

UNIVERSAL RETIREMENT FUND
STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

Expressed in thousands of Trinidad and Tobago dollars

| | Unaudited 31-Mar-24 \$'000 | Unaudited 31-Mar-23 \$'000 | Audited 31-Dec-23 \$'000 |
|-------------------------------------|----------------------------------|----------------------------------|--------------------------------|
| Assets | | | |
| Cash at bank | 8,760 | 13,684 | 26,551 |
| Deposits with banks | – | 3,373 | 3,373 |
| Other receivables | 1,270 | 1,331 | 1,264 |
| Investment securities | 405,620 | 392,054 | 379,132 |
| Total assets | <u>415,650</u> | <u>410,442</u> | <u>410,320</u> |
| Liabilities | | | |
| Other payables | 2,050 | 854 | 703 |
| Total liabilities | <u>2,050</u> | <u>854</u> | <u>703</u> |
| Equity | | | |
| Unitholders' capital | 220,593 | 219,065 | 221,225 |
| Retained earnings | 193,007 | 190,523 | 188,392 |
| Total equity | <u>413,600</u> | <u>409,588</u> | <u>409,617</u> |
| Total liabilities and equity | <u>415,650</u> | <u>410,442</u> | <u>410,320</u> |
| Net asset value per unit | \$50.80 | \$50.50 | \$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 three months ended 31 March 2024

Expressed in thousands of Trinidad and Tobago dollars

| | Unaudited Three months ended 31-Mar-24 \$ '000 | Unaudited 31-Mar-23 \$ '000 | Audited Year ended 31-Dec-23 \$ '000 |
|---|---|-----------------------------------|---|
| Interest income | 1,098 | 1,246 | 4,818 |
| Dividend income | 1,439 | 1,647 | 8,241 |
| Net change in fair value of investment securities | 4,169 | 1,854 | (3,956) |
| Net foreign exchange gain/(loss) | 94 | (150) | (64) |
| Total revenue | <u>6,800</u> | <u>4,597</u> | <u>9,039</u> |
| Management charge | (2,039) | (2,020) | (8,139) |
| Other operating expenses | (13) | (11) | (78) |
| Total operating expenses | <u>(2,052)</u> | <u>(2,031)</u> | <u>(8,217)</u> |
| Profit before tax | <u>4,748</u> | <u>2,566</u> | <u>822</u> |
| Withholding tax expense | (133) | (93) | (480) |
| Profit for the period | <u>4,615</u> | <u>2,473</u> | <u>342</u> |

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UNIVERSAL RETIREMENT FUND
STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 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 income for the period | | | |
| Profit for the period | – | 4,615 | 4,615 |
| Transactions with unitholders recognised directly in equity | | | |
| Subscriptions of units | 7,590 | – | 7,590 |
| Redemptions of units | (8,222) | – | (8,222) |
| Total transactions with unitholders | <u>(632)</u> | <u>–</u> | <u>(632)</u> |
| Balance as at 31 March 2024 (Unaudited) | <u>220,593</u> | <u>193,007</u> | <u>413,600</u> |
| Balance as at 1 January 2023 | 215,131 | 188,050 | 403,181 |
| Total comprehensive income for the period | | | |
| Profit for the period | – | 2,473 | 2,473 |
| Transactions with unitholders recognised directly in equity | | | |
| Subscriptions of units | 8,781 | – | 8,781 |
| Redemptions of units | (4,847) | – | (4,847) |
| Total transactions with unitholders | <u>3,934</u> | <u>–</u> | <u>3,934</u> |
| Balance as at 31 March 2023 (Unaudited) | <u>219,065</u> | <u>190,523</u> | <u>409,588</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 three months ended 31 March 2024

