



Trinidad & Tobago
Stock Exchange
Creating Opportunities

Annual Report

2023

Our Vision

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.



Our Mission

To facilitate the efficient mobilization 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.

Our Core Values



Integrity

Adhering to the highest level of ethical, legal and regulatory standards at all times.

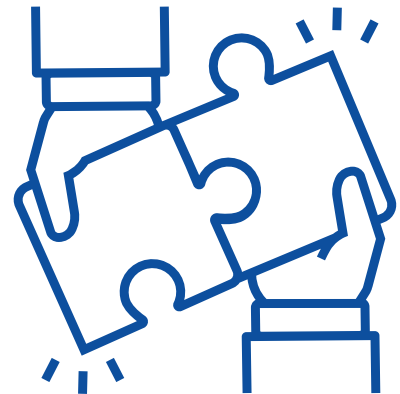


Professionalism

Maintaining the highest levels of skill and competence and leading by example to ensure we deliver on our promise of excellence to all our stakeholders.

Respect

Demonstrating appreciation and understanding of each other and our differences in all our communications.



Partnership

Developing and Strengthening sustainable relationships through collaboration and team work in seeking to achieve common goals.

Empowerment

Committing to a culture of development aimed at creating and maintaining highly knowledgeable, proactive and engaged staff and building investor awareness.

Innovation

Continuously pursuing development and creating opportunities through progressive and transformative thinking.

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NOTICE OF ANNUAL MEETING

NOTICE IS HEREBY GIVEN THAT THE TWENTY-SEVENTH ANNUAL MEETING OF THE SHAREHOLDERS OF The Trinidad and Tobago Stock Exchange Limited ("the Exchange") will be held at The Trinidad and Tobago Chamber of Industry and Commerce, The Leon Agostini Conference Hall, Columbus Circle, Westmoorings, on Friday May 24th, 2024 at 1:00pm for the following purposes:

ORDINARY BUSINESS

(1) To receive and consider the Audited Consolidated Financial Statements for the financial year ended December 31, 2023, together with the Reports of the Directors and the Auditors thereon.

(2) To re-elect Ms. Wendy Kerry as a Director under By-laws 4.3 and 4.5 respectively of By-Law No. 1 for a period ending at the close of the third Annual Meeting of the Shareholders of the Exchange following her election.

(3) To re-elect Ms. Kavita Surat Singh as a Director under By-laws 4.3 and 4.5 respectively of By-Law No. 1 for a period ending at the close of the next Annual Meeting of the Shareholders of the Exchange following her election.

(4) To re-elect Mr. Peter Inglefield as a Director under By-laws 4.3, 4.5 and 4.8 respectively of By-Law No. 1 for a period ending at the close of the next Annual Meeting of the Shareholders of the Exchange following his election.

(5) To re-elect Mr. Ray A. Sumairsingh as a Director under By-laws 4.3, 4.5 and 4.8 respectively of By-Law No. 1 for a period ending at the close of the next Annual Meeting of the Shareholders of the Exchange following his election.

(6) To elect Mr. John Peter Ellis Clarke as a Director under By-law 4.5 of By-law No. 1 for a period ending at the close of the third Annual Meeting of the Shareholders of the Exchange following his election.

(7) To re-appoint Messrs. PricewaterhouseCoopers as the Auditors of the Exchange to hold office until the close of the next Annual Meeting of the Shareholders of the Exchange.

SPECIAL BUSINESS

(8) To consider, and if thought fit, to pass an ordinary resolution to confirm the amendments to By Law No. 4.1 of By-law No. 1 of the Exchange adopted by the Directors at their meeting of February 8, 2024, which amendments provide that By-law 4.1 "Number and Powers" of the By-laws of the Trinidad and Tobago Stock Exchange Limited is hereby amended to reduce the maximum number of directors on the Board of Directors from eleven (11) directors to ten (10) directors by the deletion of paragraph 4.1 of By-law No. 1 and the insertion of the following in its place:

NOTICE OF ANNUAL MEETING

DIRECTORS

4.1 Number and Powers

The Board of Directors shall not be less than three (3) nor more than fifteen (15). Pending the passing of a resolution of the Directors declaring that it is expedient that the number of Directors should be increased or decreased (within the aforesaid limits) and until such time as a new number shall be fixed by such resolution, the number of Directors shall be ten (10).

(9) To transact any other business which may be properly brought before the Annual Meeting.



BY ORDER OF THE BOARD

Fitzstone Services Limited Secretary

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

Trinidad, West Indies.

Dated: April 26, 2024

Notes:

- No service contracts were entered into between the Company and any of its Directors.
- The Directors of the Company have not fixed a record date for the determination of shareholders who are entitled to receive notice of the Annual Meeting. In accordance with Section 111(a) (i) of the Companies Act, Ch. 81:01, the statutory record date applies. Only shareholders on record at the close of business on the date immediately preceding the date of this Notice, are therefore entitled to receive Notice of the Annual Meeting. A list of such shareholders will be available for examination by shareholders at the Company's Registered Office at 10th Floor, Nicholas Tower, 63-65 Independence Square, Port of Spain during usual business hours and at the Annual Meeting.
- A shareholder entitled to attend and vote at the Annual Meeting is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a shareholder. Attached is a Proxy Form for your convenience which must be completed and signed in accordance with the notes on the Proxy Form and then deposited at the Registered Office of the Company, 10th Floor, Nicholas Tower, 63- 65 Independence Square, Port of Spain, Trinidad at least 48 hours before the time appointed for the Meeting.
- A shareholder which is a body corporate may, in lieu of appointing a proxy, authorize an individual by resolution of its Directors or of its governing body to represent it at the Annual Meeting.

MANAGEMENT PROXY CIRCULAR

REPUBLIC OF TRINIDAD AND TOBAGO
THE COMPANIES ACT, (CHAP. 81:01)
(SECTION 144)

1.Name of Company: THE TRINIDAD AND TOBAGO STOCK EXCHANGE LIMITED Company No: T2595(C)


2.Particulars of Meeting: Twenty-Seventh Annual Meeting of the Shareholders of the Company to be held at The Trinidad and Tobago Chamber of Industry and Commerce, The Leon Agostini Conference Hall, Columbus Circle, Westmoorings, on Friday May 24th, 2024 at 1:00pm.

3.Solicitation: It is intended to vote the Proxy hereby solicited by the Management of the Company (unless the Shareholder directs otherwise) in favour of the resolutions specified in the Proxy Form sent to the Shareholders with this Circular, and in the absence of a specific direction, in the discretion of the Proxy-holder in respect of any other resolution.

4.Any Director's statement submitted pursuant to Section 76(2): No statement has been received from any Director pursuant to Section 76(2) of the Companies Act, Chap 81:01.

5.Any Auditor's proposal submitted pursuant to Section 171(1): No statement has been received from the Auditors of the Company pursuant to Section 171(1) of the Companies Act, Chap 81:01.

6.Any Shareholder's proposal submitted pursuant to Sections 116(a) and 117(2): Pursuant to Section 116(a) of the Companies Act, Chap 81:01, on March 14 2024, Republic Wealth Management Limited of 8 Rapsey Street, St. Clair, Trinidad, being the holder of 110,400 shares (more than 5% of the shares of the Company), nominated Mr. John Peter Ellis Clarke for election as a director.

Date	Name and Title	Signature
April 26, 2024	Fitzstone Services Limited Company Secretary	

Financial & Statistical Highlights

TTSE OPERATIONAL HIGHLIGHTS

	Dec. 31 2023 (Million)	Dec. 31 2022 (Million)
Operating Revenues	36.11	24.56
Cost of Sales	(7.70)	(6.44)
Operating Expenses	(11.46)	(10.31)
Operating Profit/(Loss)	16.95	7.81
Investment Income	2.47	2.49
Profit Before Taxes	19.42	10.30
Taxation	(5.71)	(3.08)
Profit for the Year	13.71	7.22

TTSE STATISTICAL HIGHLIGHTS

	Dec. 31 2023	Dec. 31 2022
Total Volume Traded	110,278,407	192,282,811
Average Daily Volume Traded	450,116	775,334
Total Value Traded	1,103,031,840	1,939,264,212
Average Daily Value Traded	4,502,171	7,819,614
Total Trades	21,744	22,946
Average Daily Trades	89	93
Composite Index	1,214.05	1,332.15
All T&T Index	1,811.02	2,007.80
Cross Listed Index	80.51	85.26
Member Organisations	8	8
New Listed Companies	0	0
Total Listed Companies	31	31
Market Capitalization (TTD Markets)	116,829,314,604	133,568,585,967
Market Capitalization (USD Market)	21,233,211	19,499,888

Notes:

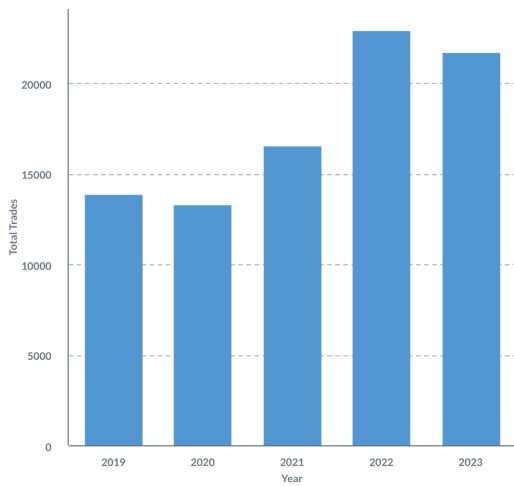
Statistics include the First Tier, Second Tier, Mutual Fund and SME markets. Put Through statistics are not included.

Trading in Mora Ven Holdings Limited (MOV) was temporarily suspended effective February 01st, 2019 in accordance with TTSE Rules 600 (8) and 601 (5).

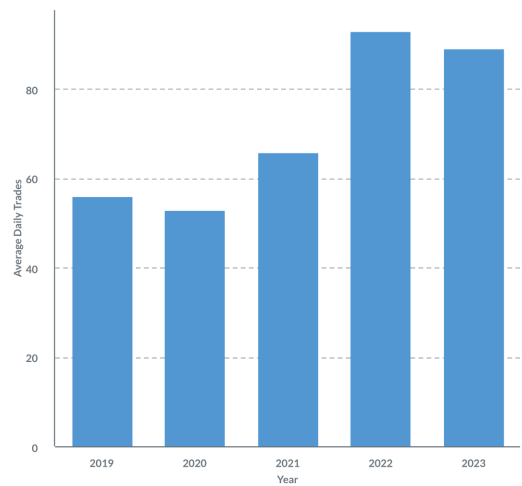
Trading in Clico Investment Fund (CIF) was suspended effective December 31st, 2022 in accordance with CIF's Trust Deed and Prospectus

Financial & Statistical Highlights

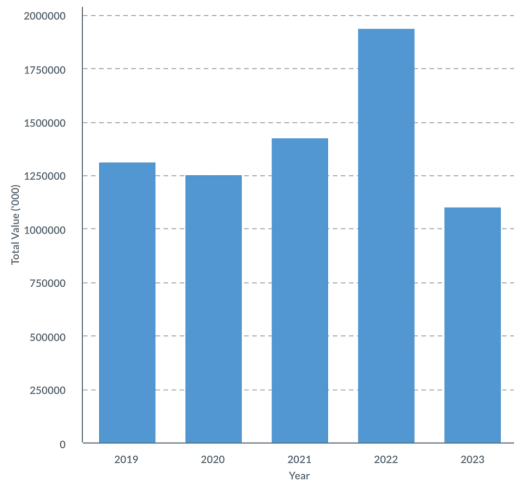
Total Trades 2019-2023



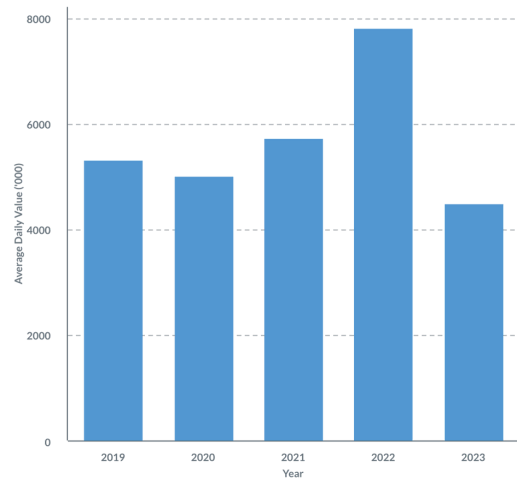
Average Daily Trades 2019-2023



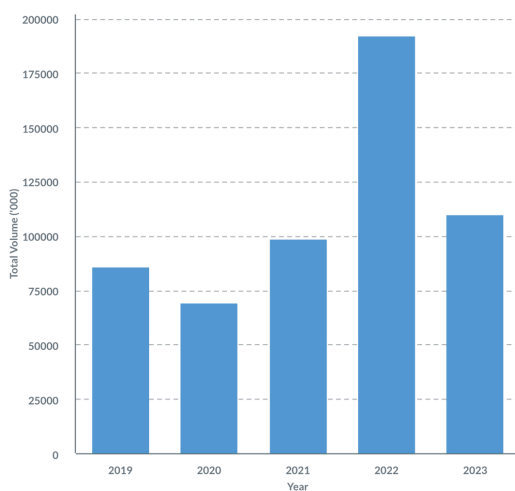
Total Value 2019-2023



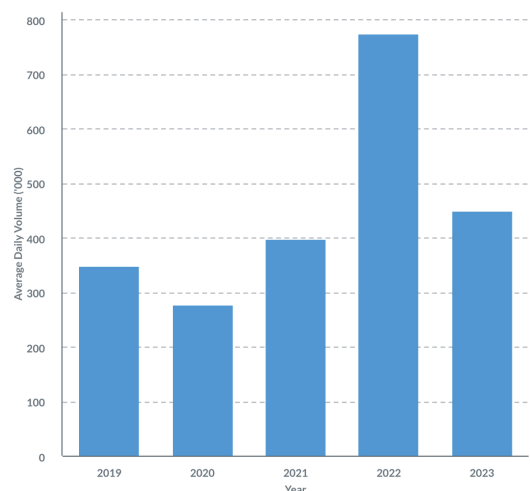
Average Daily Value 2019-2023



Total Volume 2019-2023



Average Daily Volume 2019-2023



CHAIRMAN'S REPORT

As we reflect on the performance of the Trinidad and Tobago Stock Exchange, I am pleased to address you through the 2023 Annual Report. This year the TTSE has made considerable progress towards our strategic objectives. Our progress was achieved in the face of and sometimes because of the complex international and domestic challenges faced.

Working through these hurdles afforded us the opportunity to show resilience and strategic adaptability underscoring our commitment to enhancing shareholder value and fortifying the elements of the local capital markets that are within our sphere of influence.

Financial Highlights

The Trinidad and Tobago Stock Exchange comprises the stand-alone operations of the Stock Exchange and the Trinidad and Tobago Central Depository. Both entities operate in tandem and it is often the case that their contribution to consolidated profit will vary from year to year.

The consolidated net profit after tax for 2023 stood at \$13.7 million. This represented a 90 percent increase from the previous year. While in 2022 trading activity was the standout, in 2023 revenues were driven by significant put through transactions. The expense profile of the Group is representative of the focus on business development and adapting to the dynamic and changing landscape faced by the TTSE. It was considered prudent to utilize revenue outcomes for business development with the long-term objective of enhancing shareholder value.

Despite a rise in the Group's expenses, crucial for advancing its strategic direction, the board of directors deemed it essential to acknowledge shareholders by approving a dividend of \$3.50 per share for the year ended December 31, 2023. This amounted to a dividend pay-out ratio of forty percent (40%).

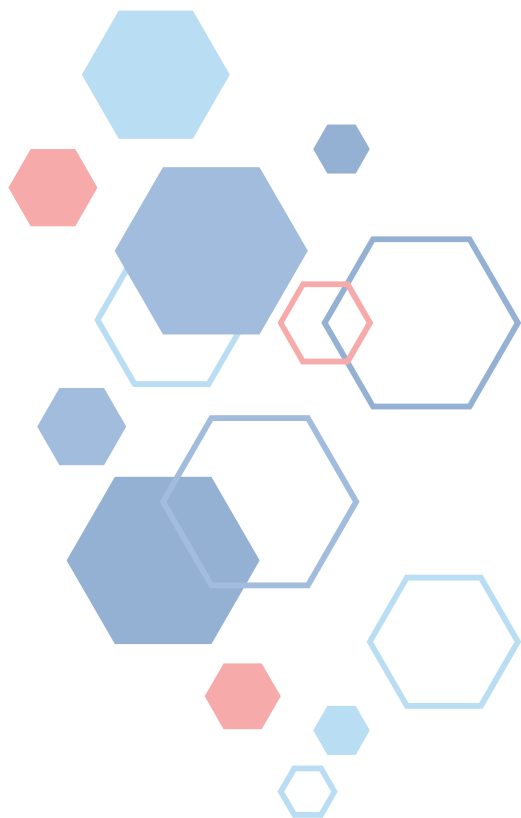
Regulatory Advancements

Market stability and market efficiency form a core strategic pillar of the TTSE. In 2023, we achieved a significant milestone in this regard. There were substantial amendments to the TTSE Rules which were approved by The Trinidad and Tobago Securities and Exchange Commission (TTSEC) during the past year.

These updates, pivotal in our regulatory framework, include the introduction of TTSE Rule 227 – Closing of Market, TTSE Rule 210 – Bargains Put Through the Market, TTSE Rule 212 – Trading and Settlement Period and TTSE Rule 203 – Ex-Condition Trading. All market participants would be well served to ensure familiarity with these new rules.

The Closing of Market Rule was implemented in December 2023, enhancing the operational efficiency at market close. The revised Bargains Put Through Rule now provides clearer guidelines, allowing for improved trading conditions. Significantly, the adaptation of Rule 212 and Rule 203, which took effect on April 15, 2024, marks a progressive shift from T+3 to T+2 settlement periods. This change is not just about enhancing operational efficiency; it's a strategic move to align with global best practices, thus promoting investor confidence and market integrity.

CHAIRMAN'S REPORT



Enhancing Liquidity

The journey to move from T+3 to T+2 required significant effort but consistent with the theme of strategic adaptability we are aware that developed markets are moving to or have moved to T+1 and there is fervent discussion around T+0 architecture, which if realized, would likely include elements of blockchain technology. The TTSE needs to be technologically and operationally prepared for these outcomes.

I relate this to underscore the point of a continuous and in many instances an accelerating journey of transformation. Our developmental costs are an essential part of our commitment to nurture a dynamic, more liquid and growing securities market, tailored to meet the evolving needs of our stakeholders and to support broader economic growth in Trinidad and Tobago. Through these enhancements, and those to come, the TTSE is paving the way for future innovations and sustained market development.

We advance these changes in support of our second strategic pillar. Market liquidity is fundamental to price discovery and some of our regulatory changes alongside the move to T+2 were undertaken in order to improve liquidity with the added bonus of reduced risks associated with unsettled trades. By shortening the settlement period, we not only enhance the trading experience but also mitigate credit, market and liquidity risks.

When these enhancements are coupled with the Online Trading Platform (TOP), there is the opportunity for improved access to market thus allowing investors to capitalize on market opportunities in a more efficient manner.

CHAIRMAN'S REPORT

Strategic Theme: Digitalization

For the second consecutive year the TTSE hosted a capital market conference. We believe we are uniquely positioned to present this forum to the local capital market and the feedback from participants and presenters was overwhelmingly positive. We hope to build on this platform in 2024 and look forward to the continued support of capital market participants.

The 2023 conference was titled "Capital Market Digitalization: Trends and Transformations". It provided a robust platform for discussing how digital advancements are reshaping our local and regional markets.

Digitalization is another core strategic pillar of the TTSE. The conference theme is consistent with our approach to adopting digital solutions that ensure market resilience, efficiency and inclusivity. Starting with the TTCD, a digitalization project is well underway and eventually this will also encompass the operations of the TTSE. The immediate objective is to improve the response time and the level of customer focus of the TTCD and also to simultaneously position the TTCD to expand its range of service offerings to the market. We expect the TTCD's digitalization initiative to be completed by the end of 2024.

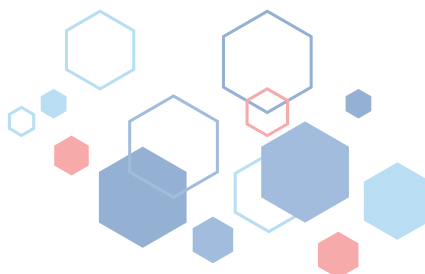
The Stock Exchange is a facilitator of market activity and this is why our internal digitalization initiatives was linked to the broader theme of capital market development via the 2023 conference. A pivotal moment at the conference was the announcement of an innovative investment product, the Index Based Security. There is still much work to be done before this initiative can come to market but the approach is in keeping with integrating technology into stock market applications. If successful, this can further investment opportunities for our local market, allowing investors to access and participate in the performance of international indices directly through the TTSE, all transacted in local currency.

I ask you to appreciate the continuous focus on innovation. At the 2022 capital markets conference we launched the Caribbean Stock Market Index. This initiative allows for a greater understanding of market dynamics across the Caribbean and provides a useful gauge of regional capital market performance.

The following year, we went a step further to announce the Index Based Security initiative and we hope to be able to bring this forward for wider discussion during the course of 2024. Overall these initiatives offer a pathway for local investors to track and participate in regional and global market trends. We are democratizing investment opportunities and enhancing our market's inclusivity and reach.

Trinidad and Tobago Central Depository

A stock exchange is more than just a trading platform. It is also about market access, market participation and custody of assets. The TTCD added two new participants to its network, including a regional participant, and in addition, the Custody Portfolio grew by 10.73 percent from the previous year. Further there was growth in the registrar and paying agency functions to the point where the TTCD now serves thirty-eight companies in the distribution of their dividends and coupon payments to investors. These services are important in supporting listed companies in their quest to deliver value to their respective shareholders.



CHAIRMAN'S REPORT

Strengthening SME Market Engagement

This year the Trinidad and Tobago Stock Exchange (TTSE) has taken major strides towards the development of the Small and Medium Enterprises (SME) sector. In a landmark initiative, TTSE has entered into strategic collaborations with two key national entities: the Trinidad and Tobago Chamber of Industry and Commerce (TTCIC) and the Unit Trust Corporation (UTC).

These partnerships were formalized through the signing of Memoranda of Understanding (MOUs). These strategic alliances are already bearing fruit, with a number of SMEs expressing interest and some engaged in active discussions around listing on the TTSE SME Market. As we move forward, TTSE remains committed to a market outreach for the SMEs.

