



**ANNUAL
REPORT
2020**

Navigating The Future, Together
www.stockex.co.tt

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Our **Vision, Mission** & **Core Values**



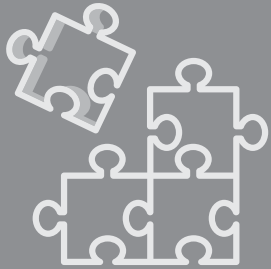
Integrity



Professionalism



Respect



Partnership



Empowerment



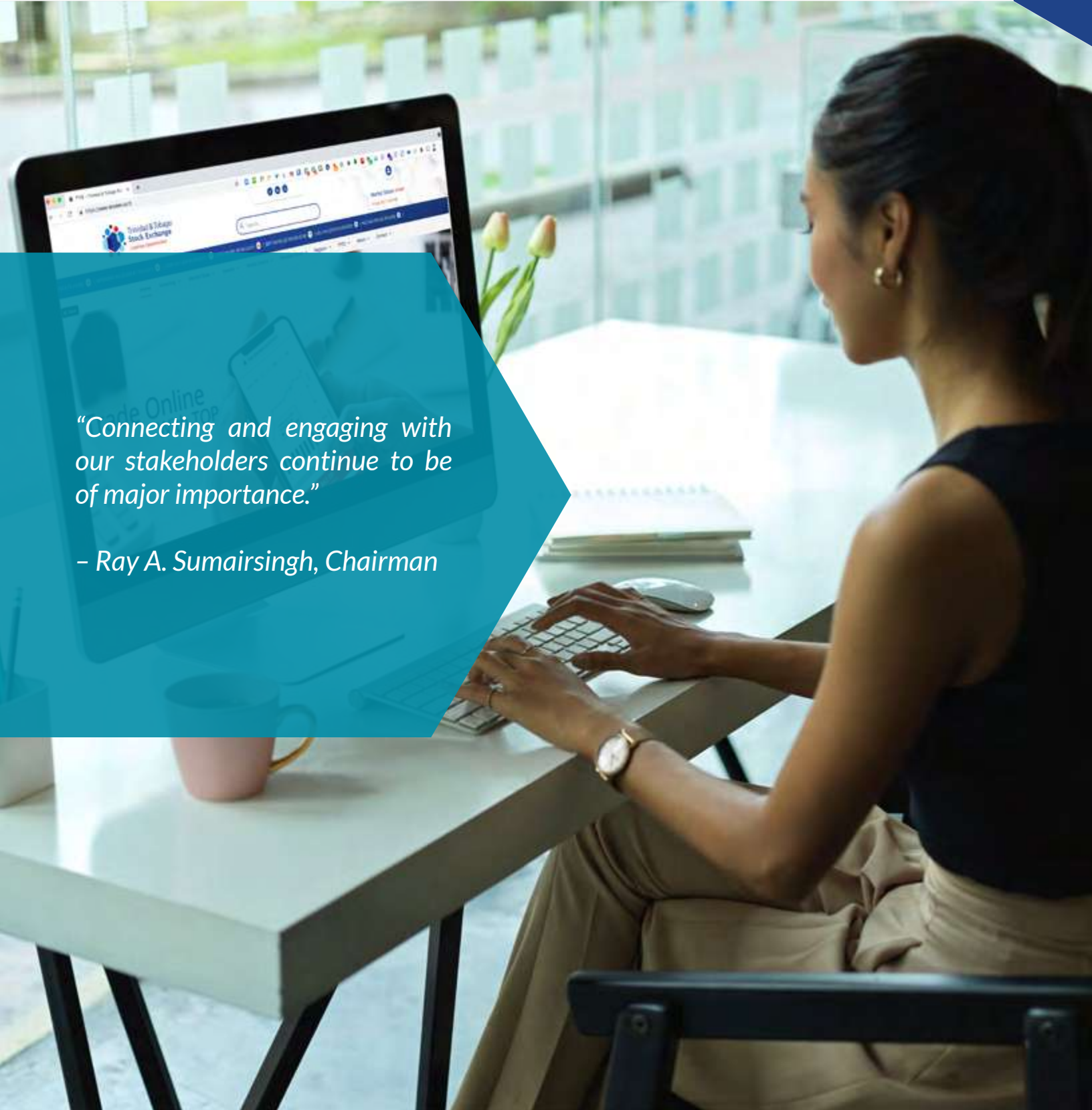
Innovation

Mission Statement

To facilitate the efficient mobilisation and allocation of capital, fair and orderly secondary market trading in securities and the efficient clearing and settlement of transactions within a dynamic legal and regulatory framework that instills confidence in the integrity of the Exchange and related institutions.

Vision Statement

To be the preferred securities exchange in the Caribbean through innovative products which are attractive to the capital markets, while operating in a well regulated environment.



“Connecting and engaging with our stakeholders continue to be of major importance.”

– Ray A. Sumairsingh, Chairman

Financial and Statistical Highlights

TTSE Operational Highlights

	Dec. 31 2020	Dec. 31 2019
	(Million)	(Million)
Operating Revenues	17.14	31.13
Total Expenses	-16.74	-17.22
Operating Profit/(Loss)	0.40	13.91
Investment Income	2.57	2.74
Profit Before Taxes	2.97	16.65
Taxation	-0.99	-5.04
Profit for the Year	1.98	11.61

TTSE Statistical Highlights

	Dec. 31 2020	Dec. 31 2019
Total Volume Traded	69,357,167	86,136,549
Average Daily Volume Traded	277,429	348,731
Total Value Traded	1,256,080,754	1,312,997,970
Average Daily Value Traded	5,024,323	5,315,781
Total Trades	13,298	13,894
Average Daily Trades	53	56
Composite Index	1,323.11	1,468.41
All T&T Index	1,772.61	1,868.97
Cross Listed Index	118.09	144.65
Member Organisations	6	6
New Listed Companies	0	2
Total Listed Companies	33	33
Market Capitalization (TTD Markets)	132,198,178,433	150,455,481,460
Market Capitalization (USD Market)	21,666,542	11,424,160



\$1.98M

Profit for the year 2020

\$1.26B

Total Value Traded

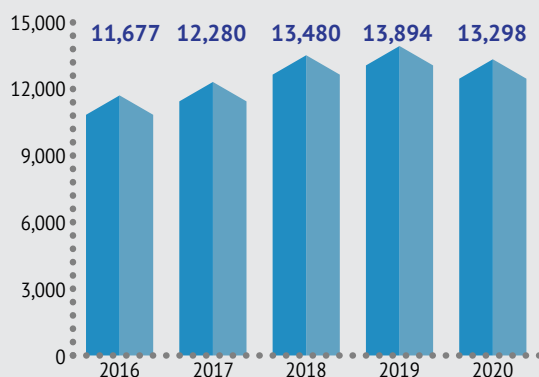
1,323.11

Composite Index

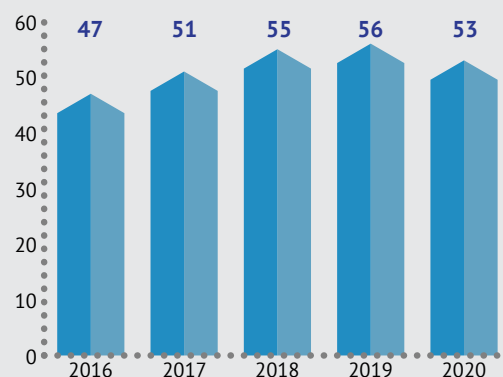
\$132.20B

Market Capitalization (TTD)

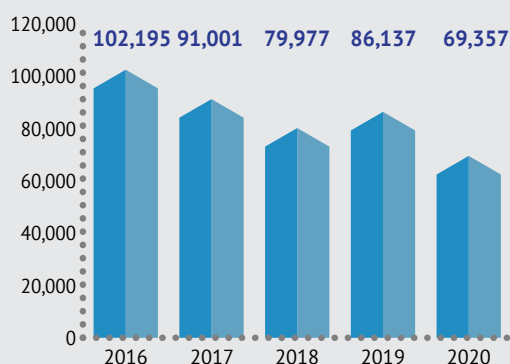
Total Trades



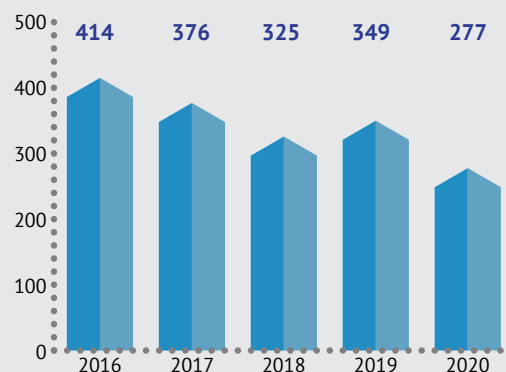
Average Daily Trades



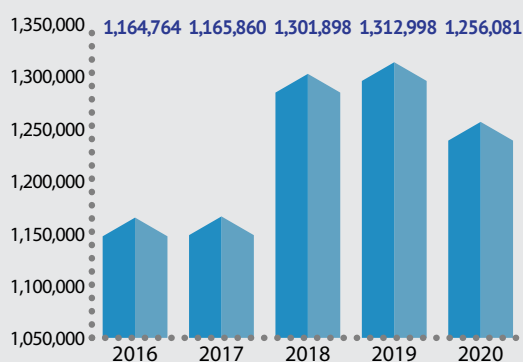
Total Volume ('000)



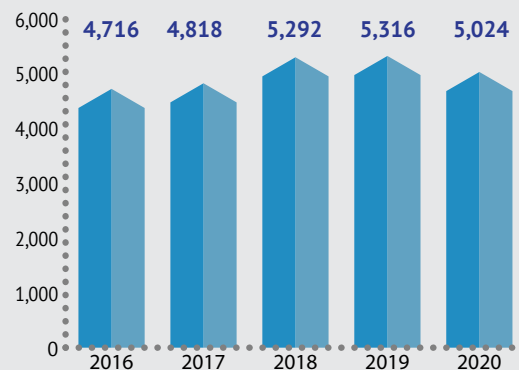
Average Daily Volume ('000)



Total Value ('000)



Average Daily Value ('000)



Notes:

1. Statistics include the First Tier, Second Tier, Mutual Fund and SME markets. Put Through statistics are not included.
2. Pursuant to a Rights Issue by MPC Caribbean Clean Energy Limited (MPCCEL), 10,242,382 Class B Ordinary Shares were listed on February 03rd, 2020, increasing the Company's issued share capital to 21,666,542 Class B Ordinary Shares.
3. The following securities were listed during 2019:
 - Endeavour Holdings Limited (EHL) was listed on December 12th 2019 in the SME Market.
 - MPCCEL was listed on January 14th, 2019 in the USD Market.
4. Pursuant to Sagcor Financial Corporation Limited (SFC) Scheme of Agreement (SOA), trading in SFC was suspended effective November 29th, 2019. As such, SFC was excluded in the market capitalization total as at the end of 2020.



Ray A. Sumairsingh
Chairman

Chairman's Report

Dear Shareholders,

The severe constraints brought about in 2020 by the COVID-19 pandemic tested the resilience of the country, the region and the world. In response, we pivoted to embrace new ways of doing business, through the introduction of strict health and safety protocols, rotational remote work structures, enhanced information security measures and accelerated technological growth. These efforts ensured that we continued to create value for our stakeholders, while maintaining our focus on developing the local capital market.

At The Trinidad and Tobago Stock Exchange Limited (TTSE) and its wholly-owned subsidiary, the Trinidad and Tobago Central Depository Limited (TTCD), 2020 was certainly a year of technological advancement in accordance with our strategic initiatives. We introduced our TTSE Online Platform (TOP) and TTCD eStatement facility and launched our newly designed and rebranded website. Investors now have access to online trading and real-time statements.

Financial Performance

From a financial perspective, the impact of reduced economic activity transcended the investment market activity, as is evident in the financial performance of the TTSE. During the first quarter of the year, there was a significant spike in trading activity, but this was followed quickly by a reduction in market activity for the rest of the year. The Consolidated Net Income of \$2.0M in 2020 represented a decline of 83.0% from the \$11.6M achieved in the previous year, resulting in Earnings per Share of \$1.28 for 2020. It is to be noted that the 2019 performance benefitted from one-off items totalling \$8.0M. The TTCD contributed \$1.3M to the Consolidated Net Income of the Group. Total Assets were \$95.7M, resulting in a return on Average Total Assets of 2.1%.

Based on these results, the Board has agreed on a dividend to shareholders of \$0.50 per share, amounting to a 39.0% pay-out on Net Profit after Tax.

The Listed Companies on the TTSE, particularly in the manufacturing, distribution and financial services sectors have reported profitable earnings for the year ended 2020, providing some level of optimism for the coming year and beyond. Recovery globally, is also expected to strengthen gradually over 2021, with global growth projected at 5.2%, as COVID-19 vaccines are rolled out worldwide, and governments provide stimulus packages which would spur demand.

The SME Market

The development of the SME Market remains a key strategic objective of the TTSE and will continue to hold high priority in 2021, as we seek to strengthen and encourage entrepreneurship in Trinidad and Tobago, and so assist in diversifying the economy. In this regard, the TTSE has been exploring partnerships with other financial influencers and organisations in the region, in order to boost the visibility and growth of our SME market.

The tax incentive announced in the 2020 budget provides SMEs with a Corporation Tax rate of zero percent (0%) for the first five (5) years from listing and a fifty percent (50%) tax holiday for the following five (5) years. This incentive, together with the imminent introduction by the TTSE of the Mentorship Model to support SMEs wishing to list on the Market, should provide strong encouragement for new listings and investment opportunities.

Navigating the Future

Connecting and engaging with our stakeholders continue to be of major importance, as we introduce new ways to keep the market informed and up-to-date on market liquidity, trends and analysis, which are all critical factors in developing the capital market ecosystem.

In order to maintain good governance, updates to the existing Rules of the TTSE and the TTCD have been submitted to the Trinidad and Tobago Securities and Exchange Commission (TTSEC) for review and approval before being formally adopted and brought into effect.

Our 40th Year

In October 2021, the TTSE will celebrate a milestone of 40 years as an organisation. While we have made significant strides since those early years, we continually seek to develop and strengthen the local capital market, and by extension, the region's.

We look to 2021 and beyond to execute our strategic initiatives with the aim of fulfilling our commitment to provide value and service to our key stakeholders. We are encouraged by the strong progress that we have made over the last year and the potential for future market development.

Acknowledgements

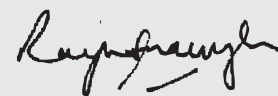
I extend my thanks to the Members of the Board for their commitment, invaluable service, input and desire to ensure that we continue to meet the needs of the market and deliver value to our investors.

During this year, our Chief Executive Officer exited the Organisation and on behalf of the Board, I thank her for her contribution. Ms. Eva Mitchell was appointed to the position of Chief Executive Officer and I join the Board in welcoming Ms. Mitchell and look forward to her renewed perspectives and further progress in market and business development, stakeholder collaboration, outreach and education.

On behalf of the Board, I also wish to express congratulations to Mr. Dale Dickson, on his retirement in February 2021. Mr. Dickson served The TTSE and the TTCD for approximately twelve (12) years, in the capacity of Information Technology Manager. I thank him for his service to the Organisation and wish him good health in his retirement.

The Management and Staff of the TTSE and TTCD are the driving forces of the Organisation. The day-to-day operations are the turning wheels and I thank the team for their unwavering support and commitment to the vision of the Organisation.

I remain confident in our team, in our technology and in our tenacity to forge ahead despite the uncertainties, to journey bravely and conquer the challenges that may lie ahead.



Ray A. Sumairsingh
Chairman

CEO's Report

To Our Valued Shareholders,

In the last quarter of 2020, I assumed the role of Acting Chief Executive Officer of the Trinidad and Tobago Stock Exchange Limited (TTSE) and our wholly owned subsidiary, The Trinidad and Tobago Central Depository Limited (TTCD), and it is truly a humbling experience to be of service to our stakeholders. At the core of our Organisation and its operations is the focus on our stakeholders – our Listed Companies, our Brokerage Firms, and our investors.

Although 2020 will be remembered as one for the books, the TTSE implemented a number of measures across our business lines to cope with the unique and challenging circumstances brought about by COVID-19, which have allowed us to ride the wave of 2020, from technology to resourcing to customer service; many of which will have a lasting impact on our business and its strategic mandate.

Most notably in 2020, we launched the TTSE Online Trading Platform (TOP) as well as the TTCD's eStatements and eNotices platform. It is expected that this advancement in trading technology will drive the stimulation of market activity and ultimately the growth of the local stock market, as evidenced in the keen interest shown thus far by the investing public. **I am pleased to share that within five months of launching TOP, we recorded a traded volume of 876,654 units with a value of \$12.2M traded on the platform.** Another key transformation in 2020 was the successful launch of our new brand identity, website and increased social media presence. Although 2020 was a year of challenges, the TTSE was able to successfully take up the mantle of technological transformation.

A multitude of opportunities await the TTSE and its stakeholders as we gravitate to an even more digital-driven society. It is our mission to ensure that we meet and anticipate the needs of our stakeholders, from online trading and transactions, to investor awareness to entrepreneurship development and Small and Medium Enterprise (SME) growth.



Eva Mitchell
Chief Executive Officer

Economic Overview and Outlook

The pandemic-induced global recession experienced in 2020, with global travel restrictions, social distancing orders and various health and safety protocols enacted in the first half of the year, is projected to rebound by mid-2021 amidst a global vaccine distribution drive and containment efforts. The Organization for Economic Co-operation and Development (OECD) has projected a GDP growth of 5.6% in 2021 in its March 2021 Economic Outlook. Locally, the Trinidad and Tobago economy is estimated to have weakened by 5.6% in 2020 but is projected to rebound in 2021 by 2.6%.

Economic recovery is expected within the next 1-3 years, however the pace of this recovery is hinged on vaccine distribution, government policy support and the rate at which private companies are able to embrace virtual and digital transformation in order to effectively compete in a post-pandemic environment.

Local Market Review

The TTSE measures its performance by four indices: the Composite Index measures the performance of all ordinary shares listed on the First Tier market, the All T&T Index measures the performance of ordinary shares for local companies only, the Cross Listed Index measures the performance of ordinary shares for listed foreign companies, and the SME Index measures the performance of ordinary shares for all companies listed on the Small Medium Enterprises (SME) Market.

All indices fell for the year ended December 31, 2020. The Composite Index decreased by 9.9% to close at 1,323.11, with the All T&T Index decreasing by 5.16% to end at 1,772.61 while the Cross Listed Index experienced the largest decline of 18.36% to close at 118.09. The negative performance of the Cross Listed Index was driven mainly by the deteriorating position of the regional Exchanges. The SME Index declined by 5.06% to end at 64.33.

	2020	2019	YOY	YOY Change
Stock Market Statistics	Index	Index	Unit	%
Composite Index	1,323.11	1,468.41	-145.30	-9.90%
All T&T Index	1,772.61	1,868.97	-96.36	-5.16%
Cross Listed Index	118.09	144.65	-26.56	-18.36%
SME Index	64.33	67.76	-3.43	-5.06%
Market Capitalisation (\$Bn)	135.54	150.46	-14.92	-9.92%

The total value of shares traded, including First Tier, Second Tier, Mutual Fund and SME, declined by approximately 4.3% from \$1.313 billion in 2019 to \$1.256 billion, while the trade volume fell by 19.48% from 86.137 million to 69.357 million.

First Tier Market

The total value of shares traded on the First Tier Market weakened by 5.4% from \$1.102 billion in 2019 to \$1.043 billion in 2020 while the volume fell by 20.3% with 61.3 million shares traded compared to 76.9 million shares traded in 2019.

JMMB Group Limited (JMMBGL) was the volume leader with 24.83% of the market or 15.2 million shares traded in 2020, NCB Financial Group Limited (NCBFG) followed with 11.95% of the total volume traded or 7.3 million shares. For the past three years both JMMBGL and NCBFG have been in the top five volume leaders.

The top performer for 2020 was National Flour Mills Limited (NFM), which was up 59.26% or \$0.80 to close at \$2.15, followed by Trinidad Cement Limited (TCL), with a return of 25% to end at \$2.50 which led the Manufacturing II Sector Index as the top performing index.

TTD Mutual Fund Market

The value of shares traded improved by just about 1.17% from \$210.4 million in 2019 to \$212.9 million in 2020. CLICO Investment Fund (CIF) was the volume leader with 8 million shares traded in 2020, however CIF's unit price fell by 11.4% to close the year at \$25.25.

Bond Market

The Corporate Bond Market saw a decline of 33.4% in value traded, down from \$22.84 million in 2019 to \$15.21 million, while the Government of the Republic of Trinidad and Tobago (GORTT) Bond Market experienced an increase in value traded of approximately 146% from \$193.6 million in 2019 to \$476.3 million in 2020.

Small and Medium Enterprises (SME) Market

The SME Market experienced a 41.60% increase in value traded, an improvement from \$216.6K in 2019 to \$306.7K in 2020. Despite this improvement in trading activity, the overall index fell by 5.33% mainly due to a 38.93% fall in share price of CinemaOne Limited (CINE 1) which closed at \$2.55. Endeavour Holdings Limited (EHL) also dropped by 1.6% to end the year at \$12.30.

The Trinidad and Tobago Central Depository Limited (TTCD)

The TTCD enjoyed another profitable year, earning a Net Income of \$1.3M and contributing 65% to the overall consolidated Net Income position of the Group. Although operating revenue declined by 40% from \$12.9M in 2019 to \$7.8M in 2020, positive returns were experienced in core lines of business such as Euroclear and Repo services. Euroclear income increased by 78% from \$211K in 2019 to \$375.6K in 2020, while Repo income saw an increase of 21%, as the TTCD continues to expand and develop these service areas. Total expenditure increased by 11% from \$5.8M to \$6.4M as increased focus was placed on a marketing campaign, improved technological infrastructure and strengthening the regulatory environment. Investment income increased by 6% from \$443K to \$469K as the investment portfolio continued to be optimized in order to improve the realized return.

The TTCD continues to contribute positively to the Group's operations, and remains committed to the development of the securities market of Trinidad and Tobago in the facilitation of secure and efficient post trading services.

Global Markets

Global financial stock markets experienced significant fluctuations in 2020, with the first part of the year bearing the brunt of the impact of the COVID-19 global pandemic, however most markets broadly recovered by year-end. The best performing stock market index for 2020 was the Nasdaq in the United States, with a return of 43%. This was followed by South Korea with a gain of 26.79%, despite Asia being a major epicentre of the coronavirus pandemic. Coming in third was Taiwan, which gained 18.55%, followed by China with a return of 14.29%, while USA's S&P500 Index came in fifth with 14.13%.

The table below gives a list of the top 10 country stock markets/indices for the year 2020.

TOP 10 PERFORMING COUNTRY STOCK MARKETS/INDICES

EXCHANGE	COUNTRY	YOY Change %
NASDAQ	USA	42.74%
KS11	South Korea	26.79%
Taiwan Weighted	Taiwan	18.55%
SSE 180 Index	China	14.29%
S&P500	USA	14.13%
Nikkei 225	Japan	12.12%
NIFTY	India	10.54%
SSE Composite Index	China	9.52%
MICEX Index	Russia	9.52%
DOW Jones Ind. Avg.	USA	5.18%

Regional Market Performance

Regionally, both the Barbados Stock Exchange (BSE) as well as the Jamaica Stock Exchange (JSE) have experienced significant declines in 2020, with the BSE posting a negative return in the Composite Index of -17.78%. The JSE's Combined Index fell significantly by -22.42% despite being the fifth best performing exchange in the world in the previous year.

Despite this dampened environment, the Group reported a Consolidated Net Income position of approximately \$2M and Consolidated Operating Revenue of \$17M, a decrease in revenue of approximately 45% from the prior year. Listing and Membership Fees declined by 22% from \$5.7M to \$4.5M mainly due to the delisting of 4 companies in 2020. Declines were also seen in Customer Transaction Charges and Other Income mainly due to the subdued market activity. Notwithstanding the low trading environment, the Group experienced steady growth in Euroclear services, with Euroclear Fees increasing by 78% from \$211K to \$376K as we continue to strengthen our existing capabilities, attract new clients and grow our portfolio. Due to cost control measures taken, Total Expenses were reduced by approximately 2.8% from \$17.2M to \$16.7M resulting in an Operating profit of \$401K.

Income from investments decreased from \$2.7M to \$2.6M as we continue to realign our Investment Portfolio which realized a Return on Investment of 3.4% compared to 3.67% in 2019.

Consolidated total assets amounted to \$95.7M compared to \$98.6M in 2019, a decrease of approximately 3%. Retained earnings reduced by \$2.1M to end the year at \$85M with a decrease of approximately 2.2% in Shareholders' Equity from \$95.4M to \$93.3M.

	2020	2019	YOY Change	YOY Change
Stock Market Statistics	Index	Index	Unit	%
BSE Composite Totals	632.26	769.02	-136.76	-17.78%
JSE Combined Index Totals	395,614.93	509,916.44	-114,301.51	-22.42%

Financial Highlights

For the world, as well as the Trinidad and Tobago Stock Exchange and its subsidiary The Trinidad and Tobago Central Depository Limited (The Group), 2020 was a challenging as well as a transformative year. The Group has remained profitable, despite lower trading activity than the previous year which was markedly characterized by revenues earned from major corporate restructuring.

The financial year ended 31 December 2020 was highlighted by the lowest trading volumes within the last 5 years.

Looking Ahead

The core strategic goals of the TTSE remain consistent throughout the years: develop the market in order to increase liquidity, increase investor awareness and increase trading activity. We continue to make meaningful progress in executing these strategic objectives and continue to place a strong focus on developing the SME Market. The growth of entrepreneurship in Trinidad and Tobago is not only key in building the capital market, but also in adding to economic diversification. Listing on the SME Market comes with the full responsibility of ensuring Corporate Governance throughout the business, in addition to obtaining mentorship and guidance to ensure that the listed SME remains financially aligned to its strategic directive. SMEs are encouraged to use the SME Market as a viable source of capital financing in order to achieve business growth and expansion.

Another keystone of our market development thrust is the enabling of trading technologies, to this end we have successfully rolled out our highly anticipated Online Platform, TOP, and our electronic statement and notice platform, eStatements and eNotices, in addition to system and technological upgrades within our automated trading system; all of which add to the accessibility to local and international investors. With these significant investments, The TTSE is positioned to become the leader in the securities industry in the region and a trendsetter in terms of technology.

As the COVID-19 vaccine becomes more accessible during 2021 and with society adapting to the global situation, we anticipate improvement in growth prospects in 2021 with investors regaining their confidence to re-enter the market and new investors seeking interest. The TTSE stands ready to be the securities exchange of choice in the Caribbean, as we successfully execute our strategic mandate of capital market development, which we see as the cornerstone of economic transformation.

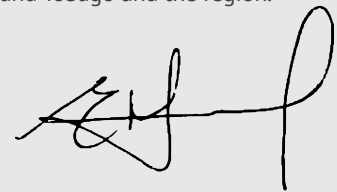
Acknowledgements

The last year's performance of the Organisation and its financial stability stands on the contribution and service of our dedicated staff at the TTSE and TTCD. Our staff members have demonstrated their loyalty, their perseverance and their agility to ensuring the success of the Organisation and its strategic initiatives. As we continue on this journey together, I look forward to their dedication, passion and exuberance to live the mission and achieve the vision.

The Board of Directors and our Chairman, Mr. Ray A. Sumairsingh have provided the guidance and perspectives needed in order to shape the Organisation and add to its growth and continue to provide strategic governance and policy direction.

I also wish to thank all shareholders for their support, confidence and partnership with the TTSE as together, we collaborate on advancing investor education and the securities market.

The TTSE and The TTCD continue to play a strategic role in the capital market of Trinidad and Tobago and I remain confident that with our consistent collaboration, dedication and technological advancements that we are well poised to lead the securities market in the upcoming years. I am grateful to lead the Organisation into its next chapter and contribute to building the capital market of Trinidad and Tobago and the region.



Eva Mitchell
Chief Executive Officer



Management Discussion and Analysis

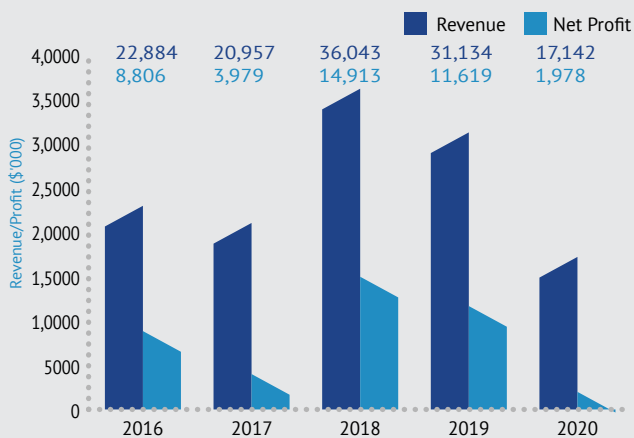
Overview

The Management Discussion and Analysis aims to offer Management’s perspective on the Financial Statements and Operations of The Trinidad and Tobago Stock Exchange Limited and its subsidiary (the Group), for the year ended 31 December 2020. The information is provided to assist readers in understanding the Group’s financial performance during the specified period and significant trends that may impact the future performance of the Group. This analysis should be read in conjunction with the Consolidated Financial Statements.

Summary of Operations

The financial year ended December 31, 2020 was a profitable year for the consolidated operations despite dampened activity. The Group recorded a profit after tax of \$1.98 million, a decrease of \$9.6 million or 83% from \$11.62 million earned in the prior year, which was markedly characterized by \$8 million earned from one-off corporate restructuring transactions. Despite lower market activity in the current financial year, the Group continues to operate profitably.

