



**GROWTH AND INCOME FUND
(FIRST UNIT SCHEME)
STATEMENT OF FINANCIAL POSITION**

As at 30 September 2023

Expressed in Trinidad and Tobago Dollars

| | Unaudited 30-Sep-23 \$ '000 | Unaudited 30-Sep-22 \$ '000 | Audited 31-Dec-22 \$ '000 |
|-------------------------------------|-----------------------------------|-----------------------------------|---------------------------------|
| Assets | | | |
| Cash at bank | 294,778 | 1,280,720 | 707,188 |
| Deposits with banks | 104,475 | 104,606 | 104,816 |
| Due from brokers | - | - | 5,851 |
| Other receivables | 39,505 | 25,084 | 22,662 |
| Investment securities | <u>4,590,041</u> | <u>3,977,512</u> | <u>4,407,651</u> |
| Total assets | <u>5,028,799</u> | <u>5,387,922</u> | <u>5,248,168</u> |
| Liabilities | | | |
| Due to brokers | 49,611 | 302 | 12,663 |
| Other payables | <u>8,272</u> | <u>10,235</u> | <u>44,845</u> |
| Total liabilities | <u>57,883</u> | <u>10,537</u> | <u>57,508</u> |
| Equity | | | |
| Unitholders' capital | 3,083,638 | 3,203,879 | 3,148,189 |
| Retained earnings | <u>1,887,278</u> | <u>2,173,506</u> | <u>2,042,471</u> |
| Total equity | <u>4,970,916</u> | <u>5,377,385</u> | <u>5,190,660</u> |
| Total liabilities and equity | <u>5,028,799</u> | <u>5,387,922</u> | <u>5,248,168</u> |
| Net asset value per unit | \$18.27 | \$19.69 | \$18.84 |

Chairman

Executive Director

The accompanying notes form an integral part of these financial statements

**GROWTH AND INCOME FUND
(FIRST UNIT SCHEME)
STATEMENT OF COMPREHENSIVE INCOME**

For the nine months ended 30 September 2023

Expressed in Trinidad and Tobago Dollars

| | Unaudited Three months ended 30-Sep-23 \$'000 | 30-Sep-22 \$'000 | Unaudited Nine months ended 30-Sep-23 \$'000 | 30-Sep-22 \$'000 | Audited Year ended 31-Dec-22 \$'000 |
|--|---|---------------------|--|---------------------|---|
| Interest income | 19,895 | 16,755 | 59,364 | 50,061 | 67,502 |
| Dividend income | 15,965 | 23,660 | 64,567 | 71,771 | 103,534 |
| Net change in fair value of investment securities | (113,834) | (61,470) | (168,114) | (485,151) | (600,972) |
| Net foreign exchange (loss)/gain | (883) | 278 | (1,000) | 439 | - |
| Other income | - | - | - | 351 | 352 |
| Total revenue | <u>(78,857)</u> | <u>(20,777)</u> | <u>(45,183)</u> | <u>(362,529)</u> | <u>(429,584)</u> |
| Management charge | (25,459) | (27,477) | (76,654) | (83,306) | (109,756) |
| Other operating expenses | (246) | (348) | (740) | (919) | (981) |
| Total operating expenses | <u>(25,705)</u> | <u>(27,825)</u> | <u>(77,394)</u> | <u>(84,225)</u> | <u>(110,737)</u> |
| Loss before tax | <u>(104,562)</u> | <u>(48,602)</u> | <u>(122,577)</u> | <u>(446,754)</u> | <u>(540,321)</u> |
| Withholding tax expense | (625) | (250) | (2,709) | (1,159) | (2,684) |
| Loss for the period | <u>(105,187)</u> | <u>(48,852)</u> | <u>(125,286)</u> | <u>(447,913)</u> | <u>(543,005)</u> |

The accompanying notes form an integral part of these financial statements



**GROWTH AND INCOME FUND
(FIRST UNIT SCHEME)**

STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2023

Expressed in Trinidad and Tobago Dollars

| | Unitholders' capital \$'000 | Retained earnings \$'000 | Total \$'000 |
|--|-----------------------------------|--------------------------------|------------------|
| Balance at 1 January 2023 | 3,148,189 | 2,042,471 | 5,190,660 |
| Total comprehensive loss for the period | | | |
| Loss for the period | - | (125,286) | (125,286) |
| Transactions with unitholders recognised directly in equity | | | |
| Subscriptions of units | 338,877 | - | 338,877 |
| Redemptions of units | (403,428) | - | (403,428) |
| Distributions paid | - | (29,907) | (29,907) |
| Total transactions with unitholders | (64,551) | (29,907) | (94,458) |
| Balance as at 30 September 2023 (Unaudited) | 3,083,638 | 1,887,278 | 4,970,916 |
| Balance at 1 January 2022 | 3,234,211 | 2,640,974 | 5,875,185 |
| Total comprehensive loss for the period | | | |
| Loss for the period | - | (447,913) | (447,913) |
| Transactions with unitholders recognised directly in equity | | | |
| Subscriptions of units | 135,728 | - | 135,728 |
| Redemptions of units | (166,060) | - | (166,060) |
| Distributions paid | - | (19,555) | (19,555) |
| Total transactions with unitholders | (30,332) | (19,555) | (49,887) |
| Balance as at 30 September 2022 (Unaudited) | 3,203,879 | 2,173,506 | 5,377,385 |
| Balance at 1 January 2022 | 3,234,211 | 2,640,974 | 5,875,185 |
| Total comprehensive loss for the year | | | |
| Loss for the year | - | (543,005) | (543,005) |
| Transactions with unitholders recognised directly in equity | | | |
| Subscriptions of units | 566,248 | - | 566,248 |
| Redemptions of units | (652,270) | - | (652,270) |
| Distributions paid | - | (55,498) | (55,498) |
| Total transactions with unitholders | (86,022) | (55,498) | (141,520) |
| Balance as at 31 December 2022 (Audited) | 3,148,189 | 2,042,471 | 5,190,660 |

