



**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
FINANCIAL STATEMENTS OF THE TRINIDAD AND TOBAGO UNIT TRUST CORPORATION -
UNIVERSAL RETIREMENT FUND FOR THE YEAR ENDED 31 DECEMBER 2024**

OPINION

The Financial Statements of the Trinidad and Tobago Unit Trust Corporation – Universal Retirement Fund (the Fund) for the year ended 31 December 2024 have been audited. The statements as set out on pages 1 to 31 comprise a Statement of Financial Position as at 31 December 2024 and a Statement of Comprehensive Income, a Statement of Changes in Equity and a Statement of Cash Flows for the year then ended, and Notes to the Financial Statements numbered 1 to 16, including a summary of material accounting policies.

2. In my opinion, the accompanying Financial Statements present fairly, in all material respects, the financial position of the Trinidad and Tobago Unit Trust Corporation - Universal Retirement Fund as at 31 December 2024 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

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 Fund 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 the above audit opinion.

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

4. Management of the Fund is responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

5. In preparing the Financial Statements, management is responsible for assessing the ability of the Fund 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 Fund or to cease operations, or has no realistic alternative but to do so.

6. Those charged with governance are responsible for overseeing the financial reporting process of the Fund.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

7. The Auditor General's responsibility is to express an opinion on these 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 her 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 Fund.
- 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 Fund 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 her audit report. However, future events or conditions may cause the Fund 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.

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.



27TH MARCH, 2025
PORT OF SPAIN

Jaiwantie Ramdass
JAIWANTIE RAMDASS
AUDITOR GENERAL

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

FINANCIAL STATEMENTS

31 DECEMBER 2024

(Expressed in thousands of Trinidad and Tobago dollars)

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Contents	Page
Statement of Financial Position	3
Statement of Comprehensive Income	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the financial statements	
1. General information	7 - 8
2. Material accounting policies	
a) Basis of preparation	8 - 9
b) Changes in accounting policies and disclosures	9 - 10
c) Cash at bank	10
d) Deposits with banks	10
e) Due from and due to brokers	10
f) Financial assets and financial liabilities at fair value through profit or loss	11 - 12
g) Fair value measurement	12 - 15
h) Interest income	16
i) Dividend income	16
j) Taxation	16
k) Foreign currency translation	16
3. Significant accounting estimates and assumptions in applying accounting policies	17
4. Cash at bank	17
5. Other receivables	17
6. Investment securities	17
7. Other payables	18
8. Unitholders' capital	18

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Contents	Page
Notes to the financial statements (continued)	
9. Related party transactions	18 - 19
10. Segment information	19 - 21
11. Fair value of financial instruments	
a) The fair value hierarchy for investment securities	21
b) Transfers between fair value hierarchy levels	22
c) Valuation techniques used to derive level 3 fair values	22
12. Risk management	22 - 31
13. Capital management	31
14. Commitments	31
15. Events after the reporting period	31
16. Approval of the financial statements	31

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

STATEMENT OF FINANCIAL POSITION

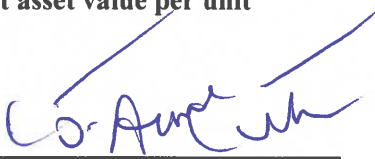
As at 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

	Notes	31-Dec-24 \$'000	31-Dec-23 \$'000
Assets			
Cash at bank	4	30,396	26,551
Deposits with banks		—	3,373
Other receivables	5	1,864	1,264
Investment securities	6	<u>378,802</u>	<u>379,132</u>
Total assets		<u>411,062</u>	<u>410,320</u>
Liabilities			
Other payables	7	<u>2,066</u>	<u>703</u>
Total liabilities		<u>2,066</u>	<u>703</u>
Equity			
Unitholders' capital	8	221,340	221,225
Retained earnings		<u>187,656</u>	<u>188,392</u>
Total equity		<u>408,996</u>	<u>409,617</u>
Total liabilities and equity		<u>411,062</u>	<u>410,320</u>