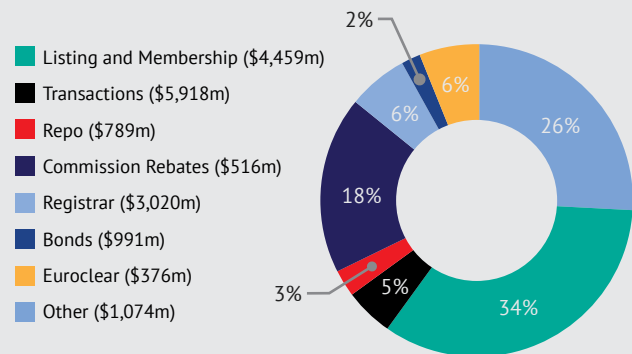
Diagram 1: Revenue and Profit



Total Revenue

The Group’s revenue is earned from listing and membership fees, customer transaction charges, broker commission rebates, repo fees, registrar services, bond market income and Euroclear income.

Diagram 2: Revenue Streams



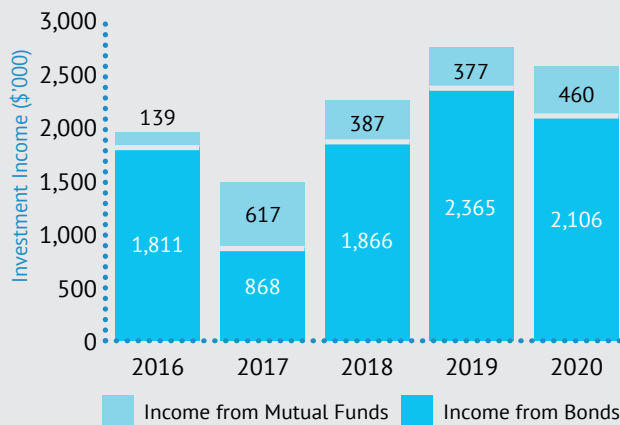
Revenue for the year ended December 31, 2020 totalled \$17.14 million, representing a decrease of approximately \$14 million from 2019 mainly as a result of one-off transactions in the prior year.

The Group continues to expand its existing services, including the facilitation of new SME listings, the expansion in the number of Repo Market participants, and growth in the provision of Euroclear custody services to meet the needs of both the local and regional market.

Investment Income

Investment income continues to be a key source of income for the Group. For the year ended December 31, 2020 investment income stood at \$2.6 million compared to \$2.7 million in 2019. This increase was mainly due to changes in the investment portfolio as the Group continues to maintain its portfolio in a manner that optimizes risk-adjusted returns while pursuing the preservation of capital, in accordance with its investment policy. In 2020, 82% of Investment Income was derived from interest on both Government of Trinidad and Tobago (GOTT) Bonds and Corporate Bonds and the remaining 18% from investment in Money Market Funds. The Group's investment portfolio earned a rate of return on investments of 3.39% for the year ended December 31, 2020

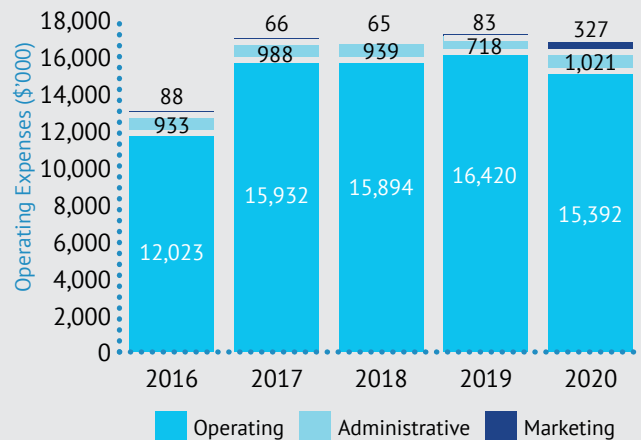
Diagram 3: Investment Income



Expenses

Expenses for 2020 totalled \$16.74 million, a decrease of \$0.5 million or 3% from 2019, representing an improvement in overall cost structure and operational efficiencies.

Diagram 4: Expenses



Total Assets

The Group continues to maintain a strong asset base and liquidity position to support its operation and associated risks.

As at December 31, 2020 the Group total assets stood at \$95.71 million which represents a decrease of \$2.9 million or 3% from 2019. Total assets of the Group mainly comprised of: Cash on Deposits (28%); Financial Assets (51%); and Property and Equipment (8%).



Diagram 5: Total Assets

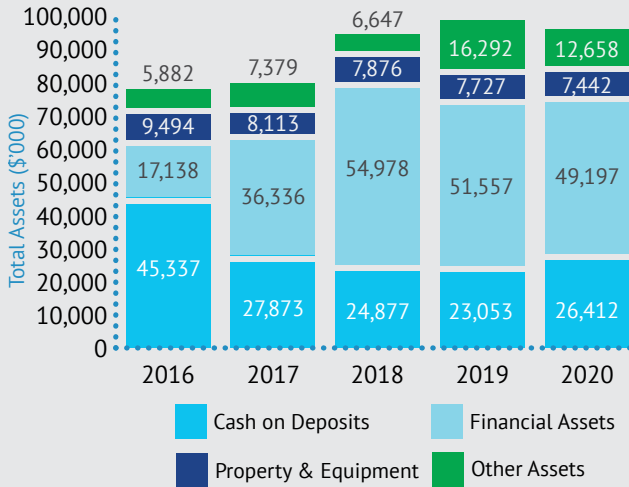
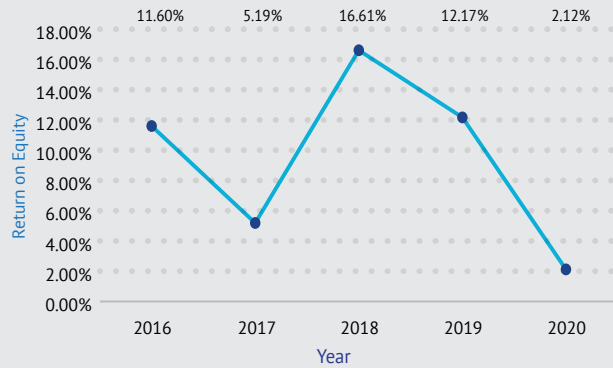


Diagram 6: Return on Equity



Return on equity

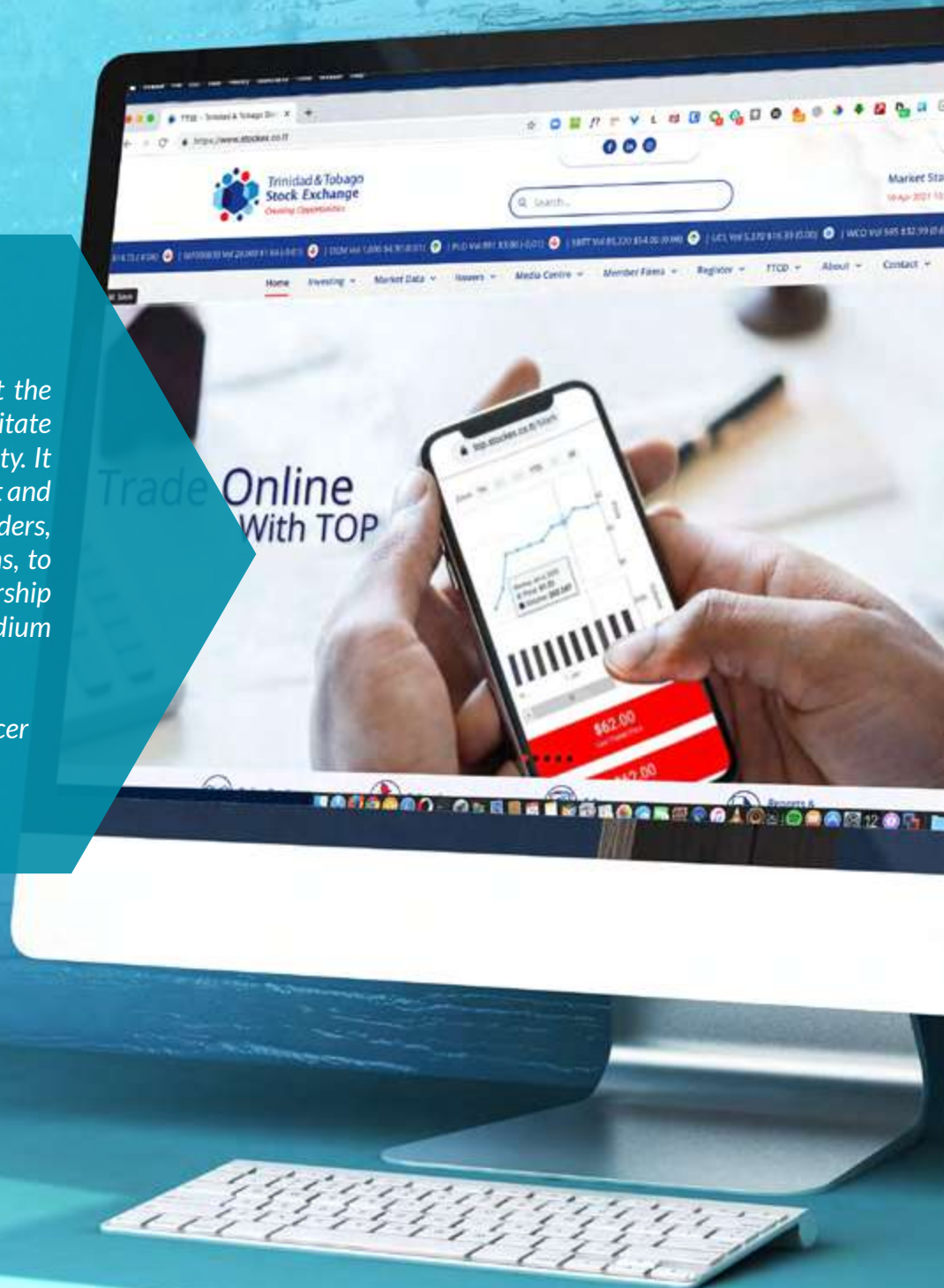
The objective of the organization continues to be twofold as it seeks to maintain profitability while ensuring it is well-equipped to meet its responsibilities as an SRO. Despite the sporadic occurrence of new listings, combined with trading volatility which is inherent in securities markets and high cost of operations, the Group is able to consistently generate a positive Return on Equity (ROE).

Accounting Policies

The accounting policies of the Group conforms to International Financial Reporting Standards (IFRS). Details on the Group’s accounting policies are disclosed in Note 2 “Summary of significant accounting policies” of the Consolidated Financial Statements.

“A multitude of opportunities await the TTSE and its stakeholders as we gravitate to an even more digital-driven society. It is our mission to ensure that we meet and anticipate the needs of our stakeholders, from online trading and transactions, to investor awareness to entrepreneurship development and Small and Medium Enterprise (SME) growth.”

– Eva Mitchell, Chief Executive Officer



Market Operations & Performance

Overview

Driven largely by the wide-ranging impact of COVID-19 on the operations and market valuations of Listed Companies, the Composite Index snapped its five-year advancing streak, ending 2020 at 1,323.11, **down 145.30 points or 9.90% from the previous year**. This performance was the result of declines in the All T&T Index, closing the year at 1,772.61 (**down 96.36 points or 5.61% year-on-year (YOY)**) and the Cross Listed Index, which declined by **26.56 points or 18.36% YOY** to end 2020 at 118.09.

The major sell-off seen across equities in March 2020 resulted in the Composite Index, All T&T Index and the Cross-Listed Index declining considerably by **13.13%, 10.35% and 18.17%**, respectively, on a month-on-month (MOM) basis, as overall investor sentiment was diminished due to the uncertainty surrounding the impact of COVID-19. This large-scale sell-off contributed in large to the YOY declines of the major market indices.

Diagram 1: Composite Index Values 2016 - 2020

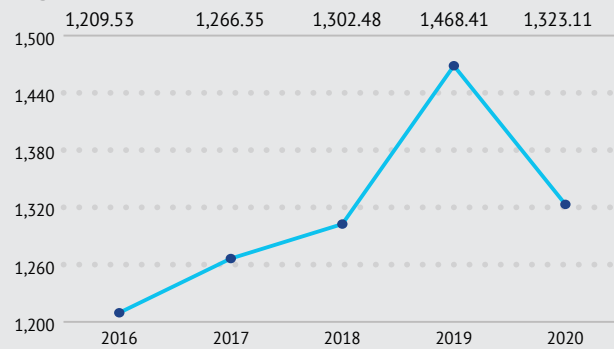


Diagram 2: All T&T Index Values 2016 - 2020

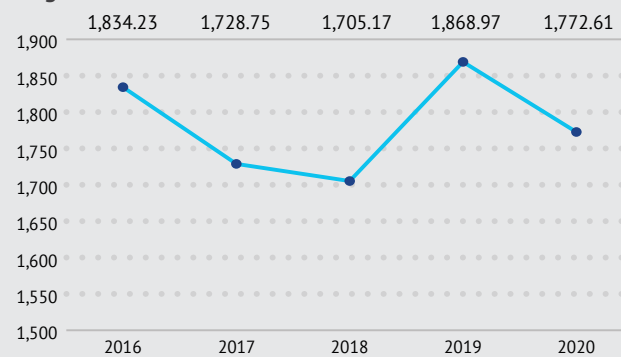
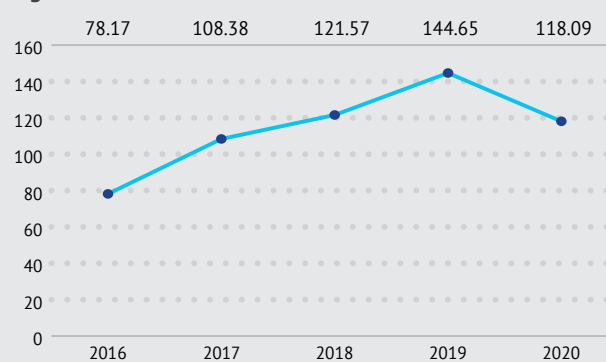


Diagram 3: Cross Listed Values 2016 - 2020



By market, the total number of trades recorded a modest YOY decreased of **3.20%** in the First Tier Market. For the same period, total traded value **decreased by 5.40%** while total traded volume experienced a larger **decrease of 20.36%**.

Despite YOY declines in the total volume of shares traded and the total number of trades (**12.23%** and **11.20%**, respectively), the Mutual Fund Market reported a marginal **increase** in total traded value over the previous period of **1.17%**.

The Corporate Bond Market registered a total face value traded of \$14.84 million in 2020, a **reduction of 32.51%** when compared to \$21.99 million in the previous year, notwithstanding the **11.02% increase** in the number of trades for the same period. Conversely, the Government Bond Market registered a total face value traded of \$448.66 million in 2020, a substantial **increase of 146.50%** in comparison to \$182.02 million over the same period.

Further details on the market's performance as well as information relating to major market transactions during 2020 are provided below:

2020 Major Market Transactions

MPC Caribbean Clean Energy Limited (MPCCEL) – 2 for 1 Renounceable Rights Issue

Pursuant to a Circular dated November 04th, 2019, MPCCEL offered a 2 for 1 Renounceable Rights Issue of up to 22,848,320 shares to its existing Class B shareholders. The subscription price for the Rights Issue was JMD140.00 per Class B Share for shareholders subscribing in Jamaica, based on a reference rate of USD1.00 to JMD140.00, and USD1.00 per Class B Share for shareholders subscribing in Trinidad and Tobago. The Offer closed at 4:30 p.m. on January 10th, 2020.

Following the closure of the Offer, 10,242,382 (44.83% of the Offer) Class B Ordinary Shares of MPCCEL were listed on the Stock Exchange on Monday 03rd February 2020, increasing the Company's issued share capital to 21,666,542 Class B Ordinary Shares.

First Tier Market

Indices Performance

Although beginning the year on an upward trajectory, all market indices erased gains and recorded YOY declines, with the Cross-Listed Index registering the largest decrease of 18.36% to close at 118.09. The Composite Index registered a decrease of 145.30 points or 9.90% over the previous year to close at 1,323.11, while the All T&T Index reported a smaller decrease of 96.36 points or 5.16% YOY to close at 1,772.62 points. (Refer to Table 1 and Diagrams 4, 5 & 6).

Table 1: Market Index Performance (2019/2020)

Index	Value	Value	YOY	YOY
	2019	2020	(unit Δ)	(% Δ)
Composite	1,468.41	1,323.11	(145.30)	(9.90)
All T&T	1,868.97	1,772.61	(96.36)	(5.16)
Cross Listed	144.65	118.09	(26.56)	(18.36)

Diagram 4: Composite Index 2019 vs 2020

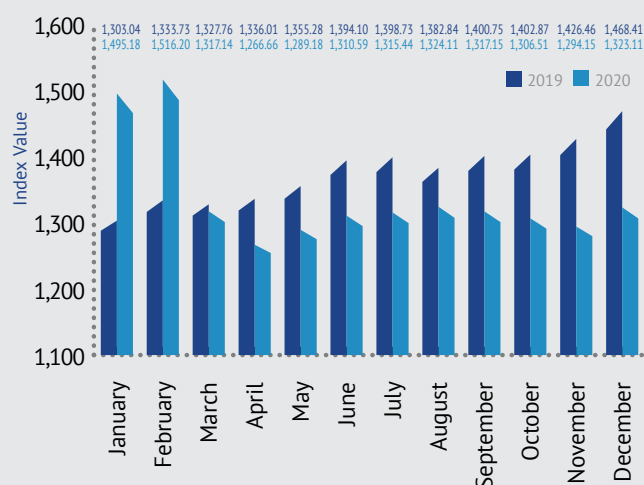


Diagram 5: All T&T Index 2019 vs 2020

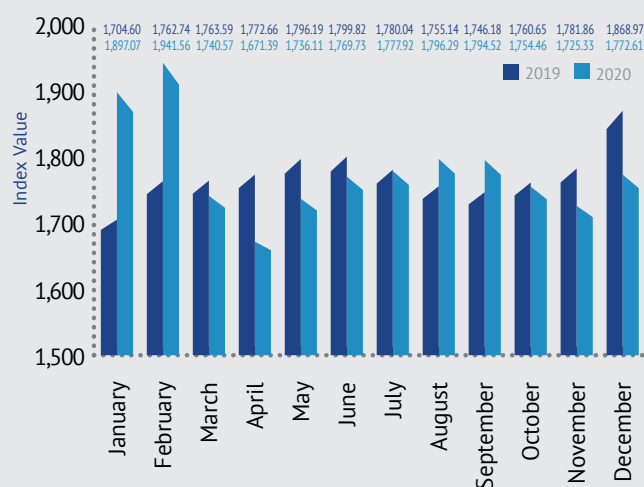
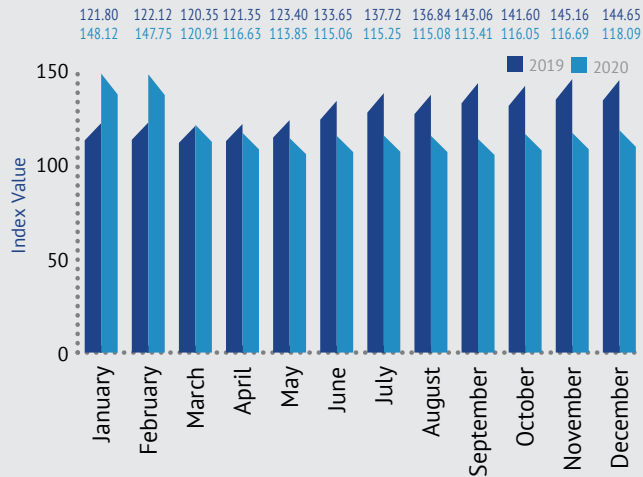


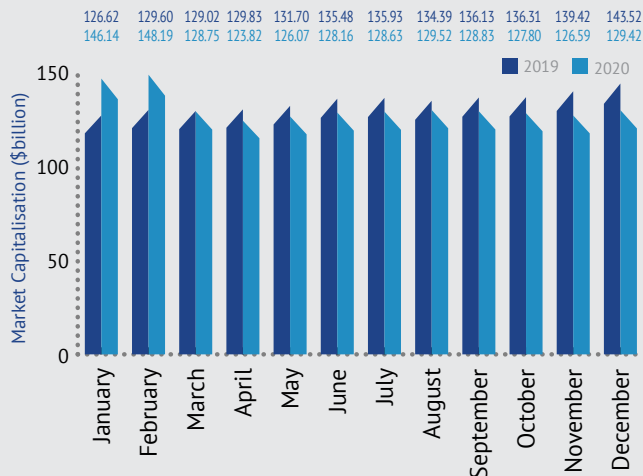
Diagram 6: Cross Listed Index 2019 vs 2020



Market Capitalisation

The market capitalisation of the First Tier Market ended 2020 at \$129.42 billion, as shown in Diagram 7. This represented a decrease of \$14.10 billion or 9.82% over the previous year.

Diagram 7: First-Tier Market Capitalisation 2019 vs 2020



Traded Volume and Value

The First Tier Market recorded 11,668 trades for 2020 (excluding Put-Through transactions), representing a decrease of 3.20% over the previous year. Total volume traded was 61.25 million shares, valued at \$1.04 billion. This represented a decrease of 20.36% in the volume of shares traded and a resultant decline of 5.04% in the value of shares traded when compared to 2019, as shown in Table 2. Overall, the First-Tier market ended lower in 2020, when compared to 2019.

Table 2: First Tier Market Performance (YOY)

	Value	Value	YOY	YOY
	2019	2020	(unit Δ)	(% Δ)
Number of Trades	12,054	11,668	(386)	(3.20)
Volume of Shares Traded ('000)	76,910	61,253	(15,657)	(20.36)
Value of Shares Traded (TT\$'000)	1,102,339	1,042,862	(59,478)	(5.40)

Table 3: Market Index Performance (YOY)

Sector	2019	2020	YOY (unit Δ)	YOY (%Δ)
Manufacturing II	231.08	288.87	57.79	25.01
Conglomerates	2,889.99	2,831.35	(58.64)	(2.03)
Trading	207.80	193.30	(14.50)	(6.98)
Banking	1,282.08	1,151.98	(130.10)	(10.15)
Property	150.30	131.50	(18.80)	(12.51)
Manufacturing I	2,541.61	2,219.84	(321.77)	(12.66)
Non-Banking Finance	1,133.99	981.85	(152.14)	(13.42)
Energy	119.80	85.00	(34.80)	(29.05)

Sectoral Performance

Declines were recorded in all the sectorial indices with the exception of the Manufacturing II Sector. The Energy Sector reported the largest YOY decline of 29.05% (34.80 points), followed by the Non-Banking Finance Sector which decreased by 152.14 points or 13.42% over the same period. Contrary to the overall YOY trend across each sector in 2020, the Manufacturing II was the only sector recording an advance, up 57.79 points or 25.01%. This information is shown in Table 3.

Individual Share Performance

Volume of Shares Traded

The market's three (3) most actively traded securities for 2020, as measured by volume of shares traded, were JMMB Group Limited (JMMBGL), NCB Financial Group Limited (NCBFG) and National Flour Mills Limited (NFM), (refer to Diagram 8).

The most active sector by volume for 2020 was the Non-Banking Finance Sector with 20.24 million shares traded (or 33.04% of the market's total volume), followed by the Banking Sector with 13.53 million shares traded (or 22.09% of the market's total volume), (refer to Diagram 9).

Diagram 8: 2020 Security Performance by Volume as % of First Tier Volume Traded

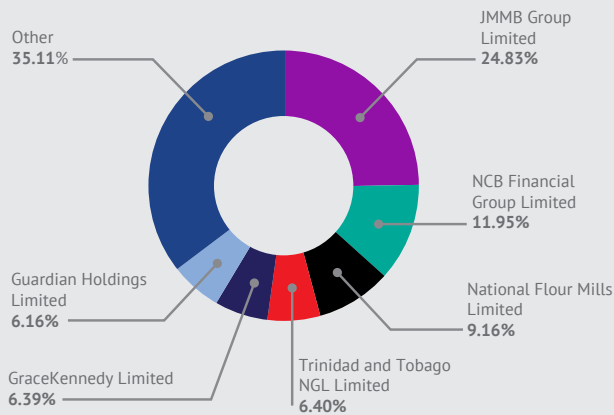
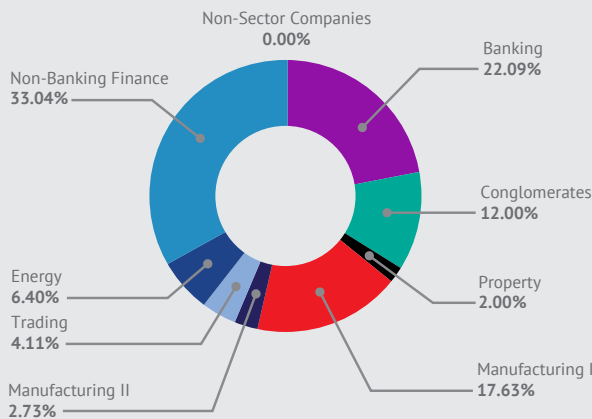


Diagram 9: 2020 Sector Performance by Volume as % of the First Tier Market Volume Traded



Value of Shares Traded

Republic Financial Holdings Limited (RFHL) reported the highest traded share value in 2020 with a total traded value of \$229.02 million, which represented 21.96% of the market's total activity. Massy Holdings Ltd. (MASSY) recorded a total traded value of \$143.95 million while Scotiabank Trinidad and Tobago Limited (SBTT) ended the year with a total traded value of \$97.74 million, representing 13.80% and 9.37% respectively, of the market's total trade value for the year, (refer to Diagram 10).

Diagram 10: 2020 Performance by Value as % of First Tier Trade Value

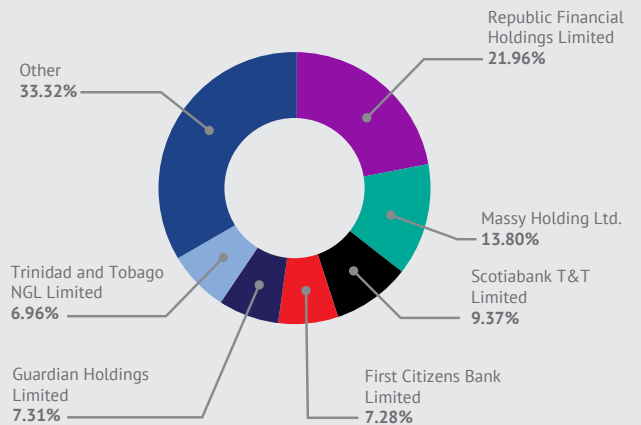
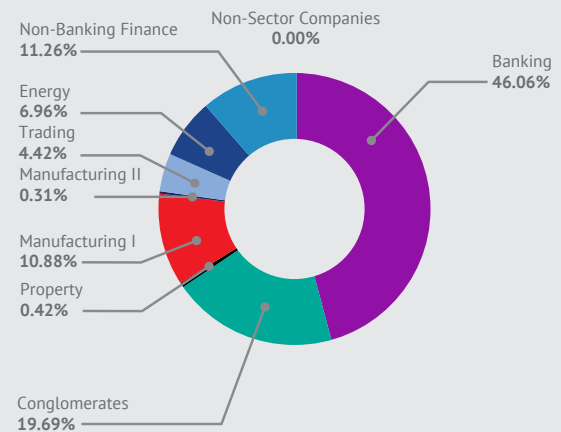


Diagram 11: 2020 Sector Performance by Market Value as % of First Tier Trade Value



On a sectoral level, the Banking Sector was the largest contributor with a total traded value of \$480.36 million in 2020 or 46.06% of the market's total traded value, followed by the Conglomerates Sector with \$205.32 million or 19.69% of the market's total activity, (refer to Diagram 11).

Price Movement

In a year that regional and global financial markets were decimated by the impact of COVID-19, declines dominated advances in the First-Tier market by a staggering ratio of 19:5. Despite this, NFM ended the year on a positive note and led the advances for the year, registering an increase of \$0.80 (59.26%) over 2019, followed by Trinidad Cement Limited (TCL), ANSA Merchant Bank Limited (AMBL) and RFHL with increases of 25.00% (or \$0.50), 11.46% (or \$4.11) and 2.87% (or \$3.77), respectively.

Conversely, Guardian Media Limited (GML) recorded the largest decline for 2020 ending the year 54.40% lower or \$4.08 when compared to the previous year while National Enterprises Limited (NEL), One Caribbean Media Limited (OCM) and Trinidad and Tobago NGL Limited (NGL) registered declines of 45.66% (or \$2.63), 43.06% (or \$3.66) and 29.05% (or \$6.96), respectively.

Second Tier Market

No trading activity was recorded in the Second Tier market for 2020.¹

SME Market

The SME market recorded a total of 45 trades with a total traded volume of 27,979 shares valued at \$306,668.46. Although the number of trades declined from 55 in the previous year, total traded volume and traded value increased YOY by 10.84% (or 2,737) and 41.60% (or \$90,097.66), respectively. Endeavour Holdings Limited (EHL) accounted for 87.74% of this market's total traded value and 76.43% of the traded volume, while CinemaOne Limited (CINE1) accounted for the remaining 12.26% and 23.57%, respectively.

¹Mora Ven Holdings Limited (MOV) is the only security listed in the Second Tier Market. MOV was suspended on February 01st, 2019, in accordance with TTSE Rules 600(8) and 601(5).