Looking Forward

The year 2023 was both challenging and rewarding. We look forward to another exciting year ahead. Our focus will remain on enhancing our market infrastructure, attracting more listings and fostering a culture of innovation both within the TTSE and across the local capital market. We are committed to leveraging our strengths to capitalize on new opportunities and to navigate any challenges that may arise.

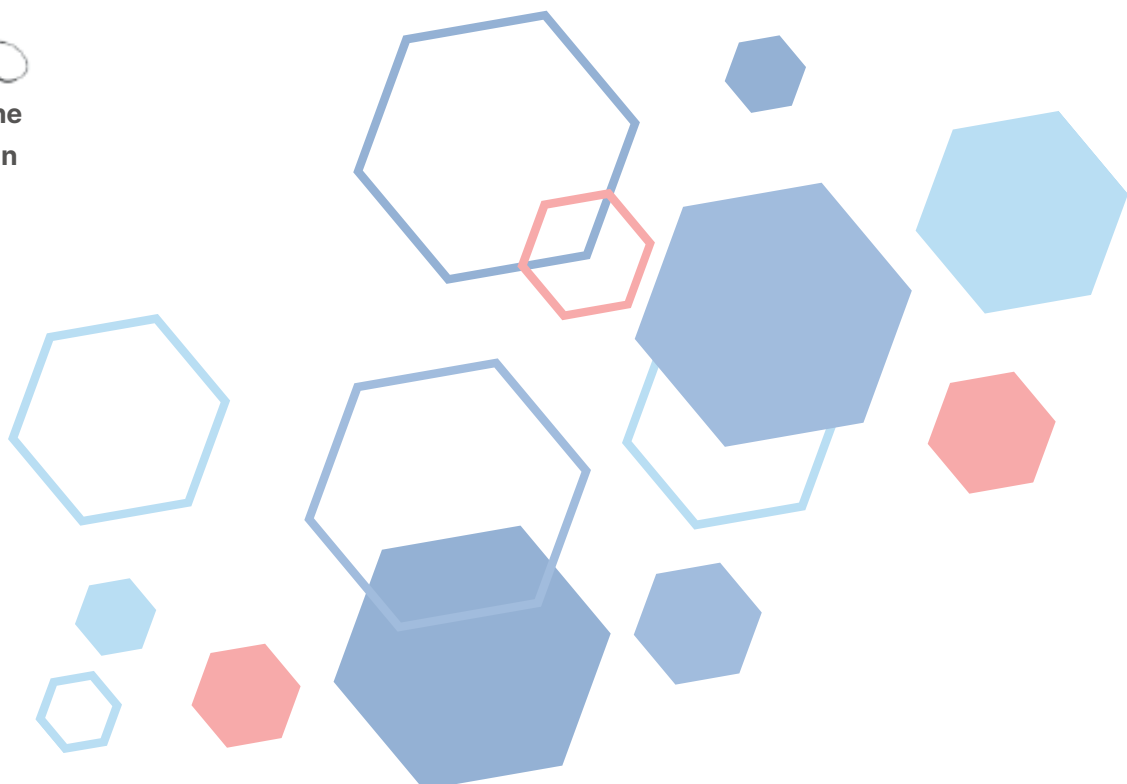
Appreciation

I would like to express my sincere gratitude to our board of directors, management team and staff for their unwavering dedication and hard work. I also extend my thanks to you, our valued shareholders, for your continued trust and support. Your confidence in our mission drives our commitment to excellence.

In closing, we are confident that we have moved beyond foundational activities and are building capacity to allow the TTSE to achieve greater heights in the coming years. We look forward to continuing this journey with you and another year of success.



Ian Narine
Chairman



CHIEF EXECUTIVE OFFICER'S REPORT

To Our Valued Shareholders,

2023 has been a year that has served to illustrate the resilience of the TTSE. Despite the challenges of decreasing equity prices locally and regionally, the TTSE continued to push forward through innovation and community engagement as we strive to provide the most efficient securities exchange in the Caribbean.

Although 2023 has had its challenges and the total value of trades fell from 2022, what has truly excited us is the emergence of the retail investor. The make-up of the investors who traded during 2023 has signified a shift towards the retail investor from the institutional investor. The retail investor now accounts for 80% of the trade activity up from 69% in 2022. This is important as it shows a growing investor base by individuals in Trinidad and Tobago.

The increased retail trade activity has coincided with the increased accessibility to the TTSE trading platform through our online trading platform, TOP. TOP is continuing its growth as it is fast becoming the preferred method of trading by the retail investor. Trading on TOP now accounts for 32% of all market trades which is 5% more than 2022. In 2024 we will continue to spread the word of the effectiveness of TOP as it is imperative for all investors to be a part of this financial inclusion tool.

Through our continuous effort to improve the investing process for the stakeholders of the TTSE, we have amended and implemented some critical parts of the TTSE Rules which were approved by the Trinidad and Tobago Securities and Exchange Commission. Two (2) of these critical rules are the TTSE Rule 227 – Closing of Market and TTSE Rule 212 – Trading and Settlement Period. These rules serve to help add price stability and reduce settlement times in the trading process respectively. The continued improvements to the TTSE Rules are imperative to foster growth and innovation in the local capital markets.

We have spoken about falling prices in 2023 from the previous year. However, there were noteworthy cases of listed companies increasing in value. Nine (9) of the listed companies listed on the TTSE recorded advancement in prices ranging from 3%-49%, this included two (2) companies trading at all-time highs.

Investors also enjoyed a healthy dividend yield from the listed companies on the TTSE. These companies averaged over 4.75% in dividend yield going as high as 25.71%, making this a great return on investment for investors.

In 2023, TTCD experienced an exhilarating and motivating year. Our unwavering dedication and tireless efforts have allowed us to maintain our position as one of the most innovative and esteemed central depositories in the country and within the region.

Throughout the year, our achievements were propelled by stalwart management and leadership, unwavering passion and rigorous commitment of our team. Through our steadfast operational excellence, we achieved positive growth, marked by solid organic expansion and enhanced profitability. This capability to broaden our portfolio and capitalize on market opportunities has led to an increase in demand for our services.

At the core of our success lies our commitment to nurturing a workplace culture that fosters collaboration, empowers individuals, and champions diversity, equity, and inclusion. We remain steadfast in our dedication to these principles, recognizing their significance in driving our continued growth and success.

The Trinidad and Tobago Stock Exchange (TTSE) achieved significant strides in market engagement through a variety of initiatives aimed at educating and involving retail investors. We hosted eighteen investor awareness sessions, including webinars organized by both TTSE and the TTCD, as well as partnered sessions with member firms. These efforts were augmented by our active participation in key tradeshows such as the UWI World of Work and The TTMA Trade and Investment Convention 2023, where we engaged with attendees through interactive booths. These engagement activities translated into tangible outcomes, with a conversion rate of 4% of webinar attendees in the second half of 2023 opening new TTCD Brokerage accounts.

CHIEF EXECUTIVE OFFICER'S REPORT

A key part of our strategy was enhancing the flow of information from the TTSE to investors. This was achieved through an increased presence on digital platforms and proactive media releases. We also expanded our online and social media reach through new marketing campaigns, specifically designed to provide valuable market data to retail investors. We experienced a 32% increase in engagement on our digital platforms compared to 2022, underscoring the growing interest and involvement of the investing public in our market.

In 2023, we hosted our second Capital Markets Conference on the theme "Capital Markets Digitalization: Trends and Transformations." The event was met with overwhelming interest, with a full registration compliment of attendees from various sectors across the local market, emphasizing the financial community's keen interest in the digitalization trends transforming the capital markets.

Further strengthening our market engagement efforts, TTSE signed separate Memoranda of Understanding (MOUs) with the Trinidad and Tobago Chamber of Industry and Commerce (TTCIC) and the Unit Trust Corporation (UTC). These agreements aim to foster the inclusion of Small and Medium Enterprises (SMEs) on the TTSE SME Market, contributing to a more vibrant and inclusive financial ecosystem.

As we look forward to 2024, the TTSE is committed to the growth of the capital markets and providing the excellence in the services we provide both externally and to our own internal family.

Financial Highlights

Building on 2022's performance, the Group maintained the momentum to settle on an excellent performance for 2023, recording a Consolidated Net Profit after Tax of \$13.7million, representing a substantial increase of 90% over 2022.

This performance was delivered by both our Core and Non-Core business lines with the most notable increase seen in transaction charges which ended the year at \$23.9M, a 99% increase over prior year.

The Group's expenses increased by 14% year on year to \$19.2 million. Administrative, Marketing and Operating Expenses increased by \$1.14 million or 11%, while Cost of Sales increased by \$1.27 million or 20%.

The Group grew its total asset base to \$123.9 million, a 12% increase over the previous year while it continued to pursue its mission to bring awareness and value to the Stock Market and to its shareholders. Through its performance, the Group was able to generate a positive Return on Capital Employed of 15% for the year ended December 31, 2023.



CHIEF EXECUTIVE OFFICER'S REPORT

Local market review

The total number of trades fell by 42.16% in the equity markets in 2023 this was a result in the fall in investment activity by institutional investors.

There was a fall in stock prices resulting in the decrease in indices across the board.

The Composite Index, decreased by 8.87% and the All T&T Index decreased by 9.8% to close at 1,214.05 and 1,811.02, respectively. The Cross-Listed index also fell recording a 4.75% decrease to close at 80.51. However, the SME index grew for a second consecutive year to close at 70.72 representing an increase of 38.91%.

First Tier Market

Trading activity in the First-Tier market fell as total value of shares traded declined by 35.98% from \$1.71 billion in 2022 to \$1.09 billion in 2023. There was a significant decrease in the trade activity by institutional investors in 2023, coupled with falling prices resulted in the decrease in trade activity in 2023.

TTD Mutual Fund Market

The value of shares traded reported a decrease of 97.14% from \$231.81 million in 2022 to \$6.62 million. The decrease activity was a result of the termination of the CLICO Investment Fund, which was terminated on the 2nd January, 2023. The final year of the CLICO Investment Fund (2022) resulted in increased trade activity resulting in the fall in 2023.

Bond Market

The Government Bond Market experienced a significant increase in the volume traded of 867% with an additional 789 trades. This was a result of the first digitally listed Government Bond traded across the Stock Exchange.

The Corporate Bond Market saw a decline of 82.81% in value traded, down from \$25.59 million in 2022 to \$4.3 million.

SME Market

In 2023, the overall market activity for the SME's had a significant increase for the year with SME trade value increasing by 536.2% from \$565 thousand in 2022 by \$3.03 million in 2023.

Regional Market - The Caribbean Exchange Index.

The Caribbean Exchange Index (CXNI) recorded a decrease in the index as prices fell regionally. The CXNI posted a decrease of 6.11% as it fell by 60.65 points.

The following table represents the local indices in the regional markets as well as the overall CXNI.

Index	2022	2023	YOY Change (Units)	YOY Change %
BSE Local Index	2,515.44	2,749.12	233.68	9.29%
ECSE Share Index	143.98	144.19	0.21	0.15%
JSE All Jamaica Index	403,080.36	367,017.85	-36,062.51	-8.95%
TTSE all T&T Index	2,007.8	1,811.02	-196.78	-9.80%
CXNI	992.61	931.96	-60.65	-6.11%

CHIEF EXECUTIVE OFFICER'S REPORT

Information Technology

Over the past year, we have made substantial progress in harnessing technology to boost efficiency, innovate customer experiences, and streamline internal operations. The commencement of a digitalization project in the Central Depository marked the foundation for a transformative journey. Currently in the implementation phase, this project is poised to significantly enhance efficiency within the depository, facilitate smoother interactions with business partners, and empower data-driven decision-making through advanced analytics, solidifying our position as industry leaders.

Our unwavering commitment to safeguarding sensitive information and upholding the trust of our stakeholders remains a top priority. Over the past year, we have heightened our cybersecurity initiatives, incorporating best practices to fortify our digital infrastructure. In the most recent quarter, we conducted a Cyber Security Maturity Assessment in collaboration with an international cybersecurity provider. This thorough evaluation scrutinized our environment, identifying potential areas for improvement to align with the ever-evolving cybersecurity landscape.

Outlook

The United States Federal Reserve (Fed) continued to increase interest rates through the first half 2023 until July-23, from then rates held steady until December 2023. The Fed reported that these increases were able to slow inflation from 6.5% in December 2022 to 3.1% in December 2023.

Locally, the Central Bank of Trinidad and Tobago's yield curve noted increases in interest rates with the 5-year yield curve increasing from 4.06 to 4.22 in 2023, with rates continuing to climb in early 2024.

In its recently concluded mission, the IMF projects a positive outlook but looming uncertainties for Trinidad and Tobago. Based on these consultations, the IMF has underscored that Trinidad and Tobago's economic outlook "is gaining momentum," and "for the first time in a decade" our economy is "undergoing a gradual and sustained recovery."

In 2024 the TTSE has major strategic and executive plans to foster activity in the local capital markets. The TTSE is continually committed to fostering innovation as we strive to be the preferred exchange in the Caribbean.

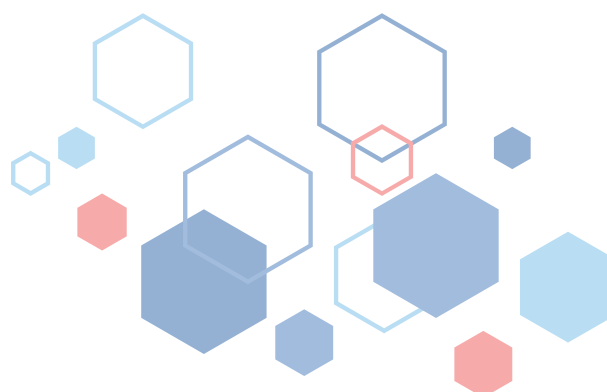
As a purpose-driven organisation and one of the leading Regional Exchanges, we are fully committed to promoting the long-term sustainability of financial markets and the prosperity of our stakeholders.

We strive to provide medium for investors to create wealth as well as providing educational opportunities as we aim to do our part in increasing the financial literacy in Trinidad and Tobago.

Acknowledgements

As we reflect on the achievements of 2023, I extend my sincere appreciation to the Board of Directors for their unwavering guidance and support. To our esteemed shareholders and stakeholders, your continued trust and partnership are deeply valued. I am also grateful to our dedicated employees whose relentless commitment and hard work have propelled us towards excellence, advancing our strategic goals and fostering the financial well-being of our local economy.


Eva Mitchell
Chief Executive Officer



MANAGEMENT DISCUSSION & ANALYSIS

Overview

The Trinidad and Tobago Stock Exchange Group comprises of the Trinidad and Tobago Stock Exchange Limited and The Trinidad and Tobago Central Depository Limited. The Management Discussion and Analysis (MDA) aims to offer Management’s perspective on the Financial Statements and Operations of the Group for the year ended 31 December 2023.

The information is provided to assist readers in understanding the Group’s financial performance during the specified period and also presents a comparative review of the current year against the previous year’s performance. It also highlights trends that may impact the future performance of the Group

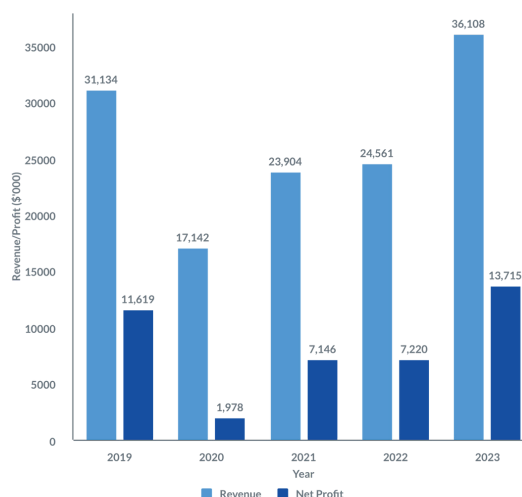
The MDA should be read in conjunction with the Audited Consolidated Financial Statements and the accompanying notes.

Summary of Operations

The consolidated operations for the financial year ended December 31, 2023 showed an excellent performance as compared to 2022. The enthusiasm displayed by investors towards the Stock Market in 2022 showed significant improvement in 2023. This resulted in a significant overall financial performance for the Group when compared to prior year.

The Group recorded a profit after tax of \$13.7 million, a significant increase of 90% compared to the prior year’s profit after tax of \$7.2 million.

Diagram 1: Revenue and Profit



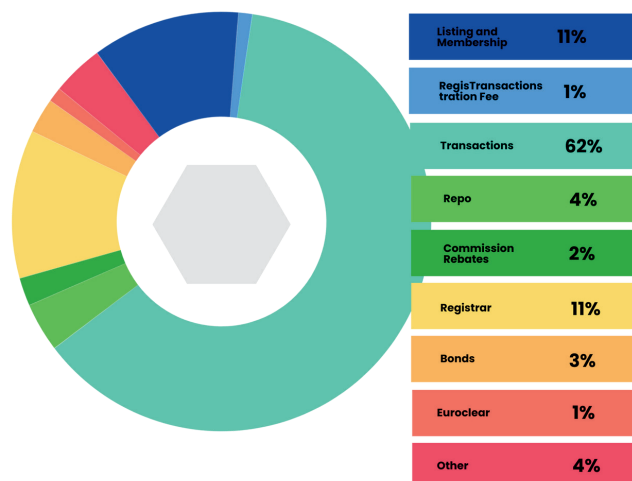
Total Revenue

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

The Group recorded revenue of \$36.1 million for the year ended December 31, 2023, 47% higher than last year’s revenue of \$24.6 million. Consistent with 2022, revenue continued to be generated from the Group’s core business lines.

Earnings from Customer transaction charges increased by 99% over the previous year to \$23.9 million followed by Registrar fees which rose by 5% ending 2023 at \$4.1 million.

Diagram 2: Revenue Streams



MANAGEMENT DISCUSSION & ANALYSIS

Investment Income

Income earned from investments of \$2.5 million for the year ended December 31, 2023 accounted for 6% of the overall revenue earned by the Group for the period. In 2022, income derived from the Group's investment portfolio was \$2.5 million. Income continued to be earned at a similar rate with no change being recorded over the prior year's earnings.

61% of Investment Income was earned from the Group's bond portfolio, which consists of a mix of Government of Trinidad and Tobago (GOTT) Bonds and Corporate Bonds. The remaining 39% was earned from Investments in Mutual funds, denominated in both Trinidad and Tobago and United States dollars. The average rate of return on the Group's investment portfolio for the year ended December 31, 2023 was 2.55%.

Investments undertaken by the Group must optimise portfolio returns, reflect the portfolio's risk profiles, investment horizons and liquidity as laid out in governing Investment Policy.

Expenses

The Group incurred total expenses for the year of \$19.2 million, representing an overall increase of 14% over 2022. Cost of Sales comprised 40% of total expenses for the year and increased by 20% to \$7.70 million. Administrative expenses accounted for 4% of overall cost, with a significant increase of 17% over prior year. Marketing expenses increased significantly over prior period by 242%, but made up only 2% of the overall cost. Operating costs rose by 9% and contributed to 54% of the overall cost incurred for the year.

Although year on year costs increased, Management continues to maintain tight controls over expenditure by ensuring expenditure is in line with budget.

Diagram 3: Investment Income

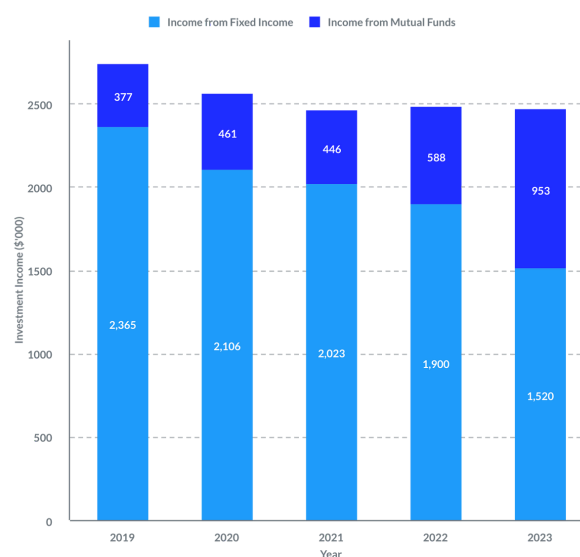
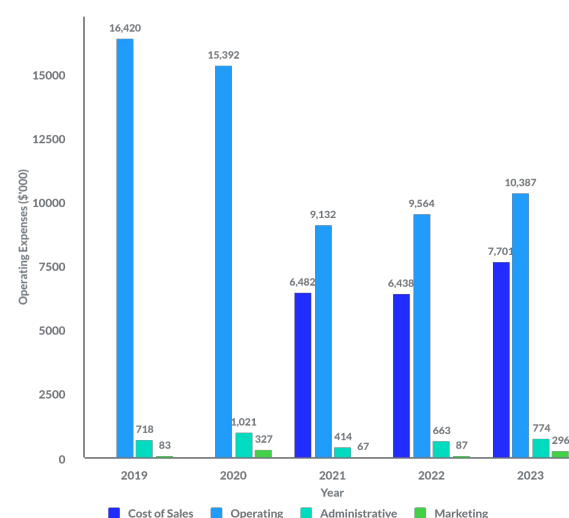


Diagram 4: Expenses



MANAGEMENT DISCUSSION & ANALYSIS

Total Assets

The Group continues to build on its strong asset base with an increase in total assets to \$123.9 million for 2023, representing a 12% increase over 2022. The group recorded return on total assets of 16% year on year.

The composition of Total Assets for 2023 and 2022 is detailed below:

	2023	2022
Cash on Deposits	26%	37%
Financial Assets	52%	30%
Property & Equipment	6%	6%
Cash at Bank & In Hand	5%	15%
Other Assets	11%	12%

Cash on Deposits accounts for the 26% of the total asset base as compared to 37% in 2022. Financial assets was recorded as 52% of total assets while Cash at Bank and on hand and other assets were 5% and 11% respectively. Movement in other assets classes were immaterial.

Return on Equity

A positive Return on Equity (ROE) of 12% was generated from the Group's operations for the year ended 2023. This is an increase in the level of return registered in 2022 which stood at 7%.

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.