Net asset value per unit

\$50.14 \$ 50.24


Chairman




Executive Director

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

	Notes	31-Dec-24 \$'000	31-Dec-23 \$'000
Interest income		5,061	4,818
Dividend income		8,493	8,241
Net change in fair value of investment securities		(5,598)	(3,956)
Net foreign exchange gain/(loss)		<u>68</u>	<u>(64)</u>
Total revenue		8,024	9,039
Management charge	9	(8,154)	(8,139)
Commissions		(20)	(12)
Other operating expenses		<u>(68)</u>	<u>(66)</u>
Total operating expenses		(8,242)	(8,217)
(Loss)/profit before tax		<u>(218)</u>	<u>822</u>
Withholding tax expense		<u>(518)</u>	<u>(480)</u>
(Loss)/profit for the year		<u><u>(736)</u></u>	<u><u>342</u></u>

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 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 year			
Loss for the year	—	(736)	(736)
Transactions with unitholders recognised directly in equity			
Subscriptions of units	33,333	—	33,333
Redemptions of units	(33,218)	—	(33,218)
Total transactions with unitholders	115	—	115
Balance as at 31 December 2024	<u>221,340</u>	<u>187,656</u>	<u>408,996</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	6,094	—	6,094
Balance as at 31 December 2023	<u>221,225</u>	<u>188,392</u>	<u>409,617</u>

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

	31-Dec-24 \$'000	31-Dec-23 \$'000
Cash flows from operating activities		
(Loss)/profit before tax	(218)	822
Adjustments to reconcile (loss)/profit before tax to net cash flows:		
Interest income	(3,858)	(3,394)
Amortisation of premium expense and discount income	(1,203)	(1,424)
Dividend income	(8,493)	(8,241)
Maturity of deposits with banks	3,354	—
Purchase of investments	(182,147)	(352,258)
Proceeds from sale of investments	178,101	309,850
Net change in fair value of investment securities	5,598	3,956
Working capital adjustments:		
Increase/ (decrease) in other payables	1,363	(1,754)
	<u>(7,503)</u>	<u>(52,443)</u>
Interest received	3,314	3,075
Dividend received	8,499	8,416
Withholding tax paid	<u>(518)</u>	<u>(480)</u>
Net cash flows from/(used in) operating activities	<u>3,792</u>	<u>(41,432)</u>
Cash flows from financing activities		
Subscriptions of units	25,812	23,531
Redemptions of units	<u>(25,759)</u>	<u>(17,496)</u>
Net cash flows from financing activities	<u>53</u>	<u>5,855</u>
Net increase/(decrease) in cash	3,845	(35,577)
Cash at the beginning of the year	<u>26,551</u>	<u>62,128</u>
Cash at the end of the year	<u><u>30,396</u></u>	<u><u>26,551</u></u>

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 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 Fund is a medium to long term retirement investment vehicle whereby individuals, as well as employers (on behalf of their employees), may make retirement contributions into the Fund. 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.

Investment objective

The Fund seeks provides investors with medium to long-term capital appreciation as well as income generated from investing in a combination of equity and fixed income securities. Income earned by the Fund is automatically reflected in the Fund's net asset value.

Subscriptions and redemptions

Effective 21 September 2022 units may be purchased and redeemed every business day up to 6:00 pm at the offer/bid price determined at the end of the current trading day. In line with the forward pricing methodology, transactions (subscriptions and redemptions) executed after the established cut-off time of 6:00 pm will be valued at the offer/bid price determined at the end of the following trading day.

Subscriptions

Units may be purchased through the Corporation's distribution channels including the Corporation's authorised agents. The minimum amount of each additional investment shall be the price of one unit at the net asset value.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

1. General information (continued)

Redemptions

Redemptions (withdrawals) from the Fund are permitted upon satisfying any one of the following conditions:

- i. Death
- ii. Medical/Permanent disability
- iii. Home acquisition based on the following:
 - 5 years membership
 - 10 percent of purchase price but not to exceed 50 percent of member's accumulation
 - One application per member
- iv. At any age 50 years or above or five years after entry whichever is greater.

Investors on attaining retirement age are entitled to receive: their full accumulation; a lumpsum plus periodic withdrawals; and/or periodic withdrawals.

Units may be redeemed at the prevailing price on any business day once the conditions for redemption are satisfied.

Management charge

The Corporation may impose a Management charge of up to 2% of the assets under management.

