</u>
<b>Available to Group without restriction</b>	<u>1,045,039</u>	<u>1,038,917</u>
<b>Particulars</b>	<b>2022</b>	<b>2021</b>
Receivables	199,844	341,361
Restricted receivables	<u>(194,294)</u>	<u>(327,939)</u>
<b>Available to Group without restriction</b>	<u>5,551</u>	<u>13,422</u>
<b>Particulars</b>	<b>2022</b>	<b>2021</b>
Investment securities (see Note 6)	21,100,070	20,645,855
Restricted investment securities	<u>(20,539,579)</u>	<u>(20,131,688)</u>
<b>Available to Group without restriction</b>	<u>560,490</u>	<u>514,167</u>

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**31. Corporate Fund**

The Corporate Fund was reactivated towards the end of 2019, and its activities were immaterial to the Group for 2019 and 2020. During 2021, the Group reassessed the materiality of the Fund with guidance from IFRS Practice Statement 2 Making Materiality Judgments, and concluded the Fund should be consolidated effective 1 January 2021, in accordance with IFRS 10 Consolidated Financial Statements. The financial statements included in the Group's results and financial position as at 31 December 2021 and 2022 are shown in Note 33 (v).

**32. Local collective investment schemes**

The five (5) locally domiciled funds controlled by the Corporation are considered subsidiaries for the purposes of IFRS 10. The total assets of these Funds are shown in the table below.

	2022	2021
Growth and Income Fund	5,248,168	6,046,629
TT Dollar Income Fund	12,151,093	12,318,222
Universal Retirement Fund	405,841	459,673
US Dollar Income Fund	4,988,014	4,432,353
Corporate Fund	<u>582,126</u>	<u>546,164</u>
<b>Total assets</b>	<u>23,375,242</u>	<u>23,803,041</u>

Summarised financial information for the local collective investment schemes is provided in Note 33.

**33. Summarised financial information**

**(i) Growth and Income Fund**

The table below summarises financial information for the Growth and Income Fund (before inter-entity eliminations or consolidation adjustments) for the years 2022 and 2021.

	2022	2021
Cash at bank	707,188	259,985
Deposits with banks	104,816	150,973
Receivables	28,513	33,434
Investment securities	<u>4,407,651</u>	<u>5,602,237</u>
<b>Total Assets</b>	<u>5,248,168</u>	<u>6,046,629</u>

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**33. Summarised financial information (continued)**

(i) **Growth and Income Fund (continued)**

	2022	2021
Liabilities	57,508	171,444
Equity	<u>5,190,660</u>	<u>5,875,185</u>
<b>Total Liabilities and Equity</b>	<b><u>5,248,168</u></b>	<b><u>6,046,629</u></b>
Investment (loss)/income	<u>(429,584)</u>	<u>815,821</u>
Net (loss)/income	(543,005)	700,374
Distributions	<u>(55,498)</u>	<u>(33,619)</u>
<b>Total comprehensive (loss)/ income for the year</b>	<b><u>(598,503)</u></b>	<b><u>666,755</u></b>
Net cash flow provided by operating activities	570,726	138,723
Net cash used in financing activities	<u>(123,523)</u>	<u>(82,334)</u>
<b>Net change in cash flows for the year</b>	<b><u>447,203</u></b>	<b><u>56,389</u></b>

The table below analyses the investment securities held by the Growth & Income Fund.

	2022	2021
<b>Category</b>		
Government securities	737,625	978,588
Corporate securities	229,180	238,916
Equity and ETFs (local and foreign)	3,305,600	4,181,563
Short-term investments	<u>135,246</u>	<u>203,170</u>
<b>Total</b>	<b><u>4,407,651</u></b>	<b><u>5,602,237</u></b>
	2022	2021
<b>Classification</b>		
Fair value through profit or loss	<u>4,407,651</u>	<u>5,602,237</u>
<b>Total</b>	<b><u>4,407,651</u></b>	<b><u>5,602,237</u></b>

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33. Summarised financial information (continued)

(i) Growth and Income Fund (continued)

**Growth and Income Fund reserves**

In 1985, in accordance with the provisions of Section 26 (1) and (2) of the Act, the Corporation established a Guarantee Reserve Fund in respect of the Growth & Income Fund (First Unit Scheme) to ensure adequate funding of the Guarantee Pricing Plan. During 2022 calls totalling \$0.04 million (2021: \$0.03 million) were made on the reserve. The Corporation, the guarantor (see Note 2 (1)), met the calls on the reserve.

