

Trinidad and Tobago Unit Trust Corporation

GROWTH AND INCOME FUND (FIRST UNIT SCHEME)



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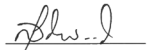
GROWTH AND INCOME FUND (FIRST UNIT SCHEME) STATEMENT OF FINANCIAL POSITION

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	81,700	294,778	129,412
Deposits with banks	–	104,475	64,091
Due from brokers	40,343	–	5,851
Other receivables	32,111	39,505	32,010
Investment securities	4,529,636	4,590,041	4,791,343
Total assets	<u>4,683,790</u>	<u>5,028,799</u>	<u>5,022,707</u>
Liabilities			
Due to brokers	–	49,611	50
Other payables	48,124	8,272	51,898
Total liabilities	<u>48,124</u>	<u>57,883</u>	<u>51,948</u>
Equity			
Unitholders' capital	2,994,404	3,083,638	3,042,503
Retained earnings	1,641,262	1,887,278	1,928,256
Total equity	<u>4,635,666</u>	<u>4,970,916</u>	<u>4,970,759</u>
Total liabilities and equity	<u>4,683,790</u>	<u>5,028,799</u>	<u>5,022,707</u>
Net asset value per unit	\$17.35	\$18.27	\$18.42


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 2024

(Expressed in thousands of Trinidad and Tobago dollars)

	Unaudited Three months ended 30-Sep-24 \$'000	Unaudited 30-Sep-23 \$'000	Unaudited Nine months ended 30-Sep-24 \$'000	Unaudited 30-Sep-23 \$'000	Audited Year ended 31-Dec-23 \$'000
Interest income	16,511	19,895	48,007	59,364	77,740
Dividend income	23,868	15,965	71,846	64,567	106,698
Net change in fair value of investment securities	(253,212)	(113,834)	(307,947)	(168,114)	(115,924)
Net foreign exchange gain/(loss)	854	(883)	2,136	(1,000)	(1,427)
Total revenue	<u>(211,979)</u>	<u>(78,857)</u>	<u>(185,958)</u>	<u>(45,183)</u>	<u>67,087</u>
Management charge	(23,668)	(25,459)	(72,864)	(76,654)	(101,529)
Other operating expenses	(237)	(246)	(447)	(740)	(819)
Total operating expenses	<u>(23,905)</u>	<u>(25,705)</u>	<u>(73,311)</u>	<u>(77,394)</u>	<u>(102,348)</u>
Loss before tax	<u>(235,884)</u>	<u>(104,562)</u>	<u>(259,269)</u>	<u>(122,577)</u>	<u>(35,261)</u>
Withholding tax expense	(1,445)	(625)	(3,704)	(2,709)	(5,798)
Loss for the period	<u>(237,329)</u>	<u>(105,187)</u>	<u>(262,973)</u>	<u>(125,286)</u>	<u>(41,059)</u>

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

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	3,042,503	1,928,256	4,970,759
Total comprehensive loss for the period			
Loss for the period	–	(262,973)	(262,973)
Transactions with unitholders recognised directly in equity			
Subscriptions of units	339,963	–	339,963
Redemptions of units	(388,062)	–	(388,062)
Distributions to unitholders	–	(24,021)	(24,021)
Total transactions with unitholders	<u>(48,099)</u>	<u>(24,021)</u>	<u>(72,120)</u>
Balance as at 30 September 2024 (Unaudited)	<u>2,994,404</u>	<u>1,641,262</u>	<u>4,635,666</u>
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 to unitholders	–	(29,907)	(29,907)
Total transactions with unitholders	<u>(64,551)</u>	<u>(29,907)</u>	<u>(94,458)</u>
Balance as at 30 September 2023 (Unaudited)	<u>3,083,638</u>	<u>1,887,278</u>	<u>4,970,916</u>
Balance as at 1 January 2023	3,148,189	2,042,471	5,190,660
Total comprehensive loss for the year			
Loss for the year	–	(41,059)	(41,059)
Transactions with unitholders recognised directly in equity			
Subscriptions of units	426,262	–	426,262
Redemptions of units	(531,948)	–	(531,948)
Distributions to unitholders	–	(73,156)	(73,156)
Total transactions with unitholders	<u>(105,686)</u>	<u>(73,156)</u>	<u>(178,842)</u>
Balance as at 31 December 2023 (Audited)	<u>3,042,503</u>	<u>1,928,256</u>	<u>4,970,759</u>