2. Material accounting policies

The material accounting policies applied in the preparation of these financial statements (the "financial statements") are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

a) Basis of preparation

- i. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). IFRS Accounting Standards comprise the following authoritative literature:
 - IFRS Accounting Standards
 - International Accounting Standards (IASs)
 - Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations)

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

2. Material accounting policies (continued)

a) Basis of preparation (continued)

- ii. The financial statements are 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 Fund's financial assets are provided at Note 2 (g).
- iii. The financial statements are presented in Trinidad and Tobago dollars, which is the functional currency of the Fund.

b) Changes in accounting policies and disclosures

Standards and amendments to existing standards effective 1 January 2024

The following new and amended accounting standards and interpretations did not have a material impact on the Fund's financial statements in 2024.

Amendments to IAS 1 - Classification of liabilities as current or non-current and non-current liabilities with covenants

The amendments specifies the requirements for classifying liabilities as current or non-current. The amendments clarify:

- i) What is meant by a right to defer settlement
- ii) That a right to defer settlement must exist at the end of the reporting period
- iii) That classification is unaffected by the likelihood that an entity will exercise its deferral
- iv) That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

Amendments to IFRS 16 - Lease liability in a sale and leaseback

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

Amendments to IAS 7 and IFRS 7 - Disclosures: supplier finance arrangements

The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

2. Material accounting policies (continued)

b) Changes in accounting policies and disclosures (continued)

New standards, amendments and interpretations effective after 1 January 2024 and have not been early adopted

The following new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2024, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

- Amendments to IAS 21 – Lack of Exchangeability – Effective 1 January 2025
- Amendments to IFRS 9 – Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Effective 1 January 2026
- Annual Improvements to IFRS Accounting Standards – Volume 11 – Effective 1 January 2026
- Amendments to IFRS 18 – Presentation and Disclosure in Financial Statements – Effective 1 January 2027
- Amendments to IFRS 19 – Subsidiaries without Public Accountability: Disclosures – Effective 1 January 2027

c) Cash at bank

Cash at bank represents account balances held in various banks and a brokerage institution.

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.

e) Due from and due to brokers

Amounts due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

2. Material accounting policies (continued)

f) Financial assets and financial liabilities at fair value through profit or loss

i) Classification

Financial assets

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income.

The contractual cash flows of the Fund's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

Financial liabilities

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

A financial liability is classified as fair value through profit or loss if it is classified as held-for-trading or it is designated as such on initial recognition.

ii) Recognition, measurement and derecognition

Regular purchases and sales of investments are recognised on the trade date – the date on which the Fund commits to purchase or sell the investment. Financial assets at fair value through profit or loss are initially recognised at fair value.

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value are presented in the statement of comprehensive income within Net changes in fair value of investment securities in the period in which they arise.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

2. Material accounting policies (continued)

f) Financial assets and financial liabilities at fair value through profit or loss (continued)

ii) Recognition, measurement and derecognition (continued)

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all the risks and rewards of ownership.

iii) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of financial assets traded in active markets are based on quoted market prices at the close of trading on the reporting date.

The fair value of financial assets that are not traded in an active market is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. (Note 2 (g))

iv) Transfers between levels of the fair value hierarchy

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

v) Foreign exchange gains and losses

The foreign exchange component for financial assets that are classified as fair value through profit or loss forms part of its fair value gain or loss recognised in the statement of comprehensive income.

g) Fair value measurement

Valuation framework

The Fund 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 Fund, while a meeting is held quarterly, or more frequently as required, to discuss and approve the fair value of assets in the funds. The Valuation Committee reports to the Audit Committee in relation to significant changes to the valuation methodology.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

2. Material accounting policies (continued)

g) 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 Fund uses valuation models that use observable market data for determining the fair value of its financial instruments. 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 Fund 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 Fund believes that a third party market participant would take them into account in pricing a transaction. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Fund and the counterparty where appropriate.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

2. Material accounting policies (continued)

g) Fair value measurement (continued)

Valuation techniques (continued)

The fair values of financial assets 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 Fund determines fair values using other valuation techniques.

Fair value hierarchy

The Fund 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 from market data.
- **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.

The Fund 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.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

2. Material accounting policies (continued)

g) Fair value measurement (continued)

Valuation techniques for specific instruments

Equities and exchange traded funds (ETFs) 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.