In 2012, the Board approved the establishment of a Secondary Reserve Facility for the Growth & Income Fund (First Unit Scheme). The Secondary Reserve is used to fund requirements for capital reinstatement and/or distribution liabilities of the Growth & Income Fund. The balance in the Secondary Reserve Facility was nil for 2022 and 2021.

A summary of the transactions in the Growth & Income Fund Guarantee Reserve is provided below.

<b>Fund Reserve</b>	<b>2022</b>	<b>2021</b>
Fund reserve as at 1 January	–	–
Allocation to reserve (Growth & Income Fund)	–	–
Call on Reserve	36	29
Allocation to reserve (Corporation)	<u>(36)</u>	<u>(29)</u>
<b>Fund reserve as at 31 December</b>	<b><u>–</u></b>	<b><u>–</u></b>

No transfers to support the Growth & Income Fund were required during the year 2022 or 2021. The Corporation is the sponsor of the Growth & Income Fund and is committed to supporting the Fund financially and otherwise as necessary.

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33. Summarised financial information (continued)

(ii) TT Dollar Income Fund

The table below summarises financial information for the TT Dollar Income Fund (before inter-entity eliminations or consolidation adjustments) for the years 2022 and 2021.

	2022	2021
Cash at bank	403,366	1,129,258
Deposits with banks	1,080,005	1,405,260
Receivables	180,680	226,374
Investment securities	<u>10,487,042</u>	<u>9,557,330</u>
<b>Total Assets</b>	<b><u>12,151,093</u></b>	<b><u>12,318,222</u></b>
Liabilities	24,857	27,153
Equity	<u>12,126,236</u>	<u>12,291,069</u>
<b>Total Liabilities and Equity</b>	<b><u>12,151,093</u></b>	<b><u>12,318,222</u></b>
	2022	2021
Investment income	<u>259,794</u>	<u>362,181</u>
Net income	99,780	202,784
Distributions	(142,174)	(140,231)
Allocations to reserves (see paragraphs below)	<u>(3,033)</u>	<u>(7,700)</u>
<b>Total comprehensive income for the year</b>	<b><u>(45,427)</u></b>	<b><u>54,853</u></b>
Net cash flow used in operating activities	(469,588)	(333,232)
Net cash used in financing activities	<u>(256,304)</u>	<u>(298,474)</u>
<b>Net change in cash flows for the year</b>	<b><u>(725,892)</u></b>	<b><u>(631,706)</u></b>

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33. Summarised financial information (continued)

(ii) TT Dollar Income Fund (continued)

The table below analyses the investment securities held by the TT Dollar Income Fund.

	2022	2021
<b>Category</b>		
Government securities	7,326,584	5,946,923
Corporate securities	2,757,578	2,809,902
Short-term investments	<u>402,880</u>	<u>800,505</u>
<b>Total</b>	<b><u>10,487,042</u></b>	<b><u>9,557,330</u></b>

	2022	2021
<b>Classification</b>		
Fair value through profit or loss	<u>10,487,042</u>	<u>9,557,330</u>
<b>Total</b>	<b><u>10,487,042</u></b>	<b><u>9,557,330</u></b>

**TT Dollar Income Fund reserves**

In accordance with the provisions of Section 13 of the TT Dollar Income Fund (Second Unit Scheme) regulations issued under the Act, the Corporation established two (2) reserves in respect of the TT Dollar Income Fund - a Primary Reserve and a Secondary Reserve.

The Primary Reserve was established to satisfy any shortfall that may arise on the realisation of securities in the portfolio of the Fund. The Secondary Reserve was established to augment the capital maintenance capabilities of the Fund and to provide for the funding of any distribution liability which may arise.

There were no calls on either reserve during 2022 or 2021.

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33. Summarised financial information (continued)

(ii) TT Dollar Income Fund (continued)

TT Dollar Income Fund reserves (continued)

A summary of the transactions in the TT Dollar Income Fund Reserves is provided below.

<b>Primary Reserve</b>	<b>2022</b>	<b>2021</b>
Fund reserve as at 1 January	64,687	56,987
Allocation to primary reserve	3,033	7,700
Interest earned on the reserve	—	—
<b>Primary reserve as at 31 December</b>	<b>67,720</b>	<b>64,687</b>
<b>Secondary Reserve</b>	<b>2022</b>	<b>2021</b>
Fund reserve as at 1 January	21,717	21,717
Allocation to secondary reserve	—	—
Interest earned on the reserve	—	—
<b>Secondary reserve as at 31 December</b>	<b>21,717</b>	<b>21,717</b>
	<b>2022</b>	<b>2021</b>
<b>Total Fund reserve as at 31 December</b>	<b>89,437</b>	<b>86,404</b>

A transfer of \$3 million was made to the primary reserve during the year 2022 (2021: \$7.7 million). The Corporation is the sponsor of the TT Dollar Income Fund and is committed to supporting the Fund financially and otherwise as necessary.