Diagram 5: Total Assets

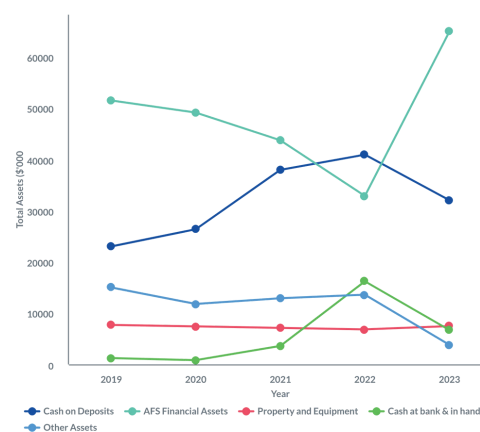
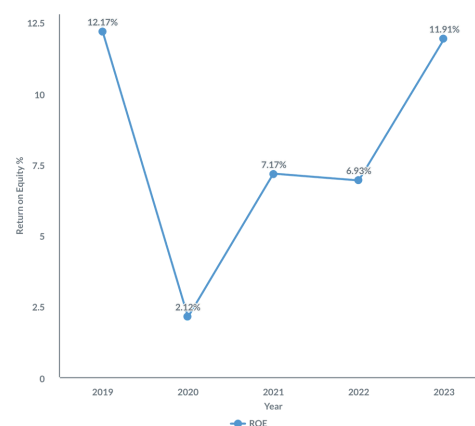


Diagram 6: Return on Equity



MARKET OPERATIONS AND PERFORMANCE

Overview

The overall bearish market sentiment was evident by the 8.87% year-on-year (YOY) decline in the Composite Index. Notwithstanding falling prices and lower trade values, the First-Tier Market saw a marginal increase of 1.53% in the number of trades and the SME Index increased by 38.91% YOY. Following the redemption of the Clico Investment Fund (CIF), the Mutual Fund Market witnessed a substantial decrease in trade activity. Activity in the Corporate Bond Market reported a decline in activity, while the Government Bond Market experienced a notable increase in the number of trades due to higher retail client activity. Further insights into the market's overall performance as well as information relating to major market transactions during 2023 are provided below:

2023 Major Market Transactions

CLICO Investment Fund (CIF) – Termination of Fund

In accordance with its trust deed, CIF was terminated on its redemption date i.e. January 2nd, 2023. In light of this, trading in CIF was suspended after trading on December 30th, 2022.

Pursuant to the trust deed guiding the termination of CIF, the assets of the fund were distributed to unitholders on record as at January 5th, 2023. The assets distributed included Republic Financial Holdings Limited (RFHL) ordinary shares, GORTT Series II, 4.25% Bond due October 31st, 2037, with a face value of TT\$702.867 (J314) and cash. J314 was subsequently listed on the TTSE Government Bond Market on January 30th, 2023.

CinemaOne Limited (CINE1) – 1 for 4 Rights Issue

Pursuant to an Information Memorandum, CINE1 offered a 1 for 4 Rights Issue of up to 1,601,574 shares to its existing shareholders. The subscription price for the Rights Issue was TT\$4.42 per share. The Offer opened on January 11th, 2023 and closed on January 18th, 2023.

Following the closure of the Offer, 1,601,574 ordinary shares of CINE1 were listed on the Stock Exchange effective January 26th, 2023, increasing the Company's issued share capital to 8,007,869 ordinary shares.

First Tier Market

Indices Performance

The downward market trend witnessed in 2022 continued into 2023 with lower market indices performance. The All T&T Index reported the largest decline of 9.80% closing at 1,811.02 followed by the Composite Index which registered a decline of 8.87% to close at 1,214.05, and the Cross-Listed Index reported a decline of 5.57% closing at 80.51 (Refer to Table 1 and Diagrams 1, 2 & 3).

Diagram 1: Composite Index Values 2019 - 2023

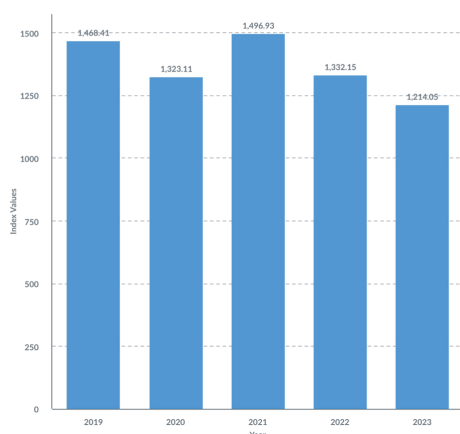


Diagram 2: All T&T Index Values 2019 - 2023

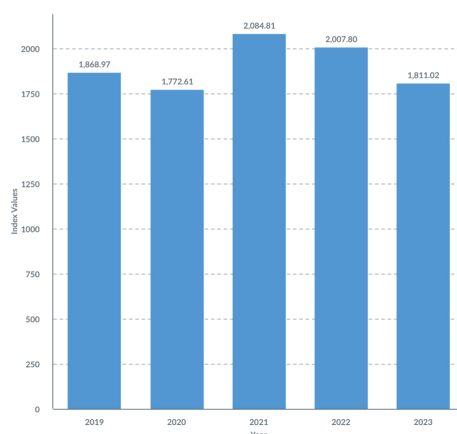
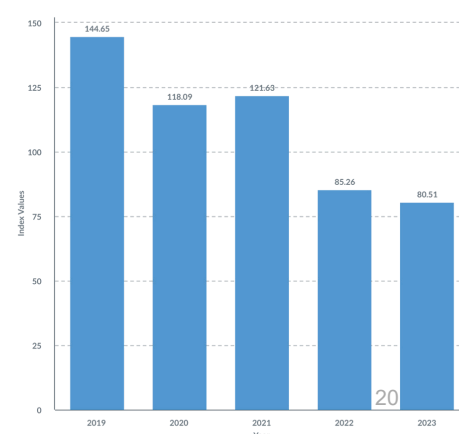


Diagram 3: Cross Listed Values 2019 - 2023



MARKET OPERATIONS AND PERFORMANCE

Table 1: Market Index Performance (2022/2023)

Index	Value 2022	Value 2023	YOY (unit Δ)	YOY (% Δ)
Composite	1,332.15	1,214.05	(118.10)	(8.87)
All T&T	2,007.80	1,811.02	(196.78)	(9.80)
Cross Listed	85.26	80.51	(4.75)	(5.57)

Market Capitalisation

As prices continued to decline across the equity markets during 2023, the market capitalisation of the First Tier Market fell to \$115.74 billion, as shown in Diagram 4. This represented a decrease of \$11.24 billion or 8.85% over the previous year.

Traded Volume and Value

The First Tier Market recorded 21,264 trades in 2023 (excluding Put-Through transactions), representing an increase of 1.53% over the previous year. Total volume traded was 106.16 million shares, valued at \$1.09 billion. This represented a decrease of 42.39% and 35.98%, respectively when compared to 2022, as shown in Table 2.

Diagram 4: First-Tier Market Capitalisation 2022 vs 2023

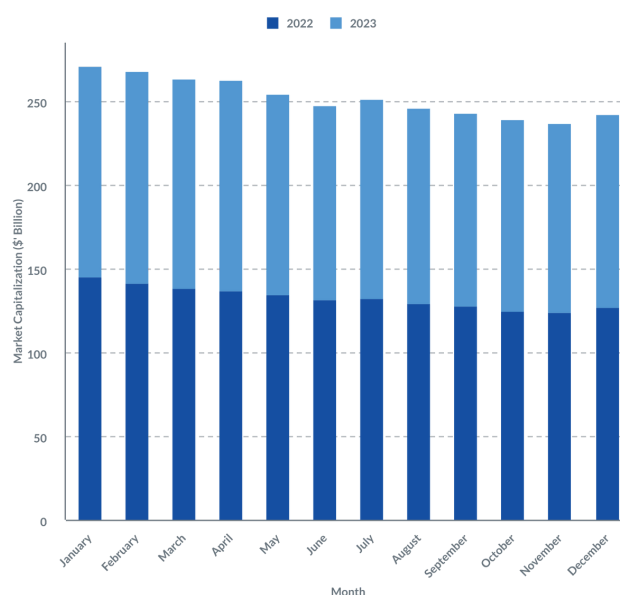


Table 2: First Tier Market Performance (YOY)

	Value 2022	Value 2023	YOY (unit Δ)	YOY (% Δ)
Number of Trades	20,944	21,264	320	1.53
Volume of Shares Traded ('000)	184,265	106,160	(78,106)	(42.39)
Value of Shares Traded (TT\$'000)	1,706,893	1,092,815	(614,079)	(35.98)

Sectoral Performance:

Five (5) out of the eight (8) sectoral indices declined during 2023.

For the second consecutive year, the Trading sector recorded the largest YOY gain of 37.60% (130.90 points). It was followed by the Property Sector with a gain of 12.10 points or 8.50%.

MARKET OPERATIONS AND PERFORMANCE

Conversely, the largest YOY decline was recorded in the Energy sector, which ended the year 61.05 points lower than the previous year, a decline of 52.61%. This information is shown in Table 3 below.

Table 3: Market Index Performance (YOY)

Sector	2022	2023	YOY (unit Δ)	YOY (%Δ)
Trading	348.15	479.05	130.90	37.60
Property	142.35	154.45	12.10	8.50
Conglomerates	3,294.44	3,309.80	15.36	0.47
Banking	1,076.65	995.53	(81.12)	(7.53)
Non-Banking Finance	1,103.15	934.17	(168.98)	(15.32)
Manufacturing II	450.67	359.38	(91.29)	(20.26)
Manufacturing I	1,829.65	1,257.84	(571.81)	(31.25)
Energy	116.05	55.00	(61.05)	(52.61)

Individual Share Performance

Volume of Shares Traded

The market's three (3) most actively traded securities for 2023, based on the volume of shares traded, were Massy Holdings Ltd (Massy). MASSY (traded volume: 46.07 million), National Enterprises Limited (NEL) (traded volume: 15.42 million) and GraceKennedy Limited (GKC) (traded volume: 8.01 million), (refer to Diagram 5).

The Conglomerates Sector was the most active sector by volume in 2023, recording 55.19 million shares traded (or 51.99% of the market's total volume), followed by the Non-Banking Finance Sector with 25.01 million shares traded (23.56% of the market's total volume), (refer to Diagram 6).

Value of Shares Traded

Republic Financial Holdings Limited (RFHL) reported the highest traded share value in 2023 with a total traded value of \$321.08 million, which represented 29.38% of the market's total activity.

Diagram 5: 2023 Security Performance by Volume as % of First Tier Volume Traded

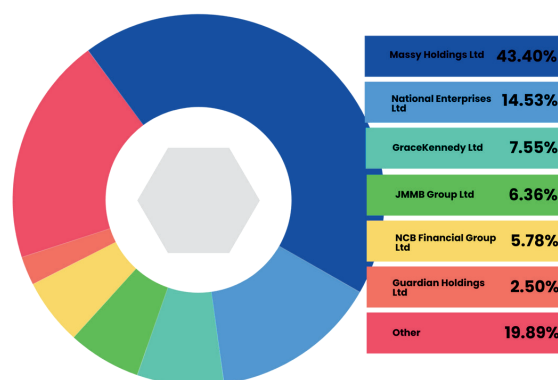
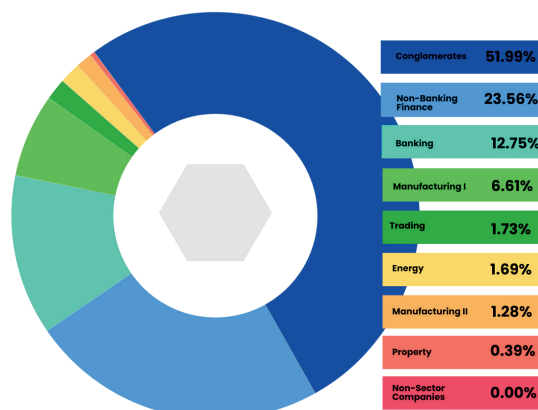


Diagram 6: 2023 Sector Performance by Volume as % of the First Tier Market Volume Traded



MARKET OPERATIONS AND PERFORMANCE

MASSY recorded a total traded value of \$216.01 million while First Citizens Group Financial Holdings Limited (FCGFH) ended the year with a total traded value of \$85.30 million, representing 19.77% and 7.81% respectively, of the market's total trade value for the year, (refer to Diagram 7).

The Banking Sector was the largest contributor to value traded with a total of \$509.15 million in 2023 or 46.59% of the market's total traded value, followed by the Conglomerates Sector with \$302.14 million or 27.65% of the market's total activity, (refer to Diagram 8).

Price Movement

Reflective of the market's performance in 2023, the number of price declines outweighed advances in the First-Tier market with an advance/decline ratio of 2:3. Prestige Holdings Limited (PHL) trended upward, reporting a significant increase of 48.09% (or \$3.02), followed by Agostini's Limited (AGL), National Flour Mills Limited (NFM), and FirstCaribbean International Bank Limited (FCI) who registered increases of 36.98% (or \$18.49), 29.33% (or \$0.44) and 29.17% (or \$1.59), respectively.

The West Indian Tobacco Company Limited (WCO) recorded the largest decline for 2023 with a decline of 57.64% (\$12.11), while Trinidad and Tobago NGL Limited (NGL), Guardian Holdings Limited (GHL) and JMMB Group Limited (JMMBGL) reported declines of 52.61% (or \$12.21), 29.86% (or \$8.06) and 29.32% (or \$0.56) respectively.

Second Tier Market

No trading activity was recorded in the Second Tier market for 2023. ^[1]

SME Market

The SME market reported an improvement in trading activity for 2023 with 139 trades, traded volume was 474,626 shares, valued at \$3.60 million. This represented YOY advances of 4.51%, 487.64% and 536.22% respectively. CINE1 contributed the most trading activity in this market, representing 88.13% of the market's total traded value and 92.74% of the traded volume, while Endeavour Holdings Limited (EHL) accounted for the remaining 11.87% and 7.26%, respectively.

Index Performance:

Despite the reported declines across the First Tier market indices, the SME Index closed 2023 at 19.81 points (or 38.91%) higher than 2022's value. (Refer to Table 4 and Diagram 9).

Diagram 7: 2023 Performance by Value as % of First Tier Trade Value

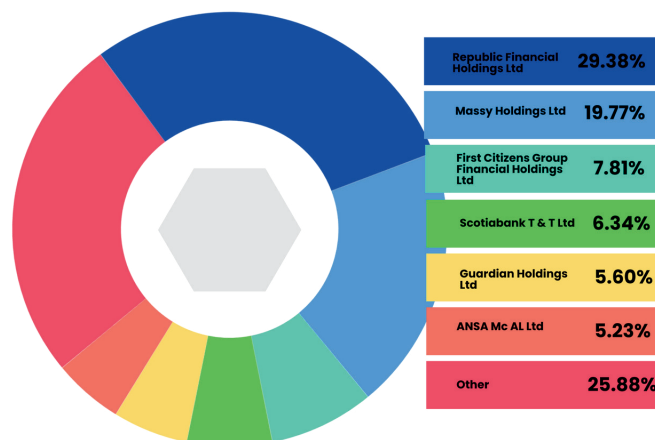
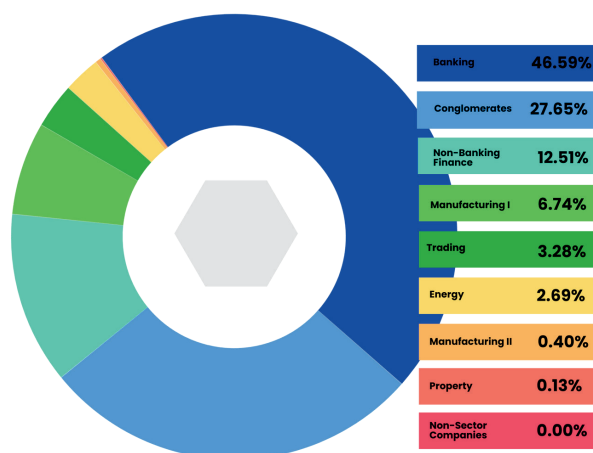


Diagram 8: 2023 Sector Performance by Market Value as % of First Tier Trade Value



[1]Mora 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).

MARKET OPERATIONS AND PERFORMANCE

Table 4: SME Market Index Performance (2022/2023)

Index	Value 2022	Value 2023	YOY (unit Δ)	YOY (% Δ)
SME	50.91	70.72	19.81	38.91

Price Movement

On a YOY basis CINE1 reported a price decline of 12.20% (\$1.00) while EHL rose by 49.71% (\$4.35).

Mutual Fund Market

The Mutual Fund Market recorded 341 trades for 2023, a decrease of 81.75% over the previous year. Similarly, the total traded volume reported a decrease to 3.64 million shares while total trade value was \$6.62 million, representing decreases of 54.09% and 97.14%, respectively. The market capitalisation of the Mutual Fund Market contracted by 90.21% for the year, due to CIF's termination, hence ending 2023 at \$602.76 million (refer to Table 5).

Diagram 9: SME Index Values 2019 - 2023

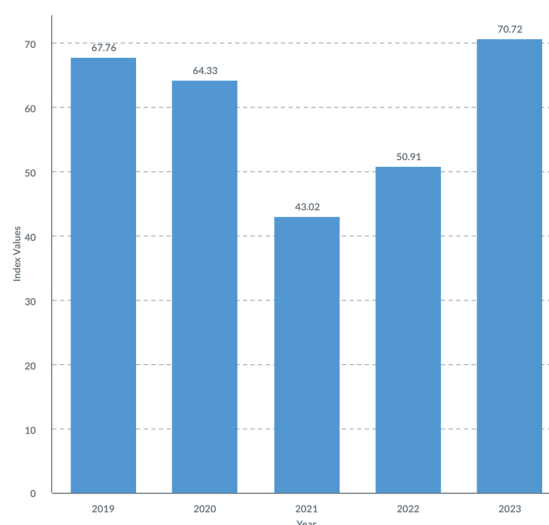


Table 5: Mutual Fund Market Performance (YOY)

	Value 2022	Value 2023	YOY (unit Δ)	YOY (%Δ)
Number of Trades	1,869	341	(1,528.00)	(81.75)
Volume of Shares Traded ('000)	7,937	3,644	(4,292.70)	(54.09)
Traded Value (TT\$'000)	231,806	6,620	(225,186.05)	(97.14)
Market Capitalisation (TT\$'000)	6,155,477	602,755	(5,552,721.66)	(90.21)

Individual Share Performance

Calypso Macro Index Fund (CALYP) accounted for 98.53% (or 336 trades) of the trades in the Mutual Fund market.

Eppley Caribbean Property Fund Limited SCC - Value Fund (CPFV) recorded the highest trade value of 3.57 million, which represents 53.95% while CALYP accounted 31.93% of the market's total value traded.

MARKET OPERATIONS AND PERFORMANCE

Price Movement

CALYP and Eppley Caribbean Property Fund Limited SCC - Development Fund (CPFD) registered price advances of 11.11% and 4.41%, respectively, over the previous year to close at \$23.50 and \$0.71, respectively.

Government Bond Market

Pursuant to the termination of CIF, its investors were allocated holdings in a Government of the Republic of Trinidad and Tobago bond J314. On January 30th, 2023, the J314 bond was listed on the TTSE Government Bond Market. The details of these bonds appear in Table 6.

The Government Bond market recorded 880 trades in 2023, representing a significant increase of 867.03% over the previous year. J314 accounted for 97.39% (or 857 trades) of the Government Bond Market trades. Total face value and total traded value decreased to \$455.09 million and \$463.52 million, respectively, which represented declines of 42.56% and 46.79%, respectively, over 2022. .

In 2023, two Government Bonds matured. This information is presented in Table 7

Table 6: 2023 Government Bond Listings

Details	Bonds
Symbol	J314
ISIN	TTK02537J314
Face Value	TT\$702.86 million
Coupon Rate	4.25%
Issue Date	31/10/12
Maturity Date	31/10/2037
Tenor	25 Years
Payment Schedule	Semi Annual
Coupon Payment Dates	April 30th, October 31st

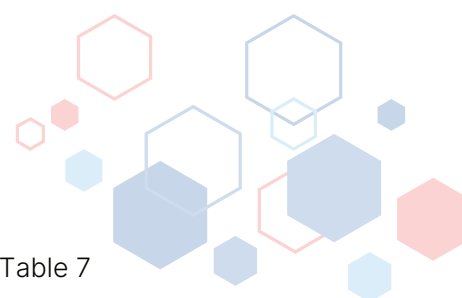


Table 7: 2023 Matured GORTT Bonds

Security Description	Symbol	Coupon Rate	Tenor (Years)	Maturity Date
\$794M Government of Trinidad & Tobago 5.95% 20.04.2023	D206	5.95%	13.00	20-Apr-23
\$559.271M Government of Trinidad & Tobago 2.50% 06.08.2023	H062	2.50%	10.00	06-Aug-23

Corporate Bond Market

The Corporate Bond Market recorded 98 trades in 2023, declining by 85 trades or 46.45% over 2022. The trades carried a total face value and trade value of \$4.26 million and \$4.31 million, respectively, declining 82.81% and 83.14% over the previous year.

De-listings

In 2023, one Corporate Bond matured and was subsequently delisted during the year 2023. This information is presented in Table 8.

MARKET OPERATIONS AND PERFORMANCE

Table 8: 2023 Matured Corporate Bond

Security Description	Symbol	Coupon Rate	Tenor (Years)	Maturity Date
\$1,200M NIF Series A 4.50% 09.08.2023	NIF090823	4.50%	5.00	09-Aug-23

Market Summary

Tables 9, 10 and 11 show the YOY changes in various categories based on the overall level of trade activity across all markets of the TTSE.

US Dollar Market

The USD Equity Market recorded 1 trade with a total traded volume of 100 shares and a traded value of \$98.00 USD in 2023.^[2]

Table 9: First Tier, Second Tier, SME and Mutual Funds Market Highlights

	2023	2022	% Change
Trades	21,744	22,946	(5.24)
Volume ('000)	110,278	192,283	(42.65)
Value (TT\$'000)	1,103,032	1,939,264	(43.12)
Put Through Transactions¹	802	510	57.25
Put Through Volume ('000)¹	29,243	22,083	32.43
Put Through Value (TT\$'000)¹	1,056,222	458,336	130.45
Market Capitalisation (TT\$'000,000)	116,829	133,470	(12.47)
Composite Index	1,214.05	1,332.15	(8.87)
All T&T Index	1,811.02	2,007.80	(9.80)
Cross Listed Index	80.51	85.26	(5.57)
SME Index	70.72	50.91	38.91

^[1] The figures for 2022 excludes special-case Put-Through transactions totalling a volume of 10.87 million, valued at \$543.48 million. The figures for 2023 excludes special-case Put-Through transactions totalling a volume of 54.52 million, valued at \$5,894.21 million.

^[2] MPC Caribbean Clean Energy Limited (MPCCEL) is the only company currently listed on the USD Equity Market.