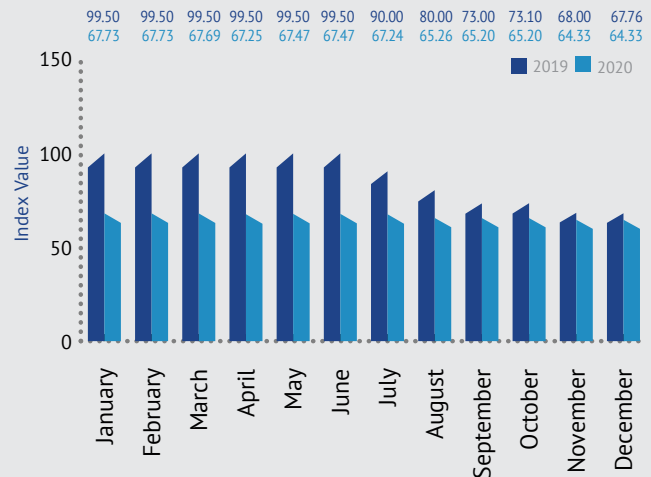
Index Performance:

The SME index recorded an intra-year high of 68.45 in February 2020, which surpassed the 2019 value. Despite reaching this high, the SME Index ended the year down by 5.06% (or 3.43 points) on a YOY basis, to finish the year at its lowest value of 64.33 (Refer to Table 4 and Diagram 12).

Table 4: SME Market Index Performance (2019/2020)

Index	Value	Value	YOY	YOY
	2019	2020	(unit Δ)	(% Δ)
SME	67.76	64.33	(3.43)	(5.06)

Diagram 12: SME Index 2019 vs 2020



Price Movement

All listed securities in the SME Market reported YOY price declines with CINE1 ending 2020 with a price of \$4.00 per share, representing a decline of 38.93% YOY, while EHL reported a less substantial decline to end the year 1.60% lower at \$12.30.

Table 5: Mutual Fund Market Performance (YOY)

Period	2019	2020	YOY (unit Δ)	YOY (%Δ)
Number of Trades	1,785	1,585	(200)	(11.20)
Volume of Shares Traded ('000)	9,201	8,076	(1,125)	(12.23)
Traded Value (TT\$'000)	210,442	212,912	2,470	1.17
Market Capitalisation (TT\$'000)	6,385,573	5,687,425	(698,148)	(10.93)

Mutual Fund Market

The Mutual Fund market recorded 1,585 trades for 2020, representing a decrease of 11.20% over the previous year. Consistent with this YOY trend, the total traded volume declined to 8.08 million shares, representing a fall of 12.23% over the previous year. Despite this, the total value of shares traded grew to \$212.91 million, an increase of 1.17% over the previous year. However, market capitalisation decreased YOY by 10.93% to end 2020 at \$5.69 billion (refer to Table 5).

Individual Share Performance

Similar to the performance seen in 2019, CLICO Investment Fund (CIF) continued its dominance in the market's activity by accounting for 99.18% and 99.55% of total volume and value traded, respectively in 2020. Trading in the Calypso Macro Index Fund (CALYP) represented 7.70% of total number of trades.

Price Movement

CIF and CALYP both registered price declines of 11.40% and 11.05% over the previous year to close at \$25.25 and \$14.01, respectively.

Government Bond Market

The Government Bond market recorded a total of 22 trades in 2020, representing a decline of 60.00% over the previous year. However, total face value and total traded value improved substantially to \$448.66 million and \$476.25 million, respectively, which represented advances of 146.50% and 145.98%, respectively, over 2019.



In 2020, two Government Bonds matured. This information is present in Table 6 below:

Table 6: 2020 Matured GORTT Bonds

Security Description	Symbol	Coupon Rate	Tenor (Years)	Maturity Date
\$1,000M Government of Trinidad & Tobago 2.60% 21.05.2020	E210	2.60%	7	21-May-20
\$600M Government of Trinidad & Tobago 6.40% 30.06.2020	F300	6.40%	11	30-Jun-20

Corporate Bond Market

The Corporate Bond Market recorded 131 trades in 2020, carrying a total face value and trade value of \$14.84 million and \$15.21 million, respectively. However, this year's Corporate Bond Market activity did not mimic the improved performance seen in the Government Bond Market and was lower by 32.51% and 33.40%, respectively, over the previous year.

Market Summary

Tables 7 & 8 below show the YOY changes in various categories based on the overall level of trade activity across all markets of the TTSE.

Table 7: First Tier, Second Tier, SME and Mutual Funds Market Highlights

	2020	2019	% Change
Trades	13,298	13,894	(4.29)
Volume ('000)	69,357	86,137	(19.48)
Value (TT\$'000)	1,256,081	1,312,998	(4.33)
Put Through Transactions ¹	398	1,420	(71.97)
Put Through Volume ('000) ¹	4,056	3,924	3.36
Put Through Value (TT\$'000) ¹	143,431	116,790	22.81
Market Capitalisation (TT\$'000,000)	135,639	150,455	(9.85)
Composite Index	1,323.11	1,468.41	(9.90)
All T&T Index	1,772.61	1,868.97	(5.16)
Cross Listed Index	118.09	144.65	(18.36)
SME Index	64.33	67.76	(5.06)

¹ The figures for 2019 excludes 990 extraordinary Special-Case Put-Through transactions with a total volume of 187.96 million shares valued at \$2,658.40 million.

Table 8: Government and Corporate Bond Market Highlights

	2020	2019	% Change
Trades	153	173	(11.56)
Face Value (TT\$'000)	463,502	204,003	127.20
Trade Value (TT\$'000)	491,462	216,455	127.05
Put Through Transactions	9	12	(25.00)
Put Through Face Value (TT\$'000)	5,324	782	580.82
Put Through Trade Value (TT\$'000)	5,473	788	594.54
Market Capitalisation (TT\$'000,000)	20,768	22,368	(7.15)

US Dollar Market

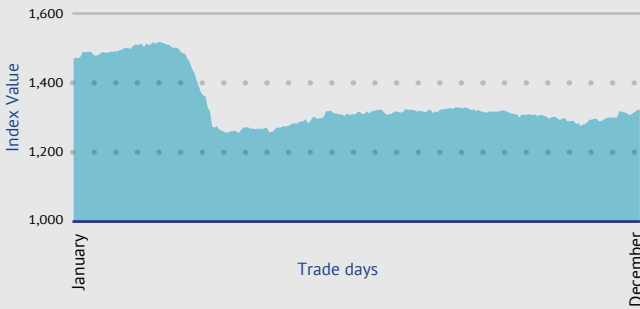
The USD Equity Market recorded 27 trades with a total traded volume of 1.41 million shares and a traded value of \$1.41 million USD². This is in stark contrast to the absence of trading activity reported in the USD Equity Market for 2019.



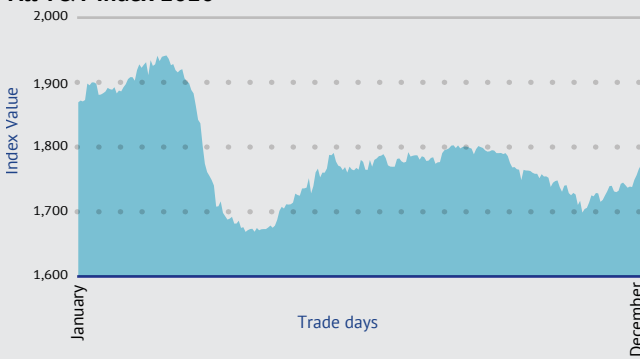
² MPCCEL is the only company currently listed on the USD Equity Market.

2020 Equity Market Activity

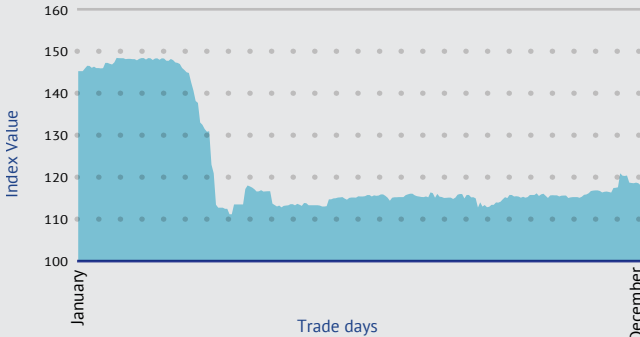
Composite Index 2020



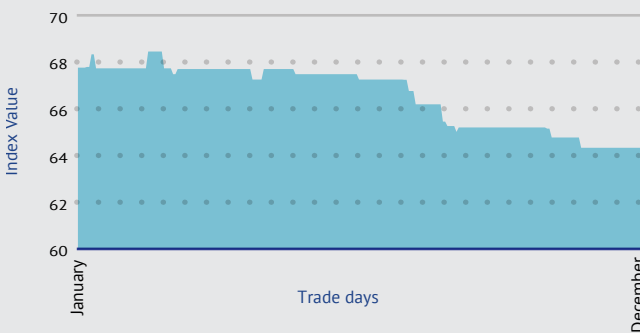
All T&T Index 2020



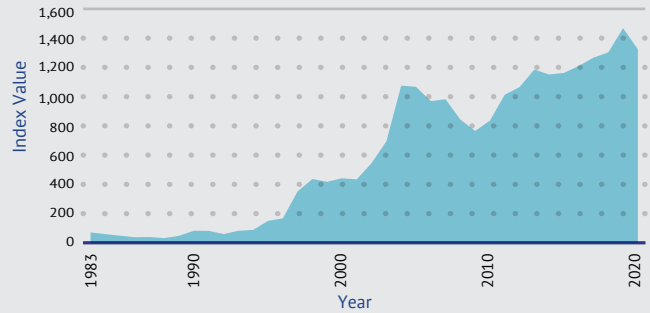
Cross Listed Index 2020



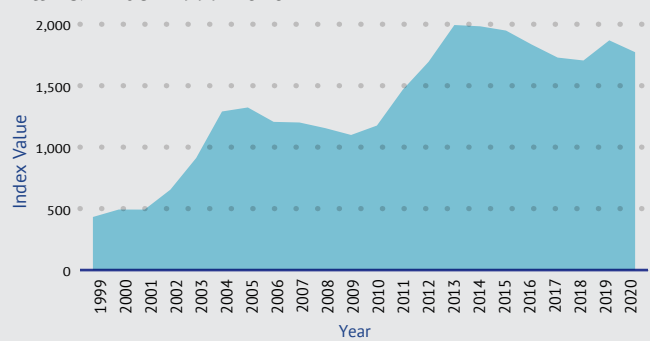
SME Index 2020



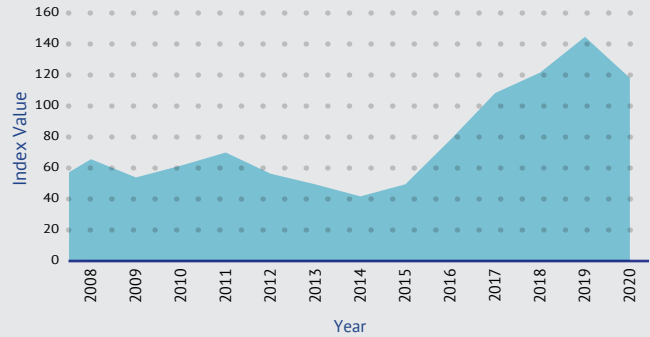
Composite Index 1983-2020



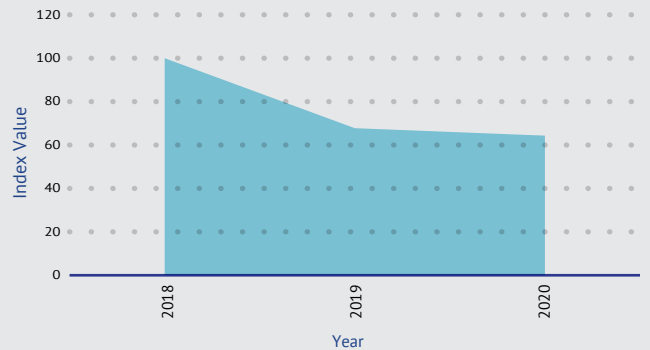
All T&T Index 1999-2020



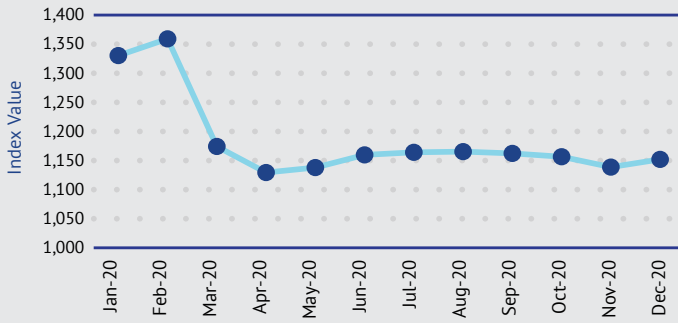
Cross Listed Index 2008-2020



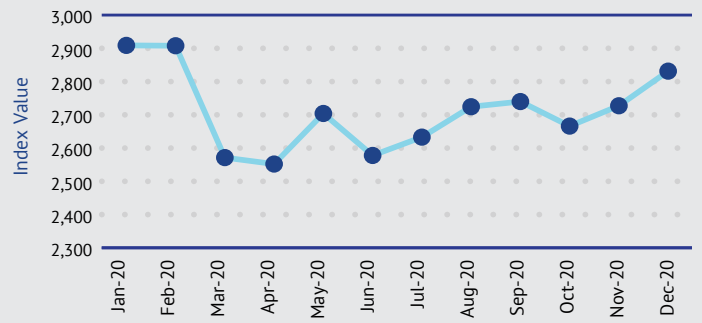
SME Index 2018-2020



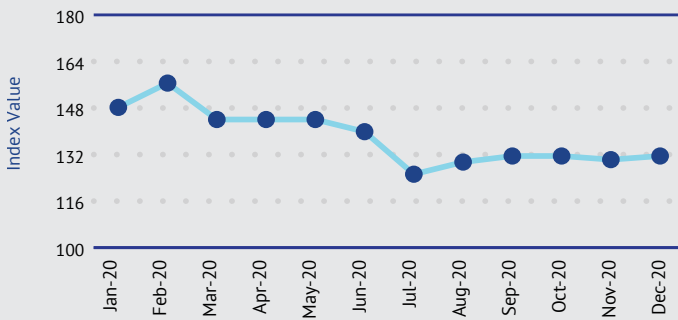
Banking Sector 2020



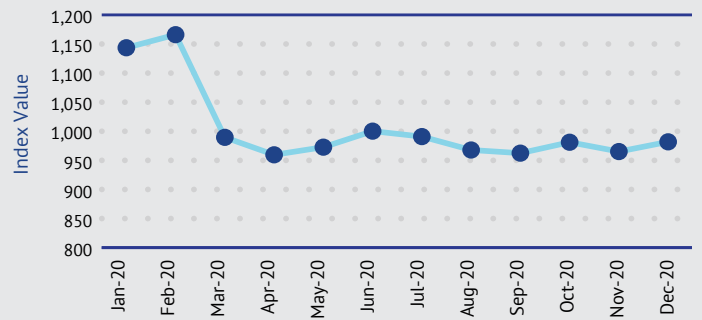
Conglomerates Sector 2020



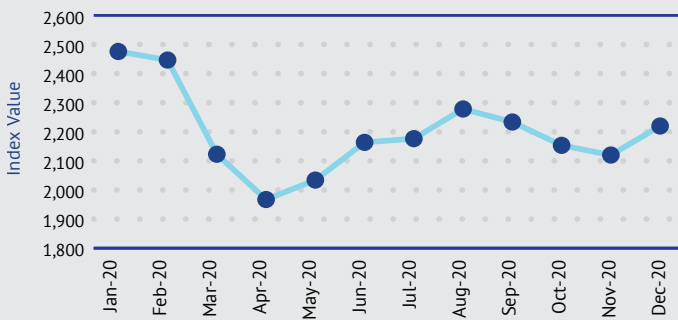
Property Sector 2020



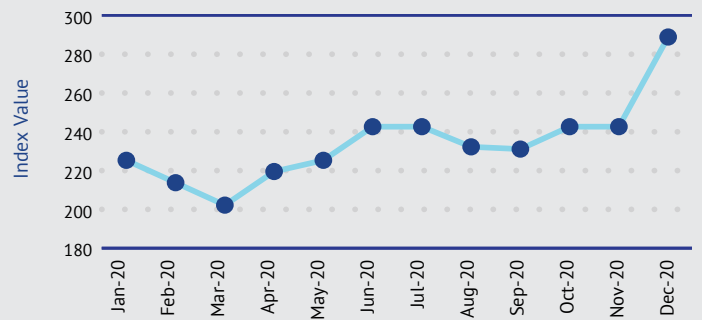
Non-Banking Finance Sector 2020



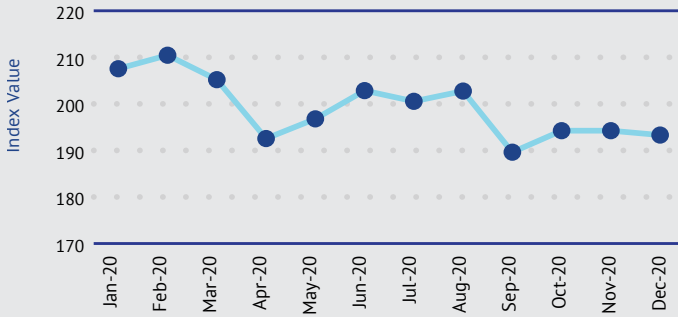
Manufacturing I Sector 2020



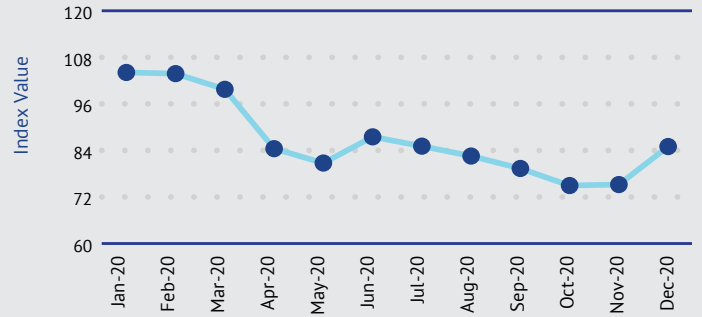
Manufacturing II Sector 2020



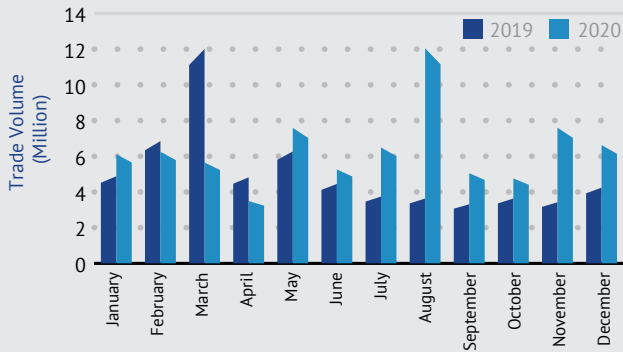
Trading Sector 2020



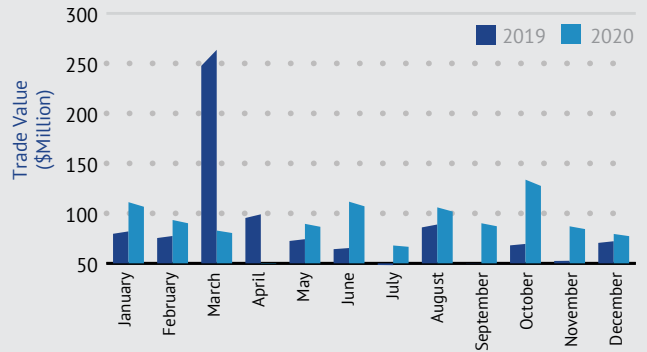
Energy Sector 2020



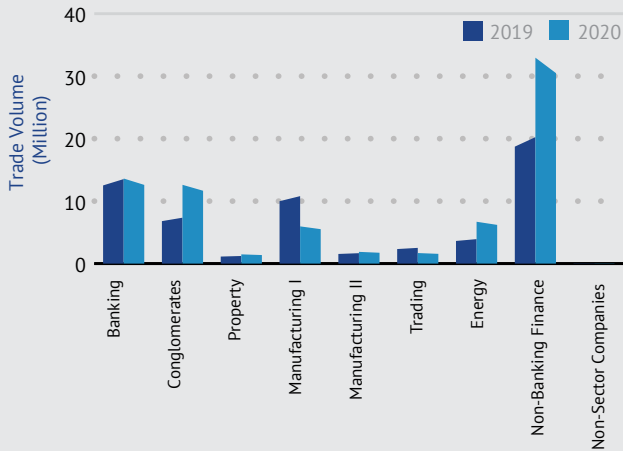
Monthly Traded Volume (\$'Million)



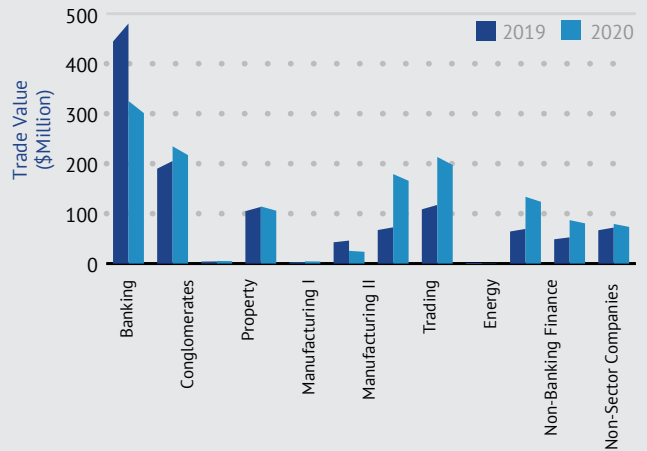
Monthly Traded Value (\$'Million)



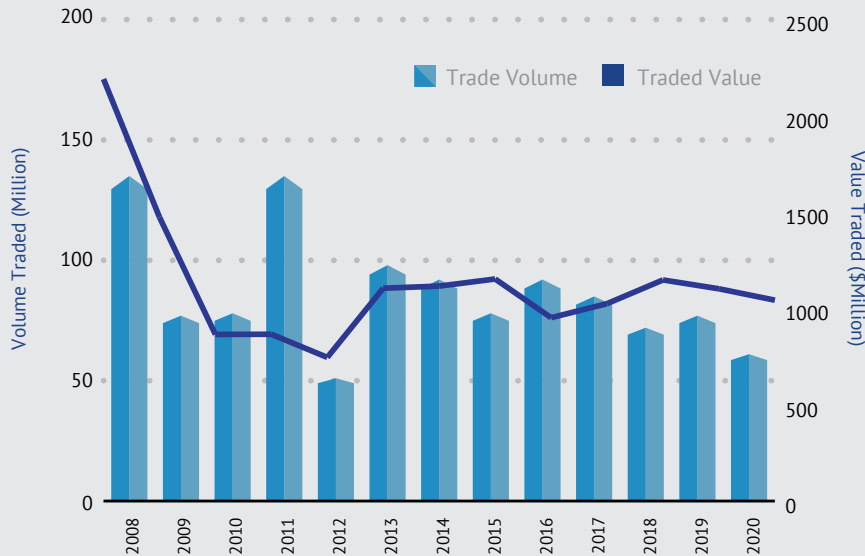
Volume by Sector (\$'Million)



Value by Sector (\$'Million)

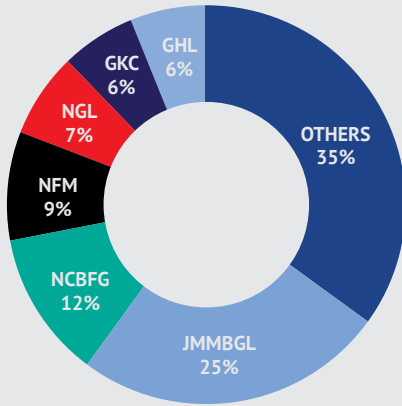


Volume and Value of Shares Traded 2008-2020

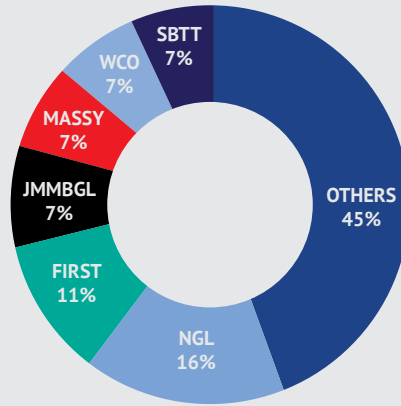


This diagram uses volume and value statistics from the First Tier market and excludes Put Throughs
 N.B. Excludes one time transaction in Jamaica Money Market Brokers Limited in 2011

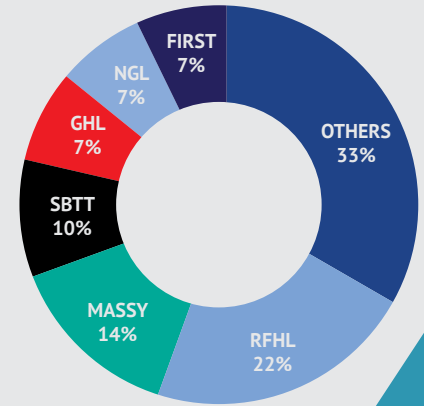
2020 Traded Volume by Company



2020 Trades by Company

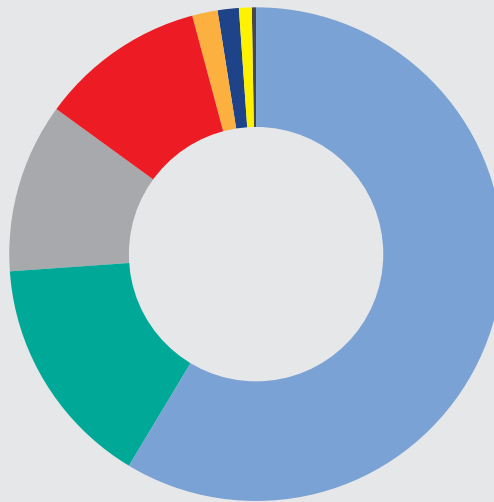


2020 Traded Value by Company



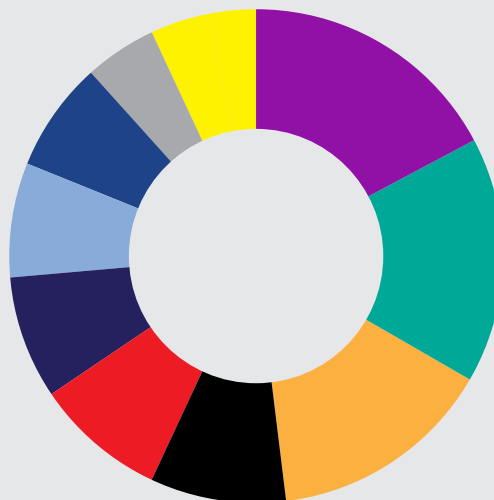
Market Capitalization by Sector

Non-Sector Companies	0.01%
Property	0.10%
Manufacturing II	0.74%
Energy	1.57%
Trading	1.72%
Manufacturing I	10.69%
Non-Banking Finance	11.03%
Conglomerates	15.27%
Banking	58.87%



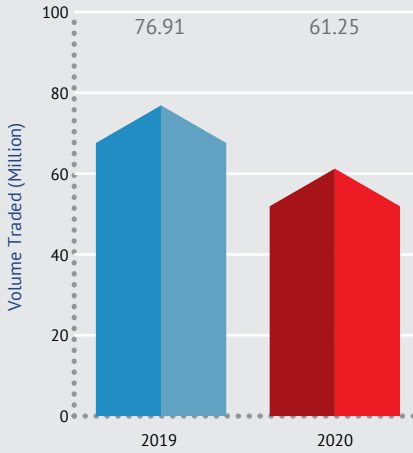
Market Capitalization by Stock

RFHL	17.47%
NCBFG	15.91%
FCI	8.81%
FIRST	8.58%
SBTT	8.11%
AMCL	7.48%
WCO	7.10%
MASSY	4.76%
GHG	3.85%
GKC	3.04%
OTHERS	14.91%

