TRINIDAD AND TOBAGO GAZETTE
(EXTRAORDINARY)

VOL. 60 — Caroni, Trinidad, Monday 26th July, 2021—Price $1.00 — NO. 115

– NOTICE –

CONSOLIDATED FINANCIAL STATEMENT OF ACCOUNTS OF THE CENTRAL BANK OF TRINIDAD AND TOBAGO FOR THE YEAR ENDED SEPTEMBER 30, 2020

IN ACCORDANCE with the provisions of Section 53 (2) of the Central Bank Act, Chapter 79:02, the Consolidated Financial Statement of Accounts of the Central Bank of Trinidad and Tobago for the year ended September 30, 2020 is hereby published.

Suzette Taylor-Lee Chee
Permanent Secretary,
Ministry of Finance

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REPUBLIC OF TRINIDAD AND TOBAGO
AUDITOR GENERAL'S DEPARTMENT

REPORT
OF THE
AUDITOR GENERAL

ON THE FINANCIAL STATEMENTS OF THE CENTRAL BANK OF TRINIDAD AND TOBAGO

FOR THE YEAR ENDED

30 September, 2020

734—*Continued*

REPORT OF THE AUDITOR GENERAL

REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE FINANCIAL STATEMENTS OF THE CENTRAL BANK OF TRINIDAD AND TOBAGO FOR THE YEAR ENDED 30 SEPTEMBER 2020

OPINION

The financial statements of the Central Bank of Trinidad and Tobago (the Bank) for the year ended 30 September 2020 have been audited. The statements as set out on pages 1 to 48 comprise a Statement of Financial Position as at 30 September 2020, a Statement of Comprehensive Income, a Statement of Changes in Equity and a Statement of Cash Flows for the year ended 30 September 2020 and Notes to the Financial Statements numbered 1 to 29, including a summary of significant accounting policies.

2. In my opinion, the Financial Statements as outlined at paragraph one above, present fairly, in all material respects, the financial position of the Central Bank of Trinidad and Tobago as at 30 September 2020 and the related financial performance and its cash flows for the year ended 30 September 2020 in accordance with International Financial Reporting Standards except as stated at Note 2a to the Financial Statements.

BASIS FOR OPINION

3. The audit was conducted in accordance with accepted auditing standards. The Auditor General's responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of this report. The Auditor General is independent of the Bank in accordance with the ethical requirements that are relevant to the audit of the financial statements and other ethical responsibilities have been fulfilled in accordance with these requirements. It is my view that the audit evidence obtained is sufficient and appropriate to provide a basis for the above audit opinion.

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

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

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REPORT OF THE AUDITOR GENERAL

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

7. The Auditor General's responsibility is to express an opinion on these financial statements based on the audit and to report thereon in accordance with section 116 of the Constitution of the Republic of Trinidad and Tobago and Section 52 (1) and (2) of the Central Bank Act No. 23 of 1964 provide for the Accounts of the Bank to be audited by auditors who shall be appointed by the Board with the approval of the Minister of Finance. The Board on 27th March, 2020 agreed to the appointment of the Auditor General as Auditor of the Accounts of the Central Bank of Trinidad and Tobago. The Minister of Finance on 2nd June, 2020 conveyed his non-objection to the appointment of the Auditor General as Auditor of the Accounts.

8. The Auditor General's objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes his opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

9. As part of an audit in accordance with accepted auditing standards, the Auditor General exercises professional judgment and maintains professional skepticism throughout the audit. The Auditor General also:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for an opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the Bank.

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REPORT OF THE AUDITOR GENERAL

- Concludes on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Bank to continue as a going concern. If the Auditor General concludes that a material uncertainty exists, the Auditor General is required to draw attention in her audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify her opinion. The Auditor General's conclusions are based on the audit evidence obtained up to the date of her audit report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluates the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtains sufficient appropriate audit evidence regarding, the financial information of the entities or business activities within the Bank to express an opinion on the financial statements. The Auditor General is responsible for the direction, supervision and performance of the audit of the Bank. The Auditor General remains solely responsible for her audit opinion.

10. The Auditor General communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that were identified during the audit.

30TH NOVEMBER, 2020
PORT OF SPAIN

LORELLY PUJADAS
AUDITOR GENERAL

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FINANCIAL STATEMENTS

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CENTRAL BANK OF TRINIDAD AND TOBAGO
STATEMENT OF FINANCIAL POSITION

As at 30 September 2020

(Expressed in Trinidad & Tobago Dollars)

