

UNIVERSAL RETIREMENT FUND
STATEMENT OF FINANCIAL POSITION


As at 30 September 2024

(Expressed in thousands of Trinidad and Tobago dollars)

	Unaudited 30-Sep-24 \$ '000	Unaudited 30-Sep-23 \$ '000	Audited 31-Dec-23 \$ '000
Assets			
Cash at bank	12,745	73,211	26,551
Deposits with banks	–	3,370	3,373
Due from brokers	3,091	–	–
Other receivables	2,111	2,012	1,264
Investment securities	392,584	324,649	379,132
Total assets	<u>410,531</u>	<u>403,242</u>	<u>410,320</u>
Liabilities			
Due to brokers	–	3,945	–
Other payables	4,079	661	703
Total liabilities	<u>4,079</u>	<u>4,606</u>	<u>703</u>
Equity			
Unitholders' capital	224,931	220,562	221,225
Retained earnings	181,521	178,074	188,392
Total equity	<u>406,452</u>	<u>398,636</u>	<u>409,617</u>
Total liabilities and equity	<u>410,531</u>	<u>403,242</u>	<u>410,320</u>
Net asset value per unit	\$49.39	\$48.97	\$50.24



Chairman



Executive Director

The accompanying notes form an integral part of these financial statements

UNIVERSAL RETIREMENT FUND
STATEMENT OF COMPREHENSIVE INCOME

For the nine months ended 30 September 2024

(Expressed in thousands of Trinidad and Tobago dollars)

	Unaudited Three months ended 30-Sep-24 \$ '000	Unaudited Three months ended 30-Sep-23 \$ '000	Unaudited Nine months ended 30-Sep-24 \$ '000	Unaudited Nine months ended 30-Sep-23 \$ '000	Audited Year ended 31-Dec-23 \$ '000
InInterest income	1,306	1,178	3,525	3,670	4,818
Dividend income	1,682	1,194	5,458	4,815	8,241
Net change in fair value of investment securities	(7,106)	(11,212)	(9,449)	(11,985)	(3,956)
Net foreign exchange gain/(loss)	63	(98)	135	(70)	(64)
Total revenue	<u>(4,055)</u>	<u>(8,938)</u>	<u>(331)</u>	<u>(3,570)</u>	<u>9,039</u>
Management charge	(2,039)	(2,047)	(6,106)	(6,115)	(8,139)
Other operating expenses	(36)	(8)	(70)	(59)	(78)
Total operating expenses	<u>(2,075)</u>	<u>(2,055)</u>	<u>(6,176)</u>	<u>(6,174)</u>	<u>(8,217)</u>
(Loss)/profit before tax	<u>(6,130)</u>	<u>(10,993)</u>	<u>(6,507)</u>	<u>(9,744)</u>	<u>822</u>
Withholding tax expense	(143)	(72)	(364)	(232)	(480)
(Loss)/profit for the period	<u>(6,273)</u>	<u>(11,065)</u>	<u>(6,871)</u>	<u>(9,976)</u>	<u>342</u>

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UNIVERSAL RETIREMENT FUND
STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2024

(Expressed in thousands of Trinidad and Tobago dollars)

	Unitholders' capital \$'000	Retained earnings \$'000	Total equity \$'000
Balance as at 1 January 2024	221,225	188,392	409,617
Total comprehensive loss for the period			
Loss for the period	–	(6,871)	(6,871)
Transactions with unitholders recognised directly in equity			
Subscriptions of units	24,684	–	24,684
Redemptions of units	(20,978)	–	(20,978)
Total transactions with unitholders	<u>3,706</u>	<u>–</u>	<u>3,706</u>
Balance as at 30 September 2024 (Unaudited)	<u>224,931</u>	<u>181,521</u>	<u>406,452</u>
Balance as at 1 January 2023	215,131	188,050	403,181
Total comprehensive loss for the period			
Loss for the period	–	(9,976)	(9,976)
Transactions with unitholders recognised directly in equity			
Subscriptions of units	26,568	–	26,568
Redemptions of units	(21,137)	–	(21,137)
Total transactions with unitholders	<u>5,431</u>	<u>–</u>	<u>5,431</u>
Balance as at 30 September 2023 (Unaudited)	<u>220,562</u>	<u>178,074</u>	<u>398,636</u>
Balance as at 1 January 2023	215,131	188,050	403,181
Total comprehensive income for the year			
Profit for the year	–	342	342
Transactions with unitholders recognised directly in equity			
Subscriptions of units	34,003	–	34,003
Redemptions of units	(27,909)	–	(27,909)
Total transactions with unitholders	<u>6,094</u>	<u>–</u>	<u>6,094</u>
Balance as at 31 December 2023 (Audited)	<u>221,225</u>	<u>188,392</u>	<u>409,617</u>

The accompanying notes form an integral part of these financial statements

**UNIVERSAL RETIREMENT FUND
STATEMENT OF CASH FLOWS**

For the nine months ended 30 September 2024
(Expressed in thousands of Trinidad and Tobago dollars)