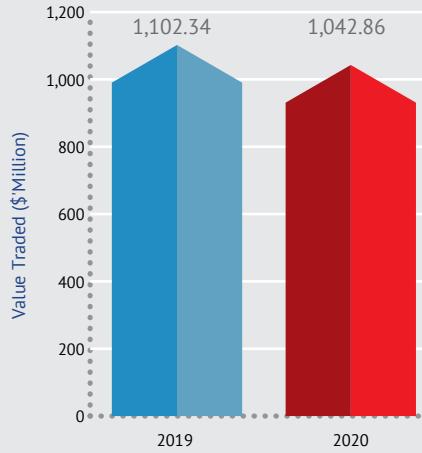


2020 Trading Activity by Market

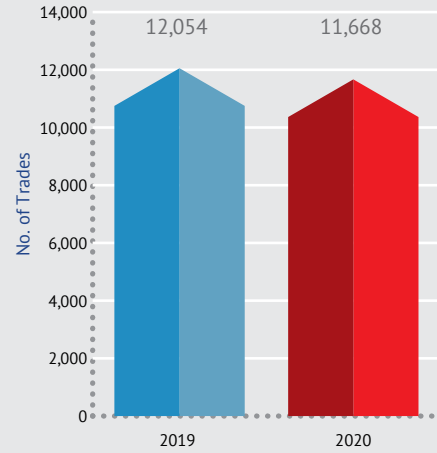
First Tier Market



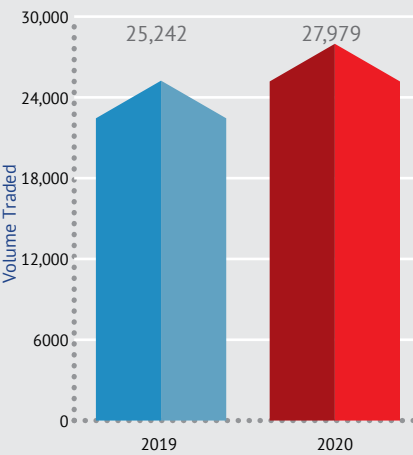
First Tier Market



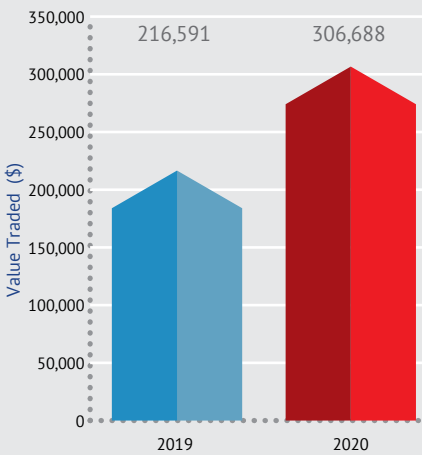
First Tier Market



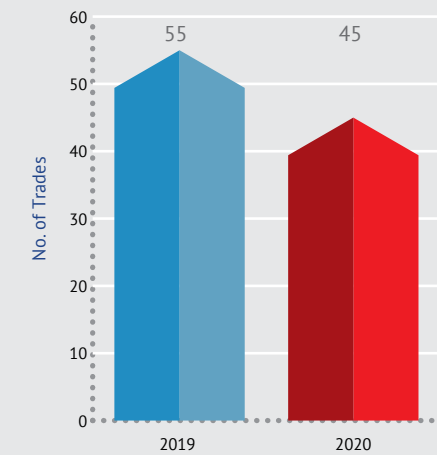
SME Market



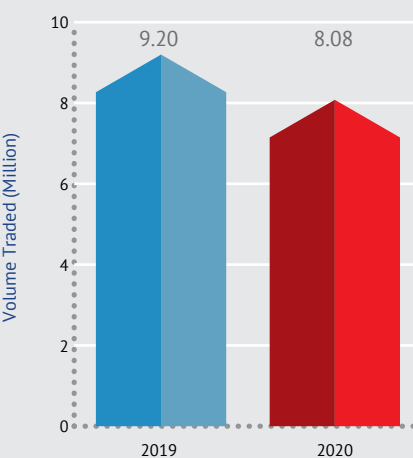
SME Market



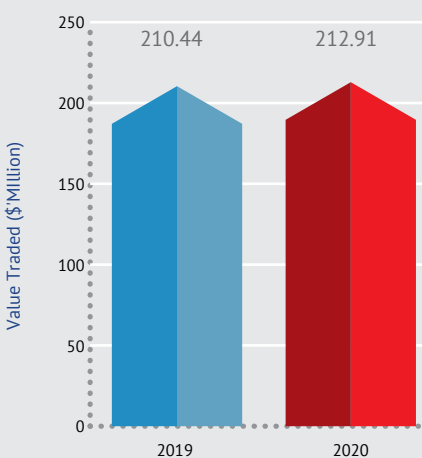
SME Market



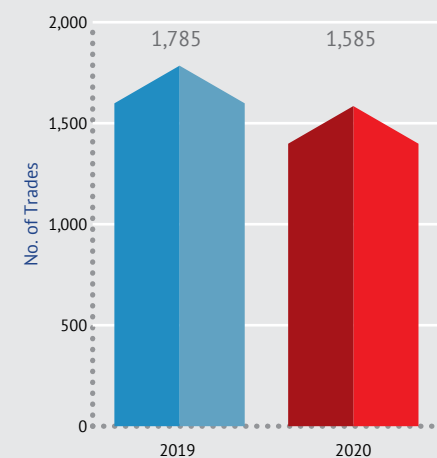
Mutual Fund Market



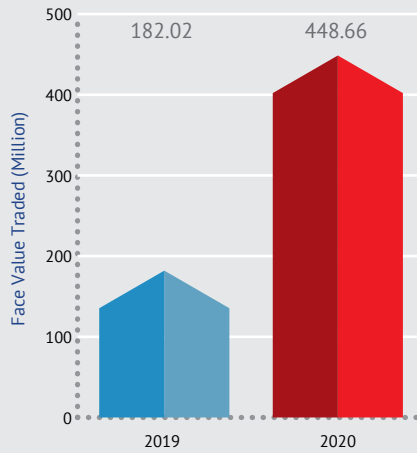
Mutual Fund Market



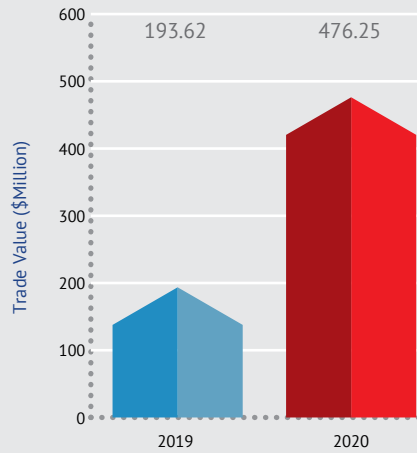
Mutual Fund Market



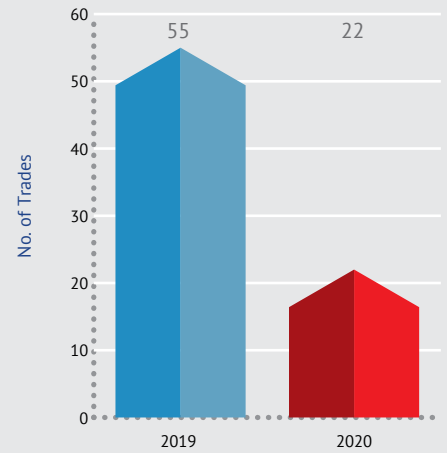
GORTT Bond Market



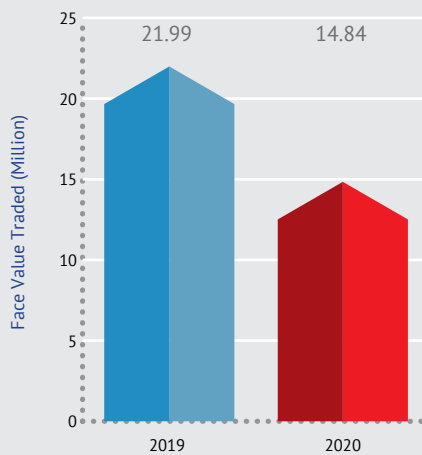
GORTT Bond Market



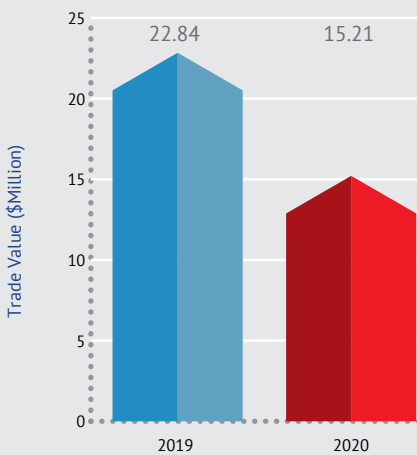
GORTT Bond Market



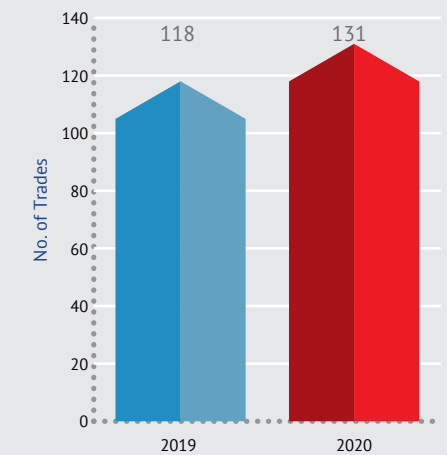
Corporate Bond Market



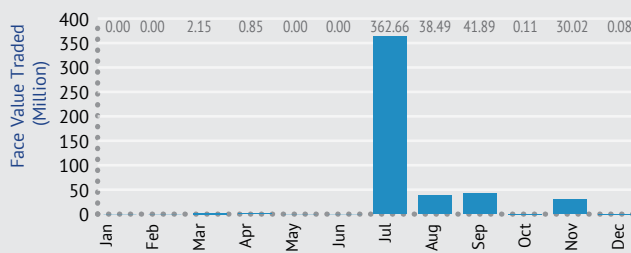
Corporate Bond Market



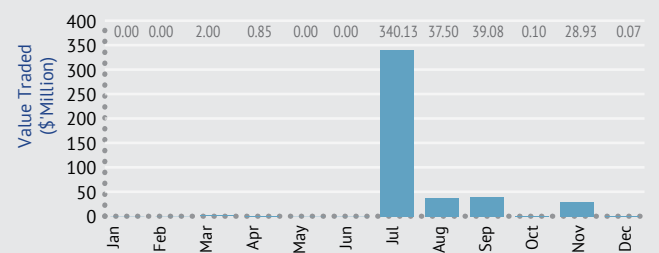
Corporate Bond Market



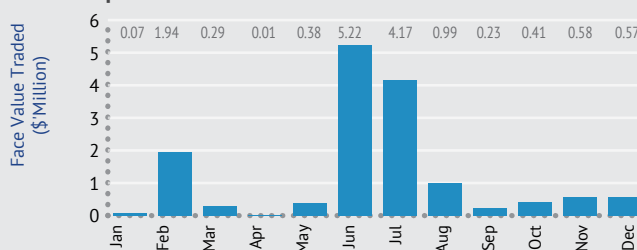
2020 GORTT Bond Market Face Value Traded



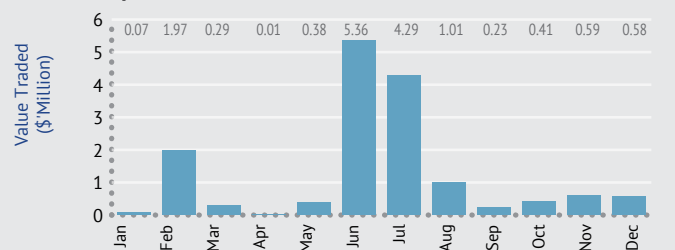
2020 GORTT Bond Market Trade Value



2020 Corporate Bond Market Face Value Traded



2020 Corporate Bond Market Trade Value



Board of Directors

As at December 31, 2020



Ray A. Sumairsingh

Chairman
Director, ANSA McAL Limited



Ian Narine

Deputy Chairman



Peter Clarke

Director



Anton Gopaulsingh

Director



Godfrey Gosein

Director



Peter Inglefield

Director



Donna-Marie Johnson

Director
Attorney at Law



Carla Kelshall

Director
Head, Wealth Management
Republic Wealth Management



Wendy Kerry

Director
SVP, Corporate Governance &
Corporate Secretary
MASSY Group



Michael Phillip

Director
Company Secretary
PLIPDECO



Kavita Surat Singh

Director
Chief Investment Officer
Anthony N. Sabga Limited

Management Team

As at December 31, 2020



Rhonda Sellier

Rhonda Sellier joined the TTSE in 2019 as the Manager, Project Implementation. In January 2021, she was promoted to Head, Shared Services. She is a Microsoft Certified Systems Engineer (MCSE) and brings a wealth of knowledge and experience to the TTSE, having spent fourteen years at a leading restaurant management company as the Manager of Information Systems. She has also worked within the Insurance Industry for over six years in various management positions. Rhonda is a graduate of The University of the West Indies, with a BSc. in Computer Science. She has also successfully completed several training programs in areas such as management, leadership development and organizational change.

Marisa S. Latchman

Marisa joined the TTSE in January 2017 in the capacity of Financial Accountant. She has over 10 years' experience in the areas of Accounting and Auditing, including 7 years at a global auditing and consulting firm. She is a Fellow of the Association of Chartered Certified Accountants (F.C.C.A.) and a Certified Internal Auditor (C.I.A.). Marisa also holds a BSc. (Hons) in Economics and Management from The University of the West Indies.





Mitra Sinanan

Mitra joined the TTSE in 2019 as the Assistant Information Technology (IT) Lead with more than 18 years of experience in Information Communication Technology (ICT) which includes more than 7 years of ICT Management. His experience spans both the Public and Private sectors bringing a wealth of knowledge covering ICT Budgeting, Procurement, Contract Management, Support Management, Business Continuity and Procedure/Policy Development. Mitra currently holds an Executive MBA (Hons.), from the Arthur Lok Jack Global School of Business; a MSc. in Applied Computer Science from the University of West Georgia, and a BSc. in Computer Science from Georgia College and State University.

Rayna Maharaj

Rayna joined the TTSE in 2020 as Marketing and Communications Officer with oversight of Marketing and Communications activities, for both the TTSE and its subsidiary, The TTCD. She has combined more than 8 years' experience at a regional higher education institution, global consulting firm and a regional financial and insurance provider. She brings a wealth of knowledge in marketing and corporate communications, public relations and advertising, social media management, and project and event coordination.

Rayna currently holds a BSc. in International Relations, with a Minor in Communication Studies from The University of the West Indies.



Directors' Report

The Directors have pleasure in submitting their Report and the Audited Financial Statements for the financial year ended December 31st, 2020. The Directors confirm that to the best of their knowledge and belief, the Audited Financial Statements comply with the applicable financial reporting standards and present a true and fair view of the financial statements of the Company.

Dividends

The Directors declared a dividend of \$0.50 per share for the year ended December 31st 2020 to be paid to shareholders whose name appear on the Register of Members of the Company at the close of business on May 13th, 2021.

Disclosure of Interest of Directors and Officers in any Material Contract (pursuant to section 93(1) of the Companies Act Ch 81:01)

At no time during the current financial year has any Director or Officer been a party to a material contract or a proposed material contract with the Company, or been a director or officer of any body, or had a material interest in any body that was party to a material contract or a proposed material contract with the Company.

Directors

In accordance with paragraphs 4.3 and 4.5.1 respectively of By-Law No. 1 of the Company, Ms. Carla Kelshall, Mr. Peter Inglefield and Ms. Wendy Kerry retire from the Board of Directors and being eligible, offer themselves for re-election for a period ending at the close of the third Annual Meeting of the Shareholders of the Company following their election.

Auditors









The Auditors, Messrs PricewaterhouseCoopers, retire and have expressed their willingness to be re appointed. Messrs. PricewaterhouseCoopers are practising members of the Institute of Chartered Accountants of Trinidad and Tobago, and are eligible for appointment as auditors of the Company under the rules of the said Institute.

By Order of the Board



Fitzstone Services Limited
Secretary
10th Floor Nicholas Tower
63-65 Independence Square, Port of Spain, Trinidad
Dated: April 7, 2021

2020 Financial Highlights for the year (TT\$ Million)

	Operating Revenue	17.14
	Total Expenses	(16.74)
	Operating Profit	0.401
	Investment Income	2.57
	Profit before Taxes	2.97
	Taxation	(0.99)
	Profit for the Year	1.98
	Other Comprehensive Income	
	Unrealised fair value profit / loss recognised in revaluation reserve	--
	Total Comprehensive Income for the year	<u>1.98</u>



Corporate Governance Overview

The Trinidad and Tobago Stock Exchange Limited (TTSE) considers sound corporate governance crucial in ensuring its long-term success and is intent on deepening its commitment to the principles of good corporate governance. The TTSE Board sees one of its major responsibilities as ensuring that the organisation has a strong corporate governance framework.

As part of its commitment to corporate governance in business, the TTSE partnered with the Caribbean Corporate Governance Institute and the Trinidad and Tobago Chamber of Industry and Commerce in the development of the Trinidad and Tobago Corporate Governance Code (the Code). The Code was formally launched in November 2013 and endorsed by the Trinidad and Tobago Securities and Exchange Commission, regulators of the TTSE.

The Board continues to strengthen its adherence to the principles of good corporate governance as a Self-Regulatory Organisation (SRO), with diligent administration of its legal and regulatory obligations under the Securities Act, 2012 and giving due care to act always in the best interest of all stakeholders. The Board's disclosure is intended to give all stakeholders an understanding of the TTSE's governance and its application of the Principles of the Code during the year 2019 as part of its commitment to the framework for effective governance.

Board Matters	Overview
Corporate Governance	Oversight of the organisation's framework for corporate governance.
Strategy and Management	Responsibility for the overall strategic direction of the TTSE. Approval of the budgeted annual operating and capital expenditure. Performance review of the TTSE's strategies and business plans.
Contracts	Approval of significant contracts, new listings and any other significant matters.
Structure and Capital	Changes relating to the TTSE's capital structure and identification of principal business risks, approval of key policies and practices which include capital risk management, market risk, operational and legal risks.
Financial Reporting and Controls	Approval of financial statements.
Internal Controls	Maintenance of a sound system of internal control and risk management system.
Board Membership and Other Appointments	Ensuring adequate succession planning for the Board and senior management. Appointments to the Board, following recommendations by the Nomination Committee.
Remuneration	Determining the remuneration of Directors in accordance with the TTSE By Laws and shareholder approval, as appropriate
Board Performance	Undertaking a formal review annually of its own performance, that of its committees and individual directors and determining the independence of directors.

Role of the Board

The Board is the principal decision-making forum and is responsible to shareholders for achieving the TTSE's strategic objectives and delivering sustainable growth in shareholder value.

Our Board of Directors acts in a way it considers will promote the long-term success of the TTSE for the benefit of shareholders as a whole and in the interests of stakeholders. The following include key duties and functions of the Board:

Role of the Chairman

The Chairman acts as an Independent Non-Executive Director and chairs the Board of the TTSE. He or she also:

- Forges an effective Board as to composition, skills and competencies;
- Ensures, in collaboration with the Chief Executive, that the Board considers the strategic issues facing the TTSE in a timely manner and is presented with sound information and analysis appropriate to the decisions that it is asked to make;
- Acts as a guide for the Chief Executive and provides general advice relating to the management and development of the TTSE's business; and
- Supports the commercial and regulatory activities of the TTSE by, inter alia, maintaining contact with the Company's key stakeholders and maintaining dialogue with other industry participants.

Board Effectiveness

During the year, the Board approved the Board of Directors' Charter, which sets the tone for an effective and optimally functioning Board. Additionally, the Board sought to improve the preservation of institutional knowledge, which is fundamental to the continuity of business in a specialised environment. The Board values highly, sound and independent thought, judgment and ethical conduct in decision-making and exercises its discretion in conflicts that may arise, imposing limits or conditions as it thinks fit.

The Composition of the Board

The Board of Directors may, under the TTSE's By-Laws, determine the number of Directors within a range of three (3) and fifteen (15). The Board currently consists of eleven (11) members, comprising of independent and non-independent members. Of the eleven (11) members on the Board, ten (10) members are independent members, which allows for open and dynamic discussions from a combination of disciplines such as capital markets, general management, finance, regulatory, compliance, and risk management.

As outlined in the TTSE's By-Laws, all Directors retire from the Board every three (3) years and are eligible for re-election, with the exception of Directors who are over the age of seventy (70) years, who retire from the Board on an annual basis and are eligible for re-election.

Board Oversight

The Board has continued to oversee the organisation's strategy, resources, risk framework, financial performance and Board succession planning.

The Board holds meetings on a monthly basis to maintain oversight over routine business and for any special business, additional meetings are convened as necessary. The Board held eighteen (18) meetings for the year 2019 and an Annual Meeting. The average number of Directors in attendance was eight (8).

Board Sub-Committees

In order to manage the discharge of its responsibilities, the Board set up several Committees comprised of Directors with the commensurate skills and experience. All Committees have Terms of Reference that are reviewed annually. At each Board Meeting, the Board receives reports from the respective Committee chairpersons.

Audit Committee

The Committee recommends approval of the financial statements to the Board and maintains under review the effectiveness of the TTSE's system of internal control and risk management. In order to do this, the Committee considers reports from management and the internal audit function as well as oversees the relationship with the external auditor.

The following Directors are members of the Audit Committee:

- Mr. Peter Inglefield (Chairman)
- Mr. Michael Phillip
- Ms. Wendy Kerry

Strategic Development & Implementation Committee (SDIC)

The Committee focuses on the development of capital market initiatives with emphasis on new product development and through business intensification, by diversifying product offering, pricing strategy and in the development of rules governing the market.

The following Directors are members of the Strategic Development Implementation Committee (SDIC):

- Mr. Ian Narine (Chairman)
- Mr. Anton Gopaulsingh
- Ms. Carla Kelshall
- Mr. Peter Clarke

Human Resources Committee

The Committee makes recommendations regarding compensation of staff, selection and retention of senior management, oversees pension and significant employee benefits, training and development of senior staff and development of human resource policies.

The following Directors are members of the Human Resources Committee:

- Mr. Ray A. Sumairsingh (Chairman)
- Mr. Ian Narine
- Ms. Wendy Kerry

Regulatory Committee

The Committee oversees the compliance monitoring of the member firms of the TTSE and determines action for disciplinary measures as may be necessary. The Committee also has oversight of the adequacy and effectiveness of the self-regulatory functions of the TTSE and its subsidiary and assesses their compliance with applicable legislative framework.

The following Directors are members of the Regulatory Committee:

- Mr. Peter Clarke (Chairman)
- Ms. Donna-Marie Johnson
- Mr. Peter Inglefield
- Mr. Anton Gopaulsingh

Nominations Committee

A Nominations Committee was established in November 2014 and at present there are three members. The Committee's role is to review the size and structure of the Board, consider succession planning and make recommendations to the Board on potential candidates for the Board.

The following Directors are members of the Nominations Committee:

- Mr. Ray A. Sumairsingh (Chairman)
- Mr. Ian Narine
- Mr. Michael Phillip

Our Board of Directors and Management are committed to ensuring good corporate governance by discharging its responsibilities at the highest standard within a comprehensive framework as well as enhancing shareholder value in an evolving corporate governance environment.





Consolidated Financial Statements

31 December 2020
(Expressed in Trinidad and Tobago
Dollars)

Statement of Management's Responsibilities

Management is responsible for the following:

- Preparing and fairly presenting the accompanying consolidated financial statements of The Trinidad and Tobago Stock Exchange Limited and its subsidiary (together, the Group) which comprise the consolidated statement of financial position as at 31 December 2020 and the consolidated income statement, the consolidated statement of comprehensive income, changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Group keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Group's assets, detection/prevention of fraud, and the achievement of Group operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations, including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these consolidated financial statements, management utilised the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the Group will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying consolidated financial statements have been authorised for issue, if later.

Management affirms that it has carried out its responsibilities as outlined above.


 _____ Management
 22 March 2021


 _____ Management
 22 March 2021



Independent Auditor's Report

To the shareholders of
The Trinidad and Tobago Stock Exchange Limited

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects the consolidated financial position of The Trinidad and Tobago Stock Exchange Limited (the Company) and its subsidiary (together, 'the Group') as at 31 December 2020, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2020;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Independent Auditor's Report (Continued)

Other information

Management is responsible for the other information. The other information comprises the Trinidad and Tobago Stock Exchange Limited Annual Report 2020 (but does not include the consolidated financial statements and our auditor's report thereon).

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability 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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 consolidated financial statements.

Independent Auditor's Report (Continued)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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.
- Obtain 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate 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 we identify during our audit.

Pricewaterhousecoopers


Port of Spain,
Trinidad, West Indies
24 March 2021

Consolidated Statement of Financial Position
(Expressed in Trinidad and Tobago Dollars)

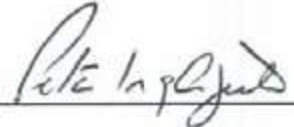
	Notes	As at	
		2020	2019
		\$	\$
Assets			
<i>Non-current assets</i>			
Property and equipment	4	7,441,923	7,727,480
Intangible assets	5	2,678,209	1,621,144
Financial assets at fair value through profit and loss	6a	184,976	182,372
Financial assets at amortised cost	6b	<u>44,011,900</u>	<u>51,374,276</u>
		<u>54,317,008</u>	<u>60,905,272</u>
<i>Current assets</i>			
Trade and other receivables	7	3,440,207	10,782,087
Financial assets at amortised cost	6b	5,000,000	—
Cash on deposit	8	26,411,897	23,053,252
Cash in hand and at bank		842,421	1,250,844
Taxation recoverable		<u>5,697,649</u>	<u>2,637,441</u>
		<u>41,392,174</u>	<u>37,723,624</u>
Total assets		<u>95,709,182</u>	<u>98,628,896</u>
Equity and liabilities			
<i>Capital and reserves</i>			
Stated capital	9	8,326,655	8,326,655
Revaluation reserve		—	3,117
Retained earnings		<u>85,003,019</u>	<u>87,104,966</u>
Total equity		<u>93,329,674</u>	<u>95,434,738</u>
<i>Non-current liabilities</i>			
Deferred tax liability	10	<u>309,455</u>	<u>251,203</u>
<i>Current liabilities</i>			
Trade and other payables	11	2,063,284	2,942,955
Taxation payable		<u>6,769</u>	<u>—</u>
		<u>2,070,053</u>	<u>2,942,955</u>
Total liabilities		<u>2,379,508</u>	<u>3,194,158</u>
Total equity and liabilities		<u>95,709,182</u>	<u>98,628,896</u>

The notes on pages 55 to 80 are an integral part of these consolidated financial statements.

On 22 March 2021, the Board of Directors of The Trinidad and Tobago Stock Exchange Limited and its Subsidiary authorised these consolidated financial statements for issue.



Director



Director

Consolidated Income Statement
(Expressed in Trinidad and Tobago Dollars)

	Notes	Year ended 31 December	
		2020 \$	2019 \$
Revenue			
Fees, commissions and charges	12	<u>17,141,777</u>	<u>31,134,227</u>
Expenses			
Administrative	13	(1,021,458)	(718,227)
Marketing	13	(326,573)	(82,692)
Operating	13	(15,392,274)	(16,394,050)
Expected credit loss - Trade receivables	7	<u>--</u>	<u>(26,385)</u>
	15	<u>(16,740,305)</u>	<u>(17,221,354)</u>
Operating profit		401,472	13,912,873
Investment income	14	<u>2,566,446</u>	<u>2,741,619</u>
Profit before taxation		2,967,918	16,654,492
Taxation	16	<u>(989,481)</u>	<u>(5,035,866)</u>
Profit for the year		<u><u>1,978,437</u></u>	<u><u>11,618,626</u></u>

The notes on pages 55 to 80 are an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

(Expressed in Trinidad and Tobago Dollars)

	Year ended 31 December	
	2020 \$	2019 \$
Profit for the year	1,978,437	11,618,626
Other comprehensive income	—	—
Total comprehensive income for the year	<u>1,978,437</u>	<u>11,618,626</u>

The notes on pages 55 to 80 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

(Expressed in Trinidad and Tobago Dollars)

	Note	Stated capital \$	Revaluation reserve \$	Retained earnings \$	Total equity \$
Year ended 31 December 2020					
Balance as at 1 January 2020		8,326,655	3,117	87,104,966	95,434,738
Total comprehensive income for the year:					
Profit for the year		--	(3,117)	1,978,437	1,975,320
Transactions with owners:					
Dividends paid	18	--	--	(4,080,384)	(4,080,384)
Balance at 31 December 2020		<u>8,326,655</u>	<u>--</u>	<u>85,003,019</u>	<u>93,329,674</u>
Year ended 31 December 2019					
Balance as at 1 January 2019		8,326,655	3,117	81,452,356	89,782,128
Total comprehensive income for the year:					
Profit for the year		--	--	11,618,626	11,618,626
Transactions with owners:					
Dividends	18	--	--	(5,966,016)	(5,966,016)
Balance at 31 December 2019		<u>8,326,655</u>	<u>3,117</u>	<u>87,104,966</u>	<u>95,434,738</u>

The notes on pages 55 to 80 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

(Expressed in Trinidad and Tobago Dollars)

	Notes	Year ended 31 December	
		2020 \$	2019 \$
Cash flows from operating activities			
Profit before taxation		2,967,918	16,654,492
Adjustments to reconcile profit to net cash provided by/(used in) operating activities:			
Depreciation	4	426,769	424,483
Amortisation	5	469,855	384,259
Investment income	14	(2,566,446)	(2,741,619)
Loss on disposal of property and equipment		95,204	--
Expected credit loss on accounts receivables		--	26,385
Movement in revaluation reserve		(3,117)	--
		<u>1,390,183</u>	<u>14,748,000</u>
Changes in operating assets/liabilities:			
Decrease/(increase) in trade and other receivables		6,841,100	(6,582,097)
Decrease in trade and other payables		(879,671)	(792,050)
Net tax payments		<u>(3,987,272)</u>	<u>(8,253,783)</u>
Net cash provided by/(used in) operating activities		<u>3,364,340</u>	<u>(879,930)</u>
Cash flows from investing activities			
Interest received		3,067,226	2,780,277
Proceeds from maturity of investment		12,351,450	5,379,166
Purchase of investment		(9,989,074)	(1,952,680)
Purchase of equipment	4	(236,416)	(276,216)
Purchase of intangible assets	5	<u>(1,526,920)</u>	<u>(831,973)</u>
Net cash provided by investing activities		<u>3,666,266</u>	<u>5,098,574</u>
Cash flows from financing activities			
Dividends paid		<u>(4,080,384)</u>	<u>(5,966,016)</u>
Net cash used in financing activities		<u>(4,080,384)</u>	<u>(5,966,016)</u>
Net increase/(decrease) in cash and cash equivalents		2,950,222	(1,747,372)
Cash and cash equivalents at beginning of year		<u>24,304,096</u>	<u>26,051,468</u>
Cash and cash equivalents at end of year		<u><u>27,254,318</u></u>	<u><u>24,304,096</u></u>
Represented by:			
Cash on deposit		26,411,897	23,053,252
Cash in hand and at bank		<u>842,421</u>	<u>1,250,844</u>
		<u><u>27,254,318</u></u>	<u><u>24,304,096</u></u>

The notes on pages 55 to 80 are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

1 Incorporation and business activities

The Company was incorporated in the Republic of Trinidad and Tobago on 14 April 1997 under the Companies Ordinance Chapter 31 no.1, and continued on 12 October 1999, under the Companies Act Chapter 81:01. The Company operates a stock exchange and its registered office is located on the 10th Floor, Nicholas Tower, 63-65 Independence Square, Port of Spain.