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33. Summarised financial information (continued)

(iii) Universal Retirement Fund

The table below summarises financial information for the Universal Retirement Fund (before inter-entity eliminations or consolidation adjustments) for the years 2022 and 2021.

	2022	2021
Cash at bank	62,128	25,920
Deposits with banks	3,381	3,386
Receivables	1,085	2,700
Investment securities	<u>339,247</u>	<u>427,667</u>
<b>Total Assets</b>	<b><u>405,841</u></b>	<b><u>459,673</u></b>
Liabilities	2,660	16,139
Equity	<u>403,181</u>	<u>443,534</u>
<b>Total Liabilities and Equity</b>	<b><u>405,841</u></b>	<b><u>459,673</u></b>
	2022	2021
Investment (loss)/income	<u>(39,511)</u>	<u>60,382</u>
Total comprehensive (loss)/ income for the year	<u>(48,063)</u>	<u>51,918</u>
Net cash flow provided by/(used in) operating activities	27,164	(12,255)
Net cash provided by financing activities	<u>9,044</u>	<u>19,949</u>
<b>Net change in cash flows for the year</b>	<b><u>36,208</u></b>	<b><u>7,694</u></b>

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**33. Summarised financial information (continued)**

**(iii) Universal Retirement Fund (continued)**

The table below analyses the investment securities held by the Universal Retirement Fund.

	<b>2022</b>	<b>2021</b>
<b>Category</b>		
Government securities	44,154	44,036
Corporate securities	37,014	42,458
Equity and ETFs (local and foreign)	<u>258,079</u>	<u>341,173</u>
<b>Total</b>	<b><u>339,247</u></b>	<b><u>427,667</u></b>
	<b>2022</b>	<b>2021</b>
<b>Classification</b>		
Fair value through profit or loss	<u>339,247</u>	<u>427,667</u>
<b>Total</b>	<b><u>339,247</u></b>	<b><u>427,667</u></b>

No transfers to support the Universal Retirement Fund were required during the year 2022 or 2021. The Corporation is the sponsor of the Universal Retirement Fund and is committed to supporting the Fund financially and otherwise as necessary.

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33. Summarised financial information (continued)

(iv) US Dollar Income Fund

The table below summarises financial information for the US Dollar Income Fund (before inter-entity eliminations or consolidation adjustments) for the years 2022 and 2021.

	2022	2021
Cash at bank	109,142	150,168
Deposits with banks	115,168	138,835
Receivables	53,358	146,464
Investment securities	4,710,346	3,996,886
<b>Total Assets</b>	<b>4,988,014</b>	<b>4,432,353</b>
Liabilities	19,312	14,925
Equity	4,968,702	4,417,428
<b>Total Liabilities and Equity</b>	<b>4,988,014</b>	<b>4,432,353</b>
	2022	2021
Investment (loss)/income	(108,790)	42,992
Net loss	(167,120)	(10,347)
Distributions	(47,168)	(38,392)
Allocations to reserves (see paragraphs below)	12,172	18,286
<b>Total comprehensive (loss)/income for the year</b>	<b>(202,116)</b>	<b>(30,453)</b>
Net cash flow used in operating activities	(765,883)	(286,761)
Net cash provided by financing activities	725,086	306,692
<b>Net change in cash flows for the year</b>	<b>(40,797)</b>	<b>19,931</b>

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**33. Summarised financial information (continued)**

**(iv) US Dollar Income Fund (continued)**

The table below analyses the investment securities held by the US Dollar Income Fund.

	2022	2021
<b>Category</b>		
Government securities	78,586	717,514
Corporate securities	3,998,250	2,994,929
Short-term investments	<u>633,510</u>	<u>284,443</u>
<b>Total</b>	<b><u>4,710,346</u></b>	<b><u>3,996,886</u></b>

	2022	2021
<b>Classification</b>		
Fair value through profit or loss	<u>4,710,346</u>	<u>3,996,886</u>
<b>Total</b>	<b><u>4,710,346</u></b>	<b><u>3,996,886</u></b>

**US Dollar Income Fund reserves**

In accordance with the provisions of Section 26 (1) and (2) of the Act, the Corporation established two (2) reserves in respect of the US Dollar Income Fund - a Primary Reserve and a Secondary Reserve.