The accompanying notes form an integral part of these financial statements

**GROWTH AND INCOME FUND
(FIRST UNIT SCHEME)**

STATEMENT OF CASH FLOWS

For the nine months ended 30 September 2023

Expressed in Trinidad and Tobago Dollars

| | Unaudited 30-Sep-23 \$'000 | Unaudited 30-Sep-22 \$'000 | Audited 31-Dec-22 \$'000 |
|--|----------------------------------|----------------------------------|--------------------------------|
| Cash flows from operating activities | | | |
| Loss before tax | (122,577) | (446,754) | (540,321) |
| Adjustments to reconcile profit/(loss) before tax to net cash flows: | | | |
| Interest income | (47,025) | (42,702) | (57,601) |
| Amortisation of premium expense/discount income | (11,819) | (7,367) | (9,554) |
| Capitalised interest | (520) | (344) | (698) |
| Dividend income | (64,567) | (71,771) | (103,534) |
| Maturity of deposits with banks | - | 46,000 | 46,000 |
| Purchase of investments | (3,448,973) | (6,482,845) | (8,397,151) |
| Proceeds from sale of investments | 3,111,150 | 7,630,496 | 9,001,173 |
| Net change in fair value of investment securities | 168,114 | 485,151 | 600,972 |
| Working capital adjustments: | | | |
| (Increase)/decrease in other receivables | (4,149) | 6,263 | 333 |
| Increase/(decrease) in other payables | 36,318 | (145,393) | (133,044) |
| | (384,048) | 970,734 | 406,575 |
| Interest received | 37,393 | 38,593 | 59,959 |
| Dividends received | 64,464 | 75,575 | 106,876 |
| Withholding tax paid | (2,709) | (1,159) | (2,684) |
| Net cash flows (used in)/from operating activities | (284,900) | 1,083,743 | 570,726 |
| Cash flows from financing activities | | | |
| Subscriptions of units | 35,255 | 102,135 | 116,784 |
| Redemptions of units | (162,538) | (164,737) | (239,901) |
| Distributions to unitholders | (227) | (406) | (406) |
| Net cash flows used in financing activities | (127,510) | (63,008) | (123,523) |
| Net (decrease)/increase in cash | (412,410) | 1,020,735 | 447,203 |
| Cash at the beginning of the period | 707,188 | 259,985 | 259,985 |
| Cash at the end of the period | 294,778 | 1,280,720 | 707,188 |

The accompanying notes form an integral part of these financial statements



**GROWTH AND INCOME FUND
 (FIRST UNIT SCHEME)**

Notes to the Interim Financial Statements

For the nine months ended 30 September 2023

Expressed in Trinidad and Tobago Dollars

1. General Information

The Growth and Income Fund (the Fund) is an open-ended mutual fund denominated in Trinidad and Tobago Dollars that was launched on 29 November 1982.

The Fund is governed by Regulations made for the Fund by the Board of Directors of the Trinidad and Tobago Unit Trust Corporation (the Corporation) with the approval of the Central Bank of Trinidad and Tobago under Section 14(1) of the Unit Trust Corporation Act (the Act). The Custodians of the Fund are the Central Bank of Trinidad and Tobago and Citibank New York.

The Corporation is the Sponsor, Manager, Trustee and Investment Advisor of the Fund. Responsibility for managing the business affairs of the Fund is vested in the Board of Directors of the Corporation. The Corporation's registered office is located at UTC Financial Centre, 82 Independence Square, Port of Spain.

Participation by investors in the Fund is represented by units which are equivalent to a proportion of the Fund's net asset value. There is no limit to the number of units that may be issued. Each unit attracts an equal share in income to be distributed, capital gains reflected in unit prices, and other benefits arising from participation in the Fund.

2. Basis of Preparation

The interim financial statements for the nine-month period ended 30 September 2023 have been prepared in accordance with IAS 34 Interim Financial Reporting.

3. Significant Accounting Policies

The accounting policies, presentation and methods of computation applied in these interim financial statements are consistent with those applied in the preparation of the annual financial statements of the Fund for the year ended 31 December 2022. Any new accounting standards or interpretations which became effective in this financial year have had no material impact on the Fund.