The 100% owned subsidiary, The Trinidad and Tobago Central Depository Limited was incorporated on 30 September 1998 under the Companies Act Chapter 81:01. This Company operates a central securities depository.

The Trinidad and Tobago Stock Exchange Limited and The Trinidad and Tobago Central Depository Limited are registered under the Securities Act 2012 as self-regulatory organisations.

2 Summary of significant accounting policies

a. Basis of preparation

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). The Group's financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets at Fair Value through Profit or Loss (FVPL).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

(i) New standards and amendments to published standards adopted by the Group

There were no new standards adopted by the Group that had a material impact on the unconsolidated financial statements.

- Amendments to IAS 1 and IAS 8 - Definition of Material.

The amendments clarify the definition of 'material' and align the definition used in the Conceptual Framework and the standards.

- Amendments to IFRS 9, IAS 39 and IFRS 7 - Interest Rate Benchmark Reform.

The amendments made provide certain reliefs in relation to interest rate benchmark reforms. The reliefs relate to hedge accounting and have the effect that the reforms should not generally cause hedge accounting to terminate. However, any hedge ineffectiveness should continue to be recorded in the income statement. Given the pervasive nature of hedges involving IBOR-based contracts, the reliefs will affect companies in all industries.

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

a. Basis of preparation (continued)

(i) New standards and amendments to published standards adopted by the Group (continued)

- Amendment to IFRS 3 – Amendments in Definition of a Business.

The amended definition of a business requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits. The amendments will likely result in more acquisitions being accounted for as asset acquisitions.

- Amendments to IFRS 16 - Covid-19-Related Rent Concessions (Effective 1 June 2020).

The amendment provides lessees with an exemption from assessing whether a COVID-19 related rent concession is a lease modification.

With reference to the above standards, amendments and interpretations which are effective there were no financial impact to the Group.

(ii) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2020 and not early adopted by the Group

Standard	Content	Applicable for financial years beginning on/after
IFRS 17	Insurance Contracts	1 January 2023
IAS 1	Classification of Liabilities as Current or Non-current	1 January 2022
IAS 16	Property, Plant and Equipment – Proceeds before intended use	1 January 2022
IFRS 3	Reference to the Conceptual Framework	1 January 2022
IAS 37	Onerous Contracts – Cost of fulfilling a Contract	1 January 2022
IFRS 16	Covid-19-related Rent Concessions – Amendments to IFRS 16	1 June 2020
Various	Annual Improvements to IFRS Standards 2018–2020	1 January 2022

These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

b. Consolidation

The financial statements of the subsidiary used to prepare the consolidated financial statements were prepared as of the parent's reporting date. The consolidation principles are unchanged from the previous year.

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The consolidated financial statements of the Group comprise the financial statements of the parent entity and its wholly owned subsidiary, The Trinidad and Tobago Central Depository Limited as of 31 December 2020.

In the consolidated financial statements, subsidiary undertakings have been fully consolidated. Inter-company transactions, balances and intragroup gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

The integration of the subsidiary into the consolidated financial statements is based on consistent accounting and valuation methods for similar transactions and other occurrences under similar circumstances.

c. Foreign currency

(i) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in Trinidad and Tobago dollars, which is the functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income.

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

d. *Intangible assets*

Computer software

Costs associated with maintaining computer software programmes are recognised as expenses when incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use;
- There is an ability to use or sell the software product;
- It can be demonstrated how the software product will generate future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as expenses as incurred. Development costs previously recognised as expenses are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised using the reducing balance method at a rate of 33.33%.

e. *Leases*

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use.) Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of the initial measurement of lease liabilities, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. The Group has a lease contract for 99 years for the floor of the building which it occupies, however, this contract does not contain any lease liabilities as there was a lease prepayment on inception of the lease and no future lease payments required. Right-of-use assets are depreciated on a straight line basis over the shorter of the lease term and the estimated useful lives of the asset as follows:

Leasehold property - 2%

Right-of-use assets are subject to impairment.

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

f. *Property and equipment*

Equipment and fixtures are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to income statement during the financial period in which they are incurred.

Depreciation is calculated using the reducing balance method except for property which is depreciated on a straight-line basis to allocate their cost over their estimated useful lives, as follows:

Office furniture and equipment	-	10% - 25%
Motor vehicles	-	25%
Leasehold improvements	-	2%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within the income statement.

g. *Impairment of non-financial assets*

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

h. *Financial assets (excluding trade receivables) under IFRS 9*

Classification

The Group classifies its financial assets (excluding trade receivables) in the following measurement categories:

- those to be measured at Amortised Cost (AC), and
- those to be measured subsequently at Fair Value Through Profit or Loss (FVPL).

The classification for debt instruments depends on the entity's Business Model for managing those assets and whether the contractual terms of the cash flows represent 'Solely Payments of Principal and Interest' (SPPI).

The Business Model test requires the entity to assess the purpose for holding debt securities (hold to collect, hold to collect and sell or to trade). All debt instruments meeting both the hold to collect and SPPI criteria are classified at amortised cost.

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

h. Financial assets (excluding trade receivables) under IFRS 9 (continued)

Classification (continued)

Debt instruments meeting the hold to collect and sell and SPPI criteria are classified at FVOCI. There are currently no debt instruments in this category. The Group has not applied the irrevocable option to take fair value changes on equity instruments through OCI. Accordingly, there are no equity instruments classified at FVOCI.

All other instruments, including investment funds and equities are carried at FVPL. This is a residual category. Gains and losses on FVPL assets are recorded in profit or loss.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

(i) Debt instruments (IFRS 9)

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost. Interest income from these financial assets is included within 'investment income' using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of comprehensive income.

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

h. Financial assets (excluding trade receivables) under IFRS 9 (continued)

Measurement (continued)

(i) Debt instruments (IFRS 9) (continued)

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees. For purchased or originated credit-impaired (POCI) financial assets - assets that are credit-impaired at initial recognition - the Group calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

When the Group revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in 'investment income' together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

- FVPL: Assets which do not meet the criteria for amortised cost or fair value through OCI are measured at FVPL. Investments in this category include investment funds and mutual funds. Gains or losses on FVPL instruments are recognised in profit or loss and are presented net within 'investment income' in the period in which it arises. Distributions from investment and mutual funds are recognised in profit or loss within 'investment income' when the Group's right to receive payments is established.

(ii) Equity instruments

The Group subsequently measures all equity investments at FVPL, as it has not applied the irrevocable option to take fair value changes on equity instruments through OCI. Changes in the fair value of financial assets at FVPL are recognised in 'investment income' in the statement of profit or loss as applicable. Dividends from equity investments are recognised in profit or loss within 'investment income' when the Group's right to receive payments is established. There were no equity instruments held at year end.

Impairment of debt instruments

The Group assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost.

The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

h. Financial assets (excluding trade receivables) under IFRS 9 (continued)

Impairment of debt instruments (continued)

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 – This category comprises instruments which are performing in accordance with the contractual terms and conditions and display no deterioration in credit risk since initial recognition. This category also includes those financial instruments with low credit risk.
- Stage 2 – This category includes instruments which display a significant increase in credit risk (SICR) since initial recognition but have not yet defaulted.
- Stage 3 – This category includes instruments that are in default.

The above categories exclude purchased or originated credit-impaired (POCI) financial assets. A financial asset is considered credit-impaired on purchase or origination if there is evidence of impairment at the point of initial recognition (for instance, if it is acquired at a deep discount). POCI financial assets are not included in Stages 1, 2 or 3, and are instead shown as a separate category.

Expected credit loss (ECL) is measured as follows:

- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months.
- Instruments in Stages 2 or 3 or that are POCI have their ECL measured based on expected credit losses on a lifetime basis.

A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information. The Group utilised a probability-weighted assessment of the factors which it believes will have an impact on forward looking rates.

The formula for ECL is generally the 'Probability of Default' (PD) multiplied by the 'Exposure at Default' (EAD) multiplied by the 'Loss Given Default' (LGD). An adjustment is made to reflect the time value of money by considering the original effective interest rate on the individual instruments. The overall models involved the use of various PD and LGD tables derived from various publications, including independent rating agencies. These are then applied to individual instruments based on their rating, tenor and staging.

The process in arriving at the individual components of ECL and the forward-looking adjustments involved critical estimates and judgements. This is discussed further in Note 3.

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

i. Trade receivables

Trade receivables are recognised at invoice value, less a provision for impairment. This amount is a reasonable approximation to amortised cost using the effective interest method as the impact of discounting and upfront transaction costs are immaterial due to the short settlement period. Trade receivables are derecognised upon settlement, when the contractual rights to the cash flows from the receivables expire or the Group transfers substantially all risks and rewards of ownership.

There were no changes to the classification and measurement basis for trade receivables upon adoption of IFRS 9. Trade and other receivables are classified as "hold to collect" under IFRS 9, meet the SPPI criteria and are accordingly classified and measured at amortised cost using the aforementioned basis.

Under IFRS 9, the Group applies the simplified approach for trade receivables as permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Trade receivables are grouped together based on shared credit risk characteristics and aged using a 'provisions matrix'. Scaled loss rates are then calculated based on historical payment profiles.

The expected loss rates for these accounts are based on the payment profiles of sales over a period of 12 months starting 1 January 2019 and ending on 31 December 2019 and the corresponding historical credit losses experienced within this period.

The loss rates are adjusted to incorporate forward-looking information and then applied to the different aging buckets as of the statement of financial position date. The Group employs various probability weighted scenarios and regression curves to predict future behaviour. In developing the various models, the Group considers both internal data and external macroeconomic data.

Assets written off

Trade and other receivables and intercompany receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group categorises a receivable for write off when a debtor fails to make contractual payments, even after several attempts at enforcement and/or recovery efforts. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

j. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents includes cash in hand and at bank and cash on deposit.

k. Stated capital

Ordinary shares with discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

l. Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

m. Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

n. Taxation

(i) Current tax

Income tax payable (receivable) is calculated on the basis of the applicable tax law in Trinidad and Tobago and is recognised as an expense (income) for the period except to the extent that current tax related to items that are charged or credited in the income statement or directly to equity. In these circumstances, current tax is charged or credited to the income statement or to equity.

(ii) Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The principal temporary differences arise from accelerated tax depreciation.

Deferred tax assets are recognised where it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Notes to the Consolidated Financial Statements (continued)**31 December 2020***(Expressed in Trinidad and Tobago Dollars)***2 Summary of significant accounting policies (continued)****o. Pension obligations**

The Group's contribution to the pension plan is charged to the income statement. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

p. Revenue

The Group derives revenue from the following major revenue lines:

- (i) Listing and membership fees are annual fees charged for being listed and is measured on an accrual basis over a period of time.
- (ii) Customer transaction charges are transaction fees for trades executed on the Exchange and is recognized at a point in time.
- (iii) Commission rebates, bond income, registrar fees, euroclear income and other income are recognized at a point in time.

q. Investment income***Financial assets under IFRS 9***

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance). Other investment income is recognised on an accruals basis based on when the right to receive payment is established.

r. Dividend distribution

Dividend distribution to the Group's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Board of Directors.

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

3 Critical accounting estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

a. *Measurement of the expected credit loss allowance*

The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of debtors defaulting and the resulting losses). A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and

ECL calculations are shown in Note 7. Had there been a 10% increase in the average ECL rate for all financial instruments at amortised cost, the total ECL allowance would have been higher by \$5,024 (2019: \$5,024).

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

4 Property and equipment

	Leasehold improvements \$	Right of use asset \$	Office furniture and equipment \$	Motor vehicles \$	Work in progress \$	Total \$
At 31 December 2018						
Cost	8,457,288	--	6,393,796	155,000	64,925	15,071,009
Accumulated depreciation	(2,224,620)	--	(4,837,480)	(133,162)	--	(7,195,262)
Closing net book amount	<u>6,232,668</u>	<u>--</u>	<u>1,556,316</u>	<u>21,838</u>	<u>64,925</u>	<u>7,875,747</u>
Year ended 31 December 2019						
Opening net book amount	6,232,668	--	1,556,316	21,838	64,925	7,875,747
Additions	--	--	276,216	--	--	276,216
Transfers	(5,838,517)	5,838,517	64,925	--	(64,925)	--
Depreciation charge	(10,634)	(158,512)	(249,878)	(5,459)	--	(424,483)
Closing net book amount	<u>383,517</u>	<u>5,680,005</u>	<u>1,647,579</u>	<u>16,379</u>	<u>--</u>	<u>7,727,480</u>
At 31 December 2019 - restated						
Cost	531,699	7,925,589	6,734,937	155,000	--	15,347,225
Accumulated depreciation	(148,182)	(2,245,584)	(5,087,358)	(138,621)	--	(7,619,745)
Closing net book amount	<u>383,517</u>	<u>5,680,005</u>	<u>1,647,579</u>	<u>16,379</u>	<u>--</u>	<u>7,727,480</u>
Year ended 31 December 2020						
Opening net book amount	383,517	5,680,005	1,647,579	16,379	--	7,727,480
Additions	--	--	236,416	--	--	236,416
Disposal	--	--	(95,204)	--	--	(95,204)
Depreciation charge	(10,634)	(158,512)	(253,528)	(4,095)	--	(426,769)
Closing net book amount	<u>372,883</u>	<u>5,521,493</u>	<u>1,535,263</u>	<u>12,284</u>	<u>--</u>	<u>7,441,923</u>
At 31 December 2020						
Cost	531,699	7,925,589	5,936,926	155,000	--	14,549,214
Accumulated depreciation	(158,816)	(2,404,096)	(4,401,663)	(142,716)	--	(7,107,291)
Closing net book amount	<u>372,883</u>	<u>5,521,493</u>	<u>1,535,263</u>	<u>12,284</u>	<u>--</u>	<u>7,441,923</u>

In 2019, on adoption of IFRS 16: Leases, the Company reclassified its leased building from the 'Land and Buildings' category to the 'Right of use Asset' category. This represented advance payments on the lease and the asset is being amortised over 50 years. There are no future lease payments and accordingly no lease obligation has been recognised.

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

5 Intangible assets

	Work in progress \$	Computer software \$	Total \$
At 31 December 2018			
Cost	20,650	4,011,496	4,032,146
Accumulated amortisation	<u> --</u>	<u>(2,858,716)</u>	<u>(2,858,716)</u>
Net book amount	<u> 20,650</u>	<u> 1,152,780</u>	<u> 1,173,430</u>
Year ended 31 December 2019			
Opening net book amount	20,650	1,152,780	1,173,430
Additions	831,973	--	831,973
Amortisation charge	<u> --</u>	<u>(384,259)</u>	<u>(384,259)</u>
Closing net book amount	<u> 852,623</u>	<u> 768,521</u>	<u> 1,621,144</u>
At 31 December 2019			
Cost	852,623	4,011,496	4,864,119
Accumulated amortisation	<u> --</u>	<u>(3,242,975)</u>	<u>(3,242,975)</u>
Net book amount	<u> 852,623</u>	<u> 768,521</u>	<u> 1,621,144</u>
Year ended 31 December 2020			
Opening net book amount	852,623	768,521	1,621,144
Additions	1,526,920	--	1,526,920
Transfers	(1,538,504)	1,538,504	--
Amortisation charge	<u> --</u>	<u>(469,855)</u>	<u>(469,855)</u>
Closing net book amount	<u> 841,039</u>	<u> 1,837,170</u>	<u> 2,678,209</u>
At 31 December 2020			
Cost	841,039	5,550,000	6,391,039
Accumulated amortisation	<u> --</u>	<u>(3,712,830)</u>	<u>(3,712,830)</u>
Net book amount	<u> 841,039</u>	<u> 1,837,170</u>	<u> 2,678,209</u>

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

6 Financial assets

6a	Financial assets at fair value through profit and loss	2020 \$	2019 \$
	Ansa Merchant Bank Limited – TTD Income Fund	103,668	101,064
	Caribbean Information and Credit Rating Agency Limited (CariCRIS)	<u>81,308</u>	<u>81,308</u>
		<u>184,976</u>	<u>182,372</u>

The shares in Caribbean Information and Credit Rating Agency Limited (50,000 ordinary shares of US \$1 each) are stated at cost less impairment as there is no active market for these shares and no reliable estimate of fair value.

6b	Financial assets at amortised cost	2020 \$	2019 \$
	Non-current assets		
	Government of Trinidad and Tobago (7.75% FRB 2024)	52,000	52,000
	Government of Trinidad and Tobago (3.80% FRB 2022)	7,892,000	7,892,000
	Government of Trinidad and Tobago (4.10% FRB 2025)	2,988,000	2,988,000
	Government of Trinidad and Tobago (3.85% FRB 2029)	3,769,144	4,185,811
	Trinidad and Tobago Mortgage Finance Company Limited (3.75% FRB 2020)	--	4,958,000
	Trinidad and Tobago Mortgage Finance Company Limited (4.75% FRB 2023)	4,965,000	4,965,000
	Guardian Holdings Limited (4.22% LOAN 2020)	--	5,024,103
	Guardian Holdings Limited (5.0% FRB 2025)	4,989,074	--
	Home Mortgage Bank 3.5% Bond 2023	5,020,616	5,020,616
	Home Mortgage Bank 4.75% Bond 2025	3,300,000	3,300,000
	National Investment Fund 4.5% Bond 2023	3,139,000	3,139,000
	National Investment Fund 5.7% Bond 2030	7,956,000	7,956,000
	Treasury Bill OMO 16 97	--	1,952,680
	Provision for estimated credit loss bonds	<u>(58,934)</u>	<u>(58,934)</u>
		<u>44,011,900</u>	<u>51,374,276</u>
	Current assets		
	Trinidad and Tobago Mortgage Finance Company Limited (3.6% FRB 2021)	<u>5,000,000</u>	<u>--</u>

The Group recognises provisions for losses for bonds using the Expected Credit Loss (ECL) model. The Group considers the probability of default upon initial recognition of the bond and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the bond as at the reporting date with the risk of default as at the date of initial recognition. A significant increase in credit risk is presumed if the bond issuer's credit rating has been downgraded from investment grade to non-investment grade.

A default on a bond occurs when the issuer has missed a payment of principal or interest or has announced its intention to suspend payments on part or all of its financial obligations.

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

6 Financial assets (continued)

6b Financial assets at amortised cost (continued)

A summary of the staging categories, definitions and basis for ECL recognition is as follows:

Category	Definition	Basis for recognition of expected credit loss provision
Performing (Stage 1)	The counterparty has a low risk of default and a strong capacity to meet contractual cash flows	12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.
Underperforming (Stage 2)	Financial assets for which there is a significant increase in credit risk since origination	Lifetime expected losses
Non-performing (Stage 3)	The financial asset is in default.	Lifetime expected losses

Over the term of the financial asset, the Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of financial assets and adjusts for forward looking macroeconomic data.

All of the entity's debt investments at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months' expected losses. Management consider 'low credit risk' for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk where they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

	2020 \$	2019 \$
The following is a movement analysis of the ECL provision		
Opening ECL under IFRS 9	(58,934)	(58,934)
Net changes to provisions during the year	<u> --</u>	<u> --</u>
	<u><u>(58,934)</u></u>	<u><u>(58,934)</u></u>
Effective ECL loss rate	<u> 0.120%</u>	<u> 0.115%</u>

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

7 Trade and other receivables	2020 \$	2019 \$
Trade receivables	2,308,131	9,298,716
Less: expected credit loss on receivables	<u>(40,894)</u>	<u>(40,894)</u>
Trade receivables – net	2,267,237	9,257,822
Prepayments	513,581	364,596
Interest receivable	629,118	1,129,898
Other receivables	<u>30,271</u>	<u>29,771</u>
	<u>3,440,207</u>	<u>10,782,087</u>

As of 31 December 2020, trade receivables of \$1,343,440 (2019: \$7,885,962 were fully performing.

As of 31 December 2020, trade receivables of \$374,183 (2019: \$975,010) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

The ageing analysis of trade receivables that are past due but not impaired is as follows:

Up to 3 months	113,543	342,054
3 to 6 months	27,611	68,711
More than 6 months	<u>233,029</u>	<u>564,245</u>
Total	<u>374,183</u>	<u>975,010</u>

Summary of ECL calculations

(a) The simplified approach

A summary of the assumptions underpinning the Group's expected credit loss model under the simplified approach is further analysed below.

Trade receivables assessed for specific provisions are identified based on certain default triggers (e.g. customers with a significant portion of their invoices > 90 days, customers with significant cash flow issues, business model issues and other relevant factors). Once the population for specific provisions is identified, it is segregated from the rest of the portfolio and fully provided for.

A provision matrix is then applied to all remaining accounts on a portfolio basis. Customer balances covered by specific provisions are excluded from the portfolio provision calculations to avoid double counting.

The following is a movement analysis of the ECL provision

Opening ECL under IFRS 9	(40,894)	(14,509)
Net changes to provisions during the year	<u>--</u>	<u>(26,385)</u>
	<u>(40,894)</u>	<u>(40,894)</u>

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

8	Cash on deposit	2020	2019
		\$	\$
	Trinidad and Tobago Unit Trust Corporation - TTD Income Fund	2,520,233	2,809,679
	Trinidad and Tobago Unit Trust Corporation - USD Income Fund	10,310,271	6,829,035
	Guardian Asset Management Limited - TTD Monthly Income Fund	3,874,569	4,797,660
	Guardian Asset Management Limited - TTD Private Wealth Fund	631,505	--
	Guardian Asset Management Limited - USD Monthly Income Fund	9,018,979	8,560,538
	Ansa Merchant Bank Limited - TTD Secured Fund	<u>56,340</u>	<u>56,340</u>
		<u>26,411,897</u>	<u>23,053,252</u>

These accounts are interest bearing and can be withdrawn at any time.

9	Stated capital	2020	2019
		\$	\$
	Authorised		
	An unlimited number of common shares of no par value		
	Issued		
	Common shares (1,545,600 shares of no par value)	<u>8,326,655</u>	<u>8,326,655</u>

10 Deferred tax liability

Deferred income taxes are calculated in full on all temporary differences under the liability method using a principal tax rate of 30% (2019: 30%). The deferred tax liability and deferred tax charge/(credit) in the statement of comprehensive income are attributable to the following:

	Opening balance \$	Charge/(credit) for the year (Note 17) \$	Closing balance \$
Year ended 31 December 2020			
Accelerated tax depreciation	<u>251,203</u>	<u>58,252</u>	<u>309,455</u>
Net deferred tax	<u>251,203</u>	<u>58,252</u>	<u>309,455</u>
Year ended 31 December 2019			
Accelerated tax depreciation	<u>254,870</u>	<u>(3,667)</u>	<u>251,203</u>
Net deferred tax	<u>254,870</u>	<u>(3,667)</u>	<u>251,203</u>

Notes to the Consolidated Financial Statements (continued)**31 December 2020***(Expressed in Trinidad and Tobago Dollars)*

11 Trade and other payables	2020 \$	2019 \$
Trade creditors	1,120,611	864,385
Fees/subscriptions paid in advance	146,409	178,670
Other payables and accrued charges	<u>796,264</u>	<u>1,899,900</u>
	<u>2,063,284</u>	<u>2,942,955</u>
12 Fees, commissions and charges	2020 \$	2019 \$
Listing and membership fees	4,458,532	5,722,533
Customer transaction charges	6,706,286	18,609,010
Commission rebates	516,038	444,323
Registrar fees	3,020,155	3,122,331
Bond income	991,016	982,894
Euroclear income	375,617	211,359
Other income	<u>1,074,133</u>	<u>2,041,777</u>
	<u>17,141,777</u>	<u>31,134,227</u>

Listing fees are based on the value of the average month end market capitalisation of the traded stocks.

Membership fees are annual fees for listed companies, brokers and institutional investors.

Transaction charges are calculated at a rate of 0.21% of the transaction cost for shares traded by member firms on the buy and sell side. As at 31 December 2020, total value of transactions traded was TT\$1,399,511,361 (2019: \$4,088,190,066) and US\$1,410,213 (2019: \$0).

Commission rebates are calculated as 2% of broker commissions.

Registrar fees are derived from a fixed charge and a variable component based on the number of corporate actions in the year per client company.

Other income is mainly derived from fees earned on depository activities such as pledges, releases, withdrawals, inter and intra movements, and other miscellaneous income.

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

13 Expenses	2020 \$	2019 \$
<i>Administrative expenses</i>		
Audit	212,165	183,289
Legal and professional fees	<u>809,293</u>	<u>534,938</u>
	<u>1,021,458</u>	<u>718,227</u>
<i>Marketing expenses</i>		
Advertising	288,623	52,194
Investor awareness	<u>37,950</u>	<u>30,498</u>
	<u>326,573</u>	<u>82,692</u>
<i>Operating expenses</i>		
Salaries	7,225,372	7,967,222
Information technology expenses	2,744,683	2,296,744
Depreciation	426,769	424,485
Amortisation	469,855	384,259
Directors' fees	1,509,250	1,480,250
Education and training	64,428	75,502
Insurance	284,985	229,228
Office expense	462,888	551,236
Rental expense	247,769	250,005
Building maintenance	307,131	431,306
Regulatory fee	306,179	847,563
Telephone and connectivity	305,971	350,021
Euroclear charges	372,535	186,583
Loss on disposal of equipment	95,204	--
Other expenses	567,035	919,646
Forex loss	<u>2,220</u>	<u>--</u>
	<u>15,392,274</u>	<u>16,394,050</u>
14 Investment income		
Interest income	<u>2,566,446</u>	<u>2,741,619</u>
15 Expenses by nature		
Staff costs (Note 17)	7,225,372	7,967,222
Directors' fees (Note 22)	1,509,250	1,480,250
Depreciation (Note 4)	426,769	424,483
Amortisation (Note 5)	469,855	384,259
Other expenses	<u>7,109,059</u>	<u>6,965,140</u>
	<u>16,740,305</u>	<u>17,221,354</u>

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

16 Taxation	2020 \$	2019 \$
Current tax	729,347	4,938,084
Prior year over provision	133,847	--
Deferred tax (Note 10)	58,252	(3,667)
Green fund levy	<u>68,035</u>	<u>101,449</u>
	<u>989,481</u>	<u>5,035,866</u>

The tax on profit before tax differs from the theoretical amount that would arise using the basic rate of tax as follows:

Profit before taxation	<u>2,967,918</u>	<u>16,654,492</u>
Tax calculated at 30%	890,375	4,996,348
Income not subject to tax	(142,999)	(106,713)
Expenses not deductible for tax purposes	1,638	7,838
Additional allowance for expenses	(8,969)	(10,610)
Prior year over provision	133,847	--
Green fund levy	68,035	101,449
Other permanent differences	<u>47,554</u>	<u>47,554</u>
	<u>989,481</u>	<u>5,035,866</u>

17 Staff costs

Salaries and benefits	6,810,843	7,540,908
Pension costs	<u>414,529</u>	<u>426,314</u>
	<u>7,225,372</u>	<u>7,967,222</u>
Average number of employees	<u>31</u>	<u>33</u>

18 Dividend per share

The dividend paid in 2020 was \$4,080,384 (\$2.64 per share) and in 2019 \$5,966,016 (\$3.86 per share).

19 Pension plan

On 1 January 1993, the Group implemented a defined contribution pension plan covering substantially all their employees. The policy of the Group is to fund pension costs to a maximum of 10% of each employee's annual salary. The Group's portion of the contribution which has been charged to the income statement is disclosed in Note 17.

20 Financial risk management

a. Financial risk factors

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. Risk is managed through a process of ongoing identification and monitoring. The Group's overall risk management programme seeks to minimise the potential adverse effect on the Group's financial performance.

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

20 Financial risk management (continued)

a. Financial risk factors (continued)

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board's risk management mandate is carried out through the Audit Committee, Capital Market Development and Investment Committee and Regulatory Committee. Day to day adherence to risk principles is carried out by the executive management of the Group.

(i) Market risk

The Group is inherently exposed to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors.

(a) Foreign exchange risk

The Group is exposed to foreign exchange risk arising from currency exposure principally with respect to the US dollar. Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group manages this risk by holding US dollar denominated bank accounts to match US dollar receipts with outflows.

At 31 December 2020, if the currency had weakened/strengthened by 1% against the US dollar with all other variables held constant, post tax profit for the year would have been \$144,969 (2019: \$115,422) higher/lower, mainly as a result of foreign exchange gains/losses on translation of US dollar denominated balances.

(b) Price risk

The Group has very limited exposure to price risk as it does not hold any significant investments in equities and commodities.

(c) Cash flow and fair value interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The impact of interest rate changes is immaterial.

(ii) Credit risk

The Group's exposure to credit risk lies primarily with its trade and other receivables, amounts due from related parties, cash on deposit and cash and cash equivalents.

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. This risk is not significant as the majority of the Group's receivables are from shareholders of the parent company. The Group uses various control mechanisms to ensure the provision of its services is given to clients with reliable history of credit and constantly monitors the payment of trade receivables. There have been no changes in policies from prior year.

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

20 Financial risk management (continued)

a. Financial risk factors (continued)

(ii) Credit risk (continued)

The Group's maximum exposure to credit risk amount to \$79,891,401 (2019: \$86,462,831). The exposure is based on the net carrying amount as reported in the statement of financial position.