MARKET OPERATIONS AND PERFORMANCE

Table 10: Government Bond Market Highlights

	2023	2022	% Change
Trades	880	91	867.03
Face Value (TT\$'000)	455,087	792,249	(42.56)
Trade Value (TT\$'000)	463,516	871,121	(46.79)
Put Through Transactions^s	50	-	100.00
Put Through Face Value (TT\$'000)²	3,912	-	100.00
Put Through Trade Value (TT\$'000)²	3,381	-	100.00
Market Size (TT\$'000,000)	13,655	14,305	(4.55)

^[2] The figures for 2023 excludes special-case Put-Through transactions totalling a face value of \$28.38 million, valued at \$24.96 million.

Table 11: Corporate Bond Market Highlights

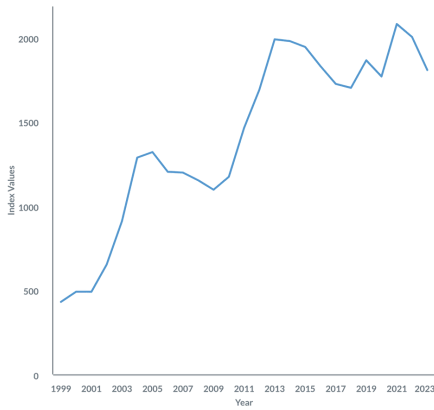
	2023	2022	% Change
Trades	98	183	(46.45)
Face Value (TT\$'000)	4,258	24,774	(82.81)
Trade Value (TT\$'000)	4,313	25,587	(83.14)
Put Through Transactions³	7	15	(53.33)
Put Through Face Value (TT\$'000)³	827	2,647	(68.76)
Put Through Trade Value (TT\$'000)³	854	2,721	(68.61)
Market Size (TT\$'000,000)	2800	4,000	(30.00)

^[3] The figures for 2023 excludes special-case Put-Through transactions with a face value of \$14.91 million, valued at \$15.21 million.

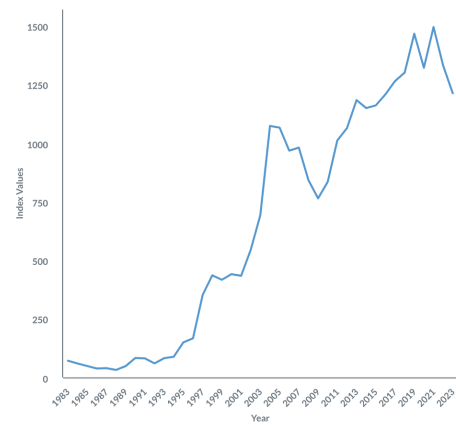


Equity Market Activity

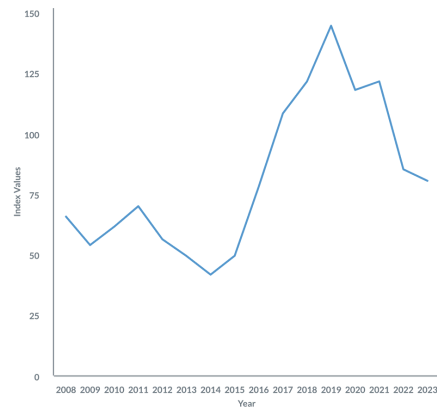
All T&T Index 1999-2023



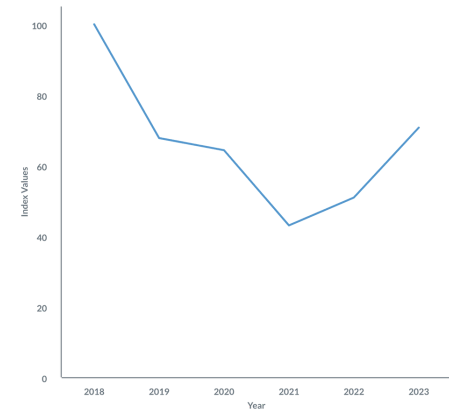
Composite Index 1983-2023



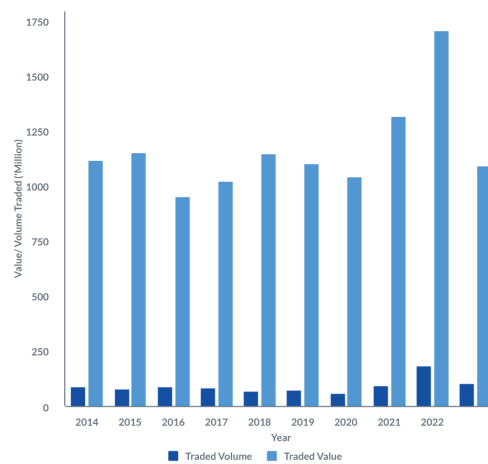
Cross Listed Index 2008-2023



SME Index 2018-2023



Volume and Value of Shares Traded 2014-2023



Our Board of Directors



Ian Narine
Chairman



Anton Gopaulsingh
Deputy Chairman



Ray A. Sumairsingh
Director



Carla Kelshall
Director



Michael Phillip
Director



Kavita Surat Singh
Director



Peter Clarke
Director



Donna-Marie Johnson
Director



Peter Inglefield
Director



Wendy Kerry
Director

Our Team

Eva Mitchell

Chief Executive Officer

Eva Mitchell is currently the Chief Executive Officer (CEO) of The Trinidad and Tobago Stock Exchange Limited (TTSE) and its wholly-owned subsidiary, the Trinidad and Tobago Central Depository Limited (TTCD). Ms. Mitchell joined The Trinidad and Tobago Stock Exchange Limited (TTSE) in 2016 as Manager – Market Operations, with the responsibility of overseeing the daily market operations of The Exchange.

She has over 19 years' experience in various areas of financial services such as Finance, Asset Management, Retail and Commercial Banking, and Brokerage Services. She holds a BSc. (Hons.) in Business Management from the University of New Brunswick and a MSc. in International Finance from the Arthur Lok Jack Global School of Business.

In October 2020, Ms. Mitchell assumed the position of Acting CEO of the TTSE, with overall responsibility for business development and operations of the Company and its wholly-owned subsidiary, the TTCD. In April 2021, Ms. Mitchell was appointed Chief Executive Officer of both Companies.



Rhonda Sellier
Head- Shared
Services



Jase Torry
Manager- Market
Operations



Jason Dyer
Manager - Information
Technology



Joy Ramlogan
Regulatory, Legal &
Compliance Officer



Natasha Bhola
Marketing &
Communications
Officer



Tisha-Marie Millington-Beharry
Manager – TTCD
Operations

TTSE CAPITAL MARKETS CONFERENCE 2023

OPENING CEREMONY & COCKTAIL



TTSE CAPITAL MARKETS CONFERENCE 2023

“Capital Markets Digitalization: Trends and Transformations”



DIRECTORS' REPORT

The Directors submit their Report and the Audited Financial Statements for the financial year ended December 31st, 2023. 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.

2023 Financial Highlights for the year (TT\$ Million)

Operating Revenue	36.11
Cost of Sales	(7.70)
Operating Expenses	(11.46)
Operating Profit	16.95
Investment Income	2.47
Profit before Taxes	19.42
Taxation	(5.71)
Profit for the year	13.71
Other Comprehensive Income	-----
Total Comprehensive Income for the year	13.71

Dividends

The Directors declared a dividend of \$3.50 per share for the year ended December 31st, 2023 to be paid to shareholders whose names appear on the Register of Members of the Company at the close of business on May 23rd 2024.

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.

Directors¹

In accordance with By-Laws 4.3, 4.5 and 4.8 respectively of By-Law No. 1 of the Company Messrs. Ray A. Sumairsingh and Peter Inglefield retire from the Board of Directors and being eligible, offer themselves for re-election for a period ending at the close of the next Annual Meeting of the Shareholders of the Company following their election. In accordance with By-Laws 4.3 and 4.5 respectively of By-Law No. 1 of the Company, Ms. Wendy Kerry retires from the Board of Directors and being eligible, offers herself for re-election for a period ending at the close of the third Annual Meeting of the Shareholders of the Company following her election. In accordance with By-Laws 4.3 and 4.5 respectively of By-Law No. 1 of the Company, Ms. Kavita Surat Singh retires from the Board of Directors and being eligible, offers herself for re-election for a period ending at the close of the next Annual Meeting of the Shareholders of the Company following her election.

¹ Ms. Carla Kelshall retires from the Board of Directors and has not offered herself for re-election.

DIRECTORS' REPORT

In accordance with By-law 4.5 of By-Law No. 1 of the Company, Mr. John Peter Ellis Clarke, being eligible, offers himself for election for a period ending at the close of the third Annual Meeting of the Shareholders of the Company following his 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 26, 2024



CORPORATE GOVERNANCE OVERVIEW

Strong Corporate Governance is a critical element in the long-term success of The Trinidad and Tobago Stock Exchange Limited (TTSE). The TTSE Board tasks itself with ensuring that the organisation operates within a robust 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 to develop 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 (TTSEC), regulators of the TTSE and the TTCD.

The Board continues to strengthen its adherence to sound corporate governance principles 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 in the best interest of all stakeholders. The Board's disclosure is intended to provide all stakeholders with an understanding of the TTCD's governance and its application of the Principles of the Code during the year 2023 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.

CORPORATE GOVERNANCE OVERVIEW

Role of the Board

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

Our Board of Directors acts in a manner that it considers will promote the long-term success of the TTSE for the benefit of shareholders and in the interest of stakeholders. The following includes essential 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 Officer and provides general advice relating to the management and development of the TTSE's business.
- 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

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 ten (10) members, comprising of independent and non-independent members. Of the ten (10) 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, if qualified. 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, if qualified.

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 (13) meetings for the year 2023 and an Annual Meeting. On average 89% of Directors were in attendance at meetings.

CORPORATE GOVERNANCE OVERVIEW

Board Sub Committees

In order to manage the discharge of its responsibilities, the Board set up several Committees comprised of Directors with 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:

- (1) Peter Inglefield – Chairman
- (2) Michael Phillip- Director
- (3) Wendy Kerry - Director
- (4) Carla Kelshall - Director

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:

- (1) Ray A. Sumairsingh – Chairman
- (2) Ian Narine - Director
- (3) Wendy Kerry - Director

REGULATORY COMMITTEE

The Committee oversees the compliance of the member firms of the TTSE and determines the action for the 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:

- (1) Peter Clarke – Chairman
- (2) Donna-Marie Johnson - Director
- (3) Peter Inglefield - Director
- (4) Anton Gopaulsingh – Director

NOMINATIONS COMMITTEE

The 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:

- (1) Ian Narine – Chairman
- (2) Ray A. Sumairsingh - Director
- (3) Anton Gopaulsingh – Director

Our Board of Directors and Management are committed to ensuring sound 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.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Financial Statements

31 December 2023

(Expressed in Trinidad and Tobago Dollars)



The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Statement of Management's Responsibilities

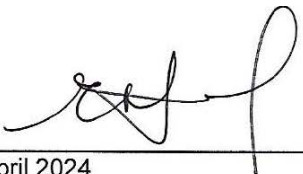
Management is responsible for the following:

- 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 2023 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 material 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 ("IFRS Accounting Standards"). Where IFRS Accounting 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.



11 April 2024 Management



11 April 2024 Management



Independent auditor's report

To the shareholders of
The Trinidad and Tobago Stock Exchange Limited

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 2023, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2023;
- 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, comprising material accounting policy information and other explanatory information.

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 Code of Ethics for Professional Accountants (including international Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other information

Management is responsible for the other information. The other information comprises The Trinidad and Tobago Stock Exchange Limited Annual Report 2023 (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.

PricewaterhouseCoopers, PO Box 51, Unit 416E JWR Avenue, South Park Plaza, San Fernando, Trinidad, West Indies
T: (868) 299 0700, www.pwc.com/tt

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 IFRS Accounting 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.

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.

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

- 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
19 April 2024

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

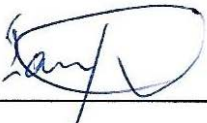
Consolidated Statement of Financial Position

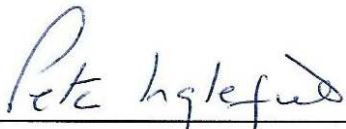
(Expressed in Trinidad and Tobago Dollars)

	Notes	As at	
		31 December 2023	2022
		\$	\$
Assets			
<i>Non-current assets</i>			
Property and equipment	4	7,484,561	6,851,695
Intangible assets	5	2,594,438	2,047,817
Financial assets at fair value through profit and loss	6a	192,184	184,976
Trade and other receivables	7	750,000	1,250,000
Financial assets at amortised cost	6b	39,659,300	22,101,845
		<u>50,680,483</u>	<u>32,436,333</u>
<i>Current assets</i>			
Trade and other receivables	7	4,495,434	5,551,239
Financial assets at amortised cost	6b	25,186,870	10,624,616
Cash on deposit	8	32,074,371	40,975,149
Cash in hand and at bank		6,722,107	16,232,546
Taxation recoverable		<u>4 772 056</u>	<u>4 775 791</u>
		73,250,838	78,159,341
Total assets		123 931 321	110,595 674
Equity and liabilities			
<i>Capital and reserves</i>			
Stated capital	9	8,326,655	8,326,655
Retained earnings		106,818,033	95,814,415
Total equity		<u>115,144,688</u>	<u>104,141,070</u>
<i>Non-current liabilities</i>			
Deferred tax liability	10	<u>211,056</u>	<u>265,422</u>
<i>Current liabilities</i>			
Trade and other payables	11	7,924,965	5,971,116
Taxation payable		650,612	218,066
		8 575 577	6,189,182
Total liabilities		8,786,633	6 454 604
Total equity and liabilities		123,931,321	110,595 674

The notes on pages 48 to 73 are an integral part of these consolidated financial statements.

On 11 April 2024, the Board of Directors of The Trinidad and Tobago Stock Exchange Limited and its Subsidiary authorised these consolidated financial statements for issue.


 _____ Director


 _____ Director

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Consolidated Income Statement

(Expressed in Trinidad and Tobago Dollars)

		Year ended 31 December	
	Notes	2023 \$	2022 \$
Revenue			
Fees, commissions and charges	12	<u>36,107,565</u>	<u>24,561,350</u>
Cost of sales	13	<u>(7,701,283)</u>	<u>(6,438,056)</u>
Gross profit		<u>28,406,282</u>	<u>18,123,294</u>
Expenses			
Administrative		(773,991)	(663,162)
Marketing		(296,273)	(86,560)
Operating		(10,387,232)	(9,564,346)
	13	<u>(11,457,496)</u>	<u>(10,314,068)</u>
Operating profit		16,948,786	7,809,226
Investment income	14	<u>2,473,993</u>	<u>2,488,368</u>
Profit before taxation		19,422,779	10,297,594
Taxation	15	<u>(5,708,089)</u>	<u>(3,077,146)</u>
Profit for the year		<u>13,714,690</u>	<u>7,220,448</u>

The notes on pages 48 to 73 are an integral part of these consolidated financial statements.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Consolidated Statement of Comprehensive Income

(Expressed in Trinidad and Tobago Dollars)

	Year ended 31 December	
	2023	2022
	\$	\$
Profit for the year	13,714,690	7,220,448
Other comprehensive income	<u> --</u>	<u> --</u>
Total comprehensive income for the year	<u>13,714,690</u>	<u>7,220,448</u>

The notes on pages 48 to 73 are an integral part of these consolidated financial statements.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Consolidated Statement of Changes in Equity

(Expressed in Trinidad and Tobago Dollars)

	Note	Stated capital \$	Retained earnings \$	Total equity \$
Year ended 31 December 2023				
Balance as at 1 January 2023		8,326,655	95,814,415	104,141,070
Total comprehensive income for the year:				
Profit for the year		--	13,714,690	13,714,690
Transactions with owners:				
Dividends paid	17	--	(2,711,072)	(2,711,072)
Balance at 31 December 2023		<u>8,326,655</u>	<u>106,818,033</u>	<u>115,144,688</u>
Year ended 31 December 2022				
Balance as at 1 January 2022		8,326,655	91,376,047	99,702,702
Total comprehensive income for the year:				
Profit for the year		--	7,220,448	7,220,448
Transactions with owners:				
Dividends paid	17	--	(2,782,080)	(2,782,080)
Balance at 31 December 2022		<u>8,326,655</u>	<u>95,814,415</u>	<u>104,141,070</u>

The notes on pages 48 to 73 are an integral part of these consolidated financial statements.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Consolidated Statement of Cash Flows

(Expressed in Trinidad and Tobago Dollars)

	Notes	Year ended 31 December	
		2023 \$	2022 \$
Cash flows from operating activities			
Profit before taxation		19,422,779	10,297,594
Adjustments to reconcile profit to net cash provided by/(used in) operating activities:			
Depreciation	4	611,052	381,252
Amortisation	5	465,160	640,508
Investment income	14	(2,473,993)	(2,488,368)
(Gain)/loss on disposal of property and equipment	4	(24,548)	1,167
ECL movement	6b,7	84,702	60,106
		18,085,152	8,892,259
Changes in operating assets/liabilities:			
Decrease/(increase) in trade and other receivables		1,496,122	(857,194)
Decrease in trade and other payables		1,951,149	2,679,654
Net tax payments		(5,326,176)	(5,015,270)
Net cash provided by operating activities		<u>16,206,247</u>	<u>5,699,449</u>
Cash flows from investing activities			
Interest received		2,418,345	2,436,816
Proceeds from maturity of investment		6,020,668	10,808,666
Proceeds on disposal of property and equipment		32,040	--
Purchase of available for sale financial asset		(38,114,254)	--
Purchase of equipment	4	(1,251,410)	(98,004)
Purchase of intangible assets	5	(1,011,781)	(479,320)
Net cash (used in)/provided by investing activities		<u>(31,906,392)</u>	<u>12,668,158</u>
Cash flows from financing activities			
Dividends paid	17	(2,711,072)	(2,782,080)
Net cash used in financing activities		<u>(2,711,072)</u>	<u>(2,782,080)</u>
Net (decrease)/increase in cash and cash equivalents		(18,411,217)	15,585,527
Cash and cash equivalents at beginning of year		<u>57,207,695</u>	<u>41,622,168</u>
Cash and cash equivalents at end of year		<u>38,796,478</u>	<u>57,207,695</u>
Represented by:			
Cash on deposit		32,074,371	40,975,149
Cash in hand and at bank		6,722,107	16,232,546
		<u>38,796,478</u>	<u>57,207,695</u>

The notes on pages 48 to 73 are an integral part of these consolidated financial statements.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements

31 December 2023

(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 Material accounting policies

a. Basis of preparation

The Group's financial statements have been prepared in accordance with IFRS® Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards
- IAS® Standards
- Interpretations developed by the IFRS Interpretations Committee (IFRIC® Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC® Interpretations).

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 and interpretations effective in 2023*

The following new standards, amendments and interpretations are mandatory for the Company's accounting periods beginning on or after 1 January 2023:

- *IAS 12 - Income Taxes - Amendments - Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

This is a narrow-scope amendment related to the recognition of deferred tax when an entity accounts for transactions, such as leases or decommissioning obligations, by recognizing both an asset and a liability.

The amendment had no impact on the financial statements of the Group.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

2 Material accounting policies (continued)

a. Basis of preparation (continued)

- *IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - Amendments - Definition of Accounting Estimates*

These amendments introduced a definition of accounting estimates and included other amendments to help entities distinguish changes in accounting estimates from changes in accounting policies.

The amendment had no impact on the financial statements of the Group.

- *IAS 1 - Presentation of Financial Statements and IFRS Practice Statement 2 - Amendments - Disclosure of accounting policies*

These amendments now require entities to disclose material accounting policies and not significant accounting policies and explain that accounting policies may be material because of their nature even if the related amounts are immaterial. While immaterial accounting policy information can be disclosed, they should not obscure material accounting policy information. The amendments further clarify that accounting policies are material if they are needed to understand other material information in the financial statements. The amendments also explain how material accounting policy information can be identified, inclusive of examples.

The amendment did not have a significant impact on the current year disclosure of accounting policies of the Group.

The following new IFRS amendments have been issued do not apply to the activities of the Fund:

- IAS 12 Income Taxes - Amendments - International Tax Reform - Pillar Two Model Rules
- IFRS 17 Insurance Contracts - New Standard

(ii) *New standards, amendments and interpretations issued but not effective and not early adopted by the Group*

The following is a list of new IFRS standards, amendments and interpretations issued that are not yet effective as at 31 December 2023 and have not been early adopted by the Group.

Effective 1 January 2024:

- IAS 7, 'Statement of Cash Flows' and IFRS 7, 'Financial Instruments: Disclosures' - Amendments - Supplier finance arrangements.
- IAS 1, 'Presentation of Financial Statements' - Amendments - Non-current liabilities with covenants.
- IFRS 16, 'Leases' - Amendments - Lease liability in a sale and lease back.