4. Related Party Transactions

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

The Fund is managed by the Corporation. Under the terms of the investment management agreement dated 29 November 1982, the Corporation may charge an annual fee of up to 2% of the net asset value of the Fund.

Total management fees for the period amounted to \$76.7 million or 2% of month-end Fund size (September 2022: \$83.3 million or 2% of month-end Fund size). The outstanding management charge due to the Corporation at 30 September 2023 amounted to \$8.2 million (September 2022: \$8.9 million).

There was an amount of \$10.6 million receivable from the Corporation at the end of the period (September 2022: payable of \$1.3 million)

The Growth and Income Fund invested in the Calypso Macro Index Fund (a related party sponsored and managed by the Corporation) as at 30 September 2023. The value of the holdings as at 30 September 2023 was \$134.4 million. (September 2022: \$131.4 million).

During the period, the Fund received \$3.9 million from the Calypso Macro Index Fund (September 2022: \$2.4 million).

Included in dividend receivable at the end of the reporting period was an amount of \$1.1 million due from the Calypso Macro Index Fund (September 2022: \$1.2 million).

During the period, the Fund entered into transactions with related parties sponsored and managed by the Corporation. The transactions, which were effected on commercial terms and conditions, are summarised below.

| | Sale of Securities | | Purchase of Securities | |
|------------------------|--------------------|-----------|------------------------|-----------|
| | TT\$'Mn | | TT\$'Mn | |
| | 30-Sep-23 | 30-Sep-22 | 30-Sep-23 | 30-Sep-22 |
| Growth and Income Fund | 98.3 | 134.0 | - | - |
| TT Dollar Income Fund | - | - | 98.3 | 100.9 |
| UTC Corporate Fund | - | - | - | 33.1 |

There were no other related party transactions for the period.

5. Segment Information

The Fund has two sub-portfolios, an equity sub-portfolio and a fixed income sub-portfolio, which are its reportable segments. Each sub-portfolio is managed separately because they entail different investment objectives and strategies and contain investments in different products.

Unallocated amounts are revenue or costs not directly associated with the fixed income and equity portfolios.

The Board of Directors reviews the internal management reports of each sub-portfolio at least quarterly.

The Fund regards the holders of redeemable units as customers because it relies on their funding for continuing operations and meeting its objectives.

The following table presents income and profit and certain asset and liability information regarding the Fund's operating segments.

| | Fixed Income Portfolio | Equity Portfolio | Unallocated | Total |
|-----------------------------------|------------------------|------------------|-------------|-----------|
| September 2023 (Unaudited) | | | | |
| Total operating income | (12,742) | (29,929) | (2,512) | (45,183) |
| Other expenses | - | - | (77,394) | (77,394) |
| Net loss before taxation | (12,742) | (29,929) | (79,906) | (122,577) |
| Taxation | - | (2,709) | - | (2,709) |
| Net loss after taxation | (12,742) | (32,638) | (79,906) | (125,286) |

| | | | | |
|-------------------|-----------|-----------|---------|-----------|
| Total assets | 1,418,121 | 3,331,076 | 279,602 | 5,028,799 |
| Total liabilities | 16,323 | 38,342 | 3,218 | 57,883 |

| | Fixed Income Portfolio | Equity Portfolio | Unallocated | Total |
|-----------------------------------|------------------------|------------------|-------------|-----------|
| September 2022 (Unaudited) | | | | |
| Total operating loss | (84,506) | (190,690) | (87,333) | (362,529) |
| Other expenses | - | - | (84,225) | (84,225) |
| Net loss before taxation | (84,506) | (190,690) | (171,558) | (446,754) |
| Taxation | - | (1,159) | - | (1,159) |
| Net loss after taxation | (84,506) | (191,849) | (171,558) | (447,913) |

| | | | | |
|-------------------|-----------|-----------|-----------|-----------|
| Total assets | 1,255,925 | 2,834,047 | 1,297,950 | 5,387,922 |
| Total liabilities | 2,456 | 5,543 | 2,538 | 10,537 |

| | Fixed Income Portfolio | Equity Portfolio | Unallocated | Total |
|--------------------------------|------------------------|------------------|-------------|-----------|
| December 2022 (Audited) | | | | |
| Total operating income | (101,038) | (272,485) | (56,061) | (429,584) |
| Other expenses | - | - | (110,737) | (110,737) |
| Net loss before taxation | (101,038) | (272,485) | (166,798) | (540,321) |
| Taxation | - | (2,684) | - | (2,684) |
| Net loss after taxation | (101,038) | (275,169) | (166,798) | (543,005) |

| | | | | |
|-------------------|-----------|-----------|---------|-----------|
| Total assets | 1,234,369 | 3,328,913 | 684,886 | 5,248,168 |
| Total liabilities | 13,526 | 36,477 | 7,505 | 57,508 |

6. Approval of Interim Financial Statements

These interim financial statements were approved by the Board of Directors and authorised for issue on 8 November 2023.