With respect to credit risk arising from other financial assets of the Group, investments, cash and cash equivalents and cash on deposits are only placed with reputable financial institutions. The Group's financial assets at amortised cost and trade and other receivables are subject to the Expected Credit Loss (ECL) model.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

(iii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and deposits, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Within one year \$
As at 31 December 2020	
Liabilities	
Trade and other payables	1,878,930
	Within one year \$
As at 31 December 2019	
Liabilities	
Trade and other payables	2,593,309

b. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

c. Fair value estimation

The carrying amount of short-term financial assets and liabilities comprising cash on deposits, cash equivalents, trade and other receivables, and trade and other payables are a reasonable estimate of their fair values because of the short maturity of these instruments.

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

21 Fair values of financial assets and liabilities

Financial assets and liabilities not carried at fair value include cash and cash equivalents, cash on deposit, trade and other receivables, and trade and other payables. These amounts are short term in nature and their carrying value approximates their fair value.

The Group adopted the amendment to IFRS 7 for financial instruments that are measured in the statement of financial position at fair value. This requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at FVPL at 31 December 2020.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
Financial assets at FVPL				
- Equity securities	103,668	--	81,308	184,976

The following table presents the Group's assets and liabilities that are measured at FVPL at 31 December 2019.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
Financial assets at FVPL				
- Equity securities	101,064	--	81,308	182,372

The Level 3 asset relates to shares in Caribbean Information and Credit Rating Agency Limited which are stated at cost less impairment, as there is no active market for these shares and no reliable estimate of fair value.

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price and are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

21 Fair values of financial assets and liabilities (continued)

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

22 Related party transactions

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

The following transactions were carried out with related parties:

	2020 \$	2019 \$
(a) Directors' fees	<u>1,509,250</u>	<u>1,480,250</u>
(b) Key management compensation		
Salaries and other short-term employee benefits	1,349,817	1,553,217
Post-employment benefits	<u>67,500</u>	<u>65,000</u>
	<u>1,417,317</u>	<u>1,618,217</u>
(c) Transactions with related parties		
Management fees:		
The Trinidad and Tobago Stock Exchange Contingency Fund	<u>138,000</u>	<u>138,000</u>
The Trinidad and Tobago Central Depository Settlement Assurance Fund	<u>96,000</u>	<u>96,000</u>

23 Contingent liabilities

The Property Tax Act was assented to by the President on 31 December 2009, however there was a moratorium on payment from inception which ended on 30 September 2017. The Property Tax is chargeable on the Annual Tax Value (ATV) of different categories of property, at the relevant prescribed rates. It is the view of management that it is unlikely that a liability will arise from the implementation of this legislation as at the date of these financial statements.

24 Events after the reporting period

There were no subsequent events identified that require disclosure or adjustments to the financial statements.

Notes to the Consolidated Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

25 Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

	2020 \$	2019 \$
<i>Financial assets measured at amortised cost</i>		
Financial assets at amortised cost	49,011,900	51,374,276
Trade and other receivables excluding prepayments (Note 7)	2,926,626	10,417,491
Cash on deposit	26,411,897	23,053,252
Cash and cash equivalents	<u>842,421</u>	<u>1,250,844</u>
	<u>79,192,844</u>	<u>86,095,863</u>
<i>Financial assets measured at FVPL</i>		
Financial assets at fair value through profit and loss (Note 6a)	<u>184,976</u>	<u>182,372</u>
<i>Other financial liabilities at amortised cost</i>		
Trade and other payables excluding statutory liabilities (Note 20)	<u>1,878,930</u>	<u>2,593,309</u>

The Trinidad And Tobago Central Depository Settlement Assurance Fund

Statement of Trustees' Responsibilities

The Trustees are responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of The Trinidad and Tobago Central Depository Settlement Assurance Fund (the Fund) which comprise the statement of financial position as at 31 December 2020, the statements of comprehensive income, changes in accumulated fund and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Fund keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Fund's assets, detection/prevention of fraud, and the achievement of Fund operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations, including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these financial statements, the Trustees utilised the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, the Trustees chose those considered most appropriate in the circumstances.

Nothing has come to the attention of the Trustees to indicate that the Fund will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorised for issue, if later.

The Trustees affirm that they have carried out their responsibilities as outlined above.



22 March 2021 Trustee



22 March 2021 Trustee



Independent Auditor's Report

To the Trustees of
The Trinidad and Tobago Central Depository Settlement Assurance Fund

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements present fairly, in all material respects the financial position of The Trinidad and Tobago Central Depository Settlement Assurance Fund (the Fund) as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

The Fund's financial statements comprise:

- the statement of financial position as at 31 December 2020;
- the statement of comprehensive income for the year then ended;
- the statement of changes in accumulated fund for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA) Code. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Independent Auditor's Report (Continued)

Other information

Management is responsible for the other information. The other information comprises the Trinidad and Tobago Stock Exchange Limited Annual Report 2020 (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of trustees' and those charged with governance for the financial statements

The Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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.

Independent Auditor's Report (Continued)

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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.
- Obtain 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude 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 Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate 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.

We communicate 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 we identify during our audit.

Pricewaterhousecoopers

Port of Spain,
Trinidad, West Indies
24 March 2021

The Trinidad and Tobago Central Depository Settlement Assurance Fund

Statement of Financial Position

(Expressed in Trinidad and Tobago Dollars)

	Notes	As at 31 December	
		2020 \$	2019 \$
Assets			
<i>Non-current assets</i>			
Financial assets at amortised cost	4	<u>3,262,906</u>	<u>3,274,427</u>
		<u>3,262,906</u>	<u>3,274,427</u>
<i>Current assets</i>			
Trade and other receivables	5	193,015	97,310
Cash on deposit	6	<u>7,122,868</u>	<u>6,789,564</u>
		<u>7,315,883</u>	<u>6,886,874</u>
Total assets		<u>10,578,789</u>	<u>10,161,301</u>
Equity and accumulated fund			
Accumulated fund		<u>9,129,693</u>	<u>8,808,855</u>
Total equity		<u>9,129,693</u>	<u>8,808,855</u>
<i>Current liabilities</i>			
Taxation payable		1,335,096	1,238,446
Accrued expenses	7	<u>114,000</u>	<u>114,000</u>
Total liabilities		<u>1,449,096</u>	<u>1,352,446</u>
Total equity and liabilities		<u>10,578,789</u>	<u>10,161,301</u>

The notes on pages 89 to 99 are an integral part of these consolidated financial statements.

On 22 March 2021, the Trustees of The Trinidad And Tobago Central Depository Settlement Assurance Fund authorised these financial statements for issue.


Trustee


Trustee

The Trinidad And Tobago Central Depository Settlement Assurance Fund

Statement of Comprehensive Income

(Expressed in Trinidad and Tobago Dollars)

	Notes	Year ended 31 December	
		2020 \$	2019 \$
Revenue			
Contributions	8	247,791	214,188
Investment income	9	<u>295,271</u>	<u>248,074</u>
		<u>543,062</u>	<u>462,262</u>
Expenditure			
Audit fees		(27,915)	(10,450)
Management charges	10	(96,000)	(96,000)
Green fund levy		(1,629)	(1,198)
Expected credit loss on financial instruments at amortised cost	4	<u>(1,660)</u>	<u>--</u>
		<u>(127,204)</u>	<u>(107,648)</u>
Surplus for the year before taxation		415,858	354,614
Taxation	11	<u>(95,020)</u>	<u>(93,614)</u>
Surplus for the year		320,838	261,000
Other comprehensive income for the year		<u>--</u>	<u>--</u>
Total comprehensive income for the year		<u><u>320,838</u></u>	<u><u>261,000</u></u>

The notes on pages 89 to 99 are an integral part of these financial statements.

The Trinidad And Tobago Central Depository Settlement Assurance Fund

Statement of Changes in Accumulated Fund

(Expressed in Trinidad and Tobago Dollars)

	Accumulated fund \$
Year ended 31 December 2020	
Balance at 1 January 2020	8,808,855
Total comprehensive income for the year:	
Surplus for the year	<u>320,838</u>
Balance at 31 December 2020	<u>9,129,693</u>
Year ended 31 December 2019	
Balance at 1 January 2019	8,547,855
Total comprehensive income for the year:	
Surplus for the year	<u>261,000</u>
Balance at 31 December 2019	<u>8,808,855</u>

The notes on pages 89 to 99 are an integral part of these financial statements.

The Trinidad And Tobago Central Depository Settlement Assurance Fund

Statement of Cash Flows

(Expressed in Trinidad and Tobago Dollars)

	Note	Year ended 31 December	
		2020 \$	2019 \$
Cash flows from operating activities			
Surplus for the year before taxation		415,858	354,614
Investment income	9	(295,271)	(248,074)
Green fund levy		1,629	1,198
Expected credit loss - Bonds		1,660	--
		<u>123,876</u>	<u>107,738</u>
Changes in current assets and liabilities			
(Increase)/decrease in trade and other receivables		(80,204)	472,257
Decrease in accrued expenses		--	(132,000)
		<u>43,672</u>	<u>447,995</u>
Net cash provided by operating activities			
Cash flow from investing activity			
Interest received		<u>289,632</u>	<u>257,374</u>
		<u>289,632</u>	<u>257,374</u>
Net cash provided by investing activity			
Net increase in cash and cash equivalents			
		333,304	705,369
Cash and cash equivalents at beginning of year			
		<u>6,789,564</u>	<u>6,084,195</u>
Cash and cash equivalents at end of year			
		<u><u>7,122,868</u></u>	<u><u>6,789,564</u></u>
Represented by:			
Cash on deposit		<u><u>7,122,868</u></u>	<u><u>6,789,564</u></u>

The notes on pages 89 to 99 are an integral part of these financial statements.

Notes to the Financial Statements 31 December 2020

(Expressed in Trinidad and Tobago Dollars)

1 Formation and principal activity

This Fund was established under the Securities Act 1995 to ensure, by way of ex gratia payments, continuity in securities clearing and settlement in the event of the failure to settle a transaction by a participant of The Trinidad and Tobago Central Depository Limited. The above provisions continue to exist under the Securities Act 2012.

2 Summary of significant accounting policies

a. Basis of preparation

The Fund's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). The Fund's financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

(i) New standards and amendments to published standards adopted by the Fund

There were no new standards adopted by the Fund that had a material impact on the financial statements .

- Amendments to IAS 1 and IAS 8 - Definition of Material
The amendments clarify the definition of 'material' and align the definition used in the Conceptual Framework and the standards.
- Amendments to IFRS 9, IAS 39 and IFRS 7 - Interest Rate Benchmark Reform
The amendments made provide certain reliefs in relation to interest rate benchmark reforms. The reliefs relate to hedge accounting and have the effect that the reforms should not generally cause hedge accounting to terminate. However, any hedge ineffectiveness should continue to be recorded in the income statement. Given the pervasive nature of hedges involving IBOR-based contracts, the reliefs will affect companies in all industries.
- Amendment to IFRS 3 - Amendments in Definition of a Business
The amended definition of a business requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits. The amendments will likely result in more acquisitions being accounted for as asset acquisitions.
- Amendments to IFRS 16 - Covid-19-Related Rent Concessions (Effective 1 June 2020)
The amendment provides lessees with an exemption from assessing whether a COVID-19 related rent concession is a lease modification.

With reference to the above standards, amendments and interpretations which are effective there were no financial impact to the Fund.

Notes to the Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

a. Basis of preparation (continued)

- (ii) *New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2020 and not early adopted by the Fund*

Standard	Content	Applicable for financial years beginning on/after
IFRS 17	Insurance Contracts	1 January 2023
IAS 1	Classification of Liabilities as Current or Non-current	1 January 2022
IAS 16	Property, Plant and Equipment – Proceeds before intended use	1 January 2022
IFRS 3	Reference to the Conceptual Framework	1 January 2022
IAS 37	Onerous Contracts – Cost of fulfilling a Contract	1 January 2022
IFRS 16	Covid-19-related Rent Concessions – Amendments to IFRS 16	1 June 2020
Various	Annual Improvements to IFRS Standards 2018–2020	1 January 2022

These standards are not expected to have a material impact on the Fund in the current or future reporting periods and on foreseeable future transactions.

b. Foreign currency

(i) *Functional and presentation currency*

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates ('the functional currency'). The financial statements are presented in Trinidad and Tobago dollars, which is the functional and presentation currency.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

c. *Financial assets (excluding trade receivables) under IFRS 9*

Classification

The Fund classifies its financial assets (excluding trade receivables) in the following measurement category:

- those to be measured at Amortised Cost (AC).

The classification for debt instruments depends on the entity's Business Model for managing those assets and whether the contractual terms of the cash flows represent 'Solely Payments of Principal and Interest' (SPPI).

The Business Model test requires the entity to assess the purpose for holding debt securities (hold to collect, hold to collect and sell or to trade). All debt instruments meeting both the hold to collect and SPPI criteria are classified at amortised cost.

Notes to the Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

c. Financial assets (excluding trade receivables) under IFRS 9 (continued)

Classification (continued)

Debt instruments meeting the hold to collect and sell and SPPI criteria are classified at FVOCI. There are currently no debt instruments in this category. The Fund has not applied the irrevocable option to take fair value changes on equity instruments through OCI. Accordingly, there are no equity instruments classified at FVOCI.

The Fund reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Fund commits to purchase or sell the asset. 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.

Measurement

At initial recognition, the Fund measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

(i) Debt instruments (IFRS 9)

Subsequent measurement of debt instruments depends on the Fund's business model for managing the asset and the cash flow characteristics of the asset. The measurement category into which the Fund classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost. Interest income from these financial assets is included within 'investment income' using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of comprehensive income.

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees. For purchased or originated credit-impaired (POCI) financial assets - assets that are credit-impaired at initial recognition - the Fund calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

Notes to the Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

c. Financial assets (excluding trade receivables) under IFRS 9 (continued)

(i) Debt instruments (IFRS 9) (continued)

When the Fund revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in 'investment income' together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

(ii) Equity instruments

The Fund subsequently measures all equity investments at fair value, as it has not applied the irrevocable option to take fair value changes on equity instruments through OCI. Changes in the fair value of financial assets at FVPL are recognised in 'investment income' in the statement of profit or loss as applicable. Dividends from equity investments are recognised in profit or loss within 'investment income' when the Fund's right to receive payments is established. There were no equity instruments held at year end.

Impairment of debt instruments

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost.

The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Fund applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 – This category comprises instruments which are performing in accordance with the contractual terms and conditions and display no deterioration in credit risk since initial recognition. This category also includes those financial instruments with low credit risk.
- Stage 2 – This category includes instruments which display a significant increase in credit risk (SICR) since initial recognition but have not yet defaulted.
- Stage 3 – This category includes instruments that are in default.

The above categories exclude purchased or originated credit-impaired (POCI) financial assets. A financial asset is considered credit-impaired on purchase or origination if there is evidence of impairment at the point of initial recognition (for instance, if it is acquired at a deep discount). POCI financial assets are not included in Stages 1, 2 or 3, and are instead shown as a separate category. Expected credit loss (ECL) is measured as follows:

- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months.
- Instruments in Stages 2 or 3 or that are POCI have their ECL measured based on expected credit losses on a lifetime basis.

Notes to the Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

c. *Financial assets (excluding trade receivables) under IFRS 9 (continued)*

Impairment of debt instruments (continued)

A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information. The Fund utilised a probability-weighted assessment of the factors which it believes will have an impact on forward looking rates.

The formula for ECL is generally the 'Probability of Default' (PD) multiplied by the 'Exposure at Default' (EAD) multiplied by the 'Loss Given Default' (LGD). An adjustment is made to reflect the time value of money by considering the original effective interest rate on the individual instruments. The overall models involved the use of various PD and LGD tables derived from various publications, including independent rating agencies. These are then applied to individual instruments based on their rating, tenor and staging.

The process in arriving at the individual components of ECL and the forward-looking adjustments involved critical estimates and judgements. This is discussed further in Note 3.

d. *Trade receivables*

Trade receivables are recognised at invoice value, less a provision for impairment. This amount is a reasonable approximation to amortised cost using the effective interest method as the impact of discounting and upfront transaction costs are immaterial due to the short settlement period. Trade receivables are derecognised upon settlement, when the contractual rights to the cash flows from the receivables expire or the Fund transfers substantially all risks and rewards of ownership.

There were no changes to the classification and measurement basis for trade receivables upon adoption of IFRS 9. Trade and other receivables are classified as "hold to collect" under IFRS 9, meet the SPPI criteria and are accordingly classified and measured at amortised cost using the aforementioned basis.

Under IFRS 9, the Fund applies the simplified approach for trade receivables as permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Trade receivables are grouped together based on shared credit risk characteristics and aged using a 'provisions matrix'. Scaled loss rates are then calculated based on historical payment profiles.

The expected loss rates for these accounts are based on the payment profiles of sales over a period of 12 months starting 1 January 2019 and ending on 31 December 2019 and the corresponding historical credit losses experienced within this period.

The loss rates are adjusted to incorporate forward-looking information and then applied to the different aging buckets as of the statement of financial position date. The Fund employs various probability weighted scenarios and regression curves to predict future behaviour. In developing the various models, the Fund considers both internal data and external macroeconomic data.

Notes to the Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

d. Trade receivables (continued)

Assets written off

Trade and other receivables and intercompany receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Fund. The Fund categorises a receivable for write off when a debtor fails to make contractual payments, even after several attempts at enforcement and/or recovery efforts. Where receivables have been written off, the Fund continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

e. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on deposit.

f. Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

g. Taxation

Current tax

Income tax payable (receivable) is calculated on the basis of the applicable tax law in Trinidad and Tobago and is recognised as an expense (income) for the period except to the extent that current tax related to items that are charged or credited in the income statement or directly to equity. In these circumstances, current tax is charged or credited to the income statement or to equity.

h. Revenue

Contributions and investment income are recognised on an accrual basis when the revenue is earned at a point in time.

i. Investment income

Financial assets under IFRS 9

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance). Other investment income is recognised on an accruals basis based on when the right to receive payment is established.

Notes to the Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

3 Critical accounting estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

a. Measurement of the expected credit loss allowance (IFRS 9)

The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of debtors defaulting and the resulting losses). A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL

ECL calculations are shown in Note 4. Had there been a 10% increase in the average ECL rate for all financial instruments at amortised cost, the total ECL allowance would have been higher by \$393 (2019: \$212).

4 Financial asset at amortised cost	2020 \$	2019 \$
Government of Trinidad and Tobago (6.00% FRB 2031)	3,266,840	3,276,701
Provision for expected credit loss bond	<u>(3,934)</u>	<u>(2,274)</u>
	<u>3,262,906</u>	<u>3,274,427</u>

The following is a movement analysis of the ECL provision

Balance at beginning of the year	(2,274)	(2,274)
Net changes to provisions during the year	<u>(1,660)</u>	<u>--</u>
Balance at end of the year	<u>(3,934)</u>	<u>(2,274)</u>

The Fund recognises provisions for losses for bonds using the Expected Credit Loss (ECL) model. The Fund considers the probability of default upon initial recognition of the bond and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Fund compares the risk of a default occurring on the bond as at the reporting date with the risk of default as at the date of initial recognition. A significant increase in credit risk is presumed if the bond issuer's credit rating has been downgraded from investment grade to non-investment grade.

A default on a bond occurs when the issuer has missed a payment of principal or interest or has announced its intention to suspend payments on part or all of its financial obligations.

Notes to the Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

5	Trade and other receivables	2020	2019
		\$	\$
	Accounts receivables	25,000	37,899
	Other receivables	117,002	23,898
	Interest receivable	<u>51,013</u>	<u>35,513</u>
		<u>193,015</u>	<u>97,310</u>

As of 31 December 2020, trade receivables of \$25,000 (2019: \$37,899) were fully performing.

6	Cash on deposit		
	First Citizens Bank Limited – Abercrombie Fund	<u>7,122,868</u>	<u>6,789,564</u>
7	Accrued expenses		
	Due to The Trinidad and Tobago Central Depository Limited	96,000	96,000
	Accounts payables and accrued charges	<u>18,000</u>	<u>18,000</u>
		<u>114,000</u>	<u>114,000</u>

8 Contributions

The rules of The Trinidad and Tobago Central Depository Settlement Assurance Fund state that the Fund shall be financed by contributions from broker firms on the following basis:

“One percent (1%) of the Member Companies’ monthly commissions from business conducted on the Stock Exchange during a calendar year. The contribution shall be paid on the Firm’s monthly commissions, but no less than \$100.00 per month is to be submitted”.

9	Investment income		
	Interest income	305,132	257,375
	Amortisation of premium on bond	<u>(9,861)</u>	<u>(9,301)</u>
		<u>295,271</u>	<u>248,074</u>

10 Management charges

The Trustees of the Fund agreed that the Fund should pay The Trinidad and Tobago Central Depository Limited a management fee of 1% per annum on the average value of the fund at year end.

11 Taxation

Current tax	<u>95,020</u>	<u>93,614</u>
-------------	---------------	---------------

The tax on profit before tax differs from the theoretical amount that would arise using the basic rate of tax as follows:

Surplus before taxation	<u>415,858</u>	<u>355,812</u>
Tax calculated at 30%	124,757	106,744
Income not subject to tax	(30,723)	(21,197)
Expenses not deductible for tax purposes	<u>986</u>	<u>8,067</u>
	<u>95,020</u>	<u>93,614</u>

Notes to the Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

12 Related party transactions

The following transactions were carried out with related parties	2020 \$	2019 \$
(a) Year-end balances arising		
Amounts due to The Trinidad and Tobago Central Depository Limited	<u>96,000</u>	<u>96,000</u>
(b) Transactions with related parties		
Management charges	<u>96,000</u>	<u>96,000</u>

13 Financial risk management

a. Financial risk factors

The Fund's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. Risk is managed through a process of ongoing identification and monitoring. The Fund's overall risk management programme seeks to minimise the potential adverse effect on the Fund's financial performance.

The Trustees have overall responsibility for the establishment and oversight of the Fund's risk management framework. The Trustees' risk management mandate is principally carried out through the Audit, Capital Market Development and Investment and Regulatory Committees of The Trinidad and Tobago Central Depository Limited. Day to day adherence to risk principles is carried out by the executive management of The Trinidad and Tobago Central Depository Limited.

(i) Market risk

The Fund is inherently exposed to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors.

(a) Foreign exchange risk

Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Fund operates only in the Trinidad and Tobago market and is not subject to significant foreign currency risk.

(b) Price risk

The Fund has very limited exposure to price risk as it does not hold any significant investments in equities and commodities.

(c) Cash flow and fair value interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The impact of interest rate changes is immaterial.

(ii) Credit risk

The Fund's exposure to credit risk lies primarily with its trade and other receivables, amounts due from related parties, cash on deposit and cash and cash equivalents.

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. This risk is not significant as all of the Fund's receivables are from member firms of the parent company and are obligated to pay as part of the rules of the Exchange and guided by the Securities Act 1995.

Notes to the Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

13 Financial risk management (continued)

a. Financial risk factors (continued)

(ii) Credit risk (continued)

The Fund uses various control mechanisms to ensure the provision of its services is given to clients with reliable history of credit and constantly monitors the payment of trade receivables. There have been no changes in policies from prior year.

The Fund's maximum exposure to credit risk amount to \$10,578,789 (2019: \$10,161,301). The exposure is based on the net carrying amount as reported in the statement of financial position.

With respect to credit risk arising from other financial assets of the Fund, investments, cash and cash equivalents and cash on deposits are only placed with reputable financial institutions.

The Fund's financial assets at amortised cost and trade and other receivables are subject to the Expected Credit Loss (ECL) model.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

(iii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and deposits, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The current financial liabilities are not considered significant to the liquidity risk.

b. Fair value estimation

The carrying amount of short-term financial assets and liabilities comprising cash on deposit, cash equivalents, accounts receivable and accrued expenses are a reasonable estimate of their fair values because of the short maturity of these instruments.

14 Fair values of financial assets and liabilities

Financial assets and liabilities not carried at fair value include cash and cash equivalents, cash on deposit, trade and other receivables and accrued expenses. These amounts are short term in nature and their carrying value approximates their fair value.

The Fund adopted the amendment to IFRS 7 for financial instruments that are measured in the statement of financial position at fair value, this requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

Notes to the Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

14 Fair values of financial assets and liabilities (continued)

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The financial assets held by the Fund are not traded in an active market. These instruments are included in level 2 and comprise primarily of bond instruments.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

15 Contingent liabilities

There are no contingent liabilities as at 31 December 2020 (2019: none).

16 Events after the reporting period

There were no subsequent events identified that require disclosure or adjustments to the financial statements.

17 Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

	2020	2019
	\$	\$
<i>Financial assets at amortised cost</i>		
Financial assets at amortised cost	3,262,906	3,274,427
Trade and other receivables excluding prepayments (Note 5)	193,015	97,310
Cash on deposit	<u>7,122,868</u>	<u>6,789,564</u>
Total	<u>10,578,789</u>	<u>10,161,301</u>
<i>Other financial liabilities at amortised cost</i>		
Trade and other payables excluding statutory liabilities (Note 7)	<u>114,000</u>	<u>114,000</u>

The Trinidad and Tobago Stock Exchange Contingency Fund

Statement of Trustees' Responsibilities


The Trustees are responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of The Trinidad and Tobago Stock Exchange Contingency Fund (the Fund) which comprise the statement of financial position as at 31 December 2020, the statements of comprehensive income, changes in accumulated fund and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Fund keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Fund's assets, detection/prevention of fraud, and the achievement of Fund operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations, including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these financial statements, the Trustees utilised the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, the Trustees chose those considered most appropriate in the circumstances.

Nothing has come to the attention of the Trustees to indicate that the Fund will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorised for issue, if later.

The Trustees affirm that they have carried out their responsibilities as outlined above.


 _____ Trustee
 22 March 2021


 _____ Trustee
 22 March 2021



Independent Auditor's Report

To the Trustees of
The Trinidad and Tobago Stock Exchange Contingency Fund

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements present fairly, in all material respects the financial position of The Trinidad and Tobago Stock Exchange Contingency Fund (the Fund) as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

The Fund's financial statements comprise:

- the statement of financial position as at 31 December 2020;
- the statement of comprehensive income for the year then ended;
- the statement of changes in accumulated fund for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Independent Auditor's Report (Continued)

Other information

Management is responsible for the other information. The other information comprises the Trinidad and Tobago Stock Exchange Limited Annual Report 2020 (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of trustees' and those charged with governance for the financial statements

The Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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.

Independent Auditor's Report (Continued)

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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.
- Obtain 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude 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 Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate 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.

We communicate 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 we identify during our audit.

Pricewaterhousecoopers

Port of Spain,
Trinidad, West Indies
24 March 2021

Statement of Financial Position
(Expressed in Trinidad and Tobago Dollars)


	Notes	As at 31 December	
		2020 \$	2019 \$
Assets			
<i>Non-current assets</i>			
Financial assets at amortised cost	4	<u>5,376,792</u>	<u>5,395,020</u>
		<u>5,376,792</u>	<u>5,395,020</u>
<i>Current assets</i>			
Trade and other receivables	5	60,194	73,093
Cash on deposit	6	8,036,500	7,838,444
Cash at bank		<u>1,814,397</u>	<u>1,506,313</u>
		<u>9,911,091</u>	<u>9,417,850</u>
Total assets		<u>15,287,883</u>	<u>14,812,870</u>
Equity and accumulated fund			
Accumulated fund		<u>13,520,891</u>	<u>13,155,636</u>
Total equity		<u>13,520,891</u>	<u>13,155,636</u>
<i>Current liabilities</i>			
Taxation payable		1,610,994	1,501,234
Accrued expenses	7	<u>155,998</u>	<u>156,000</u>
Total liabilities		<u>1,766,992</u>	<u>1,657,234</u>
Total equity and liabilities		<u>15,287,883</u>	<u>14,812,870</u>

The notes on pages 108 to 120 are an integral part of these financial statements.

On 22 March 2021, the Trustees of The Trinidad and Tobago Stock Exchange Contingency Fund authorised these financial statements for issue.



Trustee



Trustee

Statement of Comprehensive Income
(Expressed in Trinidad and Tobago Dollars)

	Notes	Year ended 31 December	
		2020 \$	2019 \$
Revenue			
Contributions	8	233,665	214,188
Investment income	9	<u>409,672</u>	<u>395,270</u>
		<u>643,337</u>	<u>609,458</u>
Expenditure			
Audit fees		(27,914)	(10,450)
Bank charges		(420)	(1,456)
Management charges	10	(138,000)	(138,000)
Foreign exchange loss		--	(1,074)
Green fund levy		(1,930)	(1,828)
Expected credit loss on financial instruments at amortised cost	4	<u>(1,989)</u>	<u>--</u>
		<u>(170,253)</u>	<u>(152,808)</u>
Surplus for the year before taxation		473,084	456,650
Taxation	11	<u>(107,829)</u>	<u>(116,336)</u>
Surplus for the year		365,255	340,314
Other comprehensive income for the year		<u>--</u>	<u>--</u>
Total comprehensive income for the year		<u><u>365,255</u></u>	<u><u>340,314</u></u>

The notes on pages 108 to 120 are an integral part of these financial statements.

Statement of Changes in Accumulated Fund
(Expressed in Trinidad and Tobago Dollars)

	Accumulated fund \$
Year ended 31 December 2020	
Balance at 1 January 2020	13,155,636
Total comprehensive income for the year:	
Surplus for the year	<u>365,255</u>
Balance at 31 December 2020	<u>13,520,891</u>
Year ended 31 December 2019	
Balance at 1 January 2019	12,815,322
Total comprehensive income for the year:	
Surplus for the year	<u>340,314</u>
Balance at 31 December 2019	<u>13,155,636</u>

The notes on pages 108 to 120 are an integral part of these financial statements.