Private equity

The fair value of the Fund's private equity holdings is provided by the General Partners of the entities and are 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 Fund 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 Fund 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. There were no material changes made to the model during 2024 and 2023.

The output of any valuation model is an estimate of a value that cannot be determined with certainty. As such the valuation may vary significantly from the value that would be realised in an actual transaction. Valuations based on the model are categorised as Level 2.

Categorisation of short-term investments

The Fund's short-term investments (for example: reverse repurchase agreements and commercial paper) 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, which are of a short-term nature, are assumed to approximate their fair values.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

2. Material accounting policies (continued)

h) Interest income

Interest is recognised on a time-proportionate basis using the effective interest rate (EIR) method. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the gross carrying amount of the financial asset. Interest income includes interest from cash and cash equivalents. Interest income is recognised in the statement of comprehensive income.

i) Dividend income

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Fund, and the amount of the dividend can be measured reliably. Dividend income is recognised in the statement of comprehensive income.

j) Taxation

The Fund is exempt from corporation tax. The Fund currently incurs withholding taxes imposed by certain countries' on investment income. Such income is recorded gross of withholding taxes in the statement of comprehensive income.

Withholding taxes are recognised as an expense and shown as a separate item in the statement of comprehensive income.

k) Foreign currency translation

The Fund's functional and presentation currency is Trinidad and Tobago dollars (TT\$).

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the statement of financial position date.

Foreign exchange gains and losses relating to the financial assets carried at fair value through profit or loss are presented in the statement of comprehensive income within Net change in fair value of investment securities.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of comprehensive income within Net foreign exchange gain or loss.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

3. Significant accounting estimates and assumptions in applying accounting policies

In preparing these financial statements, management has made estimates. In developing these estimations, management has made assumptions about the future that affect the application of the Fund's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these financial statements, management has made estimates. In developing these estimations, management has made judgements and assumptions about the future that affect the application of the Fund's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in Note 11 (c) and relates to the determination of fair value of financial instruments with significant unobservable inputs.

4. Cash at bank

	2024	2023
Cash at banks	7,009	7,625
Cash at broker	23,387	18,926
Total	30,396	26,551

5. Other receivables

	2024	2023
Amounts due from the Corporation (see Note 9)	98	36
Dividend receivable	386	392
Interest receivable	1,380	836
Total	1,864	1,264

6. Investment securities

	2024	2023
Investment securities carried at fair value		
Bonds	121,935	89,986
Quoted equities	138,978	211,826
Exchange traded funds (ETFs)	117,889	77,320
Total	378,802	379,132

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

7. Other payables

	2024	2023
Amounts due to the Corporation (see Note 9)	2,053	699
Other payables	<u>13</u>	<u>4</u>
Total	<u>2,066</u>	<u>703</u>

8. Unitholders' capital

This represents the capital value of units issued by the Fund. The Fund is responsible for redemption of its units. The movement in the balance of redeemable units is summarised below.

	2024	2023
Opening balance as at 1 January	<u>221,225</u>	<u>215,131</u>
Add: sales	33,333	34,003
Less: repurchases	<u>(33,218)</u>	<u>(27,909)</u>
Net sales	<u>115</u>	<u>6,094</u>
Closing balance as at 31 December	<u>221,340</u>	<u>221,225</u>

9. 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).

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

9. Related party transactions (continued)

The Fund is managed by the Corporation. Under the terms of the investment management agreement dated 29 December 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 year amounted to \$8.2 million or 2% of month end fund sizes (December 2023: \$8.1 million or 2% of month end fund sizes). The outstanding management charge due to the Corporation at 31 December 2024 amounted to \$2.0 million (December 2023: \$0.7 million). (see Note 7)

There was an amount of \$0.1 million receivable from the Corporation in respect of net subscriptions (December 2023: \$0.04 million) at the end of the reporting period. (see Note 5).

There were no other related party transactions for the year.

10. 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.

Equity Portfolio	Investing in a diversified portfolio of equity securities issued by TTSE and NYSE and foreign/local unlisted companies to achieve capital appreciation.
------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------

Fixed Income Portfolio	Investing in the US and local debt market within the parameters set out in the Fund's prospectus to achieve the highest possible yield.
------------------------	-----------------------------------------------------------------------------------------------------------------------------------------

Unallocated	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.