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.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

2 Material 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 2023.

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. Cost of sales

Cost of sales comprises data and licence fees, data feed costs, staff expenses directly attributable to the delivery of customers' services, and any other costs linked and directly incurred to generate revenues and provide services to customers.

d. 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.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

2 Material accounting policies (continued)

e. *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%.

f. *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.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

2 Material accounting policies (continued)

g. *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.

h. *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.

i. *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.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

2 Material accounting policies (continued)

i 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.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

2 Material accounting policies (continued)

i. 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.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

2 Material accounting policies (continued)

i. 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.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

2 Material accounting policies (continued)

j. 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 2022 and ending on 31 December 2022 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.

k. 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.

l. 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.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

m. *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.

n. *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.

o. *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.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

2 Summary of significant accounting policies (continued)

p. *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.

q. *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.
- (iv) Registration fees are charged to new brokers that want to trade on the stock exchange and is billed upfront and the identified performance obligations satisfied over time.

r. *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.

s. *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.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(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 \$9,292 (2022: \$11,903).

b. *Measurement of the expected customer relationship over registration fees*

The measurement of the expected customer relationship in respect of registration fees is an area that requires significant assumptions in determining the expected customer relationship of the broker.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

4 Property and equipment

	Leasehold improvements \$	Right of use asset \$	Office furniture and equipment \$	Motor vehicles \$	Total \$
At 31 December 2021					
Cost	531,699	7,925,589	6,021,131	155,000	14,633,419
Accumulated depreciation	(169,450)	(2,562,608)	(4,619,464)	(145,787)	(7,497,309)
Closing net book amount	<u>362,249</u>	<u>5,362,981</u>	<u>1,401,667</u>	<u>9,213</u>	<u>7,136,110</u>
Year ended 31 December 2022					
Opening net book amount	362,249	5,362,981	1,401,667	9,213	7,136,110
Additions	--	--	98,004	--	98,004
Disposal	--	--	(1,167)	--	(1,167)
Depreciation charge	(10,634)	(158,512)	(209,803)	(2,303)	(381,252)
Closing net book amount	<u>351,615</u>	<u>5,204,469</u>	<u>1,288,701</u>	<u>6,910</u>	<u>6,851,695</u>
At 31 December 2022					
Cost	531,699	7,925,589	6,112,384	155,000	14,724,672
Accumulated depreciation	(180,084)	(2,721,120)	(4,823,683)	(148,090)	(7,872,977)
Closing net book amount	<u>351,615</u>	<u>5,204,469</u>	<u>1,288,701</u>	<u>6,910</u>	<u>6,851,695</u>
Year ended 31 December 2023					
Opening net book amount	351,615	5,204,469	1,288,701	6,910	6,851,695
Additions	--	--	969,410	282,000	1,251,410
Disposal	--	--	(1,158)	(6,334)	(7,492)
Depreciation charge	(10,634)	(158,512)	(376,705)	(65,201)	(611,052)
Closing net book amount	<u>340,981</u>	<u>5,045,957</u>	<u>1,880,248</u>	<u>217,375</u>	<u>7,484,561</u>
At 31 December 2023					
Cost	531,699	7,925,589	7,017,880	282,000	15,757,168
Accumulated depreciation	(190,718)	(2,879,632)	(5,137,632)	(64,625)	(8,272,607)
Closing net book amount	<u>340,981</u>	<u>5,045,957</u>	<u>1,880,248</u>	<u>217,375</u>	<u>7,484,561</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.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

5 Intangible assets

	Work in progress \$	Computer software \$	Total \$
At 31 December 2021			
Cost	287,480	6,342,206	6,629,686
Accumulated amortisation	--	(4,420,681)	(4,420,681)
Net book amount	<u>287,480</u>	<u>1,921,525</u>	<u>2,209,005</u>
Year ended 31 December 2022			
Opening net book amount	287,480	1,921,525	2,209,005
Additions	479,320	--	479,320
Amortisation charge	--	(640,508)	(640,508)
Closing net book amount	<u>766,800</u>	<u>1,281,017</u>	<u>2,047,817</u>
At 31 December 2022			
Cost	766,800	6,342,206	7,109,006
Accumulated amortisation	--	(5,061,189)	(5,061,189)
Net book amount	<u>766,800</u>	<u>1,281,017</u>	<u>2,047,817</u>
Year ended 31 December 2023			
Opening net book amount	766,800	1,281,017	2,047,817
Additions	874,427	137,354	1,011,781
Amortisation charge	--	(465,160)	(465,160)
Closing net book amount	<u>1,641,227</u>	<u>953,211</u>	<u>2,594,438</u>
At 31 December 2023			
Cost	1,641,227	6,479,560	8,120,787
Accumulated amortisation	--	(5,526,349)	(5,526,349)
Net book amount	<u>1,641,227</u>	<u>953,211</u>	<u>2,594,438</u>

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

6 Financial assets

6a. Financial assets at fair value through profit and loss	2023	2022
	\$	\$
Ansa Merchant Bank Limited – TTD Income Fund	110,876	103,668
Caribbean Information and Credit Rating Agency Limited (CariCRIS)	<u>81,308</u>	<u>81,308</u>
	<u>192,184</u>	<u>184,976</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	2023	2022
	\$	\$
Non-current assets		
Government of Trinidad and Tobago (7.75% FRB 2024)	--	52,000
Government of Trinidad and Tobago (4.10% FRB 2025)	2,988,000	2,988,000
Government of Trinidad and Tobago (3.85% FRB 2029)	2,519,144	2,935,811
Government of Trinidad and Tobago (4.30% FRB 2023)	6,000,000	--
Government of Trinidad and Tobago (4.96% FRB 2028)	4,000,000	--
Government of Trinidad and Tobago (4.09% FRB 2028)	5,000,000	--
Guardian Holdings Limited (5.0% FRB 2025)	4,989,074	4,989,074
Home Mortgage Bank (4.75% Bond 2025)	3,300,000	3,300,000
National Investment Fund (5.7% Bond 2030)	7,956,000	7,956,000
NCB Merchant Bank (5.74% \$3M)	3,000,000	--
Provision for estimated credit loss bonds	<u>(92,918)</u>	<u>(119,040)</u>
	<u>39,659,300</u>	<u>22,101,845</u>

Current assets

Government of Trinidad and Tobago (7.75% FRB 2024)	52,000	--
Trinidad and Tobago Mortgage Finance Company Limited (4.75% FRB 2023)	--	2,465,000
Home Mortgage Bank 3.5% Bond 2023	5,020,616	5,020,616
National Investment Fund 4.5% Bond 2023	--	3,139,000
Treasury Bill CPN 2.750% Due 2024	6,739,716	--
Treasury Note CPN 4.80% Due 2024	2,692,317	--
US Treasury Note .125% Due 2024	3,029,218	--
US Treasury Bill CPN 5.15% Due 2024	4,318,791	--
US Treasury Note 4.80% Due 2024	334,212	--
NCB Fixed Deposit 3.25% Due 2024	<u>3,000,000</u>	<u>--</u>
	<u>25,186,870</u>	<u>10,624,616</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.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(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.

	2023 \$	2022 \$
The following is a movement analysis of the ECL provision		
Opening ECL under IFRS 9	(119,040)	(58,934)
Net changes to provisions during the year	<u>26,122</u>	<u>(60,106)</u>
	<u>(92,918)</u>	<u>(119,040)</u>
Effective ECL loss rate	<u>0.387%</u>	<u>0.362%</u>

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

7 Trade and other receivables	2023 \$	2022 \$
Trade receivables	4,164,947	5,665,748
Less: Expected credit loss on receivables	<u>(151,718)</u>	<u>(40,894)</u>
Trade receivables – net	4,013,229	5,624,854
Prepayments	445,289	488,770
Interest receivable	707,984	656,843
Other receivables	<u>78,932</u>	<u>30,772</u>
	<u>5,245,434</u>	<u>6,801,239</u>
Disclosed as:		
Non-current portion	750,000	1,250,000
Current portion	<u>4,495,434</u>	<u>5,551,239</u>
	<u>5,245,434</u>	<u>6,801,239</u>

Management has determined the impact of discounting the long-term receivable as not material and have accordingly not recorded an amount.

As of 31 December 2023, trade receivables of \$2,272,530 (2022: \$3,838,034) were fully performing.

As of 31 December 2023, trade receivables of \$1,740,699 (2022: \$1,786,820) 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	221,827	731
3 to 6 months	111,730	2,348
More than 6 months	<u>1,407,142</u>	<u>1,783,741</u>
Total	<u>1,740,699</u>	<u>1,786,820</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 Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

7 Trade and other receivables (continued)

Summary of ECL calculations (continued)

(a) The simplified approach (continued)

Aging Bucket 2023	Average ECL rate %	Estimated EAD \$	Expected credit loss \$
Current (0-30 days)	0.003%	2,272,590	(60)
31 to 60 days	0.008%	221,844	(17)
61 to 90 days	0.016%	111,748	(18)
Over 90 days	9.727%	1,558,765	(151,623)
	<u>3.640%</u>	<u>4,164,947</u>	<u>(151,718)</u>

Aging Bucket 2022	Average ECL rate %	Estimated EAD \$	Expected credit loss \$
Current (0-30 days)	0.73%	3,866,220	(28,186)
31 to 60 days	72.47%	2,659	(1,927)
61 to 90 days	28.87%	3,301	(953)
Over 90 days	0.55%	1,793,569	(9,828)
	<u>0.72%</u>	<u>5,665,749</u>	<u>(40,894)</u>

The following is a movement analysis of the ECL provision:

	2023 \$	2022 \$
Balance at beginning of the year as reported under IFRS 9	(40,894)	(40,894)
Net changes to provisions during the year	<u>(110,824)</u>	<u>--</u>
	<u>(151,718)</u>	<u>(40,894)</u>

8 Cash on deposit

Trinidad and Tobago Unit Trust Corporation - TTD Income Fund	10,154,721	11,003,892
Trinidad and Tobago Unit Trust Corporation - USD Income Fund	592,287	7,153,105
Guardian Asset Management Limited - TTD Monthly Income Fund	18,615,268	10,450,321
Guardian Asset Management Limited - TTD Private Wealth Fund	1,428,834	1,159,066
Guardian Asset Management Limited - USD Monthly Income Fund	917,840	11,152,425
Guardian Asset Management Limited - USD Private Wealth Income Fund	308,903	--
Ansa Merchant Bank Limited - TTD Secured Fund	<u>56,518</u>	<u>56,340</u>
	<u>32,074,371</u>	<u>40,975,149</u>

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

9 Stated capital

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>
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The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

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% (2022: 30%). The deferred tax liability and deferred tax charge/(credit) in the statement of comprehensive income are attributable to the following:

	Opening balance \$	Credit for the year (Note 15) \$	Closing balance \$
Year ended 31 December 2023			
Accelerated tax depreciation	265,422	(54,366)	211,056
Net deferred tax	<u>265,422</u>	<u>(54,366)</u>	<u>211,056</u>
Year ended 31 December 2022			
Accelerated tax depreciation	330,935	(65,513)	265,422
Net deferred tax	<u>330,935</u>	<u>(65,513)</u>	<u>265,422</u>

11 Trade and other payables

	2023 \$	2022 \$
Trade creditors	1,751,547	1,157,494
Fees/subscriptions paid in advance	2,992,900	3,368,900
Other payables and accrued charges	<u>3,180,518</u>	<u>1,444,722</u>
	<u>7,924,965</u>	<u>5,971,116</u>

12 Fees, commissions and charges

Listing and membership fees	4,118,396	4,317,178
Registration fee	387,000	287,000
Customer transaction charges	23,868,101	11,984,526
Commission rebates	784,433	828,379
Registrar fees	4,130,958	3,931,409
Bond income	975,459	1,085,248
Euroclear income	407,895	498,336
Other income	<u>1,435,323</u>	<u>1,629,274</u>
	<u>36,107,565</u>	<u>24,561,350</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.

Registration fees relates to fees charged for the on boarding of new brokers.

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 2023 total value of transactions traded was TT\$7,673,482,209 (2022: TT\$2,941,078) and US\$5,880 (2022: US\$13,500).

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

12 Fees, commissions and charges (continued)

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.

13 Expenses by nature	2023 \$	2022 \$
Included in results from operating activities are the following expense items:		
Cost of Sales		
Information technology expenses	3,322,086	2,988,165
Regulatory fee	1,564,696	648,216
Euroclear	365,907	351,753
Staff costs (Note 16)	<u>2,448,594</u>	<u>2,449,922</u>
Cost of sales	<u>7,701,283</u>	<u>6,438,056</u>
Staff costs (Note 16)	5,803,373	5,152,572
Directors' fees (Note 21)	1,243,250	1,254,250
Depreciation (Note 4)	611,052	381,252
Amortisation (Note 5)	465,160	640,508
Building maintenance	538,579	486,346
Rental expense	163,725	175,176
Telephone and connectivity	391,879	240,331
Insurance	210,566	343,188
Audit	240,935	281,518
Bad debts	--	41,870
Legal and professional	533,057	381,643
Other expenses	<u>1,255,920</u>	<u>935,414</u>
Administrative, marketing and operating expenses	<u>11,457,496</u>	<u>10,314,068</u>
Cost of sales, administrative, marketing and operating expenses	<u>19,158,779</u>	<u>16,752,124</u>

Total staff costs of \$8,251,967 (2022: \$7,602,494) is comprised of amounts related to cost of sales and administrative costs.

14 Investment income

Interest income	<u>2,473,993</u>	<u>2,488,368</u>
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The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

15 Taxation	2023 \$	2022 \$
Current tax	5,609,683	2,986,698
Prior year under provision	25,573	64,576
Deferred tax (Note 10)	(54,366)	(65,513)
Green fund levy	<u>127,199</u>	<u>91,385</u>
	<u>5,708,089</u>	<u>3,077,146</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>19,422,779</u>	<u>10,297,594</u>
Tax calculated at 30%	5,826,834	3,089,278
Income not subject to tax	(286,073)	(176,525)
Expenses not deductible for tax purposes	34,965	864
Additional allowance for expenses	(31,748)	(15,953)
Prior year under provision	25,573	64,576
Green fund levy	127,199	91,385
Other permanent differences	<u>11,339</u>	<u>23,521</u>
	<u>5,708,089</u>	<u>3,077,146</u>

16 Staff costs

Salaries and benefits	7,784,573	7,157,513
Pension costs	<u>467,394</u>	<u>444,981</u>
	<u>8,251,967</u>	<u>7,602,494</u>
Average number of employees	<u>30</u>	<u>32</u>

17 Dividends per share

The dividends paid in 2023 was \$2,711,072 (\$1.82 per share) and in 2022 \$2,782,080 (\$1.80 per share).

18 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 16.

19 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.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

19 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 and Regulatory Committees. 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 2023, 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 \$12,733 (2022: \$128,138) 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.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

19 Financial risk management (continued)

a. Financial risk factors (continued)

(ii) Credit risk (continued)

The Group's maximum exposure to credit risk amount to \$109,080,266 (2022: \$96,920,371). 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 2023	
Liabilities	
Trade and other payables	7,750,666
Within one year \$	
As at 31 December 2022	
Liabilities	
Trade and other payables	5,631,703

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.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

20 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 2023.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
Financial assets at FVPL				
- Equity securities	110,876	--	81,308	192,184

The following table presents the Group's assets and liabilities that are measured at FVPL at 31 December 2022.

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

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.

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

20 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.

21 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:

	2023 \$	2022 \$
(a) Directors' fees (Note 13)	<u>1,243,250</u>	<u>1,254,250</u>
(b) Key management compensation		
Salaries and other short-term employee benefits	987,205	1,246,613
Post-employment benefits	<u>78,000</u>	<u>78,000</u>
	<u>1,065,205</u>	<u>1,324,613</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>234,000</u>	<u>96,000</u>

22 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.

23 Events after the reporting period

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

The Trinidad and Tobago Stock Exchange Limited and its Subsidiary

Notes to the Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

24 Financial instruments by category

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

	2023 \$	2022 \$
<i>Financial assets measured at amortised cost</i>		
Financial assets at amortised cost	64,846,170	32,726,461
Trade and other receivables excluding prepayments (Note 7)	4,800,145	6,312,469
Cash on deposit	32,074,371	40,975,149
Cash and cash equivalents	<u>6,722,107</u>	<u>16,232,546</u>
	<u>108,442,793</u>	<u>96,246,625</u>
<i>Financial assets measured at FVPL</i>		
Financial assets at fair value through profit and loss (Note 6a)	<u>192,184</u>	<u>184,976</u>
<i>Other financial liabilities at amortised cost</i>		
Trade and other payables excluding statutory liabilities (Note 19)	<u>7,750,666</u>	<u>5,631,703</u>

The Trinidad and Tobago Central Depository Settlement Assurance Fund

Statement of Trustees' Responsibilities

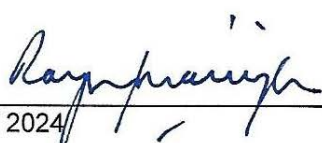
The Trustees are responsible for the following:

- 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 2023, the statements of comprehensive income, changes in accumulated fund and cash flows for the year then ended, and material 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.

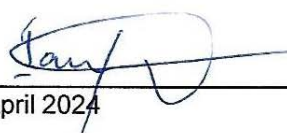
In preparing these financial statements, the Trustees utilised the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago ("IFRS Accounting Standards"). Where ("IFRS Accounting 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*.



11 April 2024 Trustee



11 April 2024 Trustee

Independent auditor's report

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

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 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Fund's financial statements comprise:

- the statement of financial position as at 31 December 2023;
- 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, comprising material accounting policy information and other explanatory information.

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 Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other information

The Trustees are responsible for the other information. The other information comprises the Trinidad and Tobago Stock Exchange Limited Annual Report 2023 and the Trinidad and Tobago Central Depository Limited Annual Report 2023 (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 IFRS Accounting 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 intend 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.

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 the Trustees.
- Conclude on the appropriateness of the Trustees' 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.

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

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
19 April 2024

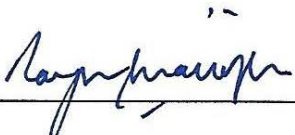
The Trinidad and Tobago Central Depository Settlement Assurance Fund

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

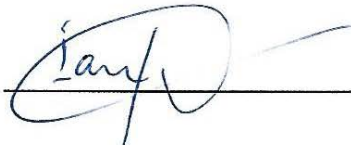
	Notes	As at 31 December	
		2023 \$	2022 \$
Assets			
<i>Non-current assets</i>			
Financial assets at amortised cost	4	<u>3,230,249</u>	<u>3,241,289</u>
		<u>3,230,249</u>	<u>3,241,289</u>
<i>Current assets</i>			
Trade and other receivables	5	330,273	113,180
Cash on deposit	6	<u>8,736,833</u>	<u>8,255,424</u>
		<u>9,067,106</u>	<u>8,368,604</u>
Total assets		12 297 355	11,609 893
Equity and accumulated fund			
Accumulated fund		<u>10,669,641</u>	<u>10,266,960</u>
Total equity		<u>10,669,641</u>	<u>10,266,960</u>
<i>Current liabilities</i>			
Taxation payable		1,399,714	1,228,933
Accrued expenses	7	<u>228,000</u>	114,000
Total liabilities		1627714	1 342 933
Total equity and liabilities		<u>12,297 355</u>	11,609,893

The notes on pages 82 to 94 are an integral part of these financial statements.

On 11 April 2024, 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	
		2023 \$	2022 \$
Revenue			
Contributions	8	420,013	370,801
Investment income	9	<u>278,195</u>	<u>270,106</u>
		<u>698,208</u>	<u>640,907</u>
Expenditure			
Audit fees		(35,588)	(17,589)
Management charges	10	(96,000)	(96,000)
Green fund levy		(1,070)	(437)
Interest and penalty		(78,988)	(36,706)
Expected credit loss on financial instruments at amortised cost	4	<u>713</u>	<u>(435)</u>
		<u>(210,933)</u>	<u>(151,167)</u>
Surplus for the year before taxation		487,275	489,740
Taxation	11	<u>(84,594)</u>	<u>(77,068)</u>
Surplus for the year		402,681	412,672
Other comprehensive income for the year		<u>--</u>	<u>--</u>
Total comprehensive income for the year		<u>402,681</u>	<u>412,672</u>

The notes on pages 82 to 94 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 2023	
Balance at 1 January 2023	10,266,960
Total comprehensive income for the year:	
Surplus for the year	<u>402,681</u>
Balance at 31 December 2023	<u><u>10,669,641</u></u>
Year ended 31 December 2022	
Balance at 1 January 2022	9,854,288
Total comprehensive income for the year:	
Surplus for the year	<u>412,672</u>
Balance at 31 December 2022	<u><u>10,266,960</u></u>

The notes on pages 82 to 94 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)

	Notes	Year ended 31 December	
		2023 \$	2022 \$
Cash flows from operating activities			
Surplus for the year before taxation		487,275	489,740
Investment income	9	(278,195)	(270,106)
Expected credit loss - bonds	4	<u>(713)</u>	<u>435</u>
		208,367	220,069
Changes in current assets and liabilities			
Decrease in trade and other receivables		(30,373)	71,381
Increase in Accrued Expenses		114,000	--
Decrease in taxation payable		<u>86,188</u>	<u>37,142</u>
Net cash provided by operating activities		<u>378,182</u>	<u>328,592</u>
Cash flow from investing activity			
Interest received		<u>103,227</u>	<u>281,190</u>
Net cash provided by investing activity		<u>103,227</u>	<u>281,190</u>
Net increase in cash and cash equivalents		481,409	609,782
Cash and cash equivalents at beginning of year		<u>8,255,424</u>	<u>7,645,642</u>
Cash and cash equivalents at end of year		<u><u>8,736,833</u></u>	<u><u>8,255,424</u></u>
Represented by:			
Cash on deposit		<u><u>8,736,833</u></u>	<u><u>8,255,424</u></u>

The notes on pages 82 to 94 are an integral part of these financial statements.

The Trinidad and Tobago Central Depository Settlement Assurance Fund

Notes to the Financial Statements
31 December 2023
(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 Material accounting policies

a. Basis of preparation

The Fund's financial statements have been prepared in accordance with IFRS® Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards
 - IAS® Standards
 - Interpretations developed by the IFRS Interpretations Committee (IFRIC® Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC® Interpretations).
- The Fund's financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS Accounting Standards 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 and interpretations effective in 2023*

The following new standards, amendments and interpretations are mandatory for the Fund's accounting periods beginning on or after 1 January 2023:

- *IAS 12 - Income Taxes - Amendments - Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

This is a narrow-scope amendment related to the recognition of deferred tax when an entity accounts for transactions, such as leases or decommissioning obligations, by recognizing both an asset and a liability.

The amendment had no impact on the financial statements of the Fund.

- *IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - Amendments - Definition of Accounting Estimates*

These amendments introduced a definition of accounting estimates and included other amendments to help entities distinguish changes in accounting estimates from changes in accounting policies.

The amendment had no impact on the financial statements of the Fund.

The Trinidad and Tobago Central Depository Settlement Assurance Fund

Notes to the Financial Statements
31 December 2023
(Expressed in Trinidad and Tobago Dollars)

2 Material accounting policies (continued)

a. Basis of preparation (continued)

(i) New standards and amendments to published standards and interpretations effective in 2023 (continued)

- IAS 1 - Presentation of Financial Statements and IFRS Practice Statement 2 - Amendments - Disclosure of accounting policies

These amendments now require entities to disclose material accounting policies and not significant accounting policies and explain that accounting policies may be material because of their nature even if the related amounts are immaterial. While immaterial accounting policy information can be disclosed, they should not obscure material accounting policy information. The amendments further clarify that accounting policies are material if they are needed to understand other material information in the financial statements. The amendments also explain how material accounting policy information can be identified, inclusive of examples.

The amendment did not have a significant impact on the current year disclosure of accounting policies.

The following new IFRS amendments have been issued do not apply to the activities of the Fund:

- IAS 12 Income Taxes - Amendments - International Tax Reform - Pillar Two Model Rules
- IFRS 17 Insurance Contracts - New Standard

(ii) New standards, amendments and interpretations issued but not effective and not early adopted by the Fund

The following is a list of new IFRS standards, amendments and interpretations issued that are not yet effective as at 31 December 2023 and have not been early adopted by the Fund.

Effective 1 January 2024:

- IAS 7, 'Statement of Cash Flows' and IFRS 7, 'Financial Instruments: Disclosures' - Amendments - Supplier finance arrangements.
- IAS 1, 'Presentation of Financial Statements' - Amendments - Non-current liabilities with covenants.
- IFRS 16, 'Leases' - Amendments - Lease liability in a sale and lease back.