Expressed in thousands of Trinidad and Tobago dollars

| | Unaudited 31-Mar-24 \$'000 | Unaudited 31-Mar-23 \$'000 | Audited 31-Dec-23 \$'000 |
|---|----------------------------------|----------------------------------|--------------------------------|
| Cash flows from operating activities | | | |
| Profit before tax | 4,748 | 2,566 | 822 |
| Adjustments to reconcile profit before tax to net cash flows: | | | |
| Interest income | (797) | (785) | (3,394) |
| Amortisation of premium expense and discount income | (301) | (462) | (1,424) |
| Dividend income | (1,439) | (1,647) | (8,241) |
| Maturity of deposits with banks | 3,354 | – | – |
| Purchase of investments | (131,037) | (127,546) | (352,258) |
| Proceeds from sale of investments | 109,038 | 77,063 | 309,850 |
| Net change in fair value of investment securities | (4,169) | (1,852) | 3,956 |
| Working capital adjustments: | | | |
| Increase/(decrease) in other payables | 1,347 | (1,640) | (1,754) |
| | <u>(19,256)</u> | <u>(54,303)</u> | <u>(52,443)</u> |
| Interest received | 797 | 482 | 3,075 |
| Dividend received | 1,403 | 1,703 | 8,416 |
| Withholding tax paid | (133) | (93) | (480) |
| Net cash flows used in operating activities | <u>(17,189)</u> | <u>(52,211)</u> | <u>(41,432)</u> |
| Cash flows from financing activities | | | |
| Subscriptions of units | 5,700 | 6,430 | 23,351 |
| Redemptions of units | (6,302) | (2,663) | (17,496) |
| Net cash flows (used in)/from financing activities | <u>(602)</u> | <u>3,767</u> | <u>5,855</u> |
| Net decrease in cash | (17,791) | (48,444) | (35,577) |
| Cash at the beginning of the period | <u>26,551</u> | <u>62,128</u> | <u>62,128</u> |
| Cash at the end of the period | <u>8,760</u> | <u>13,684</u> | <u>26,551</u> |

The accompanying notes form an integral part of these financial statements

UNIVERSAL RETIREMENT FUND

Notes to the Interim Financial Statements

For the three months ended 31 March 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 three-month period ended 31 March 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 \$2.0 million or 2% of month end fund size (March 2023: \$2.0 million or 2% of month end fund size). The outstanding management charge due to the Corporation at 31 March 2024 amounted to \$2.0 million (March 2023: \$0.7 million).

There was an amount of \$0.01 million receivable from the Corporation in respect of net subscriptions at the end of the reporting period. (March 2023: \$0.4 million payable).

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.

UNIVERSAL RETIREMENT FUND

Notes to the Interim Financial Statements

For the three months ended 31 March 2024

Expressed in thousands of Trinidad and Tobago dollars

(Continued)

5. Segment Information (continued)

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 |
|----------------------------|---------------------------------------|-----------------------------|--------------------|--------------|
| March 2024 | | | | |
| Total Operating Income | 2,112 | 4,557 | 131 | 6,800 |
| Management Charge | – | – | (2,039) | (2,039) |
| Other Expenses | – | – | (13) | (13) |
| Net Income before Taxation | 2,112 | 4,557 | (1,921) | 4,748 |
| Taxation | – | (133) | – | (133) |
| Net Income after Taxation | <u>2,112</u> | <u>4,424</u> | <u>(1,921)</u> | <u>4,615</u> |
| Total Assets | 129,101 | 278,527 | 8,022 | 415,650 |
| Total Liabilities | 637 | 1,374 | 39 | 2,050 |

| | Fixed Income Portfolio | Equity Portfolio | Unallocated | Total |
|----------------------------|---------------------------------------|-----------------------------|--------------------|--------------|
| March 2023 | | | | |
| Total Operating Income | 1,604 | 2,834 | 159 | 4,597 |
| Management Charge | – | – | (2,020) | (2,020) |
| Other Expenses | – | – | (11) | (11) |
| Net Income before Taxation | 1,604 | 2,834 | (1,872) | 2,566 |
| Taxation | – | (93) | – | (93) |
| Net Profit after Taxation | <u>1,604</u> | <u>2,741</u> | <u>(1,872)</u> | <u>2,473</u> |
| Total Assets | 143,244 | 252,996 | 14,202 | 410,442 |
| Total Liabilities | 298 | 526 | 30 | 854 |

| | Fixed Income Portfolio | Equity Portfolio | Unallocated | Total |
|----------------------------|---------------------------------------|-----------------------------|--------------------|--------------|
| 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 Profit after Taxation | <u>2,282</u> | <u>5,678</u> | <u>(7,618)</u> | <u>342</u> |
| Total Assets | 103,605 | 279,551 | 27,164 | 410,320 |
| Total Liabilities | 178 | 479 | 46 | 703 |

6. Approval of the Financial Statements

These interim financial statements were approved by the Board of Directors and authorised for issue on 13 May 2024.