Statement of Cash Flows
(Expressed in Trinidad and Tobago Dollars)

	Note	Year ended 31 December	
		2020 \$	2019 \$
Cash flows from operating activities			
Surplus for the year before taxation		473,084	456,650
Investment income	9	(409,672)	(395,270)
Green fund levy		1,930	1,828
Expected credit loss - Bonds		1,989	--
		<u>67,331</u>	<u>63,208</u>
Changes in current assets and liabilities			
Decrease in trade and other receivables		12,899	4,689
Decrease in accrued expenses		(2)	(174,001)
Net cash provided by/(used in) operating activities		<u>80,228</u>	<u>(106,104)</u>
Cash flows from investing activities			
Interest received		<u>425,912</u>	<u>718,104</u>
Net cash provided by investing activities		<u>425,912</u>	<u>718,104</u>
Net increase in cash and cash equivalents		506,140	612,000
Cash and cash equivalents at beginning of year		<u>9,344,757</u>	<u>8,732,757</u>
Cash and cash equivalents at end of year		<u><u>9,850,897</u></u>	<u><u>9,344,757</u></u>
Represented by:			
Cash at bank		1,814,397	1,506,313
Cash on deposit		<u>8,036,500</u>	<u>7,838,444</u>
		<u><u>9,850,897</u></u>	<u><u>9,344,757</u></u>

The notes on pages 108 to 120 are an integral part of these financial statements.

Notes to the Financial Statements

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

1 Formation and principal activity

The Fund was established under the Securities Act 1995 to provide, by way of ex gratia payments, compensation in whole or in part to members of the public incurring loss as a result of default by any member firm of The Trinidad and Tobago Stock Exchange Limited in the conduct of stock exchange business by such member firm on behalf of such member of the public. The above provisions continue to exist under the Securities Act 2012.

2 Summary of significant accounting policies

a. Basis of preparation

The Fund's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). The Fund's financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

(i) New standards and amendments to published standards adopted by the Fund

There were no new standards adopted by the Fund that had a material impact on the financial statements.

- Amendments to IAS 1 and IAS 8 - Definition of Material.

The amendments clarify the definition of 'material' and align the definition used in the Conceptual Framework and the standards.

- Amendments to IFRS 9, IAS 39 and IFRS 7 - Interest Rate Benchmark Reform.

The amendments made provide certain reliefs in relation to interest rate benchmark reforms. The reliefs relate to hedge accounting and have the effect that the reforms should not generally cause hedge accounting to terminate. However, any hedge ineffectiveness should continue to be recorded in the income statement. Given the pervasive nature of hedges involving IBOR-based contracts, the reliefs will affect companies in all industries.

- Amendment to IFRS 3 - Amendments in Definition of a Business.

The amended definition of a business requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits. The amendments will likely result in more acquisitions being accounted for as asset acquisitions.

- Amendments to IFRS 16 - Covid-19-Related Rent Concessions (Effective 1 June 2020).

The amendment provides lessees with an exemption from assessing whether a COVID-19 related rent concession is a lease modification.

With reference to the above standards, amendments and interpretations which are effective there were no financial impact to the Fund.

Notes to the Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

a. Basis of preparation (continued)

- (ii) *New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2020 and not early adopted by the Fund*

Standard	Content	Applicable for financial years beginning on/after
IFRS 17	Insurance Contracts	1 January 2023
IAS 1	Classification of Liabilities as Current or Non-current	1 January 2022
IAS 16	Property, Plant and Equipment – Proceeds before intended use	1 January 2022
IFRS 3	Reference to the Conceptual Framework	1 January 2022
IAS 37	Onerous Contracts – Cost of fulfilling a Contract	1 January 2022
IFRS 16	Covid-19-related Rent Concessions – Amendments to IFRS 16	1 June 2020
Various	Annual Improvements to IFRS Standards 2018–2020	1 January 2022

These standards are not expected to have a material impact on the Fund in the current or future reporting periods and on foreseeable future transactions.

b. Foreign currency

- (i) *Functional and presentation currency*

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates ('the functional currency'). The financial statements are presented in Trinidad and Tobago dollars, which is the functional and presentation currency.

- (ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

c. Financial assets (excluding trade receivables) under IFRS 9

Classification

The Fund classifies its financial assets (excluding trade receivables) in the following measurement category:

- those to be measured at Amortised Cost (AC),

The classification for debt instruments depends on the entity's Business Model for managing those assets and whether the contractual terms of the cash flows represent 'Solely Payments of Principal and Interest' (SPPI).

The Business Model test requires the entity to assess the purpose for holding debt securities (hold to collect, hold to collect and sell or to trade). All debt instruments meeting both the hold to collect and SPPI criteria are classified at amortised cost.

Notes to the Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

c. Financial assets (excluding trade receivables) under IFRS 9 (continued)

Classification (continued)

Debt instruments meeting the hold to collect and sell and SPPI criteria are classified at FVOCI. There are currently no debt instruments in this category. The Fund has not applied the irrevocable option to take fair value changes on equity instruments through OCI. Accordingly, there are no equity instruments classified at FVOCI.

The Fund reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Fund commits to purchase or sell the asset. 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.

Measurement

At initial recognition, the Fund measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

i) Debt instruments (IFRS 9)

Subsequent measurement of debt instruments depends on the Fund's business model for managing the asset and the cash flow characteristics of the asset. The measurement category into which the Fund classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost. Interest income from these financial assets is included within 'investment income' using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of comprehensive income.

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

Notes to the Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

c. Financial assets (excluding trade receivables) under IFRS 9 (continued)

Measurement (continued)

(i) Debt instruments (IFRS 9) (continued)

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees. For purchased or originated credit-impaired (POCI) financial assets - assets that are credit-impaired at initial recognition - the Fund calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

When the Fund revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in 'investment income' together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

(ii) Equity instruments

The Fund subsequently measures all equity investments at fair value, as it has not applied the irrevocable option to take fair value changes on equity instruments through OCI. Changes in the fair value of financial assets at FVPL are recognised in 'investment income' in the statement of profit or loss as applicable. Dividends from equity investments are recognised in profit or loss within 'investment income' when the Fund's right to receive payments is established. There were no equity instruments held at year end.

Impairment of debt instruments

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost.

The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Fund applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

Notes to the Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

c. *Financial assets (excluding trade receivables) under IFRS 9 (continued)*

Measurement (continued)

Impairment of debt instruments (continued)

- Stage 1 – This category comprises instruments which are performing in accordance with the contractual terms and conditions and display no deterioration in credit risk since initial recognition. This category also includes those financial instruments with low credit risk.
- Stage 2 – This category includes instruments which display a significant increase in credit risk (SICR) since initial recognition but have not yet defaulted.
- Stage 3 – This category includes instruments that are in default.

The above categories exclude purchased or originated credit-impaired (POCI) financial assets. A financial asset is considered credit-impaired on purchase or origination if there is evidence of impairment at the point of initial recognition (for instance, if it is acquired at a deep discount). POCI financial assets are not included in Stages 1, 2 or 3, and are instead shown as a separate category.

Expected credit loss (ECL) is measured as follows:

- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months.
- Instruments in Stages 2 or 3 or that are POCI have their ECL measured based on expected credit losses on a lifetime basis.

A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward- looking information. The Fund utilised a probability-weighted assessment of the factors which it believes will have an impact on forward looking rates.

The formula for ECL is generally the 'Probability of Default' (PD) multiplied by the 'Exposure at Default' (EAD) multiplied by the 'Loss Given Default' (LGD). An adjustment is made to reflect the time value of money by considering the original effective interest rate on the individual instruments. The overall models involved the use of various PD and LGD tables derived from various publications, including independent rating agencies. These are then applied to individual instruments based on their rating, tenor and staging.

The process in arriving at the individual components of ECL and the forward-looking adjustments involved critical estimates and judgements. This is discussed further in Note 3.

Notes to the Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

d. Trade receivables

Trade receivables are recognised at invoice value, less a provision for impairment. This amount is a reasonable approximation to amortised cost using the effective interest method as the impact of discounting and upfront transaction costs are immaterial due to the short settlement period. Trade receivables are derecognised upon settlement, when the contractual rights to the cash flows from the receivables expire or the Fund transfers substantially all risks and rewards of ownership.

There were no changes to the classification and measurement basis for trade receivables upon adoption of IFRS 9. Trade and other receivables are classified as "hold to collect" under IFRS 9, meet the SPPI criteria and are accordingly classified and measured at amortised cost using the aforementioned basis.

Under IFRS 9, the Fund applies the simplified approach for trade receivables as permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Trade receivables are grouped together based on shared credit risk characteristics and aged using a 'provisions matrix'. Scaled loss rates are then calculated based on historical payment profiles.

The expected loss rates for these accounts are based on the payment profiles of sales over a period of 12 months starting 1 January 2019 and ending on 31 December 2019 and the corresponding historical credit losses experienced within this period.

The loss rates are adjusted to incorporate forward-looking information and then applied to the different aging buckets as of the statement of financial position date. The Fund employs various probability weighted scenarios and regression curves to predict future behavior. In developing the various models, the Fund considers both internal data and external macroeconomic data.

Assets written off

Trade and other receivables and intercompany receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Fund. The Fund categorises a receivable for write off when a debtor fails to make contractual payments, even after several attempts at enforcement and/or recovery efforts. Where receivables have been written off, the Fund continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

e. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on deposit and cash at bank.

Notes to the Financial Statements (continued)**31 December 2020***(Expressed in Trinidad and Tobago Dollars)*

2 Summary of significant accounting policies (continued)f. *Provisions*

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

g. *Taxation**Current tax*

Income tax payable (receivable) is calculated on the basis of the applicable tax law in Trinidad and Tobago and is recognised as an expense (income) for the period except to the extent that current tax related to items that are charged or credited in the income statement or directly to equity. In these circumstances, current tax is charged or credited to the income statement or to equity.

h. *Revenue*

Contributions and investment income are recognised on an accrual basis when the revenue is earned at a point in time.

i. *Investment income**Financial assets under IFRS 9*

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance). Other investment income is recognised on an accruals basis based on when the right to receive payment is established.

Notes to the Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

3 Critical accounting estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

a. *Measurement of the expected credit loss allowance (IFRS 9)*

The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of debtors defaulting and the resulting losses). A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product / market and the associated ECL

ECL calculations are shown in Note 4. Had there been a 10% increase in the average ECL rate for all financial instruments at amortised cost, the total ECL allowance would have been higher by \$573 (2019: \$375).

Notes to the Financial Statements (continued)**31 December 2020***(Expressed in Trinidad and Tobago Dollars)*

4	Financial asset at amortised cost	2020	2019
		\$	\$
	Government of Trinidad and Tobago (6.00% FRB 2031)	5,382,526	5,398,765
	Provision for expected credit loss bond	<u>(5,734)</u>	<u>(3,745)</u>
		<u>5,376,792</u>	<u>5,395,020</u>

The following is a movement analysis of the ECL provision

Balance at beginning of the year	(3,745)	(3,745)
Net changes to provisions during the year	<u>(1,989)</u>	<u>--</u>
Balance at end of the year	<u>(5,734)</u>	<u>(3,745)</u>

The Fund recognises provisions for losses for bonds using the Expected Credit Loss (ECL) model. The Fund considers the probability of default upon initial recognition of the bond and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Fund compares the risk of a default occurring on the bond as at the reporting date with the risk of default as at the date of initial recognition. A significant increase in credit risk is presumed if the bond issuer's credit rating has been downgraded from investment grade to non-investment grade.

A default on a bond occurs when the issuer has missed a payment of principal or interest or has announced its intention to suspend payments on part or all of its financial obligations.

5 Trade and other receivables

Accounts receivables	25,000	37,899
Interest receivable	<u>35,194</u>	<u>35,194</u>
	<u>60,194</u>	<u>73,093</u>

As of 31 December 2020, trade receivables of \$25,000 (2019: \$37,899) were fully performing.

6 Cash on deposit

Trinidad and Tobago Unit Trust Corporation - TTD Income Fund	2,322,767	2,287,646
First Citizens Bank Limited – Abercrombie Fund	2,854,831	2,733,766
Republic Bank Limited – Money Market Account	111,738	110,341
Trinidad and Tobago Unit Trust Corporation - USD Income Fund	418,345	414,460
Guardian Asset Management Limited - TTD Monthly Income Fund	<u>2,328,819</u>	<u>2,292,231</u>
	<u>8,036,500</u>	<u>7,838,444</u>

7 Accrued expenses

Due to The Trinidad and Tobago Stock Exchange Limited	138,000	138,000
Accounts payables and accrued charges	<u>17,998</u>	<u>18,000</u>
	<u>155,998</u>	<u>156,000</u>

Notes to the Financial Statements (continued)**31 December 2020***(Expressed in Trinidad and Tobago Dollars)***8 Contributions**

The rules of The Trinidad and Tobago Stock Exchange Contingency Fund state that the Fund shall be financed by contributions from broker firms on the following basis:

“One percent (1%) of the Member Companies’ monthly commissions from business conducted on the Stock Exchange during a calendar year. The contribution shall be paid on the Firm’s monthly commissions, but no less than \$100.00 per month is to be submitted”.

9 Investment income	2020	2019
	\$	\$
Interest income	425,911	408,899
Amortisation of premium on bond	<u>(16,239)</u>	<u>(13,629)</u>
	<u>409,672</u>	<u>395,270</u>

10 Management charges

The Trustees of the Fund agreed that the Fund should pay The Trinidad and Tobago Stock Exchange Limited a management fee of 1% per annum on the average value of the fund at year end.

11 Taxation

Current tax	<u>107,829</u>	<u>116,336</u>
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The tax on profit before tax differs from the theoretical amount that would arise using the basic rate of tax as follows:

Surplus before taxation	<u>473,084</u>	<u>458,478</u>
Tax calculated at 30%	141,925	137,543
Income not subject to tax	(35,271)	(30,420)
Expenses not deductible for tax purposes	<u>1,175</u>	<u>9,213</u>
	<u>107,829</u>	<u>116,336</u>

12 Related party transactions

The following transactions were carried out with related parties

a. Year-end balances arising		
Amounts due to The Trinidad and Tobago Stock Exchange Limited	<u>138,000</u>	<u>138,000</u>
b. Transactions with related parties		
Management charges	<u>138,000</u>	<u>138,000</u>

Notes to the Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

13 Financial risk management

a. Financial risk factors

The Fund's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. Risk is managed through a process of ongoing identification and monitoring. The Fund's overall risk management programme seeks to minimise the potential adverse effect on the Fund's financial performance.

The Trustees have overall responsibility for the establishment and oversight of the Fund's risk management framework. The Trustees' risk management mandate is principally carried out through the Audit, Capital Market Development and Investment and Regulatory Committees of The Trinidad and Tobago Stock Exchange Limited. Day to day adherence to risk principles is carried out by the executive management of The Trinidad and Tobago Stock Exchange Limited.

(i) Market risk

The Fund is inherently exposed to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors.

(a) Foreign exchange risk

Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Fund operates only in the Trinidad and Tobago market and, with the exception of the US dollar Income Fund Account held at the Trinidad and Tobago Unit Trust Corporation, is not subject to significant foreign currency risk.

(b) Price risk

The Fund has very limited exposure to price risk as it does not hold any significant investments in equities and commodities.

(c) Cash flow and fair value Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The impact of interest rate changes is immaterial.

(ii) Credit risk

The Fund's exposure to credit risk lies primarily with its trade and other receivables, amounts due from related parties, cash on deposit and cash and cash equivalents.

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. This risk is not significant as all of the Fund's receivables are from Member Firms of the parent company and are obligated to pay as part of the rules of the Exchange and guided by the Securities Act 1995. The Fund uses various control mechanisms to ensure the provision of its services is given to clients with reliable history of credit and constantly monitors the payment of trade receivables. There have been no changes in policies from prior year.

Notes to the Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

13 Financial risk management (continued)

a. Financial risk factors (continued)

(ii) Credit risk (continued)

The Fund's maximum exposure to credit risk amount to \$15,287,883 (2019: \$14,812,870). The exposure is based on the net carrying amount as reported in the statement of financial position.

With respect to credit risk arising from other financial assets of the Fund, investments, cash and cash equivalents and cash on deposits are only placed with reputable financial institutions.

The Fund's financial assets at amortised cost and trade and other receivables are subject to the Expected Credit Loss (ECL) model.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

(iii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and deposits, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The current financial liabilities are not considered significant to the liquidity risk.

b. Fair value estimation

The carrying amount of short-term financial assets and liabilities comprising cash on deposit, cash equivalents, accounts receivable and accrued expenses are a reasonable estimate of their fair values because of the short maturity of these instruments.

14 Fair values of financial assets and liabilities

Financial assets and liabilities not carried at fair value include cash and cash equivalents, cash on deposit, trade and other receivables and accrued expenses. These amounts are short term in nature and their carrying value approximates their fair value.

The Fund adopted the amendment to IFRS 7 for financial instruments that are measured in the statement of financial position at fair value. This requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

Notes to the Financial Statements (continued)

31 December 2020

(Expressed in Trinidad and Tobago Dollars)

14 Fair values of financial assets and liabilities (continued)

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The financial assets held by the Fund are not traded in an active market. These instruments are included in level 2 and comprise primarily of bond instruments.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

15 Contingent liabilities

There are no contingent liabilities as at 31 December 2020 (2019: none).

16 Events after the reporting period

There were no subsequent events identified that require disclosure or adjustments to the financial statements.

17 Financial instruments by category

	2020 \$	2019 \$
<i>Financial instruments at amortised cost</i>		
Financial asset at amortised cost	5,376,792	5,395,020
Trade and other receivables excluding prepayments (Note 5)	60,194	73,093
Cash on deposit	8,036,500	7,838,444
Cash at bank	<u>1,814,397</u>	<u>1,506,313</u>
Total	<u>15,287,883</u>	<u>14,812,870</u>
<i>Other financial liabilities at amortised cost</i>		
Trade and other payables excluding statutory liabilities (Note 7)	<u>155,998</u>	<u>156,000</u>

The background of the page is a complex digital visualization of financial data. It features a dark blue and purple color palette. In the foreground, there are glowing cyan and magenta lines and bars. A prominent cyan line graph shows a fluctuating trend. Below it, a bar chart with vertical cyan bars is visible. In the upper left, there are several data points with numerical values like '69.8112', '38.445', and '42.465'. A large, glowing cyan '+11,00.00' is displayed in the center-left. The overall effect is a high-tech, data-driven aesthetic.

Appendices

TTSE Monthly Index Values

	Banking				Conglomerates				Property			
	Value	High	Low	Average	Value	High	Low	Average	Value	High	Low	Average
Jan	1,330.38	1,330.38	1,284.00	1,305.91	2,908.80	3,026.09	2,889.99	2,928.44	148.21	148.21	148.21	148.21
Feb	1,359.12	1,362.37	1,333.35	1,352.81	2,907.74	2,925.86	2,902.09	2,913.02	156.56	156.56	148.21	155.17
Mar	1,174.21	1,358.37	1,174.21	1,309.16	2,571.32	2,911.92	2,571.32	2,792.89	144.04	156.56	144.04	152.61
Apr	1,129.37	1,134.31	1,096.28	1,118.19	2,551.95	2,570.93	2,495.39	2,545.15	144.04	144.04	144.04	144.04
May	1,137.92	1,137.92	1,112.53	1,127.70	2,704.03	2,747.21	2,551.95	2,617.33	144.04	144.04	137.78	142.16
Jun	1,159.71	1,161.32	1,128.08	1,145.67	2,577.78	2,747.92	2,573.39	2,656.36	139.86	144.04	139.86	140.28
Jul	1,164.12	1,172.19	1,152.40	1,162.16	2,632.90	2,660.77	2,577.52	2,627.87	125.24	139.86	125.24	129.33
Aug	1,165.31	1,166.33	1,159.34	1,163.42	2,724.35	2,724.35	2,631.74	2,678.97	129.41	129.41	126.49	129.12
Sep	1,162.25	1,173.22	1,153.63	1,165.29	2,739.86	2,739.86	2,677.37	2,713.60	131.50	131.50	129.41	131.40
Oct	1,156.53	1,168.25	1,155.99	1,163.49	2,666.07	2,728.00	2,653.52	2,680.79	131.50	131.50	131.50	131.50
Nov	1,138.71	1,156.49	1,132.36	1,145.66	2,727.23	2,727.23	2,541.71	2,622.76	130.25	131.50	125.24	128.76
Dec	1,151.98	1,155.80	1,134.92	1,142.96	2,831.35	2,889.48	2,695.04	2,763.66	131.50	131.50	130.25	131.05

(Base Value: January 01, 1983 = 100) (Base Value: January 01, 1983 = 100) (Base Value: January 01, 1983 = 100)

	Manufacturing I				Manufacturing II				Trading			
	Value	High	Low	Average	Value	High	Low	Average	Value	High	Low	Average
Jan	2,475.97	2,534.73	2,474.55	2,516.41	225.30	231.08	225.30	228.93	207.55	207.80	206.91	207.29
Feb	2,446.56	2,478.04	2,386.67	2,802.87	213.75	231.08	213.75	217.86	210.45	210.74	209.78	210.30
Mar	2,122.87	2,446.26	2,119.13	2,308.60	202.19	225.30	202.19	209.46	205.20	212.16	205.09	208.74
Apr	1,967.26	2,056.04	1,964.83	1,988.24	219.52	219.52	202.19	214.03	192.55	205.20	192.55	196.82
May	2,034.02	2,036.43	1,966.82	1,986.40	225.30	225.30	201.04	217.79	196.78	196.78	193.11	195.47
Jun	2,163.63	2,255.38	2,033.69	2,155.67	242.63	254.19	207.97	229.87	202.85	203.74	196.78	202.03
Jul	2,176.38	2,176.50	2,129.79	2,153.92	242.64	271.52	242.63	246.55	200.55	202.85	199.73	200.74
Aug	2,278.41	2,278.41	2,170.57	2,232.80	232.24	242.64	231.09	238.25	202.75	203.64	198.65	201.07
Sep	2,233.61	2,316.80	2,231.39	2,284.94	231.08	236.86	231.08	234.11	189.62	202.50	189.62	197.12
Oct	2,153.42	2,240.42	2,039.78	2,177.50	242.63	242.63	229.92	234.75	194.24	197.04	189.62	192.31
Nov	2,120.06	2,156.34	2,059.57	2,125.50	242.64	254.19	236.85	241.37	194.24	196.66	192.76	194.90
Dec	2,219.84	2,219.84	2,077.57	2,159.61	288.87	300.42	243.80	268.75	193.30	195.66	186.01	191.71

(Base Value: January 01, 1983 = 100) (Base Value: January 01, 1983 = 100) (Base Value: January 01, 1983 = 100)

	Energy				Non-Banking Finance				Composite			
	Value	High	Low	Average	Value	High	Low	Average	Value	High	Low	Average
Jan	104.10	120.00	104.10	113.58	1,143.54	1,150.90	1,131.90	1,142.29	1,495.18	1,495.18	1,470.69	1,485.07
Feb	103.80	105.25	101.55	103.88	1,166.00	1,166.00	1,142.49	1,150.11	1,516.20	1,518.01	1,497.92	1,509.23
Mar	99.75	102.55	73.55	89.62	989.57	1,157.45	980.23	1,066.10	1,317.14	1,513.46	1,317.14	1,445.04
Apr	84.45	95.35	82.55	88.28	959.55	994.93	957.32	980.86	1,266.66	1,274.98	1,255.80	1,265.18
May	80.75	84.80	80.00	82.40	972.69	980.31	958.43	969.85	1,289.18	1,289.18	1,257.97	1,272.92
Jun	87.50	99.10	81.25	90.13	1,000.22	1,001.83	972.69	987.12	1,310.59	1,320.78	1,283.32	1,304.07
Jul	85.10	87.25	82.75	85.05	990.86	1,009.58	990.86	1,001.61	1,315.44	1,323.40	1,308.07	1,314.53
Aug	82.55	87.80	82.55	85.71	967.82	996.56	963.06	978.44	1,324.11	1,324.97	1,313.03	1,319.54
Sep	79.35	83.80	79.35	80.99	962.39	986.48	957.15	968.91	1,317.15	1,330.01	1,314.26	1,323.03
Oct	74.95	77.55	73.75	74.84	981.16	981.16	963.50	971.29	1,306.51	1,321.77	1,300.29	1,311.33
Nov	75.20	75.20	72.45	73.80	965.13	980.81	945.99	969.15	1,294.15	1,304.83	1,275.87	1,292.20
Dec	85.00	85.00	71.25	78.37	981.85	994.56	952.92	975.57	1,323.11	1,323.11	1,289.23	1,305.16

(Base Value: October 19, 2015 = 100) (Base Value: January 01, 1983 = 100) (Base Value: January 01, 1983 = 100)

	All T&T				Cross Listed				SME			
	Value	High	Low	Average	Value	High	Low	Average	Value	High	Low	Average
Jan	1,897.07	1,899.89	1,869.11	1,886.97	148.12	148.42	145.26	146.74	67.73	68.33	67.73	67.80
Feb	1,941.56	1,941.56	1,902.52	1,924.72	147.75	148.37	147.75	148.16	67.73	68.45	67.73	68.01
Mar	1,740.57	1,936.31	1,740.57	1,860.38	120.91	148.16	120.91	139.45	67.70	67.73	67.48	67.68
Apr	1,671.39	1,716.07	1,668.88	1,684.86	116.63	118.02	111.16	114.36	67.25	67.70	67.25	67.61
May	1,736.11	1,736.11	1,672.95	1,701.43	113.85	116.90	112.81	114.18	67.48	67.70	67.25	67.62
Jun	1,769.73	1,790.91	1,728.37	1,763.73	115.06	115.25	113.01	114.11	67.48	67.48	67.48	67.48
Jul	1,777.92	1,789.01	1,764.05	1,775.17	115.25	115.89	114.38	115.38	67.25	67.48	67.25	67.28
Aug	1,796.29	1,796.29	1,774.16	1,783.83	115.08	116.37	115.05	115.55	65.26	67.24	65.26	66.26
Sep	1,794.52	1,802.75	1,788.79	1,797.93	113.41	115.98	112.77	114.55	65.20	65.26	65.01	65.20
Oct	1,754.46	1,790.88	1,748.88	1,769.43	116.05	116.15	113.93	115.30	65.20	65.20	65.20	65.20
Nov	1,725.33	1,754.72	1,698.75	1,729.67	116.69	116.69	115.04	115.55	64.33	65.15	64.33	64.68
Dec	1,772.61	1,772.61	1,715.35	1,737.91	118.09	120.92	116.33	117.96	64.33	64.33	64.33	64.33

(Base Value: January 05, 1999 = 453.56) (Base Value: June 02, 2008 = 100) (Base Value: November 21, 2018 = 100)

TTSE Index Values 2016 - 2020

SECTORS	2020			2019			2018			2017			2016		
	Close	High	Low	Close	High	Low	Close	High	Low	Close	High	Low	Close	High	Low
Banking	1,151.98	1,362.37	1,096.28	1,282.08	1,306.34	1,108.14	1,110.10	1,121.61	975.66	1,010.48	1,021.67	881.09	894.87	894.87	786.10
Conglomerates	2,831.35	3,026.09	2,495.39	2,889.99	2,889.99	2,546.86	2,529.33	2,809.38	1,131.64	2,766.06	2,900.69	2,696.70	2,866.10	2,879.80	2,569.07
Property	131.50	156.56	125.24	150.30	164.08	144.04	154.48	160.32	151.14	164.50	169.09	146.13	154.48	169.09	146.54
Manufacturing I	2,219.84	8,990.08	1,964.83	2,541.61	2,616.80	2,202.63	2,204.14	2,313.82	2,131.36	2,322.46	2,916.21	2,315.13	2,921.16	2,957.68	2,865.46
Manufacturing II	288.87	300.42	201.04	231.08	321.06	212.59	313.20	423.61	290.26	414.63	589.12	414.63	479.43	479.43	343.33
Trading	193.30	212.16	186.01	207.80	207.80	185.40	186.92	189.42	176.45	189.42	189.42	112.50	170.82	171.04	163.15
Energy	85.00	120.00	71.25	119.80	152.50	104.90	145.50	150.55	130.00	132.50	137.85	101.50	105.00	123.75	91.25
Non-Banking Finance	981.85	1,166.00	945.99	1,133.99	1,156.50	1,009.26	1,063.52	1,114.88	1,003.00	1,091.14	1,122.77	987.20	985.84	1,125.79	891.89
Composite	1,323.11	1,518.01	1,255.80	1,468.41	1,482.33	1,301.77	1,302.48	1,310.21	1,214.12	1,266.35	1,296.28	1,206.29	1,209.53	1,209.53	1,106.32
All T&T	1,772.61	1,941.56	1,668.88	1,868.97	1,868.97	1,702.88	1,705.17	1,732.30	1,675.41	1,728.75	1,840.78	1,721.95	1,834.23	1,943.99	1,752.45
Cross Listed	118.09	148.42	111.16	144.65	150.87	119.66	121.57	124.87	96.79	108.38	112.99	78.58	78.17	78.17	49.61
SME	64.33	68.45	64.33	67.76	100.00	67.71	100.00	100.00	100.00						

First Tier Market Capitalization by Sector

Sector	2020 Number of Securities	2020 Market Capitalization	2019 Number of Securities	2019 Market Capitalization	Market Capitalization YOY %Δ
Banking	5	74,229,439,811	5	82,536,153,274	(10.06)
Conglomerates	3	19,255,272,247	3	19,618,686,038	(1.85)
Property	1	124,820,905	1	142,652,462	(12.50)
Manufacturing I	6	13,483,289,972	6	15,437,959,251	(12.66)
Manufacturing II**	1	936,619,260	1	749,295,408	25.00
Trading	3	2,162,511,584	3	2,323,575,598	(6.93)
Energy	1	1,973,700,000	1	2,781,756,000	(29.05)
Non-Banking Finance*	4	13,903,626,116	5	19,916,374,528	(30.19)
Non-Sector	3	11,330,919	3	11,339,708	(0.08)
Total	27	126,080,610,814	28	143,517,792,267	(12.15)

The information is as at December 31st of the respective year.