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 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 before tax	(259,269)	(122,577)	(35,261)
Adjustments to reconcile loss before tax to net cash flows:			
Interest income	(40,535)	(47,025)	(63,371)
Amortisation of premium expense and discount income	(6,915)	(11,819)	(13,310)
Capitalised interest	(557)	(520)	(1,059)
Dividend income	(71,846)	(64,567)	(106,698)
Placement of deposits with banks	(65,000)	–	–
Maturity of deposits with banks	128,729	–	40,551
Purchase of investments	(2,041,754)	(3,448,973)	(4,183,547)
Proceeds from sale of investments	2,003,347	3,111,150	3,698,474
Net change in fair value of investment securities	307,947	168,114	115,924
Working capital adjustments:			
Increase in other receivables	(34,492)	(4,149)	(10,000)
Increase/(decrease) in other payables	<u>39,512</u>	<u>36,318</u>	<u>(12,952)</u>
	(40,833)	(384,048)	(571,249)
Interest received	44,376	37,393	57,404
Dividend received	68,285	64,464	109,814
Withholding tax paid	<u>(3,704)</u>	<u>(2,709)</u>	<u>(5,798)</u>
Net cash flows from/(used in) operating activities	<u>68,124</u>	<u>(284,900)</u>	<u>(409,829)</u>
Cash flows from financing activities			
Subscriptions of units	39,019	35,255	47,315
Redemptions of units	(154,617)	(162,538)	(215,035)
Distributions paid to unitholders	<u>(238)</u>	<u>(227)</u>	<u>(227)</u>
Net cash flows used in financing activities	<u>(115,836)</u>	<u>(127,510)</u>	<u>(167,947)</u>
Net decrease in cash	(47,712)	(412,410)	(577,776)
Cash at the beginning of the period	<u>129,412</u>	<u>707,188</u>	<u>707,188</u>
Cash at the end of the period	<u>81,700</u>	<u>294,778</u>	<u>129,412</u>

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 2024

(Expressed in thousands of 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 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 the net asset value and other benefits of 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 29 November 1982, 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 \$72.9 million or 2% of month end fund size (September 2023: \$76.7 million or 2% of month end fund size). The outstanding management charge due to the Corporation at 30 September 2024 amounted to \$48.1 million (September 2023: \$8.2 million).

There was an amount of \$10.4 million receivable from the Corporation in respect of net subscriptions and funds advanced to facilitate same-day large repurchases at the end of the reporting period (September 2023: \$10.6 million).

The Growth and Income Fund invested in the Calypso Macro Index Fund (Calypso) a related party sponsored and managed by the Corporation. The market value of the holdings as at 30 September 2024 was \$141.0 million (September 2023: \$134.4 million).

During the period, the Fund received \$3.6 million (2023: \$3.9 million) from Calypso. Included in dividend receivable at the end of the reporting period was an amount of \$1.5 million due from Calypso (2023: \$1.1 million).

There were sales and purchases of securities between the Fund and certain related parties. The value of these transactions are summarised below, expressed in millions of dollars.

	Sales		Purchases	
	2024	2023	2024	2023
Growth and Income Fund	30.4	98.3	–	–
TT Dollar Income Fund	–	–	30.4	98.3

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	(59,897)	(121,821)	(4,240)	(185,958)
Management charge	–	–	(72,864)	(72,864)
Other expenses	–	–	(447)	(447)
Net loss before taxation	(59,897)	(121,821)	(77,551)	(259,269)
Taxation	–	(3,704)	–	(3,704)
Net loss after taxation	(59,897)	(125,525)	(77,551)	(262,973)

Total assets	1,508,649	3,068,351	106,790	4,683,790
Total liabilities	15,501	31,526	1,097	48,124

	Fixed Income Portfolio	Equity Portfolio	Unallocated	Total
September 2023				
Total operating income	(12,742)	(29,929)	(2,512)	(45,183)
Management charge	–	–	(76,654)	(76,654)
Other expenses	–	–	(740)	(740)
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
December 2023				
Total operating income	18,563	46,974	1,550	67,087
Management charge	–	–	(101,529)	(101,529)
Other expenses	–	–	(819)	(819)
Net loss before taxation	18,563	46,974	(100,798)	(35,261)
Taxation	–	(5,798)	–	(5,798)
Net loss after taxation	18,563	41,176	(100,798)	(41,059)

Total assets	1,389,783	3,516,899	116,025	5,022,707
Total liabilities	14,374	36,374	1,200	51,948

6. Approval of the Interim Financial Statements

These interim financial statements were approved by the Board of Directors and authorised for issue on 8 November 2024.