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.

The Trinidad and Tobago Central Depository Settlement Assurance Fund

Notes to the Financial Statements
31 December 2023
(Expressed in Trinidad and Tobago Dollars)

2 Material accounting policies (continued)

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.

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.

The Trinidad and Tobago Central Depository Settlement Assurance Fund

Notes to the Financial Statements
31 December 2023
(Expressed in Trinidad and Tobago Dollars)

2 Material accounting policies (continued)

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

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.

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.

The Trinidad and Tobago Central Depository Settlement Assurance Fund

Notes to the Financial Statements
31 December 2023
(Expressed in Trinidad and Tobago Dollars)

2 Material accounting policies (continued)

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

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

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.

The Trinidad and Tobago Central Depository Settlement Assurance Fund

Notes to the Financial Statements
31 December 2023
(Expressed in Trinidad and Tobago Dollars)

2 Material 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 2022 and ending on 31 December 2022 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.

The Trinidad and Tobago Central Depository Settlement Assurance Fund

Notes to the Financial Statements
31 December 2023
(Expressed in Trinidad and Tobago Dollars)

2 Material 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.

The Trinidad and Tobago Central Depository Settlement Assurance Fund

Notes to the Financial Statements
31 December 2023
(Expressed in Trinidad and Tobago Dollars)

2 Material accounting policies (continued)

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.

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 lower by \$331 (2022: \$403).

**The Trinidad and Tobago Central Depository
Settlement Assurance Fund**

Notes to the Financial Statements
31 December 2023
(Expressed in Trinidad and Tobago Dollars)

4	Financial asset at amortised cost	2023	2022
		\$	\$
	Government of Trinidad and Tobago (6.00% FRB 2031)	3,233,561	3,245,314
	Provision for expected credit loss bond	<u>(3,312)</u>	<u>(4,025)</u>
		<u>3,230,249</u>	<u>3,241,289</u>

The following is a movement analysis of the ECL provision

Balance at beginning of the year	(4,025)	(3,590)
Net changes to provisions during the year	<u>713</u>	<u>(435)</u>
Balance at end of the year	<u>(3,312)</u>	<u>(4,025)</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	2023	2022
		\$	\$
	Accounts receivables	--	--
	Other receivables	92,542	62,169
	Interest receivable	<u>237,731</u>	<u>51,011</u>
		<u>330,273</u>	<u>113,180</u>

As of 31 December 2023 there were no trade receivables (2022: Nil).

6	Cash on deposit		
	First Citizens Bank Limited – Abercrombie Fund	<u>8,736,833</u>	<u>8,255,424</u>

7	Accrued expenses		
	Due to The Trinidad and Tobago Central Depository Limited (Note 12)	192,000	96,000
	Accounts payables and accrued charges	<u>36,000</u>	<u>18,000</u>
		<u>228,000</u>	<u>114,000</u>

The Trinidad and Tobago Central Depository Settlement Assurance Fund

Notes to the Financial Statements
31 December 2023
(Expressed in Trinidad and Tobago Dollars)

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	2023 \$	2022 \$
Interest income	289,947	281,190
Amortisation of premium on bond	<u>(11,752)</u>	<u>(11,084)</u>
	<u>278,195</u>	<u>270,106</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

Corporation tax	134,603	141,499
Prior year over provision	<u>(50,009)</u>	<u>(64,431)</u>
	<u>84,594</u>	<u>77,068</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>487,275</u>	<u>489,740</u>
Tax calculated at 30%	146,183	146,922
Income not subject to tax	(30,968)	(28,341)
Prior year over provision	(50,009)	(64,431)
Expenses not deductible for tax purposes	<u>19,388</u>	<u>22,918</u>
	<u>84,594</u>	<u>77,068</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 Central Depository Limited (Note 7)	<u>192,000</u>	<u>96,000</u>
(b) Transactions with related parties		
Management charges	<u>96,000</u>	<u>96,000</u>

The Trinidad and Tobago Central Depository Settlement Assurance Fund

Notes to the Financial Statements
31 December 2023
(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 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 2012.

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 \$12,297,355 (2022: \$11,609,893). 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 Trinidad and Tobago Central Depository
Settlement Assurance Fund**

Notes to the Financial Statements
31 December 2023
(Expressed in Trinidad and Tobago Dollars)

13 Financial risk management (continued)

a. *Financial risk factors (continued)*

(ii) *Credit risk (continued)*

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.

	Within one year \$
As at 31 December 2023	
Liabilities	
Trade and other payables	228,000
As at 31 December 2022	
Liabilities	
Trade and other payables	114,000

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).

The Trinidad and Tobago Central Depository Settlement Assurance Fund

Notes to the Financial Statements
31 December 2023
(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 2023 (2022: 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:

	2023 \$	2022 \$
<i>Financial assets at amortised cost</i>		
Financial assets at amortised cost	3,230,249	3,241,289
Trade and other receivables excluding prepayments (Note 5)	330,273	113,180
Cash on deposit	<u>8,736,833</u>	<u>8,255,424</u>
Total	<u>12,297,355</u>	<u>11,609,893</u>
<i>Other financial liabilities at amortised cost</i>		
Trade and other payables excluding statutory liabilities (Note 7)	<u>228,000</u>	<u>114,000</u>

The Trinidad and Tobago Stock Exchange Contingency Fund

Statement of Trustees' Responsibilities

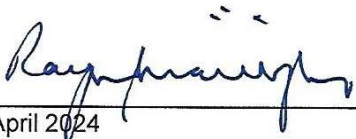
The Trustees are responsible for the following:

- 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 2023, the statements of comprehensive income, changes in accumulated fund and cash flows for the year then ended, and material 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.

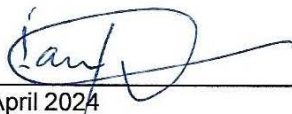
In preparing these financial statements, the Trustees utilised the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago ("IFRS Accounting Standards"). Where ("IFRS Accounting 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.



11 April 2024 Trustee



11 April 2024 Trustee



Independent auditor's report

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

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 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Fund's financial statements comprise:

- the statement of financial position as at 31 December 2023;
- 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, comprising material accounting policy information and other explanatory information.

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 Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other information

The Trustees are responsible for the other information. The other information comprises the Trinidad and Tobago Stock Exchange Limited Annual Report 2023 (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 IFRS Accounting 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 intend 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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 the Trustees.
- Conclude on the appropriateness of the Trustees' 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.

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

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
19 April 2024

The Trinidad and Tobago Stock Exchange Contingency Fund

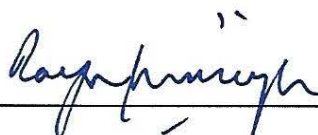
Statement of Financial Position

(Expressed in Trinidad and Tobago Dollars)

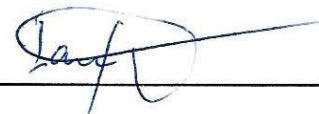
	Notes	As at	
		2023	2022
		\$	\$
Assets			
<i>Non-current assets</i>			
Financial assets at amortised cost	4	<u>5,319,735</u>	<u>5 337 915</u>
		<u>5,319,735</u>	5337915
<i>Current assets</i>			
Trade and other receivables	5	123,328	101,860
Cash on deposit	6	9,151,030	8,664,253
Cash at bank		<u>2,736,007</u>	<u>2 428 774</u>
		12,010,365	11 194 887
Total assets		<u>17 330 100</u>	<u>16 532.802</u>
Equity and accumulated fund			
Accumulated fund		<u>15,375,043</u>	<u>14,902,207</u>
Total equity		<u>15,375,043</u>	<u>14,902,207</u>
<i>Current liabilities</i>			
Taxation payable		1,643,057	1,474,595
Accrued expenses	7	<u>312 000</u>	<u>156 000</u>
Total liabilities		<u>1,955,057</u>	<u>1,630,595</u>
Total equity and liabilities		<u>17 330,100</u>	<u>16,532.802</u>

The notes on pages 103 to 115 are an integral part of these financial statements.

On 11 April 2024, the Trustees of The Trinidad and Tobago Stock Exchange Contingency Fund authorised these financial statements for issue.



Trustee



Trustee

The Trinidad and Tobago Stock Exchange Contingency Fund

Statement of Comprehensive Income

(Expressed in Trinidad and Tobago Dollars)

	Notes	Year ended 31 December	
		2023 \$	2022 \$
Revenue			
Contributions	8	408,553	413,162
Investment income	9	<u>407,420</u>	<u>398,541</u>
		<u>815,973</u>	<u>811,703</u>
Expenditure			
Audit fees		(35,588)	(17,588)
Bank charges		(2,258)	(1,936)
Management charges	10	(138,000)	(138,000)
Green fund levy		(885)	(566)
Interest and penalty		(86,232)	(30,118)
Expected credit loss on financial instruments at amortised cost	4	<u>1,174</u>	<u>(1,035)</u>
		<u>(261,789)</u>	<u>(189,243)</u>
Surplus for the year before taxation		554,184	622,460
Taxation	11	<u>(81,348)</u>	<u>(93,389)</u>
Surplus for the year		472,836	529,071
Other comprehensive income for the year		<u>--</u>	<u>--</u>
Total comprehensive income for the year		<u><u>472,836</u></u>	<u><u>529,071</u></u>

The notes on pages 103 to 115 are an integral part of these financial statements.

The Trinidad and Tobago Stock Exchange Contingency Fund

Statement of Changes in Accumulated Fund

(Expressed in Trinidad and Tobago Dollars)

	Accumulated fund \$
Year ended 31 December 2023	
Balance at 1 January 2023	14,902,207
Total comprehensive income for the year:	
Surplus for the year	<u>472,836</u>
Balance at 31 December 2023	<u><u>15,375,043</u></u>
Year ended 31 December 2022	
Balance at 1 January 2022	14,373,136
Total comprehensive income for the year:	
Surplus for the year	<u>529,071</u>
Balance at 31 December 2022	<u><u>14,902,207</u></u>

The notes on page 103 to 115 are an integral part of these financial statements.

The Trinidad and Tobago Stock Exchange Contingency Fund

Statement of Cash Flows

(Expressed in Trinidad and Tobago Dollars)

	Notes	Year ended 31 December	
		2023 \$	2022 \$
Cash flows from operating activities			
Surplus for the year before taxation		554,184	622,460
Investment income	9	(407,420)	(398,541)
Expected credit loss - Bonds	4	(1,174)	1,035
		<u>145,590</u>	<u>224,954</u>
Changes in current assets and liabilities			
(Increase)/ decrease in trade and other receivables		(21,468)	42,985
Increase in accrued expenses		156,000	2
Increase/(decrease) in taxation payable		<u>87,114</u>	<u>30,684</u>
Net cash provided by operating activities		<u>367,236</u>	<u>298,625</u>
Cash flows from investing activities			
Interest received		<u>426,774</u>	<u>416,794</u>
Net cash provided by investing activities		<u>426,774</u>	<u>416,794</u>
Net increase in cash and cash equivalents		794,010	715,419
Cash and cash equivalents at beginning of year		<u>11,093,027</u>	<u>10,377,608</u>
Cash and cash equivalents at end of year		<u>11,887,037</u>	<u>11,093,027</u>
Represented by:			
Cash at bank		2,736,007	2,428,774
Cash on deposit		<u>9,151,030</u>	<u>8,664,253</u>
		<u>11,887,037</u>	<u>11,093,027</u>

The notes on page 103 to 115 are an integral part of these financial statements.

The Trinidad and Tobago Stock Exchange Contingency Fund

Notes to the Financial Statements

31 December 2023

(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 Material accounting policies

a. Basis of preparation

The Fund's financial statements have been prepared in accordance with IFRS® Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards
 - IAS® Standards
 - Interpretations developed by the IFRS Interpretations Committee (IFRIC® Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC® Interpretations).
- The Fund's financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS Accounting Standards 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 and interpretations effective in 2023*

The following new standards, amendments and interpretations are mandatory for the Fund's accounting periods beginning on or after 1 January 2023:

- *IAS 12 - Income Taxes - Amendments - Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

This is a narrow-scope amendment related to the recognition of deferred tax when an entity accounts for transactions, such as leases or decommissioning obligations, by recognizing both an asset and a liability.

The amendment had no impact on the financial statements of the Fund.

- *IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - Amendments - Definition of Accounting Estimates*

These amendments introduced a definition of accounting estimates and included other amendments to help entities distinguish changes in accounting estimates from changes in accounting policies.

The amendment had no impact on the financial statements of the Fund.

The Trinidad and Tobago Stock Exchange Contingency Fund

Notes to the Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

2 Material accounting policies (continued)

a. Basis of preparation (continued)

(i) New standards and amendments to published standards and interpretations effective in 2023 (continued)

- IAS 1 - Presentation of Financial Statements and IFRS Practice Statement 2 - Amendments - Disclosure of accounting policies

These amendments now require entities to disclose material accounting policies and not significant accounting policies and explain that accounting policies may be material because of their nature even if the related amounts are immaterial. While immaterial accounting policy information can be disclosed, they should not obscure material accounting policy information. The amendments further clarify that accounting policies are material if they are needed to understand other material information in the financial statements. The amendments also explain how material accounting policy information can be identified, inclusive of examples.

The amendment did not have a significant impact on the current year disclosure of accounting policies.

The following new IFRS amendments have been issued do not apply to the activities of the Fund:

- IAS 12 Income Taxes - Amendments - International Tax Reform - Pillar Two Model Rules
- IFRS 17 Insurance Contracts - New Standard

(ii) New standards, amendments and interpretations issued but not effective and not early adopted by the Fund

The following is a list of new IFRS standards, amendments and interpretations issued that are not yet effective as at 31 December 2023 and have not been early adopted by the Fund.

Effective 1 January 2024:

- IAS 7, 'Statement of Cash Flows' and IFRS 7, 'Financial Instruments: Disclosures' - Amendments - Supplier finance arrangements.
- IAS 1, 'Presentation of Financial Statements' - Amendments - Non-current liabilities with covenants.
- IFRS 16, 'Leases' - Amendments - Lease liability in a sale and lease back.

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.

The Trinidad and Tobago Stock Exchange Contingency Fund

Notes to the Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

2 Material accounting policies (continued)

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.

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.

The Trinidad and Tobago Stock Exchange Contingency Fund

Notes to the Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

2 Material accounting policies (continued)

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

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.

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.

The Trinidad and Tobago Stock Exchange Contingency Fund

Notes to the Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

2 Material accounting policies (continued)

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

(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.

The Trinidad and Tobago Stock Exchange Contingency Fund

Notes to the Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

2 Material accounting policies (continued)

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

Measurement (continued)

Impairment of debt instruments (continued)

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.

d. Trade receivables

Trade receivables are recognized at invoice value, less a provision for impairment. This amount is a reasonable approximation to amortized 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 derecognized 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 amortized 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 recognized 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 Trinidad and Tobago Stock Exchange Contingency Fund

Notes to the Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

2 Material accounting policies (continued)

d. Trade receivables (continued)

The expected loss rates for these accounts are based on the payment profiles of sales over a period of 12 months starting 1 January 2022 and ending on 31 December 2022 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 categorizes 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 recognized 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.

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 recognized 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.

The Trinidad and Tobago Stock Exchange Contingency Fund

Notes to the Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

2 Material accounting policies (continued)

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 recognized on an accruals basis based on when the right to receive payment is established.

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 \$546 (2022: \$663).

The Trinidad and Tobago Stock Exchange Contingency Fund

Notes to the Financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

4	Financial asset at amortised cost	2023	2022
		\$	\$
	Government of Trinidad and Tobago (6.00% FRB 2031)	5,325,190	5,344,544
	Provision for expected credit loss bond	<u>(5,455)</u>	<u>(6,629)</u>
		<u>5,319,735</u>	<u>5,337,915</u>

The following is a movement analysis of the ECL provision

Balance at beginning of the year	(6,629)	(5,594)
Net changes to provisions during the year	<u>1,174</u>	<u>(1,035)</u>
Balance at end of the year	<u>(5,455)</u>	<u>(6,629)</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	88,060	65,909
Interest receivable	<u>35,268</u>	<u>35,951</u>
	<u>123,328</u>	<u>101,860</u>

As of 31 December 2023, trade receivables of \$88,060 (2022: \$65,909) were fully performing.

6 Cash on deposit

Trinidad and Tobago Unit Trust Corporation - TTD Income Fund	2,408,739	2,377,347
First Citizens Bank Limited – Abercrombie Fund	3,755,948	3,343,729
Republic Bank Limited – Money Market Account	114,715	113,788
Trinidad and Tobago Unit Trust Corporation - USD Income Fund	429,185	425,443
Guardian Asset Management Limited - TTD Monthly Income Fund	<u>2,442,443</u>	<u>2,403,946</u>
	<u>9,151,030</u>	<u>8,664,253</u>

7 Accrued expenses

Due to The Trinidad and Tobago Stock Exchange Limited (Note 12)	276,000	138,000
Accounts payables and accrued charges	<u>36,000</u>	<u>18,000</u>
	<u>312,000</u>	<u>156,000</u>

The Trinidad and Tobago Stock Exchange Contingency Fund

Notes to the Financial Statements (continued)

31 December 2023

(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

	2023	2022
	\$	\$
Interest income	426,773	416,794
Amortisation of premium on bond	<u>(19,353)</u>	<u>(18,253)</u>
	<u>407,420</u>	<u>398,541</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

Corporation tax	154,805	183,266
Prior year over provision	<u>(73,457)</u>	<u>(89,877)</u>
	<u>81,348</u>	<u>93,389</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>554,184</u>	<u>622,460</u>
Tax calculated at 30%	166,255	186,738
Income not subject to tax	(35,782)	(32,789)
Prior year over provision	(73,457)	(89,877)
Expenses not deductible for tax purposes	<u>24,332</u>	<u>29,317</u>
	<u>81,348</u>	<u>93,389</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 (Note 7)	<u>276,000</u>	<u>138,000</u>
b. Transactions with related parties		
Management charges	<u>276,000</u>	<u>138,000</u>

The Trinidad and Tobago Stock Exchange Contingency Fund

Notes to the Financial Statements (continued)

31 December 2023

(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 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 2012. 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 Trinidad and Tobago Stock Exchange Contingency Fund

Notes to the Financial Statements (continued)

31 December 2023

(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 \$17,330,103 (2022: \$16,532,802). 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.

	Within one year \$
As at 31 December 2023	
Liabilities	
Trade and other payables	312,000
As at 31 December 2022	
Liabilities	
Trade and other payables	156,000

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).

The Trinidad and Tobago Stock Exchange Contingency Fund

Notes to the Financial Statements (continued)

31 December 2023

(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.

14 Contingent liabilities

There are no contingent liabilities as at 31 December 2023 (2022: none).

15 Events after the reporting period

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

16 Financial instruments by category

	2023	2022
	\$	\$
<i>Financial instruments at amortised cost</i>		
Financial asset at amortised cost	5,319,735	5,337,915
Trade and other receivables excluding prepayments (Note 5)	123,328	101,860
Cash on deposit	9,151,030	8,664,253
Cash at bank	<u>2,736,007</u>	<u>2,428,774</u>
Total	<u>17,330,100</u>	<u>16,532,802</u>
<i>Other financial liabilities at amortised cost</i>		
Trade and other payables excluding statutory liabilities (Note 7)	<u>312,000</u>	<u>156,000</u>

APPENDICES



TTSE MONTHLY INDEX VALUES

	Banking				Conglomerates				Property			
	Value	High	Low	Average	Value	High	Low	Average	Value	High	Low	Average
Jan	1062.33	1,078.60	1,048.55	1,068.48	3,274.59	3,352.64	3,219.40	3,286.68	146.11	146.11	128.58	141.93
Feb	1,069.56	1,084.48	1,058.72	1,072.40	3,302.58	3,311.16	3,228.36	3,273.34	149.46	150.29	146.11	149.32
Mar	1,069.36	1,090.89	1,063.33	1,079.12	3,313.20	3,388.65	3,283.62	3,311.29	150.30	150.30	149.46	150.07
Apr	1,078.92	1,078.92	1,056.38	1,067.63	3,338.22	3,349.00	3,228.37	3,283.42	179.52	179.52	150.30	167.60
May	1,022.25	1,084.17	1,019.77	1,055.10	3,333.31	3,427.70	3,333.31	3,378.46	146.12	179.52	136.52	148.53
Jun	992.49	1,018.25	989.61	1,000.82	3,224.05	3,330.41	3,146.61	3,240.32	137.77	137.77	126.50	132.91
Jul	1,023.82	1,031.57	1,006.41	1,017.07	3,329.61	3,337.96	3,211.98	3,270.95	158.22	158.22	137.76	143.75
Aug	1,003.41	1,026.32	998.09	1,015.16	3,209.65	3,412.19	3,209.65	3,303.48	141.93	158.22	141.93	152.53
Sep	974.02	1,005.28	974.01	987.15	3,396.57	3,400.89	3,168.10	3,291.98	137.75	150.28	131.49	139.72
Oct	966.22	980.19	956.53	973.47	3,308.02	3,447.09	3,180.82	3,329.60	146.10	146.52	127.73	139.69
Nov	967.40	999.79	967.40	980.86	3,305.05	3,331.68	3,136.60	3,261.68	148.61	148.61	140.26	143.92
Dec	995.53	997.35	962.37	981.30	3,309.80	3,326.59	3,197.56	3,260.42	154.45	154.45	136.51	146.20

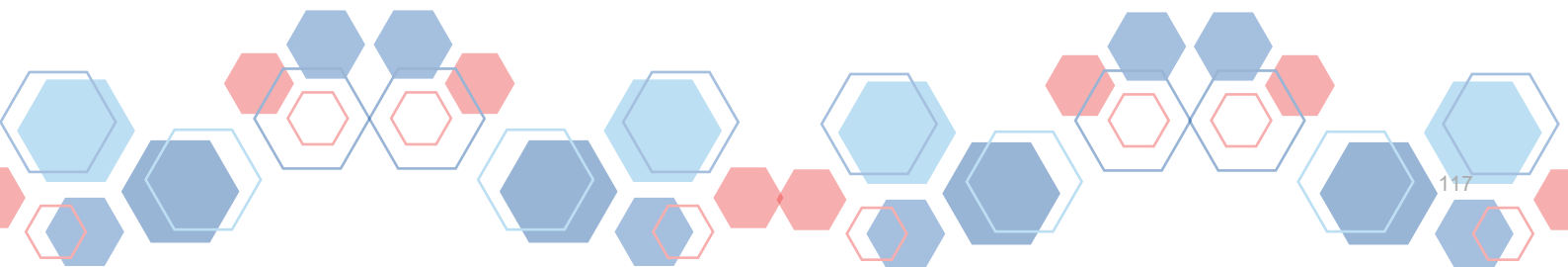
(Base Value: January 01, 1983 = 100) (Base Value: January 01, 1983 = 100) (Base Value: January 01, 1983 = 100)