The Primary Reserve was established to satisfy any shortfall that may arise on the realisation of securities in the portfolio of the Fund. The Secondary Reserve was established to augment the capital maintenance capabilities of the Fund and to provide for the funding of any distribution liability which may arise.

There were no calls on the reserve during 2022 and 2021.

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33. Summarised financial information (continued)

(iv) US Dollar Income Fund (continued)

US Dollar Income Fund reserves (continued)

A summary of the transactions in the US Dollar Income Fund Reserves is provided below.

<b>Primary Reserve</b>	<b>2022</b>	<b>2021</b>
Fund reserve as at 1 January	79,940	60,220
Allocation to primary reserve	12,172	18,286
Interest earned on the reserve	—	—
Foreign exchange translation	(120)	1,434
<b>Primary reserve as at 31 December</b>	<b>91,992</b>	<b>79,940</b>
<b>Secondary Reserve</b>	<b>2022</b>	<b>2021</b>
Fund reserve as at 1 January	35,771	37,583
Allocation to secondary reserve	—	—
Interest earned on the reserve	—	—
Foreign exchange translation	(47)	(1,812)
<b>Secondary reserve as at 31 December</b>	<b>35,724</b>	<b>35,771</b>
	<b>2022</b>	<b>2021</b>
<b>Total Fund reserve as at 31 December</b>	<b>127,716</b>	<b>115,710</b>

A transfer of \$12.2 million was made to the primary reserve during the year 2022 (2021: \$18.3 million). The Corporation is the sponsor of the US Dollar Income Fund and is committed to supporting the Fund financially and otherwise as necessary.

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33. Summarised financial information (continued)

(v) UTC Corporate Fund

The table below summarises financial information for the UTC Corporate Fund (before inter-entity eliminations or consolidation adjustments) for the year 2022 and 2021.

	2022	2021
Cash at bank	975	954
Deposits with banks	–	6,000
Receivables	4,750	11,465
Investment securities	<u>576,401</u>	<u>527,745</u>
<b>Total Assets</b>	<b><u>582,126</u></b>	<b><u>546,164</u></b>
Liabilities	4,407	9,016
Equity	<u>577,719</u>	<u>537,148</u>
<b>Total Liabilities and Equity</b>	<b><u>582,126</u></b>	<b><u>546,164</u></b>
	2022	2021
Investment income	<u>16,297</u>	<u>11,786</u>
Net loss	13,331	10,680
Distributions	<u>(11,498)</u>	<u>(8,404)</u>
Total comprehensive income for the year	<b><u>1,833</u></b>	<b><u>2,276</u></b>
Net cash flow used in operating activities	(35,262)	(212,204)
Net cash provided by financing activities	<u>35,283</u>	<u>211,641</u>
<b>Net change in cash flows for the year</b>	<b><u>21</u></b>	<b><u>(563)</u></b>

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33. Summarised financial information (continued)

(v) UTC Corporate Fund (continued)

The table below analyses the investment securities held by the UTC Corporate Fund.

	2022	2021
<b>Category</b>		
Government securities	538,734	433,689
Corporate securities	<u>37,667</u>	<u>94,056</u>
<b>Total</b>	<b><u>576,401</u></b>	<b><u>527,745</u></b>
	<b>2022</b>	<b>2021</b>
<b>Classification</b>		
Fair value through profit or loss	<u>576,401</u>	<u>527,745</u>
<b>Total</b>	<b><u>576,401</u></b>	<b><u>527,745</u></b>

No transfers to support the UTC Corporate Fund were required during the year 2022. The Corporation is the sponsor of the UTC Corporate Fund and is committed to supporting the Fund financially and otherwise as necessary.

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**33. Summarised financial information (continued)**

**(vi) UTC (Cayman) SPC Ltd.**

The Corporation is the manager, sponsor, administrator and investment advisor of UTC (Cayman) SPC Ltd. The table below summarises financial information for UTC (Cayman) SPC Ltd. (before inter-entity eliminations or consolidation adjustments) for the years 2022 and 2021.