	Unaudited 30-Sep-24 \$ '000	Unaudited 30-Sep-23 \$ '000	Audited 31-Dec-23 \$ '000
Cash flows from operating activities			
(Loss)/profit before tax	(6,507)	(9,744)	822
Adjustments to reconcile (loss)/profit before tax to net cash flows:			
Interest income	(2,643)	(2,500)	(3,394)
Amortisation of premium expense and discount income	(882)	(1,170)	(1,424)
Dividend income	(5,458)	(4,815)	(8,241)
Maturity of deposits with banks	3,354	—	—
Purchase of investments	(174,688)	(278,975)	(352,258)
Proceeds from sale of investments	152,689	282,768	309,850
Net change in fair value of investment securities	9,449	11,987	3,956
Working capital adjustments:			
Increase in other receivables	(3,091)	—	—
Increase/(decrease) in other payables	3,376	2,150	(1,754)
	(24,401)	(299)	(52,443)
Interest received	2,240	2,206	3,075
Dividend received	5,282	4,783	8,416
Withholding tax paid	(364)	(232)	(480)
Net cash flows (used in)/ flow from operating activities	(17,243)	6,458	(41,432)
Cash flows from financing activities			
Subscriptions of units	18,788	17,948	23,351
Redemptions of units	(15,351)	(13,323)	(17,496)
Net cash flows from financing activities	3,437	4,625	5,855
Net (decrease)/increase in cash	(13,806)	11,083	(35,577)
Cash at the beginning of the period	26,551	62,128	62,128
Cash at the end of the period	12,745	73,211	26,551

The accompanying notes form an integral part of these financial statements

UNIVERSAL RETIREMENT FUND

Notes to the Interim Financial Statements

For the nine months ended 30 September 2024
(Expressed in thousands of Trinidad and Tobago dollars)

1. General Information

The Universal Retirement Fund (the Fund) is an open-ended total return mutual fund denominated in Trinidad and Tobago dollars that was launched on 27 October 1997. The Custodians of the Fund are the Central Bank of Trinidad and Tobago and Citibank New York. The Fund invests in accordance with its Investment Policy Statement and guidelines approved by the Board of the Trinidad and Tobago Unit Trust Corporation (The Corporation). The Corporation is the Sponsor, Manager, Trustee and Investment Advisor of the Fund. Responsibility for managing the business affairs of the Fund is vested in the Board of Directors of the Corporation which approves all significant agreements of the Fund. 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 reinvested, capital gains that are 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 2024 have been prepared in accordance with International Accounting Standards (IAS) 34 Interim Financial Reporting.

3. Material 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 2023. 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 the following conditions applies:

- if one entity has the ability to control the other entity or exercise significant influence over the other entity in making financial or operational decisions, and
- if the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

During the period the Fund entered into transactions with related parties. These transactions, described below, were effected on commercial terms and conditions and at market rates.

Under the terms of the investment management agreement dated 27 October 1997, the Corporation may charge a fee based on the net asset value of the Fund at the end of each semi-annual period at an amount of no more than 2% of the said net asset value (i.e. maximum 2% annually).

Total management fees for the period amounted to \$6.1 million or 2% of month end fund size (September 2023: \$6.1 million or 2% of month end fund size). The outstanding management charge due to the Corporation at 30 September 2024 amounted to \$4.1 million (September 2023: \$0.7 million).

There was an amount of \$0.3 million receivable to the Corporation in respect of net subscriptions at the end of the reporting period. (September 2023: \$0.6 million).

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 2024				
Total operating income	(84)	(226)	(21)	(331)
Management charge	—	—	(6,106)	(6,106)
Other expenses	—	—	(70)	(70)
Net loss before taxation	(84)	(226)	(6,197)	(6,507)
Taxation	—	(364)	—	(364)
Net loss after taxation	(84)	(590)	(6,197)	(6,871)
Total assets	103,659	279,695	27,177	410,531
Total liabilities	1,030	2,779	270	4,079
September 2023				
Total operating income	(764)	(2,173)	(633)	(3,570)
Management charge	—	—	(6,115)	(6,115)
Other expenses	—	—	(59)	(59)
Net loss before taxation	(764)	(2,173)	(6,807)	(9,744)
Taxation	—	(232)	—	(232)
Net loss after taxation	(764)	(2,405)	(6,807)	(9,976)
Total assets	86,334	245,453	71,455	403,242
Total liabilities	986	2,804	816	4,606
December 2023				
Total operating income	2,282	6,158	599	9,039
Management charge	—	—	(8,139)	(8,139)
Commissions	—	—	(12)	(12)
Other expenses	—	—	(66)	(66)
Net income before taxation	2,282	6,158	(7,618)	822
Taxation	—	(480)	—	(480)
Net income after taxation	2,282	5,678	(7,618)	342
Total assets	103,605	279,551	27,164	410,320
Total liabilities	178	479	46	703

6. Approval of Interim Financial Statements

The interim financial statements were authorised for issue by the Board of Directors of the Trinidad and Tobago Unit Trust Corporation on 8 November 2024.