	Manufacturing I				Manufacturing II				Trading			
	Value	High	Low	Average	Value	High	Low	Average	Value	High	Low	Average
Jan	1,837.14	1,853.49	1,763.52	1,826.06	416.00	450.67	416.00	435.54	377.70	382.63	347.67	368.96
Feb	1,768.23	1,830.26	1,750.84	1,776.08	406.75	416.00	404.44	409.26	413.58	413.58	377.70	398.11
Mar	1,674.96	1,765.47	1,619.71	1,689.36	406.74	450.66	404.44	412.89	408.08	417.42	407.94	413.73
Apr	1,666.70	1,679.62	1,628.03	1,657.32	403.28	407.90	397.50	404.75	445.00	445.00	407.65	422.47
May	1,477.90	1,666.80	1,477.90	1,575.91	311.99	403.28	306.21	357.27	475.98	475.98	444.57	448.56
Jun	1,422.73	1,477.53	1,422.73	1,446.49	303.90	307.37	288.88	301.24	472.77	476.09	462.74	471.53
Jul	1,364.33	1,422.69	1,364.33	1,399.39	329.33	329.33	290.03	302.64	470.06	472.84	469.64	471.89
Aug	1,371.62	1,396.27	1,364.99	1,377.82	369.78	392.88	329.33	362.62	468.39	471.78	462.60	468.83
Sep	1,338.98	1,365.02	1,245.79	1,322.22	361.68	369.78	361.68	365.62	469.11	469.20	460.08	464.20
Oct	1,326.23	1,338.98	1,234.75	1,323.01	338.57	361.68	335.10	348.65	472.52	485.26	468.61	473.91
Nov	1,248.37	1,291.04	1,239.72	1,266.35	333.95	346.66	330.48	333.56	481.15	491.13	465.55	483.10
Dec	1,257.84	1,259.68	1,094.59	1,189.72	359.38	359.38	330.49	337.24	479.05	480.40	476.68	478.75

(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	106.35	116.05	105.20	108.05	1,115.85	1,140.14	1,106.83	1,123.91	1,323.37	1,336.75	1,310.88	1,328.94
Feb	104.85	106.25	104.25	104.98	1,089.46	1,120.58	1,071.82	1,097.22	1,325.48	1,331.98	1,319.03	1,325.27
Mar	100.00	104.60	100.00	102.44	1,049.70	1,109.83	1,049.70	1,079.60	1,312.35	1,335.22	1,309.71	1,325.69
Apr	95.40	100.00	93.40	95.56	1,019.78	1,053.92	1,014.50	1,036.15	1,318.96	1,318.96	1,296.91	1,306.60
May	92.50	100.10	92.50	95.13	960.07	1,038.86	957.42	989.07	1,258.82	1,332.33	1,258.82	1,293.83
Jun	90.00	91.65	87.05	89.89	895.75	961.90	895.75	932.26	1,216.36	1,255.10	1,215.65	1,229.85
Jul	89.50	91.00	87.70	89.71	934.77	948.85	909.33	932.75	1,247.87	1,256.95	1,224.54	1,240.26
Aug	73.10	88.50	73.10	80.52	917.63	943.84	895.02	920.67	1,220.39	1,257.98	1,217.00	1,237.63
Sep	64.50	72.75	64.35	65.97	918.98	919.93	884.90	904.46	1,209.63	1,218.39	1,197.87	1,207.74
Oct	55.20	65.00	53.85	60.65	914.90	916.25	892.32	904.45	1,194.04	1,213.66	1,177.46	1,200.47
Nov	52.70	64.85	52.70	58.69	886.03	911.17	886.03	901.50	1,185.60	1,212.98	1,184.51	1,196.69
Dec	55.00	55.00	51.30	52.26	934.17	934.17	858.55	887.44	1,214.05	1,214.05	1,174.00	1,188.00

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



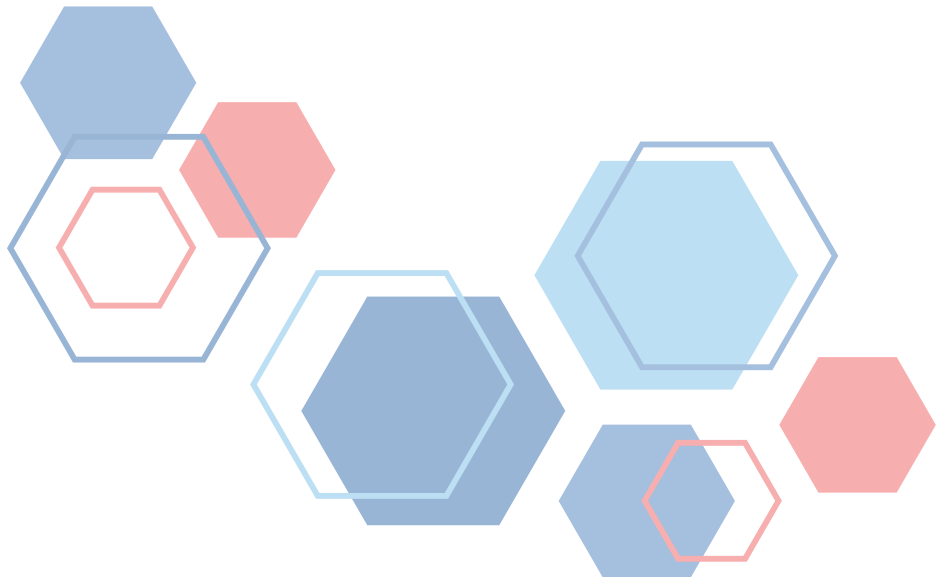
TTSE MONTHLY INDEX VALUES

	All T&T				Cross Listed				SME			
	Value	High	Low	Average	Value	High	Low	Average	Value	High	Low	Average
Jan	1,981.81	2,011.69	1,981.81	1,994.53	86.62	88.89	82.74	86.32	57.12	57.12	50.72	52.61
Feb	1,999.50	1,999.50	1,970.70	1,984.32	84.58	88.80	84.30	86.79	61.52	61.64	57.12	59.57
Mar	1,974.62	1,996.36	1,970.58	1,982.34	84.49	89.86	84.33	87.20	61.52	61.52	61.52	61.52
Apr	1,975.76	1,975.76	1,954.83	1,965.95	86.23	86.23	82.07	84.12	61.51	61.51	61.06	61.34
May	1,918.10	1,997.17	1,912.39	1,952.88	77.43	87.56	77.43	82.37	69.27	69.27	61.51	63.45
Jun	1,869.99	1,911.23	1,868.64	1,889.90	72.33	77.38	71.78	73.26	70.13	70.94	68.82	69.68
Jul	1,893.73	1,906.28	1,866.05	1,887.28	77.91	79.83	75.23	76.67	70.47	70.72	70.01	70.39
Aug	1,854.20	1,912.38	1,854.20	1,880.77	75.87	78.08	73.90	76.89	66.57	70.47	63.33	69.49
Sep	1,853.60	1,854.93	1,826.88	1,845.30	72.87	75.81	72.71	73.56	70.47	70.47	66.38	68.21
Oct	1,824.90	1,850.68	1,792.62	1,828.16	72.65	75.61	71.36	74.03	79.99	79.99	70.47	77.32
Nov	1,792.10	1,836.84	1,789.98	1,814.02	75.11	77.28	73.37	74.99	80.00	80.00	71.71	78.48
Dec	1,811.02	1,811.02	1,766.08	1,786.35	80.51	80.51	73.72	76.66	70.72	80.00	70.72	73.35

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

	CXNI			
	Value	High	Low	Average
Jan	981.22	990.35	971.79	980.38
Feb	976.72	978.87	965.48	972.78
Mar	981.98	981.98	963.52	970.61
Apr	980.30	980.30	969.08	973.57
Jun	950.30	962.50	945.08	951.57
May	962.25	983.78	961.15	971.14
Jul	954.13	959.04	944.58	950.73
Aug	935.87	958.68	933.16	944.76
Sep	934.27	938.37	924.97	928.95
Oct	922.68	928.46	912.66	920.94
Nov	914.60	925.48	911.41	917.40
Dec	931.96	931.96	904.22	913.06

(Base Value: October 03, 2022 = 1,000)



TTSE INDEX VALUES 2019 - 2023

SECTORS	YEAR														
	2023			2022			2021			2020			2019		
	Close	High	Low	Close	High	Low	Close	High	Low	Close	High	Low	Close	High	Low
Banking	995.53	1,090.89	956.53	1,076.65	1,279.07	1,035.41	1,242.37	1,242.37	1,202.31	1,151.98	1,362.37	1,096.28	1,282.08	1,306.34	1,108.14
Conglomerates	3,309.80	3,447.09	3,136.60	3,294.44	4,313.68	3,236.53	3,953.38	4,027.94	3,770.17	2,831.35	3,026.09	2,495.39	2,889.99	2,889.99	2,546.86
Property	154.45	179.52	126.50	142.35	151.13	127.75	131.51	134.01	131.51	131.50	156.56	125.24	150.30	164.08	144.04
Manufacturing I	1,257.84	1,853.49	1,094.59	1,829.65	2,046.49	1,828.50	1,973.93	2,042.63	1,955.33	2,219.84	8,990.08	1,964.83	2,541.61	2,616.80	2,202.63
Manufacturing II	359.38	450.67	288.88	450.67	452.99	404.42	413.65	454.10	402.10	288.87	300.42	201.04	231.08	321.06	212.59
Trading	479.05	491.13	347.67	348.15	352.33	243.15	243.15	243.15	193.20	193.30	212.16	186.01	207.80	207.80	185.40
Energy	55.00	116.05	51.30	116.05	119.50	93.00	104.50	104.50	91.80	85.00	120.00	71.25	119.80	152.50	104.90
Non-Banking Finance	934.17	1,140.14	858.55	1,103.15	1,232.42	1,052.69	1,197.42	1,206.66	1,188.48	981.85	1,166.00	945.99	1,133.99	1,156.50	1,009.26
Composite	1,214.05	1,336.75	1,174.00	1,332.15	1,540.09	1,298.33	1,496.93	1,497.58	1,451.80	1,323.11	1,518.01	1,255.80	1,468.41	1,482.33	1,301.77
All T&T	1,811.02	2,011.69	1,766.08	2,007.80	2,155.96	1,946.32	2,084.81	2,085.82	1,998.54	1,772.61	1,941.56	1,668.88	1,868.97	1,868.97	1,702.88
Cross Listed	80.51	89.86	71.36	85.26	123.49	82.59	121.63	122.04	121.11	118.09	148.42	111.16	144.65	150.87	119.66
SME	70.72	80.00	50.72	50.91	50.00	36.19	43.02	43.02	40.62	64.33	68.45	64.33	67.76	100.00	67.71
CXNI*	931.96	990.35	904.22	992.61	992.61	955.51									

*2022 values are for the period October to December 2022

FIRST TIER MARKET CAPITALIZATION BY SECTOR

Sector	2023 Number of Securities	2023 Market Capitalization	2022 Number of Securities	2022 Market Capitalization	Market Capitalization YOY %Δ
Banking	5	64,207,262,691	5	69,418,467,675	(7.51)
Conglomerates	3	22,553,824,034	3	22,449,534,693	0.46
Property	1	146,615,031	1	135,123,582	8.50
Manufacturing I	6	7,634,783,086	6	11,105,230,640	(31.25)
Manufacturing II	1	1,165,154,359	1	1,461,126,046	(20.26)
Trading	3	5,358,510,988	3	3,894,164,476	37.60
Energy	1	1,277,100,000	1	2,694,681,000	(52.61)
Non-Banking Finance	4	13,383,027,729	4	15,804,091,755	(15.32)
Non-Sector	3	11,796,980	3	11,330,919	4.11
Total	27	115,738,074,898	27	126,973,750,786	(8.85)

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

EQUITY AND MUTUAL FUND LISTINGS, CANCELLATIONS AND DELISTINGS

Share Cancellations 2023

Security	Listing Date		No. of Shares/Units	Market Value* ('000)
Republic Financial Holdings Limited	January 12, 2023	Issued pursuant to Executive Share Option Plan	8,717	1,200
Republic Financial Holdings Limited	January 12, 2023	Issued pursuant to Executive Share Option Plan	8,818	1,214
CinemaOne Limited	January 25, 2023	Issued pursuant to a one (1) for four (4) Rights Issue	1,601,574	6,015
Republic Financial Holdings Limited	February 14, 2023	Issued pursuant to Executive Share Option Plan	20,467	2,803
Republic Financial Holdings Limited	February 14, 2023	Issued pursuant to Executive Share Option Plan	17,829	2,442
Republic Financial Holdings Limited	March 16, 2023	Issued pursuant to Executive Share Option Plan	14,177	1,956
GraceKennedy Limited	July 7, 2023	Issued pursuant to 2009 Stock Option Plan - Long Term Incentive Scheme	48,795	167
Republic Financial Holdings Limited	August 10, 2023	Issued pursuant to Executive Share Option Plan	30,935	3,928
Republic Financial Holdings Limited	September 20, 2023	Issued pursuant to Executive Share Option Plan	20,625	2,499
Republic Financial Holdings Limited	October 12, 2023	Issued pursuant to Executive Share Option Plan	13,319	1,594

* No of shares x opening price

Share Cancellations 2023

There were no share cancellations for the year 2023.

Delistings 2023

There were no delistings for the year 2023.

Regional Stock Exchanges Market Activity for the period ended December 31st 2023

Stock Exchange	Traded Volume ('000,000)	Traded Value* (US\$) ('000,000)	Index	Market Capitalization* (US\$) ('000,000)
Barbados Stock Exchange (Regular)	5.92	7.42	665.73	2,671.51
Jamaica Stock Exchange (Ordinary)	3,723.91	215.35	325,699.79	10,851.48
Trinidad & Tobago Stock Exchange (First Tier)	106.16	161.48	1,214.05	17,102.30

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*Figures converted to US\$ using the exchange rates as at December 31st, 2023.

LISTED COMPANIES INFORMATION

Security	Symbol	Issued Share Capital 1	Capitalization Value (\$) 1	Financial Year End	Total Assets (\$'000)
First Tier Market					
Banking					
FirstCaribbean International Bank Limited ^[4,6]	FCI	1,577,094,570	11,102,745,773	31-Oct	84,150,611
First Citizens Group Financial Holdings Limited	FCGFH	251,353,562	12,343,973,430	30-Sep	44,796,330
NCB Financial Group Limited ^[4,8]	NCBFG	2,466,762,828	8,386,993,615	30-Sep	93,802,224
Republic Financial Holdings Limited	RFHL	163,673,762	20,087,680,810	30-Sep	112,928,000
Scotiabank Trinidad & Tobago Limited	SBTT	176,343,750	12,285,869,063	31-Oct	29,656,029
Conglomerates					
ANSA Mc Al Limited ^[3,4]	AMCL	176,197,617	9,525,243,175	31-Dec	18488854
GraceKennedy Limited ^[3,4,8]	GKC	995,177,300	4,358,876,574	31-Dec	9,196,409
Massy Holdings Ltd.	MASSY	1,979,384,540	8,669,704,285	30-Sep	15,540,850
Property					
Point Lisas Industrial Port Development Corporation Limited ^[3]	PLD	39,625,684	146,615,031	31-Dec	3,293,874
Manufacturing I					
Angostura Holdings Limited ^[3,4]	AHL	205,820,361	4,517,756,924	31-Dec	1,800,745
Guardian Media Limited ^[3]	GML	40,000,000	88,000,000	31-Dec	315,253
National Flour Mills Limited ^[3]	NFM	120,200,000	233,188,000	31-Dec	447,021
One Caribbean Media Limited ^[3]	OCM	66,499,801	252,699,244	31-Dec	897,625
Unilever Caribbean Limited ^[3,4]	UCL	26,243,832	293,930,918	31-Dec	371,448
The West Indian Tobacco Company Limited ^[3,4]	WCO	252,720,000	2,249,208,000	31-Dec	892,968
Manufacturing II					
Trinidad Cement Limited ^[3]	TCL	374,647,704	1,165,154,359	31-Dec	2,424,706
Trading					
Agostini's Limited	AGL	69,103,779	4,732,917,824	30-Sep	4,213,363
L.J. Williams Limited Ordinary B ^[2,4]	LJWB	19,742,074	44,222,246	31-Mar	205,136
Prestige Holdings Limited ^[3,4]	PHL	62,513,002	581,370,919	30-Nov	902,361
Energy					
Trinidad and Tobago NGL Limited ^[3]	NGL	116,100,000	1,277,100,000	31-Dec	1,728,950
Non-Banking Finance					
ANSA Merchant Bank Limited ^[3,4]	AMBL	85,605,263	3,860,797,361	31-Dec	10,300,416
Guardian Holdings Limited ^[3,4]	GHL	232,024,923	4,392,231,792	31-Dec	34,788,380
JMMB Group Limited ^[2,4,8]	JMMBGL	1,955,552,530	2,639,995,916	31-Mar	29,039,079
National Enterprises Limited ^[4]	NEL	600,000,641	2,490,002,660	30-Sep	3,284,928
Non-Sector Companies					
Guardian Media Limited \$50.00 6% Cumulative Preference ^[3]	GMLP	29,297	1,929,207	31-Dec	315,253
L.J. Williams Limited \$0.10 Ordinary 'A' ^[2,4]	LJWA	46,166,600	9,694,986	31-Mar	205,136
L.J. Williams Limited \$5.00 8% Cumulative Preference ^[2,4]	LJWP	45,590	172,786	31-Mar	205,136
Mutual Fund Market					
Calypso Macro Index Fund ^[3,4]	CALYP	20,200,000	474,700,000	31-Dec	597,425
CLICO Investment Fund ^[3]	CIF	204,000,000	5,601,840,000	31-Dec	5,998
Eppley Caribbean Property Fund Limited SCC - Development Fund ^[4,7]	CPFD	54,944,803	39,010,810	30-Sep	54,288
Eppley Caribbean Property Fund Limited SCC - Value Fund ^[4,7]	CPFV	55,652,768	89,044,429	30-Sep	450,049
Second Tier Market					
Mora Ven Holdings Limited ^[10]	MOV	8,255,000	99,060,000	31-Dec	336,515
SME Market					
CinemaOne Limited	CINE1	8,007,869	57,656,657	30-Sep	135,300
Endeavour Holdings Limited ^[2,4]	EHL	32,887,619	430,827,809	30-Apr	952,548
USD Equity Market					
MPC Caribbean Clean Energy Limited ^[3,11]	MPCCEL	21,666,542	21,233,211	31-Dec	30,415

LISTED COMPANIES INFORMATION - FINANCIAL PERFORMANCE

Security	Total Liabilities (\$'000)	Total Equity (\$'000)	Net Profit (\$'000)	Basic EPS/ NAV	Dividends
First Tier Market					
Banking					
FirstCaribbean International Bank Limited ^[4,6]	75,060,736	9,089,874	1,813,984	112.24	0.048
First Citizens Group Financial Holdings Limited	36,632,349	8,163,961	776,750	3.08	2.000
NCB Financial Group Limited ^[4,8]	84,374,872	9,427,352	647,176	0.14	0.500
Republic Financial Holdings Limited	98,660,000	14,268,000	1,932,000	10.69	5.200
Scotiabank Trinidad & Tobago Limited	25,186,812	4,469,217	677,991	0.38	2.800
Conglomerates					
ANSA Mc Al Limited ^[3,4]	9,165,275	9,323,579	594,481	3.00	1.800
GraceKennedy Limited ^[3,4,8]	5,707,953	3,488,456	351,080	0.33	2.170
Massy Holdings Ltd.	7,932,344	7,608,506	812,932	38.61	0.158
Property					
Point Lisas Industrial Port Development Corporation Limited ^[3]	360,067	2,933,807	52,650	1.33	0.100
Manufacturing I					
Angostura Holdings Limited ^[3,4]	333,477	1,467,268	151,982	0.74	0.380
Guardian Media Limited ^[3]	73,974	241,279	(11,197)	(0.22)	-
National Flour Mills Limited ^[3]	157,073	289,948	32,931	0.30	-
One Caribbean Media Limited ^[3]	202,692	694,933	30,249	0.43	0.210
Unilever Caribbean Limited ^[3,4]	91,130	280,318	18,337	0.65	0.560
The West Indian Tobacco Company Limited ^[3,4]	354,817	538,151	124,931	0.51	0.520
Manufacturing II					
Trinidad Cement Limited ^[3]	1,422,158	1,002,548	170,193	0.29	-
Trading					
Agostini's Limited	2,036,787	2,176,576	393,126	4.53	1.500
L.J. Williams Limited Ordinary 'B' ^[2,4]	93,932	111,204	3,807	0.16	0.080
Prestige Holdings Limited ^[3,4]	569,746	332,615	55,936	0.914	0.150
Energy					
Trinidad and Tobago NGL Limited ^[3]	3,552	1,725,398	32,749	0.21	-
Non-Banking Finance					
ANSA Merchant Bank Limited ^[3,4]	7,578,236	2,722,180	129,293	1.51	1.200
Guardian Holdings Limited ^[3,4]	30,926,730	3,861,650	700,996	3.00	0.750
JMMB Group Limited ^[2,4,8]	26,855,437	2,183,642	80,915	0.04	0.250
National Enterprises Limited ^[4]	4,085	3,280,843	(455,104)	N/A	0.560
Non-Sector Companies					
Guardian Media Limited \$50.00 6% Cumulative Preference ^[3]	73,974	241,279	(11,197)	-0.22	6.00%
L.J. Williams Limited \$0.10 Ordinary 'A' ^[2,4]	93,932	111,204	3,807	0.16	0.008
L.J. Williams Limited \$5.00 8% Cumulative Preference ^[2,4]	93,932	111,204	3,807	0.16	0.080
Mutual Fund Market					
Calypto Macro Index Fund ^[3,4]	2,557	594,868	6,297	29.44	0.800
CLICO Investment Fund ^[3]	5,979	20	(1,090,553)	0.00	-
Eppley Caribbean Property Fund Limited SCC - Development Fund ^[4,7]	1,836	52,452	(597)	0.97	-
Eppley Caribbean Property Fund Limited SCC - Value Fund ^[4,7]	108,561	341,488	49,813	2.51	0.006
Second Tier Market					
Mora Ven Holdings Limited ^[10]	255,345	81,170	(5,737)	(1.02)	-
SME Market					
CinemaOne Limited	109,253	26,047	(688)	(0.09)	-
Endeavour Holdings Limited ^[2,4]	58,928	636,666	29,448	0.90	0.800
USD Equity Market					
MPC Caribbean Clean Energy Limited ^[3,11]	10,201	20,213	1,587	0.70	-

Notes:

1 Values as at 31/12/23

Financials were based on the company's year end except where indicated

2 Financials as at the end of the 2nd quarter

3 Financials as at the end of the 3rd quarter

Dividends of cross listed companies are quoted in their national currency except for FCI which is quoted in USD.