Segment information is measured on the same basis as that used in the preparation of the Fund's financial statements.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

10. 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
2024				
Total reveue	2,491	4,940	593	8,024
Management charge	—	—	(8,154)	(8,154)
Commissions	—	—	(20)	(20)
Other expenses	—	—	(68)	(68)
Net loss before taxation	2,491	4,940	(7,649)	(218)
Taxation	—	(518)	—	(518)
Net loss after taxation	2,491	4,422	(7,649)	(736)
Total assets	127,635	253,091	30,336	411,062
Total liabilities	641	1,272	153	2,066
	Fixed Income Portfolio	Equity Portfolio	Unallocated	Total
2023				
Total reveue	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

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

10. Segment information (continued)

Major customers

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

As at 31 December 2024, TTUTC Pension Plan was the Fund's largest unitholder, holding approximately 49.7% of the Fund's net asset value (December 2023: 50.3%). All other investors hold less than 1%.

11. Fair value of financial instruments

a) The fair value hierarchy for investment securities

The Fund uses a valuation hierarchy to rank the fair value of its investment securities (see Note 2 (g)), as analysed below.

Fair value hierarchy for investment securities as at 31 December 2024

Investment securities carried at fair value through profit or loss	Level 1	Level 2	Level 3	Total
Bonds	53,731	68,204	—	121,935
Quoted equities	138,978	—	—	138,978
Exchange traded funds (ETFs)	117,889	—	—	117,889
Total investment securities	310,598	68,204	—	378,802

Fair value hierarchy for investment securities as at 31 December 2023

Investment securities carried at fair value through profit or loss	Level 1	Level 2	Level 3	Total
Bonds	20,687	69,299	—	89,986
Quoted equities	211,826	—	—	211,826
Exchange traded funds (ETFs)	77,320	—	—	77,320
Total investment securities	309,833	69,299	—	379,132

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

11. Fair value of financial instruments (continued)

b) Transfers between fair value hierarchy levels

At each reporting date the Fund 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.

There were no transfers between the fair value hierarchy levels during 2024.

In 2023, a security with a carrying amount of \$5.8 million was transferred from Level 1 to Level 2 of the fair value hierarchy. (see Note 11 (a)).

c) Valuation techniques used to derive Level 3 fair values

The valuation techniques used by the Fund to arrive at the fair value of Level 3 investments are set out in Note 2 (g).

There were no securities determined as Level 3 for the year ended 31 December 2024 and 31 December 2023.

12. Risk management

Risk management framework

The Fund's investment activities expose it 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 identify, assess and manage these risks to safeguard the interests of all stakeholders and to achieve strategic objectives.

The SRCC meets at least once per quarter and is responsible for overseeing the Fund's risk management and compliance frameworks, programs and supporting policies.

The Audit Committee is responsible for discharging independent oversight of the Fund's financial reports and the Fund's compliance with statutory and regulatory requirements. The Audit Committee is also responsible for ensuring that Management has:

- maintained the reliability and integrity of the accounting policies and financial reporting and disclosure practices.
- established and maintained processes to assure that an adequate system of internal control is functioning within the Fund.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

12. Risk management (continued)

Risk exposures

The primary risks to which the Fund is exposed are:

- i. market risk, which comprises:
 - bond price risk
 - equity and exchange traded funds (ETF) price risk
 - interest rate risk
 - currency risk
- ii. credit risk
- iii. liquidity risk; and
- iv. operational risk

In alignment with the Risk Management Framework, these risk exposures are managed on an ongoing basis. Risks are monitored to determine compliance with approved risk tolerances and to ensure appropriate corrective actions are implemented when necessary.

Market risk

Market risk is the risk that changes in market prices for example, bond prices, foreign exchange rates and interest rates, will affect the Fund'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.

Bond price risk

Bond price risk is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment or its issuer or factors affecting all instruments traded in the market.

Equity and ETF price risk

Equity and ETF price risk is the risk that the fair value of equities/ETFs decreases as a result of changes in the market prices for these securities.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

12. Risk management (continued)

Equity and ETF price risk (continued)

The Fund has 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 equity 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.