	Notes	Sep-20 $'000	Sep-19 $'000
ASSETS			
Foreign currency assets			
Foreign currency cash and cash equivalents	4	24,860,896	22,610,051
Foreign currency investment securities	5,7	22,054,236	21,966,201
Foreign receivables	9	4,330,065	5,714,663
Subscriptions to international financial institutions	10	5,202,573	5,270,479
International Monetary Fund - Holdings of Special Drawing Rights		2,223,842	2,253,982
		58,671,612	**57,815,376**
Local currency assets			
Local currency cash and cash equivalents	4	530,638	1,225,108
Local currency investment securities	5, 6,7	144,633	168,510
Retirement benefit asset	8	74,718	68,136
Accounts receivable and prepaid expenses	9	2,186,841	2,203,152
Other assets	11	166,013	154,391
Property, plant and equipment	12	133,249	143,542
Intangible assets	13	11,180	11,845
Non current assets held for sale	14	20	20
		3,247,292	**3,974,704**
TOTAL ASSETS		**61,918,904**	**61,790,080**
LIABILITIES			
Foreign currency liabilities			
Demand liabilities - foreign	15	789,187	850,212
International Monetary Fund - Allocation of Special Drawing Rights		2,950,659	2,992,954
Accounts payable	16	4,574,605	6,242,155
		8,314,451	**10,085,321**
Local currency liabilities			
Demand liabilities - local	15	31,552,248	24,433,849
Accounts payable	16	12,584,937	17,657,039
Provision for transfer of surplus to government		1,377,582	1,883,991
Provisions	17	6,489,686	6,129,880
		52,004,453	**50,104,759**
CAPITAL AND RESERVES			
Capital	25	800,000	800,000
General reserve		800,000	800,000
		1,600,000	**1,600,000**
TOTAL LIABILITIES, CAPITAL AND RESERVES		**61,918,904**	**61,790,080**

Governor

Director

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CENTRAL BANK OF TRINIDAD AND TOBAGO
STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 30 September 2020

(Expressed in Trinidad & Tobago Dollars)

		Sep-20 $'000	Sep-19 $'000
Income from foreign currency assets			
Investment income	18	669,516	1,122,137
Investment expense		(29,955)	(27,976)
		639,561	1,094,161
Realised gain/(loss) from currency translations		14,629	(98,451)
Net gain realised on disposal and amortisation of investments	18	114,339	58,605
		768,529	**1,054,315**
Income from local currency assets			
Interest income	19	1,093,795	1,283,973
Rental income		2,634	2,457
Other income	19	59,949	55,610
		1,156,378	**1,342,041**
Decrease in provisions		-	24,925
Total income		**1,924,907**	**2,421,282**
Operating expenses			
Printing of notes and minting of coins	20	98,461	48,625
Salaries and related expenses	21	244,284	273,242
Interest paid		76,595	92,919
Directors' fees		1,784	1,452
Depreciation	12	28,666	29,732
Amortization of intangible assets		1,307	960
Other operating expenses	22	89,280	90,360
Increase in provisions		6,948	-
Total operating expenses		**547,325**	**537,290**
Net surplus for the period		**1,377,582**	**1,883,991**
Total comprehensive income for the period		**1,377,582**	**1,883,991**

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CENTRAL BANK OF TRINIDAD AND TOBAGO
STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 September 2020

(Expressed in Trinidad & Tobago Dollars)

	Issued and Fully Paid Up Capital $'000	General Reserves $'000	Retained Earnings $'000	Total $'000
Balance as at 1st October 2018	800,000	800,000	-	1,600,000
Net surplus for the period	-	-	1,883,991	1,883,991
Transfer of surplus to Consolidated Fund	-	-	(1,883,991)	(1,883,991)
Balance as at 30th September 2019	800,000	800,000	-	1,600,000
Balance as at 1st October 2019	800,000	800,000	-	1,600,000
Net surplus for the period	-	-	1,377,582	1,377,582
Transfer of surplus to Consolidated Fund	-	-	(1,377,582)	(1,377,582)
				-
Balance as at 30th September 2020	800,000	800,000	-	1,600,000

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CENTRAL BANK OF TRINIDAD AND TOBAGO
STATEMENT OF CASH FLOWS

For the Year Ended 30 September 2020

(Expressed in Trinidad & Tobago Dollars)

	Notes	Sep-20 $'000	Sep-19 $'000
Cash flows from operating activities			
Net surplus for the year before taxation		1,377,582	1,883,991
Adjustments for:			
Depreciation		28,666	29,732
Amortisation of intangible assets		1,307	960
Net loss on disposal of fixed assets		41	244
Impairment loss		-	292
Interest income		(1,744,632)	(2,385,662)
Interest expense		76,595	92,919
Dividend income		(1,424)	(1,827)
Provisions		6,948	(24,925)
Cash outflows before changes in operating assets and liabilities		**(254,917)**	**(404,276)**
Changes in operating assets and liabilities			
Decrease/(increase) in accounts receivable & prepaid expenses		1,344,668	(728,710)
(Increase)/decrease in other assets		(24,775)	10,248
(Increase)/decrease in retirement benefit asset		(6,582)	24,913
Increase/(decrease) in accounts payable and other liabilities		321,928	(3,661,788)
Net cash flows used from/(used in) operations		**1,380,322**	**(4,759,613)**
Cash flows from investing activities			
Purchase of property, plant and equipment		(19,056)	(24,016)
Proceeds from sale of property, plant and equipment		-	10,028
Net proceeds from sale/(purchase) of investments		334,230	(753,040)
Net repayment of loans and advances		23,545	64,997
Interest received		1,800,889	2,414,525
Dividends received		1,424	1,827
Interest paid		(80,833)	(93,338)
Net (increase) in International Monetary Fund Holding of Special Drawing Rights and Allocation account		(12,155)	(27,686)
Payment to Consolidated Fund		(1,883,991)	(1,471,860)
Net cash flows from investing activities		**164,053**	**121,437**
Cash flows from financing activities			
Lease payment		13,153	12,895
Net cash flows from financing activities		**13,153**	**12,895**
Net increase/(decrease) in cash and cash equivalents		1,557,528	(4,625,281)
Foreign currency differences in monetary assets & liabilities		(1,153)	(90,159)
Cash and cash equivalents, beginning of period	4	23,835,159	28,550,599
Cash and cash equivalents, end of period	4	**25,391,534**	**23,835,159**