Note:

*Pursuant to Sagcor Financial Corporation Limited (SFC) Scheme of Agreement (SOA), trading in SFC was suspended effective November 29th, 2019. As such, SFC was excluded in the market capitalization total as at the end of 2020.

**Berger Paints Trinidad Limited was de-listed as at close of business on October 11th, 2019.

First Tier Market Activity

Year	Listed Companies (c) and Securities (s)	Total Trading Days	Total Trades	Total Volume	Total Value (TT\$)	Average Daily Trades	Average Daily Volume	Average Daily Value	Market Capitalization (TT\$)	Composite Index	Change	Change %
1997	25 (c) 28 (s)	150	7,679	100,300,341	843,115,127	51	668,669	5,620,768	19,636,860,258	352.27	184.86	110.42
1998	26 (c) 29 (s)	151	7,369	102,768,057	1,113,964,926	49	680,583	7,377,251	24,984,066,595	436.30	84.03	23.85
1999	28 (c) 31 (s)	149	5,808	73,516,051	594,009,095	39	493,396	3,986,638	27,513,523,050	417.47	(18.83)	(4.32)
2000	28 (c) 31 (s)	150	6,572	80,158,768	869,774,370	44	534,392	5,798,496	29,332,555,338	441.50	24.03	5.76
2001	30 (c) 33 (s)	146	6,609	122,180,491	1,044,955,227	45	836,853	7,157,228	31,767,643,423	434.19	(7.31)	(1.66)
2002	30 (c) 33 (s)	149	8,092	96,498,979	1,059,900,456	54	647,644	7,113,426	48,099,254,282	545.56	111.37	25.65
2003	32 (c) 35 (s)	147	16,690	409,624,427	2,303,219,953	114	2,786,561	15,668,163	67,979,578,930	694.13	148.57	27.23
2004	34 (c) 37 (s)	152	34,946	311,847,113	3,015,804,261	230	2,051,626	19,840,818	107,560,051,144	1,074.63	380.51	54.82
2005	34 (c) 37 (s)	150	32,316	193,566,312	3,918,052,120	215	1,290,442	26,120,347	107,503,692,803	1,067.38	(7.26)	(0.68)
2006	33 (c) 36 (s)	152	20,772	219,057,326	2,463,295,073	137	1,441,035	16,205,889	96,838,327,828	969.17	(98.21)	(9.20)
2007	33 (c) 36 (s)	146	17,743	119,312,166	2,138,198,361	122	817,207	14,645,194	98,177,260,373	982.03	12.87	1.33
2008	34 (c) 37 (s)	223	22,053	134,966,550	2,191,000,400	99	605,231	9,825,114	76,432,853,796	842.93	(139.10)	(14.16)
2009	33 (c) 36 (s)	248	9,884	76,910,642	1,474,220,757	40	310,124	5,944,439	70,576,108,729	765.28	(77.65)	(9.21)
2010	32 (c) 35 (s)	247	8,496	77,562,327	864,540,527	34	314,018	3,500,164	77,780,923,234	835.64	70.36	9.19
2011	31 (c) 34 (s)	246	9,200	564,087,946	1,029,002,725	37	2,293,040	4,182,938	94,471,326,738	1,012.87	177.23	21.21
2012	28 (c) 30 (s)	241	8,778	50,677,836	746,604,402	36	210,281	3,097,944	97,354,943,270	1,064.98	52.11	5.14
2013	29 (c) 32 (s)	248	11,595	97,984,389	1,105,243,367	47	395,098	4,456,626	114,000,942,831	1,185.05	120.07	11.27
2014	28 (c) 31 (s)	246	11,643	91,559,129	1,115,708,421	47	372,192	4,555,400	109,710,888,814	1,150.91	(34.14)	(2.88)
2015	29 (c) 32 (s)	249	11,009	78,163,210	1,152,931,323	44	313,908	4,630,246	113,475,853,006	1,162.30	11.39	0.99
2016	28 (c) 31 (s)	247	10,519	91,975,523	951,852,647	43	372,371	3,853,654	118,283,057,986	1,209.53	47.23	4.06
2017	28 (c) 31 (s)	242	11,221	84,550,274	1,024,708,791	46	349,381	4,234,334	123,180,631,200	1,266.35	56.82	4.70
2018	27 (c) 30 (s)	246	11,721	72,333,637	1,148,363,861	48	294,039	4,668,146	126,697,440,016	1,302.48	36.13	2.85
2019	25 (c) 28 (s)	247	12,054	76,909,892	1,102,339,434	49	311,376	4,462,913	143,517,792,266	1,468.41	165.93	12.74
2020	25 (c) 28 (s)	250	11,668	61,252,991	1,042,861,853	47	245,012	4,171,447	126,080,610,814	1,323.11	(145.30)	(9.90)
TOTAL		4,822	314,437	3,387,744,377	34,313,667,477							

NOTES:

- The Composite Index was rebased on January 1st, 1983.
- Pursuant to Scotia Investment Jamaica Limited's (SIJL) Scheme of Arrangement (SOA), all outstanding and publicly traded shares in SIJL (except those held by Scotia Group Jamaica Limited) were cancelled effective October 2nd, 2017 and was de-listed from the TTSE effective February 21st, 2018. As such, SIJL was excluded in the market capitalization total as at the end of 2017.
- Pursuant to Sagicor Financial Corporation Limited (SFC) Scheme of Agreement (SOA), trading in SFC was suspended effective November 29th, 2019. As such, SFC was excluded in the market capitalization total as at the end of 2020.



“The Listed Companies on the TTSE, particularly in the manufacturing, distribution and financial services sectors have reported profitable earnings for the year ended 2020, providing some level of optimism for the coming year and beyond.”

– Ray A. Sumairsingh, Chairman

Listed Companies Information 2020

Security	Symbol	Issued Share Capital ¹	Capitalization Value (\$) ¹	Financial Year End
First Tier Market				
Banking				
FirstCaribbean International Bank Limited ⁶	FCI	1,577,094,570	11,102,745,773	31-Oct
First Citizens Bank Limited	FIRST	251,353,562	10,815,743,773	30-Sep
NCB Financial Group Limited ⁸	NCBFG	2,466,762,828	20,054,781,792	30-Sep
Republic Financial Holdings Limited	RFHL	163,184,169	22,028,230,973	30-Sep
Scotiabank Trinidad & Tobago Limited	SBTT	176,343,750	10,227,937,500	31-Oct
Conglomerates				
ANSA Mc Al Limited	AMCL	176,197,617	9,426,572,510	
GraceKennedy Limited ⁹	GKC	995,012,431	3,830,797,859	31-Dec
Massy Holdings Ltd.	MASSY	98,342,382	5,997,901,878	30-Sep
Property				
Point Lisas Industrial Port Development Corporation Limited	PLD	39,625,684	124,820,905	31-Dec
Manufacturing I				
Angostura Holdings Limited	AHL	206,277,630	3,382,953,132	31-Dec
Guardian Media Limited	GML	40,000,000	136,800,000	31-Dec
National Flour Mills Limited ⁴	NFM	120,200,000	258,430,000	31-Dec
One Caribbean Media Limited	OCM	66,499,801	321,859,037	31-Dec
Unilever Caribbean Limited	UCL	26,243,832	436,959,803	31-Dec
The West Indian Tobacco Company Limited ⁴	WCO	252,720,000	8,946,288,000	31-Dec
Manufacturing II				
Trinidad Cement Limited	TCL	374,647,704	936,619,260	31-Dec
Trading				
Agostini's Limited	AGL	69,103,779	1,657,799,658	30-Sep
L.J. Williams Limited Ordinary 'B' ^{3,4}	LIWB	19,742,074	29,613,111	31-Mar
Prestige Holdings Limited	PHL	62,513,002	475,098,815	30-Nov
Energy				
Trinidad and Tobago NGL Limited	NGL	116,100,000	1,973,700,000	31-Dec
Non-Banking Finance				
ANSA Merchant Bank Limited	AMBL	85,605,263	3,421,642,362	31-Dec
Guardian Holdings Limited	GHL	232,024,923	4,849,320,891	31-Dec
JMMB Group Limited ^{3,4,9}	JMMBGL	1,955,552,530	3,754,660,858	31-Mar
National Enterprises Limited ^{3,4}	NEL	600,000,641	1,878,002,006	31-Mar
Sagicor Financial Corporation Limited ^{4,5}	SFC	306,555,644	3,341,456,520	31-Dec
Non-Sector Companies				
Guardian Media Limited \$50.00 6% Cumulative Preference	GMLP	29,297	1,924,813	31-Dec
L.J. Williams Limited \$0.10 Ordinary 'A' ^{3,4}	LIWA	46,166,600	9,233,320	31-Mar
L.J. Williams Limited \$5.00 8% Cumulative Preference ^{3,4}	LIWP	45,590	172,786	31-Mar
Mutual Fund Market				
Calypso Macro Index Fund	CALYP	20,200,000	283,002,000	31-Dec
CLICO Investment Fund	CIF	204,000,000	5,151,000,000	31-Dec
Eppley Caribbean Property Fund Limited SCC - Development Fund ⁷	CPFD	54,944,803	36,813,018	30-Sep
Eppley Caribbean Property Fund Limited SCC - Value Fund ⁷	CPFV	55,652,768	94,609,706	30-Sep
Praetorian Property Mutual Fund ¹⁰	PPMF	40,000,000	122,000,000	30-Sep
Second Tier Market				
Mora Ven Holdings Limited ¹¹	MOV	8,255,000	99,060,000	31-Dec
SME Market				
CinemaOne Limited	CINE1	6,406,295	25,625,180	30-Sep
Endeavour Holdings Limited ³	EHL	32,887,619	404,517,714	30-Apr
USD Equity Market				
MPC Caribbean Clean Energy Limited ^{3,12}	MPCCEL	21,666,542	21,666,542	31-Dec

Notes:

- Values as at 31/12/20
Financials were based on the company's year end except where indicated
- Financials as at the end of the 2nd quarter
- Financials as at the end of the 3rd quarter
Dividends of cross listed companies are quoted in their national currency except for FCI and SFC which is quoted in USD.

- Represents interim dividend only
Exchange rates obtained from the Central Bank of Trinidad & Tobago
- Financials presented in USD Converted to TTD using the buying rate for 30/09/20 of \$6.7262
- Financials presented in USD Converted to TTD using the buying rate for 31/10/20 of \$6.7516

FINANCIAL PERFORMANCE

	Total Assets (\$'000)	Total Liabilities (\$'000)	Total Equity (\$'000)	Net Profit (\$'000)	Basic EPS/ NAV	Dividends
	82,230,633	75,420,125	6,810,508	1,071,236	0.68	0.069
	47,445,698	40,024,285	7,421,413	606,866	2.40	1.370
	82,991,999	73,762,552	9,229,447	1,239,325	0.37	1.000
	104,276,614	92,934,141	11,342,473	1,003,059	5.57	2.700
	27,503,678	23,332,053	4,141,625	520,802	2.95	2.250
	15,704,593	6,737,842	8,966,751	503,818	2.46	1.650
	7,863,676	4,988,383	2,875,293	314,047	0.29	1.650
	13,239,747	6,822,703	6,417,044	743,151	7.11	2.500
	3,164,193	391,833	2,772,360	87,543	2.21	0.110
	1,477,133	236,482	1,240,651	145,631	0.71	0.300
	319,510	73,529	245,981	4,963	0.12	0.050
	438,082	169,334	268,748	23,456	0.20	0.030
	863,750	234,612	629,138	3,670	0.04	
	436,574	144,987	291,587	18,607	0.71	0.600
	808,823	231,361	577,462	410,021	1.62	0.780
	2,324,240	1,665,968	658,272	15,219	(0.07)	
	2,709,217	1,172,064	1,537,153	168,946	1.83	0.800
	168,727	74,236	94,491	9,836	0.40	0.070
	798,564	508,816	289,747	(17,749)	(0.29)	
	3,249,075	828	3,248,247	6,400	0.04	0.050
	7,960,735	5,283,165	2,677,570	162,014	1.89	0.750
	33,024,932	28,349,044	4,675,888	780,292	3.34	
	22,407,098	19,608,992	2,798,106	184,276	0.09	0.250
	2,426,800	2,297	2,424,503	(70,115)	N/A	0.050
	59,824,908	48,916,202	10,908,706	(198,652)	(1.48)	
	319,510	73,529	245,981	4,963	0.12	6.00%
	168,727	74,236	94,491	9,836	0.40	0.007
	168,727	74,236	94,491	9,836	0.40	0.080
	428,552	2,632	425,920	(60,537)	21.09	0.680
	6,133,755	6,601	6,127,154	288,516	30.04	0.680
	60,721	1,978	58,743	(4,102)	1.08	
	334,746	43,095	291,651	5,811	2.12	0.018
	113,804	32,464	81,341	(2,649)	2.03	
	336,515	255,345	81,170	(5,737)	(1.02)	
	82,076	52,555	29,520	(4,923)	(0.77)	
	907,548	342,470	565,078	20,110	0.61	
	19,792	120	19,672	(136)	(0.01)	

7. Financials presented in BDS Converted to TTD using the buying rate for 30/09/20 of \$3.0738

8. Financials presented in JMD Converted to TTD using the buying rate for 30/09/20 of \$0.0461

9. Financials presented in JMD Converted to TTD using the buying rate for 31/12/20 of \$0.0458

10. Financials as at the 2019 financial year end.

11. Financials as at the end of the 3rd quarter 2016.

12. Values quoted in USD.

N/A Not Available

Share Listings 2020

Security	Listing Date	Particulars	No. of Shares	Market Value* ('000)
MPC Caribbean Clean Energy Limited**	February 3, 2020	Issued pursuant to a renounceable rights issue of the Class B shares.	10,242,382	10,242.38
Republic Financial Holdings Limited	March 3, 2020	Issued pursuant to Executive Share Option Plan	34,126	4,948.61
Republic Financial Holdings Limited	March 18, 2020	Issued pursuant to Executive Share Option Plan	41,948	6,100.50
Republic Financial Holdings Limited	March 27, 2020	Issued pursuant to Executive Share Option Plan	29,024	4,107.48
Republic Financial Holdings Limited	April 1, 2020	Issued pursuant to Executive Share Option Plan	15,596	2,068.81
Republic Financial Holdings Limited	April 12, 2020	Issued pursuant to Executive Share Option Plan	14,431	1,907.78
Republic Financial Holdings Limited	April 12, 2020	Issued pursuant to Executive Share Option Plan	64,044	8,466.62
Massy Holdings Ltd.	May 19, 2020	Issued pursuant to Executive Share Option Plan	599,589	32,977.40
Republic Financial Holdings Limited	May 27, 2020	Issued pursuant to Executive Share Option Plan	14,029	1,862.07
Republic Financial Holdings Limited	June 24, 2020	Issued pursuant to Executive Share Option Plan	9,161	1,277.96
Republic Financial Holdings Limited	July 14, 2020	Issued pursuant to Executive Share Option Plan	38,179	5,392.78
Republic Financial Holdings Limited	July 14, 2020	Issued pursuant to Executive Share Option Plan	36,345	5,133.73
Republic Financial Holdings Limited	August 25, 2020	Issued pursuant to Executive Share Option Plan	118,531	16,594.34
Republic Financial Holdings Limited	August 25, 2020	Issued pursuant to Executive Share Option Plan	5,498	769.72
Republic Financial Holdings Limited	August 25, 2020	Issued pursuant to Executive Share Option Plan	26,226	3,671.64
Republic Financial Holdings Limited	September 23, 2020	Issued pursuant to Executive Share Option Plan	7,523	1,053.22
Republic Financial Holdings Limited	October 1, 2020	Issued pursuant to Executive Share Option Plan	19,848	2,818.42
GraceKennedy Limited	October 20, 2020	Issued pursuant to Executive Share Option Plan	8,075	28.67
Republic Financial Holdings Limited	November 18, 2020	Issued pursuant to Executive Share Option Plan	24,333	3,382.29
Republic Financial Holdings Limited	December 10, 2020	Issued pursuant to Executive Share Option Plan	13,024	1,743.39

* No of shares x opening price

** Market Value amount quoted in USD

Share Cancellations 2020

There were no share cancellation for the year 2020.

Regional Stock Exchanges Market Activity

for the period ended December 31st 2020

Stock Exchange	Traded Volume ('000,000)	Traded Value* (US\$) ('000,000)	Index	Market Capitalization** (US\$) ('000,000)
Barbados Stock Exchange (Regular)	4.47	4.72	632.26	2,633.4
Jamaica Stock Exchange (Ordinary)	6,688.73	349.93	395,614.91	10,845.62
Trinidad & Tobago Stock Exchange (First Tier)	61.25	153.38	1,323.11	18,543.18

*Figures converted to US\$ using the exchange rates as at December 31st, 2020.

**Pursuant to Sagicor Financial Corporation Limited (SFC) Scheme of Agreement (SOA), trading in SFC was suspended effective November 29th, 2019. As such, SFC was excluded in the market capitalization total as at the end of 2020.

Price Analysis

for the period January 01, 2020 - December 31, 2020

Securities	Opening Price 2020	Closing Price 2020	Change \$	Change %	High Closing Price	Low Closing Price	Average Closing Price	Trades	Traded Volume	Traded Value \$
TTD MARKET										
FIRST TIER MARKET										
AGOSTINI'S LIMITED	25.00	23.99	(1.01)	(4.04)	25.56	22.90	24.62	147	1,703,397	43,294,725.87
ANGOSTURA HOLDINGS LIMITED	16.20	16.40	0.20	1.23	17.05	13.85	15.61	198	1,365,009	19,719,283.19
ANSA Mc AL LIMITED	55.20	53.50	(1.70)	(3.08)	60.00	45.00	52.83	241	900,290	47,816,960.69
ANSA MERCHANT BANK LIMITED	35.86	39.97	4.11	11.46	40.00	35.86	37.46	80	104,135	3,870,745.30
FIRST CITIZENS BANK LIMITED	44.50	43.03	(1.47)	(3.30)	52.54	37.94	44.92	1,259	1,672,721	75,902,985.59
FIRSTCARIBBEAN INT. BANK LTD.	7.90	7.04	(0.86)	(10.89)	8.00	6.99	7.35	329	1,202,430	8,808,310.33
GRACEKENNEDY LIMITED	3.95	3.85	(0.10)	(2.53)	3.95	2.62	3.46	331	3,916,999	13,550,744.68
GUARDIAN HOLDINGS LIMITED	21.65	20.90	(0.75)	(3.46)	23.03	17.04	19.81	637	3,774,373	76,200,520.97
GUARDIAN MEDIA LIMITED	7.50	3.42	(4.08)	(54.40)	7.50	3.40	5.70	71	192,056	954,652.10
JMMB GROUP LIMITED	2.57	1.92	(0.65)	(25.29)	2.74	1.70	2.04	898	15,210,309	32,315,620.64
MASSY HOLDINGS LTD.	61.00	60.99	(0.01)	(0.02)	65.01	44.95	57.84	822	2,532,868	143,948,954.16
NATIONAL ENTERPRISES LIMITED	5.76	3.13	(2.63)	(45.66)	5.76	3.00	4.42	286	1,151,028	5,007,101.96
NATIONAL FLOUR MILLS LIMITED	1.35	2.15	0.80	59.26	2.21	1.05	1.69	365	5,611,189	10,005,653.45
NCB FINANCIAL GROUP LIMITED	10.86	8.13	(2.73)	(25.14)	11.35	7.15	8.62	488	7,316,834	68,886,095.79
ONE CARIBBEAN MEDIA LIMITED	8.50	4.84	(3.66)	(43.06)	8.50	4.50	5.93	284	776,271	4,542,685.18
POINT LISAS INDUSTRIAL PORT DEV. CORP.	3.60	3.15	(0.45)	(12.50)	3.75	3.00	3.31	121	1,224,369	4,398,322.55
PRESTIGE HOLDINGS LIMITED	9.00	7.60	(1.40)	(15.56)	9.25	7.00	8.04	195	231,377	1,858,360.77
REPUBLIC FINANCIAL HOLDINGS LIMITED	131.22	134.99	3.77	2.87	145.50	131.01	138.62	782	1,639,843	229,020,948.56
SAGICOR FINANCIAL CORPORATION LIMITED ¹	10.90	10.90	-	-	10.90	10.90	10.90	-	-	-
SCOTIABANK TRINIDAD & TOBAGO LIMITED	61.00	58.00	(3.00)	(4.92)	62.65	54.00	56.41	815	1,700,995	97,737,214.63
THE WEST INDIAN TOBACCO COMPANY LIMITED	41.41	35.40	(6.01)	(14.51)	41.24	30.55	35.25	807	1,657,781	57,762,485.90
TRINIDAD AND TOBAGO NGL LIMITED	23.96	17.00	(6.96)	(29.05)	24.00	14.25	17.41	1,847	3,920,103	72,598,346.61
TRINIDAD CEMENT LIMITED	2.00	2.50	0.50	25.00	2.60	1.74	2.01	194	1,672,151	3,273,614.75
UNILEVER CARIBBEAN LIMITED	23.00	16.65	(6.35)	(27.61)	23.00	16.60	18.05	424	1,195,287	20,450,667.86
WILLIAMS LJ A	0.20	0.20	-	-	0.20	0.20	0.20	-	-	-
WILLIAMS LJ B	1.69	1.50	(0.19)	(11.24)	1.69	1.23	1.50	46	581,052	928,705.10
PREFERENCE										
GUARDIAN MEDIA LTD. \$50 6% CP	66.00	65.70	(0.30)	(0.45)	66.00	65.70	65.76	1	124	8,146.80
LJ. WILLIAMS LTD. 8% PREFERENCE	3.79	3.79	-	-	3.79	3.79	3.79	-	-	-
MUTUAL FUND MARKET										
CALYPSO MACRO INDEX FUND	15.75	14.01	(1.74)	(11.05)	16.00	13.75	14.90	122	66,119	954,654.32
CLICO INVESTMENT FUND	28.50	25.25	(3.25)	(11.40)	28.61	21.17	25.85	1,463	8,010,078	211,957,557.32
EPPLEY CARIBBEAN PROPERTY FUND LIMITED. SCC - DEVELOPMENT FUND	0.67	0.67	-	-	0.67	0.67	0.67	-	-	-
EPPLEY CARIBBEAN PROPERTY FUND LIMITED. SCC - VALUE FUND	1.70	1.70	-	-	1.70	1.70	1.70	-	-	-
PRAETORIAN PROPERTY MUTUAL FUND ²	3.05	3.05	-	-	3.05	3.05	3.05	-	-	-
SECOND TIER MARKET										
MORAVEN HOLDINGS LIMITED. ³	12.00	12.00	-	-	12.00	12.00	12.00	-	-	-
SME MARKET										
CINEMAONE LTD	6.55	4.00	(2.55)	(38.93)	6.55	4.00	5.19	4	6,595	37,613.61
ENDEAVOUR HOLDINGS LIMITED.	12.50	12.30	(0.20)	(1.60)	12.65	12.30	12.52	12	21,384	269,074.85
USD MARKET										
EQUITIES MARKET										
MPC CARRIBEAN CLEAN ENERGY LIMITED.	1.00	1.00	-	-	1.00	1.00	1.00	27	1,409,679	1,410,213.30

Notes:

1. Sagicor Financial Corporation Limited (SFC) was suspended after market close on 29th November, 2019. The suspension is pursuant to the completion of its Scheme of Arrangement.
2. Trading in Praetorian Property Mutual Fund (PPMF) was suspended after market close on 10th November, 2017 in accordance with its Declaration of Trust (Trust Agreement) dated 14th day of November 2002.
3. Trading in Mora Ven Holdings Limited (MOV) was temporarily suspended effective 01st February, 2019 in accordance with TTSE Rules 600 (8) and 601 (5).

General Information on the TTSE

LISTING PROCESS

Any Company wishing to list on the Trinidad and Tobago Stock Exchange Limited (TTSE) must first be registered as a Reporting Issuer with the Trinidad and Tobago Securities and Exchange Commission (TTSEC) and have its securities registered. A Prospectus and any other related documents must be approved by the TTSEC. The Company must then formally apply to the TTSE indicating its interest in listing. The application must be submitted through a registered stockbroker.

The list of the documents required for registration can be obtained from the TTSEC.

The listing requirements of the Exchange have two primary purposes:

- They place before the Exchange the information essential for the determination of the suitability of the security for public trading on the Exchange.
- They make available to the public such information, as may be deemed necessary, to allow the public to determine the merits of the security.

TRADING ON THE TTSE

The trading days for the Exchange are Monday to Friday, excluding public holidays and Carnival Monday and Carnival Tuesday.

Each trading day has three (3) market states, as follows:

1. Pre-Open: 8:00 am - 9:30 am (Equity, Mutual Fund and Corporate Bond markets only)
2. Open: 9:30 am - 12:00 noon (All markets)
3. Close: 12:00 noon - 8:00 am (All markets)

Orders entered into the electronic trading platform are queued in the market and filled based on the following criteria:

1. Best Price
2. Account Type
3. Earliest Timestamp

The time stamp of an order, is the time of entry of the order to the electronic trading platform. The time stamp is always a unique value (i.e. two orders can never have the same time

stamp). Therefore, the sequence of the time stamp of orders will determine the order in which execution occurs.

In order to ensure transparency in the market members of the public can visit the Exchange on any trading day to view the trading activity.

The market capitalization of a stock is calculated by multiplying its issued share capital by the closing price. The summation of the capitalization of each security listed on the First Tier Market (excluding the securities listed under the Non-Sector category) constitutes the Composite Market Capitalization.

The Non-Sector Capitalization is the market value of all Non-Sector companies listed on the Exchange.

Companies listed on the First Tier Market are separated into sectors for which indices are calculated daily. These sectors are determined by the type of business activity the companies are engaged in and are as follows:

Banking	Manufacturing II
Conglomerates	Trading
Property	Energy
Manufacturing I	Non-Banking Finance

COMPOSITE INDEX

This market-value weighted index collectively measures the price movement of the ordinary shares for companies listed on the First Tier Market of the Exchange.

$(\text{Current day Composite Market Capitalisation} / \text{Previous day Composite Market Capitalisation}) \times \text{Previous day Composite Index}$

ALL T&T INDEX

This market-value weighted index collectively measures the price movements of the ordinary shares for companies listed on the First Tier Market of the Exchange whose primary jurisdiction is Trinidad and Tobago.

$(\text{Current day All T\&T Market Capitalisation} / \text{Previous day All T\&T Market Capitalisation}) \times \text{Previous day All T\&T Index}$



CROSS LISTED INDEX

This market-value weighted index collectively measures the price movements of the ordinary shares for Cross Listed companies listed on the First Tier Market of the Exchange, i.e. companies whose primary jurisdiction is not Trinidad and Tobago.

$(\text{Current day Cross Listed Market Capitalisation} / \text{Previous day Cross Listed Market Capitalisation}) \times \text{Previous day Cross Listed Index}$

SME INDEX

This market-value weighted index collectively measures the price movements of the ordinary shares for SME companies listed on the SME Market of the Exchange.

$(\text{Current day SME Market Capitalisation} / \text{Previous day SME Market Capitalisation}) \times \text{Previous day SME Index}$

SECTOR INDEX

This market-value weighted index measures the price movement of the ordinary shares for the various sectors of the companies listed on the First Tier Market of the Exchange.

$(\text{Current day Sector Market Capitalisation} / \text{Previous day Sector Market Capitalisation}) \times \text{Previous day Sector Index}$

Corporate Information

Board of Directors (TTSE)

Ray A. Sumairsingh – Chairman
 Ian Narine – Deputy Chairman
 Peter Clarke
 Anton Gopaulsingh
 Godfrey Gosein
 Peter Inglefield
 Donna-Marie Johnson
 Carla Kelshall
 Wendy Kerry
 Michael Phillip
 Kavita Surat Singh

Registered Office

10th Floor,
 Nicholas Tower
 63-65 Independence Square,
 Port-of-Spain
 Trinidad, West Indies

Board of Directors (TTCD)

Michael Phillip – Chairman
 Ian Narine – Deputy Chairman
 Stephen Bayne
 Peter Clarke
 Anton Gopaulsingh
 Wendy Kerry
 Sarodh Ramkhelawan

Attorneys

Fitzwilliam, Stone, Furness-Smith & Morgan
 Attorneys-at-Law
 48-50 Sackville Street,
 Port-of-Spain

Management

Eva Mitchell – Chief Executive Officer
 Dale Dickson – Information Technology Manager (Retired)
 Marisa Latchman – Financial Accountant
 Rayna Maharaj – Marketing and Communications Officer
 Rhonda Sellier – Head, Shared Services
 Mitra Sinanan – Assistant IT Lead

Auditors

PricewaterhouseCoopers Limited
 11-13 Victoria Avenue,
 Port-of-Spain

Company Secretary

Fitzwilliam, Stone, Furness-Smith & Morgan
 Attorneys-at-Law
 48-50 Sackville Street,
 Port-of-Spain

Information and Publications

- Daily Trade Reports
- Weekly Trading Reports
- Weekly Bulletin
- Monthly Trading Reports
- Quarterly Reports
- Yearly Trading Reports
- TTSE Brochures
- TTCD Brochures
- Annual Reports

Please visit our website at www.stockex.co.tt for additional information.



Trinidad & Tobago
Stock Exchange

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