The 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 Fund's equity and ETF holdings are categorised below, both in dollar terms and as a percentage of total equity holdings into three (3) categories to reflect the Fund's exposure to movements in equity prices.

	Lower than market	Comparable to market	Higher than market
At 31 December 2024	145,775 57%	17,945 7%	93,147 36%
At 31 December 2023	121,342 42%	123,776 43%	44,028 15%

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

12. Risk management (continued)

Equity and ETF price risk (continued)

The following table presents the approximate sensitivity of the net asset value of the Fund 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.

Market indices	Change in equity %	Effect on net asset value	
		2024	2023
TTSE composite index	+/- 5	\$6.9 million	\$6.6 million
S&P 500 index	+/- 5	\$6.0 million	\$6.4 million

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 Fund's interest rate risk exposure arises primarily on fixed rate debt securities held.

The Fund manages the overall interest rate risk through judicious adjustments of the overall weighted average term to maturity (duration) of its portfolios.

Management has determined that a fluctuation in interest rates of 100 basis points is reasonably possible, considering the economic environment in which the Fund operates.

The following tables demonstrate the sensitivity of the Fund's profit or loss for the year to a possible 100 basis point 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.

Sensitivity of changes in fair value of investments

	2024	2023
Maximum loss	(3,000)	(3,000)
Minimum loss	(2,000)	(2,000)

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

12. Risk management (continued)

The Fund's exposure to interest rate risk as at 31 December is summarised below. The Fund's assets are included at their carrying amount and categorised by the earlier of contractual re-pricing or maturity dates. The liabilities of the Fund are not subject to interest rate risk.

	Less than 1 year	Between 1 and 5	Over 5 years	Total
At 31 December 2024				
Assets				
Cash at banks	30,396	—	—	30,396
Bonds	<u>2,019</u>	<u>66,601</u>	<u>53,315</u>	<u>121,935</u>
	<u>32,415</u>	<u>66,601</u>	<u>53,315</u>	<u>152,331</u>
	Less than 1 year	Between 1 and 5	Over 5 years	Total
At 31 December 2023				
Assets				
Cash at banks	26,551	—	—	26,551
Deposits with banks	3,373	—	—	3,373
Bonds	<u>6,518</u>	<u>64,990</u>	<u>18,478</u>	<u>89,986</u>
	<u>36,442</u>	<u>64,990</u>	<u>18,478</u>	<u>119,910</u>

Currency risk

Currency risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Since the Fund contains investments denominated in US\$, the Fund can be impacted by movements in the US\$/TT\$ exchange rate.

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

12. Risk management (continued)

Currency risk (continued)

The foreign currency assets and liabilities of the Fund at 31 December are summarised below.

	At 31 December 2024		At 31 December 2023	
	US\$	Other Foreign Currencies	US\$	Other Foreign Currencies
	(Presented in TT\$)		(Presented in TT\$)	
Assets				
Cash at banks	24,016	—	20,742	—
Deposits with banks	—	—	3,373	—
Bonds	60,848	—	30,863	—
Equities, ETFs, private equity & mutual funds	118,276	3,516	128,581	3,648
Liabilities				
Payables	(643)	—	—	—
Total	<u>202,497</u>	<u>3,516</u>	<u>183,559</u>	<u>3,648</u>

The following analysis shows how the effect of a 1% change in the TT\$ relative to the US\$ and other foreign currencies would have changed the net assets of the Fund at 31 December 2024 with all other variables held constant.

	At 31 December 2024		At 31 December 2023	
	US\$	Other Foreign Currencies	US\$	Other Foreign Currencies
	(Presented in TT\$)		(Presented in TT\$)	
Approximate change	<u>2,025</u>	<u>35</u>	<u>1,836</u>	<u>36</u>

Concentration of foreign currency exposure

At the reporting date, the financial assets in foreign currencies expressed as a percentage of the Fund's net assets were as follows:

% of total equity	2024	2023
US dollars	50%	45%
Other foreign currencies	1%	1%

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

12. Risk management (continued)

Credit risk

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 Fund is exposed to credit risk primarily on debt securities, deposits at bank and bank balances. The carrying value of these assets represents the Fund's maximum exposure to credit risk on financial instruments on the respective reporting dates.