	<b>2022</b>	<b>2021</b>
Cash at bank	7,865	9,976
Receivables and prepayments	143	131
Investment securities	<u>18,892</u>	<u>19,822</u>
<b>Total Assets</b>	<b><u>26,900</u></b>	<b><u>29,929</u></b>
Liabilities	196	209
Equity	<u>26,704</u>	<u>29,720</u>
<b>Total Liabilities and Equity</b>	<b><u>26,900</u></b>	<b><u>29,929</u></b>
	<b>2022</b>	<b>2021</b>
Investment (loss)/income	<u>(2,083)</u>	<u>3,463</u>
<b>Total comprehensive (loss)/ income for the year</b>	<b><u>(2,969)</u></b>	<b><u>2,327</u></b>
Net cash flow (used in)/provided by operating activities	(2,103)	9,030
Net cash provided by financing activities	<u>7</u>	<u>751</u>
<b>Net change in cash flows for the year</b>	<b><u>(2,096)</u></b>	<b><u>9,781</u></b>

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(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

33. Summarised financial information (continued)

(vi) UTC (Cayman) SPC Ltd. (continued)

The table below analyses the investment securities held by the UTC (Cayman) SPC Ltd.

	2022	2021
<b>Category</b>		
Exchange Traded Funds	<u>18,892</u>	<u>19,822</u>
<b>Total</b>	<u><b>18,892</b></u>	<u><b>19,822</b></u>
	2022	2021
<b>Classification</b>		
Fair value through profit or loss	<u>18,892</u>	<u>19,822</u>
<b>Total</b>	<u><b>18,892</b></u>	<u><b>19,822</b></u>

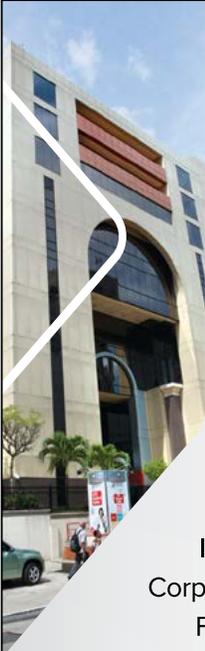
34. Events after the reporting period

On 11 November 2022, the finance minister announced that distribution of shares and bonds to Clico Investment Fund (CIF) unitholders will begin in January 2023, after the termination on 2 January 2023, in accordance with the provisions set out in the CIF Trust Deed.

On termination, the Trustee distributed Republic Financial Holdings Limited Shares (RFHL) and Government of the Republic of Trinidad and Tobago Series II, 4.25% 25 Year Fixed Rate Bonds due 31 October 2037. The Group's CIF holdings on the portfolio as at 31 December 2022 was 10,157,166 shares. In accordance with the allocation rules, unitholders received 0.1964 RFHL shares for each unit held and 3.445 bonds per unit held. The shares and bonds were put through on 24 January 2023 with a settlement date of 27 January 2024.

There was no impact to the Group's financial statements as at 31 December 2022. The CIF termination occurred after the reporting period, as such it is considered a non-adjusting event.

The positive impact to the Group's financial statements in January 2023 was \$26.5M.



## TRINIDAD AND TOBAGO UNIT TRUST CORPORATION

# NOTICE

### Annual General Meeting

In accordance with Section 31, sub-sections (2) and (3) of the Unit Trust Corporation of Trinidad and Tobago Act, Ch. 83:03, Notice is hereby given that the Forty-first (41st) Annual General Meeting (AGM) of the Trinidad and Tobago Unit Trust Corporation will be held on

Thursday 25th May, 2023 at 10:00 a.m. at The Auditorium Conference Center located at the Government Campus Plaza, Lower Richmond Street and Wrightson Road, Port of Spain.

**Limited seating will be available.**

#### **Registration:**

We encourage all interested persons to register using any of our online channels **www.ttutc.com**, **@ttutc on Facebook, Instagram or Twitter** to attend the AGM or obtain the live feed link. **Registration begins Thursday 11th May, 2023.**

**The AGM will also be streamed live on [www.ttutc.com](http://www.ttutc.com) and on [www.facebook.com/ttutc](http://www.facebook.com/ttutc)**

By Order of the Board

Ayanna Mc Gowan  
CORPORATE SECRETARY (Ag)  
21st April, 2023  
82 Independence Square  
Port of Spain

**625-UNIT (8648)**  
**www.ttutc.com**



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-Michael LeBoeuf



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**UTC FINANCIAL CENTRE**

82 INDEPENDENCE SQUARE, PORT OF SPAIN, TRINIDAD AND TOBAGO

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“IT’S A NEW DAWN,  
IT’S A NEW DAY,  
IT’S A NEW LIFE FOR ME...

AND I’M **Feelin’  
Good!**”

-NINA SIMONE

ENJOY THE TRANSFORMATIVE ENERGY WITH US THROUGH SOME AMAZING  
MUSIC HERE ON OUR 40TH ANNIVERSARY CELEBRATORY PLAYLIST!



SCAN ME