4 Represents interim dividend only

Exchange rates obtained from the Central Bank of Trinidad & Tobago

5 Financials presented in USD Converted to TTD using the buying rate for 30/09/23 of \$6.7385

6 Financials presented in USD Converted to TTD using the buying rate for 31/10/23 of \$8.7207

7 Financials presented in BDS Converted to TTD using the buying rate for 30/09/23 of \$2.8500

8 Financials presented in JMD Converted to TTD using the buying rate for 30/09/23 of \$0.0422

9 Financials presented in JMD Converted to TTD using the buying rate for 31/12/23 of \$0.0419

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

11 Values quoted in USD.

N/A Not Available

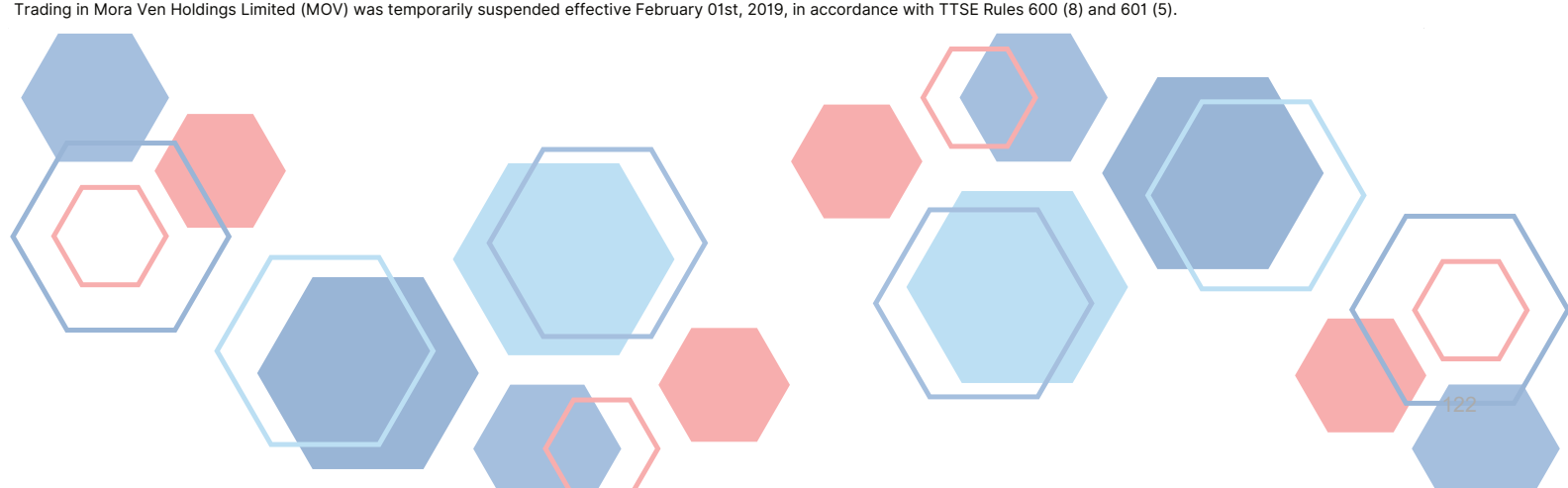
PRICE ANALYSIS - for the period January 01, 2023 - December 31, 2023

Securities	Opening Price 2023	Closing Price 2023	Change \$	Change %	High Closing Price	Low Closing Price	Average Closing Price	Trades	Traded Volume	Traded Value \$
TTD MARKET										
FIRST TIER MARKET										
AGOSTINI'S LIMITED	50.00	68.49	18.49	36.98	69.02	49.95	64.25	490	385,066	25,158,890.04
ANGOSTURA HOLDINGS LIMITED	24.00	21.95	(2.05)	(8.54)	25.00	17.01	22.82	490	945,164	21,632,653.40
ANSA MERCHANT BANK LIMITED	44.00	45.10	1.10	2.50	49.00	41.73	44.76	139	185,883	8,069,043.99
ANSA Mc AL LIMITED	51.50	54.06	2.56	4.97	58.50	48.00	52.89	457	1,104,193	57,144,159.24
FIRST CITIZENS GROUP FINANCIAL HOLDINGS LIMITED	52.00	49.11	(2.89)	(5.56)	52.39	46.09	49.32	1,727	1,722,092	85,304,740.67
FIRSTCARIBBEAN INTERNATIONAL BANK LIMITED	5.45	7.04	1.59	29.17	7.35	5.45	6.88	576	2,269,963	15,238,308.20
GUARDIAN HOLDINGS LIMITED	26.99	18.93	(8.06)	(29.86)	27.50	16.75	21.37	568	2,653,729	61,180,137.97
GRACEKENNEDY LIMITED	4.49	4.38	(0.11)	(2.45)	4.75	3.15	3.87	725	8,014,165	28,987,077.03
GUARDIAN MEDIA LIMITED	2.94	2.20	(0.74)	(25.17)	2.94	2.00	2.20	89	101,379	224,255.22
JMMB GROUP LIMITED	1.91	1.35	(0.56)	(29.32)	2.08	1.22	1.52	822	6,747,404	10,721,559.88
L.J. WILLIAMS LIMITED \$0.10 A	0.20	0.21	0.01	5.00	0.21	0.20	0.20	3	1,000	210.00
L.J. WILLIAMS LIMITED B	2.35	2.24	(0.11)	(4.68)	2.80	2.05	2.57	201	199,515	517,346.19
MASSY HOLDINGS LTD.	4.50	4.38	(0.12)	(2.67)	5.20	4.27	4.68	3,478	46,074,496	216,005,337.54
NCB FINANCIAL GROUP LIMITED	4.56	3.40	(1.16)	(25.44)	4.74	2.55	3.42	486	6,134,367	18,212,729.51
NATIONAL ENTERPRISES LIMITED	3.40	4.15	0.75	22.06	4.15	3.39	3.69	1,766	15,422,279	56,750,965.36
NATIONAL FLOUR MILLS LIMITED	1.50	1.94	0.44	29.33	1.94	1.36	1.58	283	1,563,835	2,404,740.68
TRINIDAD AND TOBAGO NGL LIMITED	23.21	11.00	(12.21)	(52.61)	23.21	10.26	16.72	1,499	1,789,008	29,426,144.12
ONE CARRIBEAN MEDIA LIMITED	3.30	3.80	0.50	15.15	3.93	3.00	3.60	284	1,310,535	4,835,771.75
PRESTIGE HOLDINGS LIMITED	6.28	9.30	3.02	48.09	11.50	6.25	8.23	643	1,251,645	10,218,783.45
POINT LISAS INDUSTRIAL PORT DEV. CORP.	3.41	3.70	0.29	8.50	4.30	3.03	3.50	186	415,869	1,458,553.58
REPUBLIC FINANCIAL HOLDINGS LIMITED	138.99	122.73	(16.26)	(11.70)	139.14	115.94	129.14	2,528	2,482,745	321,076,460.99
SCOTIABANK TRINIDAD & TOBAGO LIMITED	78.11	69.67	(8.44)	(10.81)	78.47	69.67	75.11	1,336	927,721	69,314,172.55
TRINIDAD CEMENT LIMITED	3.90	3.11	(0.79)	(20.26)	3.90	2.50	3.15	291	1,362,331	4,338,873.53
UNILEVER CARIBBEAN LIMITED	12.90	11.20	(1.70)	(13.18)	16.98	10.51	12.92	1,317	2,007,342	28,495,464.09
THE WEST INDIAN TOBACCO COMPANY LIMITED	21.01	8.90	(12.11)	(57.64)	22.00	8.90	13.71	877	1,087,939	16,095,281.37
PREFERENCE										
GUARDIAN MEDIA LIMITED \$50 6% CP	65.70	65.85	0.15	0.23	65.85	65.70	65.82	2	32	2,107.20
L.J. WILLIAMS LIMITED 8% PREFERENCE	3.79	3.79	-	-	3.79	3.79	3.79	1	195	739.05
MUTUAL FUND MARKET										
CALYPSO MACRO INDEX FUND	21.15	23.50	2.35	11.11	25.05	20.05	21.84	336	95,992	2,113,882.08
CLICO INVESTMENT FUND ^[1]	27.46	27.46	-	-	27.46	27.46	27.46	-	-	-
EPPLEY CARIBBEAN PROPERTY FUND LIMITED SCC - DEVELOPMENT FUND	0.68	0.71	0.03	4.41	0.71	0.68	0.71	3	1,315,710	934,154.10
EPPLEY CARIBBEAN PROPERTY FUND LIMITED SCC - VALUE FUND	1.60	1.60	-	-	1.60	1.60	1.60	2	2,232,187	3,571,499.20
SECOND TIER MARKET										
MORA VEN HOLDINGS LIMITED ^[2]	12.00	12.00	-	-	12.00	12.00	12.00	-	-	-
SME MARKET										
CINEMAONE LIMITED	8.20	7.20	(1.00)	(12.20)	8.41	7.00	7.58	27	440,168	3,170,577.11
ENDEAVOUR HOLDINGS LIMITED	8.75	13.10	4.35	49.71	15.00	8.75	12.28	112	34,458	427,221.37
USD MARKET										
EQUITIES MARKET										
MPC CARRIBEAN CLEAN ENERGY LIMITED	0.90	0.98	0.08	8.89	0.98	0.98	0.98	1	100	98.00

Notes

[1] In accordance with Clico Investment Fund's (CIF) Trust Deed and Prospectus dated November 01st, 2012, the fund was terminated on its Redemption Date, January 02nd, 2023. In light of this, trading in CIF was suspended on Fridat December 30th, 2022.

[2] Trading in Mora Ven Holdings Limited (MOV) was temporarily suspended effective February 01st, 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.

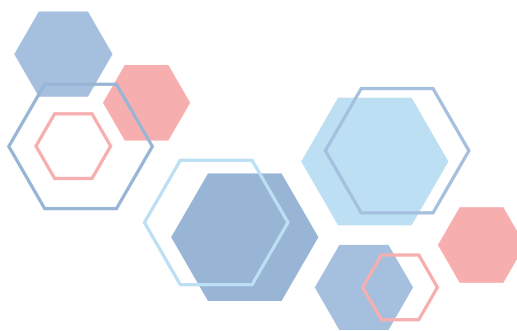
In order to ensure transparency in the market members of the public can visit the Exchange on any trading day to view the trading activity.

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



GENERAL INFORMATION ON THE TTSE

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

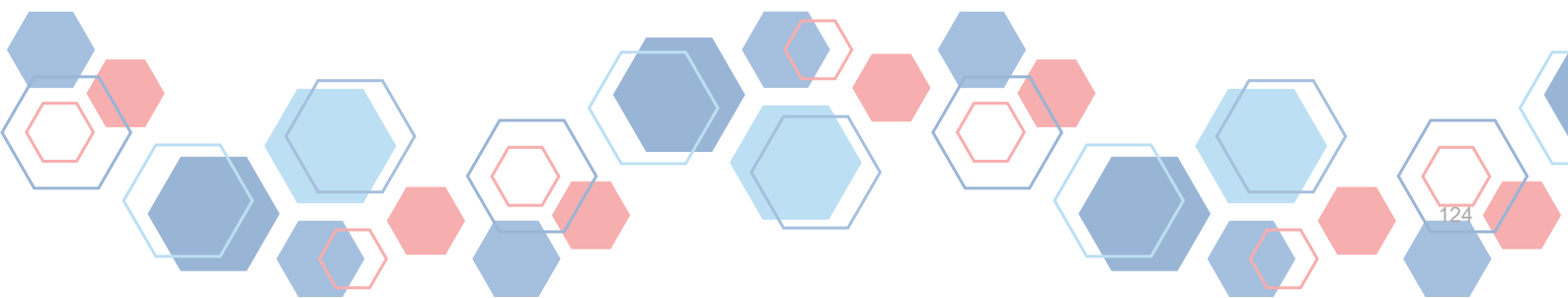
This market-value weighted index measures the price movement of the ordinary shares for the various sectors of the companies listed on the First Tier Market of the Exchange.

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

CARIBBEAN EXCHANGE INDEX (CXNI)

This market-value weighted index collectively measures the price movements of all securities listed on the Main Markets of the five participating Stock Exchanges (Barbados Stock Exchange, Eastern Caribbean Securities Exchange, The Guyana Association of Securities Companies and Intermediaries Inc., Jamaica Stock Exchange and Trinidad and Tobago Stock Exchange). Cross-listed securities are only included in the market capitalization calculation of their domestic Stock Exchange.

$(\text{Current day Caribbean Exchange Market Capitalisation in USD} / \text{Previous day Caribbean Exchange Market Capitalisation in USD}) \times \text{Previous day Caribbean Exchange Index}$



CORPORATE INFORMATION

Board of Directors (TTSE)

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

Board of Directors (TTCD)

- Anton Gopaulsingh – Chairman
- Ian Narine - Director
- Michael Phillip - Director
- Sarodh Ramkhelawan - Director
- Kavita Surat Singh - Director

Company Secretary

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

Registered Office

10th Floor
Nicholas Tower
63-65 Independence Square
Port of Spain

Management

- Eva Mitchell- Chief Executive Officer
- Natasha Bhola- Marketing and Communications Officer
- Jason Dyer- Information Technology Manager
- Tisha Marie Millington-Beharry- Manager, TTCD Operations
- Joy Ramlogan - Regulatory, Legal and Compliance Officer
- Usha Ramnath- Financial Accountant
- Rhonda Sellier- Head, Shared Services
- Jase Torry – Manager, Market Operations

Attorneys

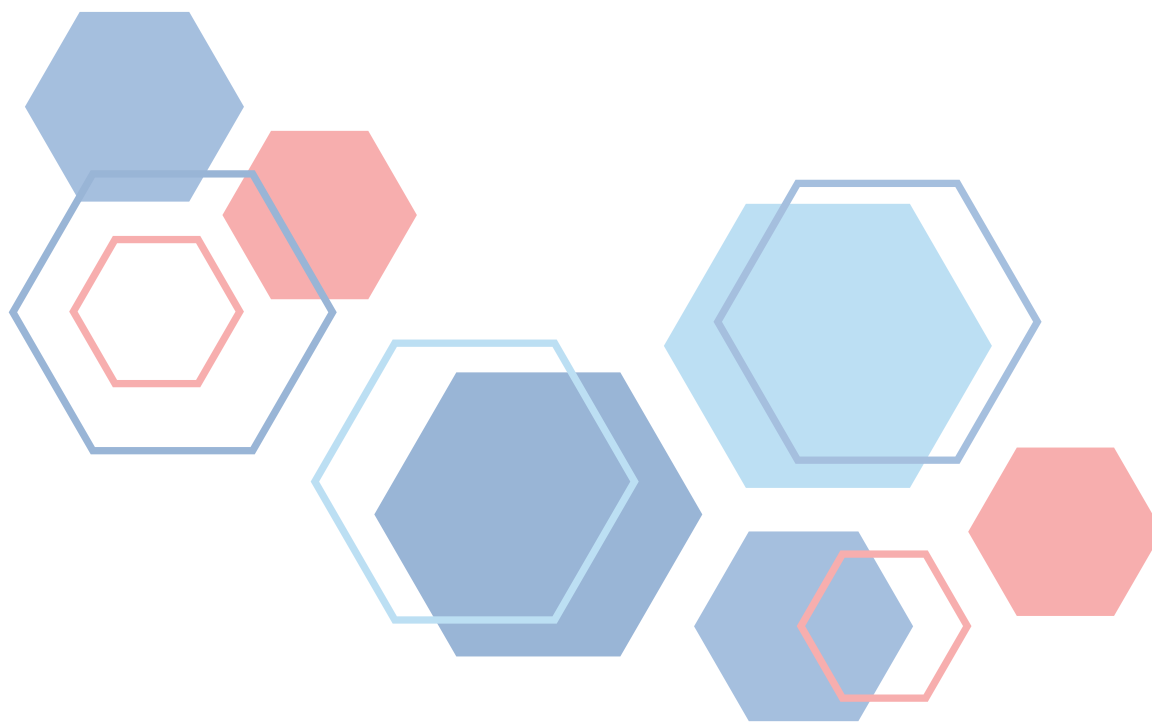
Fitzwilliam, Stone, Furness-Smith & Morgan
Attorneys-at-Law
48-50 Sackville Street
Port of Spain

Auditors

PricewaterhouseCoopers Limited
11-13 Victoria Avenue
Port of Spain

Information and Publications

- Daily Summaries
- Weekly Trading Reports
- Weekly Bulletin
- Monthly Trading Reports
- TTSE Reports and Summaries
- Annual Reports
- Liquidity Summaries



PROXY FORM – SHAREHOLDERS

REPUBLIC OF TRINIDAD AND TOBAGO
THE COMPANIES ACT, CH 81:01
(Section 143(1))

1. Name of Company: **THE TRINIDAD AND TOBAGO STOCK EXCHANGE LIMITED** Company No. T2595 (C).
2. Particulars of Meeting: Twenty-Seventh Annual Meeting of the Shareholders of the Trinidad and Tobago Stock Exchange LIMITED (“the Exchange”) will be held at The Trinidad and Tobago Chamber of Industry and Commerce, The Leon Agostini Conference Hall, Columbus Circle, Westmoorings, on Friday May 24th, 2024 at 1:00pm

I/We _____
(Block Letters)

Of _____
(Block Letters)

being Shareholder(s) in the above Company, appoint(s) the Chairman of the Meeting, or failing him

_____ Of _____

to be my /our proxy to vote for me/us on my/our behalf at the above meeting and any adjournment thereof as indicated below on the resolutions to be proposed in the same manner, to the same extent and with the same powers as if I/we were present at the meeting or such adjournment or adjournments thereof.

Please indicate with an “X” in the spaces below how you wish to vote on the resolutions referred to. Unless otherwise instructed, the proxy may vote or abstain from voting as he/she thinks fit.

ORDINARY BUSINESS	FOR	AGAINST
<p>RESOLUTION 1 To receive and consider the Audited Consolidated Financial Statements for the financial year ended December 31, 2023, together with the Reports of the Directors and the Auditors thereon.</p>		
<p>RESOLUTION 2 To re-elect Ms. Wendy Kerry as a Director under paragraphs 4.3 and 4.5 of By-Law No. 1 for a period ending at the close of the third Annual Meeting of the Shareholders of the Exchange following her election.</p>		
<p>RESOLUTION 3 To re-elect Ms. Kavita Surat Singh as a Director under paragraphs 4.3 and 4.5 of By-Law No. 1 for a period ending at the close of the next Annual Meeting of the Shareholders of the Exchange following her election..</p>		
<p>RESOLUTION 4 To re-elect Mr. Peter Inglefield as a Director under paragraphs 4.3, 4.5 and 4.8 of By-Law No. 1 for a period ending at the close of the next Annual Meeting of the Shareholders of the Exchange following his election.</p>		

ORDINARY BUSINESS	FOR	AGAINST
<p>RESOLUTION 5 To re-elect Mr. Ray Sumairsingh as a Director under paragraphs 4.3, 4.5 and 4.8 of By-Law No. 1 for a period ending at the close of the next Annual Meeting of the Shareholders of the Exchange following his election.</p>		
<p>RESOLUTION 6 To elect Mr. John Peter Ellis Clarke as a Director under paragraph 4.5 of By-Law No. 1 for a period ending at the close of the third Annual Meeting of the Shareholders of the Exchange following his election.</p>		
<p>RESOLUTION 7 To re-appoint Messrs. PricewaterhouseCoopers as the Auditors to hold office until the close of the next Annual Meeting of the Shareholders of the Exchange.</p>		
SPECIAL BUSINESS	FOR	AGAINST
<p>RESOLUTION 8</p> <p>To confirm the amendments to By Law No. 4.1 of By-law No. 1 of the Exchange adopted by the Directors at their meeting of February 8, 2024, which amendments provide that By-law 4.1 "Number and Powers" of the By-laws of the Trinidad and Tobago Stock Exchange Limited is hereby amended to reduce the maximum number of directors on the Board of Directors from eleven (11) directors to ten (10) directors by the deletion of paragraph 4.1 of By-law No. 1 and the insertion of the following in its place:</p> <p>DIRECTORS</p> <p>4.1 Number and Powers The Board of Directors shall not be less than three (3) nor more than fifteen (15). Pending the passing of a resolution of the Directors declaring that it is expedient that the number of Directors should be increased or decreased (within the aforesaid limits) and until such time as a new number shall be fixed by such resolution, the number of Directors shall be ten (10).</p>		

Please consider the Notes 1 to 6 for your assistance to complete and deposit the Proxy Form (s).

Dated this _____ day of _____, 2024.

Signature(s) of Shareholder(s) _____

NOTES:

1. A shareholder may appoint a proxy of his/her own choice. If such an appointment is made, delete the words "the Chairman of the Meeting" from the Proxy Form and insert the name and address of the person appointed proxy in the space provided and initial the alteration.
2. If the appointer is a corporation, this Proxy Form must be under its common seal or under the hand of some officer or attorney duly authorised in that behalf.
3. A shareholder that is a body corporate may, in lieu of appointing a proxy authorise an individual by resolution of its directors or its governing body to represent it at the Annual Meeting.

4. In the case of joint shareholders, the names of all joint shareholders must be stated on the Proxy Form and all joint shareholders must sign the Proxy Form.
5. If the Proxy Form is returned without any indication as to how the person appointed proxy shall vote, the proxy will exercise his/her discretion as to how he/she votes or whether he/she abstains from voting.
6. To be valid, this Proxy Form must be completed and deposited at the registered office of The Trinidad and Tobago Stock Exchange Limited, at the address below not less than 48 hours before the time for holding the Annual Meeting or adjourned meeting.

RETURN TO:

The Assistant Secretary
The Trinidad and Tobago Stock Exchange Limited
10th Floor, Nicholas Tower
63-65 Independence Square
Port of Spain



Trinidad & Tobago
Stock Exchange
Creating Opportunities



Phone Number

868-625-5107



Email Address

ttse@stockex.co.tt



Website

www.stockex.co.tt



Address

**10th Floor
Nicholas Tower
63-65 Independence Square
Port of Spain**