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 quality of the Fund's debt securities, deposits at bank and bank balances are analysed in the table below 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

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

12. Risk management (continued)

Credit risk (continued)

An analysis of security ratings is presented in the table below.

2024	High	Medium	Low	Total
Cash at banks	30,396	—	—	30,396
Bonds	<u>105,155</u>	<u>14,761</u>	<u>2,019</u>	<u>121,935</u>
Total	<u>135,551</u>	<u>14,761</u>	<u>2,019</u>	<u>152,331</u>
2023	High	Medium	Low	Total
Cash at banks	26,551	—	—	26,551
Deposits with banks	3,373	—	—	3,373
Bonds	<u>81,568</u>	<u>8,418</u>	<u>—</u>	<u>89,986</u>
Total	<u>111,492</u>	<u>8,418</u>	<u>—</u>	<u>119,910</u>

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 Fund are redeemable on demand. The risk is mitigated by ensuring that the Fund holds adequate cash, cash equivalents and short-term investments to fund redemptions. This includes holding a liquidity buffer to meet stressed liquidity requirements. In addition, substantial portions of the investments held by the portfolios are tradable.

The financial liabilities of the Fund are summarised by their due dates and shown below. The amounts disclosed are the contractual undiscounted cash flows. The Fund had no financial liabilities over one (1) year.

	Less than 1 year
At 31 December 2024	
Other payables	<u>2,066</u>
Total	<u>2,066</u>

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

12. Risk management (continued)

Liquidity risk (continued)

**Less than
1 year**

At 31 December 2023

Other payables	703
Total	703

The Fund manages its liquidity risk by investing predominantly in securities that it expects to be able to liquidate within 1-12 months or less. The following table illustrates the expected liquidity of assets held:

	Less than 1 year	Between 1 and 5	Over 5 years	Total
At 31 December 2024				
Cash at banks	30,396	—	—	30,396
Other receivables	1,864	—	—	1,864
Investment securities	<u>258,886</u>	<u>66,601</u>	<u>53,315</u>	<u>378,802</u>
Total	<u>291,146</u>	<u>66,601</u>	<u>53,315</u>	<u>411,062</u>
	Less than 1 year	Between 1 and 5	Over 5 years	Total
At 31 December 2023				
Cash at banks	26,551	—	—	26,551
Deposits with banks	3,373	—	—	3,373
Other receivables	1,264	—	—	1,264
Investment securities	<u>295,664</u>	<u>64,990</u>	<u>18,478</u>	<u>379,132</u>
Total	<u>326,852</u>	<u>64,990</u>	<u>18,478</u>	<u>410,320</u>

TRINIDAD AND TOBAGO UNIT TRUST CORPORATION
UNIVERSAL RETIREMENT FUND

Notes to the financial statements

For the year ended 31 December 2024

(Expressed in thousands of Trinidad and Tobago dollars)

(Continued)

12. Risk management (continued)

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. This is inherent within all business activities and has the potential for financial or reputational loss, this includes errors, omissions, disasters and fraud. It is managed through a combination of systems, processes and controls.

The Fund maintains a comprehensive business continuity program that enables it to be agile in responding to the various business continuity threats/operational disruptions that may arise.

Managing information/cyber security risks remains a priority. The Fund maintains an Information Security Program to respond to the ever-evolving cyber threat landscape. The organization continues to monitor and enhance its security posture and implements relevant controls and mitigants to reduce the impacts of cyber incidents.

13. Capital management

The Fund's capital consists of Unitholders' Capital, Retained Earnings and Fund Reserves. The Fund's objectives when managing capital are:

- i. to comply with the capital requirements stipulated by the regulators;
- ii. to safeguard the Fund's ability to continue as a going concern; and
- iii. to provide attractive risk adjusted returns.

14. Commitments

The Fund had contractual obligations for capital contributions in respect of its private equity investment in Global Infrastructure Partners - C, L.P, however this facility matured in March 2020. Over the next three years, there may be residual taxes and other expenses related to the investment which the Fund may have to bear.

15. Events after the reporting period

There were no material events after the statement of financial position date of 31 December 2024 that required recording or disclosure in the financial statements of the Fund as at 13 February 2025.

16. Approval of the financial statements

These financial statements were approved by the Board of Directors and authorised for issue on 13 February 2025.