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CENTRAL BANK OF TRINIDAD AND TOBAGO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended 30 September 2020
(Expressed in Trinidad & Tobago Dollars)

1. INCORPORATION & PRINCIPAL ACTIVITIES

The Central Bank of Trinidad and Tobago (the Bank) was established as a corporate body in 1964 under the Central Bank Act (Chapter 79:02). The principal office is located at Eric Williams Plaza, Independence Square, Port of Spain, Trinidad and Tobago.

The Central Bank Act entrusts the Bank with a range of responsibilities, among which is the promotion of monetary, credit and exchange conditions most favourable to the development of the economy of Trinidad and Tobago.

The Bank has the exclusive right to issue and redeem currency notes and coins in Trinidad and Tobago, and is empowered, inter alia, to act as banker for, and render economic, financial and monetary advice to the Government of the Republic of Trinidad and Tobago (GORTT) and open accounts for and accept deposits from the Central Government, Local Government, statutory bodies, commercial banks and other financial institutions. It also has the authority to make advances, purchase and sell discounted bills of exchange and promissory notes on behalf of the above named institutions, and to purchase and sell foreign currencies and securities of other Governments and international financial institutions.

The Bank is also responsible for protecting the external value of the currency, managing the country's external reserves and taking steps to preserve financial stability.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the Financial Statements are set out below. These policies have been applied to all of the years presented unless otherwise stated.

a. Basis of preparation

These Financial Statements have been prepared on the historical cost basis except for the following:

- Artwork measured at fair value
- Financial assets measured at fair value through profit or loss

These Financial Statements have been prepared in accordance with the Central Bank Act (Chapter 79:02). The Bank has chosen to adopt the recognition and measurement requirements of the International Financial Reporting Standards (IFRS) together with the presentation and disclosure framework in the preparation of these Financial Statements insofar as the Bank considers it appropriate to do so having regard to its functions.

These Financial Statements depart from the IFRS because of the nature of the Bank, including its role in the development of the financial infrastructure of the country as well as the regulations by which it is governed. The IFRS which have not been fully adopted are:

o *IAS 21 – The Effect of Changes in Foreign Exchange Rates*, requires that all unrealised gains and losses be accounted for through the Income Statement. The Central Bank Act requires that the profit for the year be transferred to the Consolidated Fund but does not distinguish between realised and unrealised profits. As such the Bank accounts for all unrealised gains and losses on Changes in Exchange Rates through a Provision for Foreign Currency Exchange Rate Reserves.

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CENTRAL BANK OF TRINIDAD AND TOBAGO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended 30 September 2020
(Expressed in Trinidad & Tobago Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

a. Basis of preparation cont'd

- *IAS 37 – Provisions, Contingent Liabilities and Contingent Assets,* defines Provisions as liabilities of uncertain timing or amount. The Central Bank Act imposes specific limitations on the scope of the Bank to create reserves and so prepare for certain unforeseen events. The Bank has therefore established Provisions for specific types of transactions and obligations, which would more typically be reflected as various types of reserves under the IFRS. See Note 17.

- *IFRS 7 – Financial Instruments Disclosures,* requires that an entity discloses very detailed information on its investments including information on concentration of risk on investments; geographical information on investments and sensitivity analysis for each type of market risk. The Bank's investment of the country's reserves is managed under strict governance procedures and the Central Bank Act requires that the Bank maintain a prudential level of confidentiality.

- *IFRS 9 - Financial Instruments: Classification and Measurement,* requires that where an asset is classified as fair value through profit and loss, the unrealised gains or losses on fair value movements should be recognised through the Statement of Comprehensive Income. The Central Bank Act requires the net profit for the year be transferred to the Consolidated Fund but does not distinguish between realised and unrealised profits. Therefore, the Bank recognises its unrealized gains or losses on these investments under "Provisions" (see Note 17).

The accounting treatment adopted for each of these departures is defined in the accounting policies and notes below. The impact of this is reflected in the improved stability in the operations of the Bank. Management considers that these Financial Statements fairly represent the Bank's financial position, financial performance and cash flows.

b. Changes in accounting policies and disclosures

*i. **New standards and interpretations adopted by the Bank***

- IFRS 16 – Leases (effective January 1, 2019)

This new standard was issued in January 2016 and applies to annual reporting periods beginning on or after 1 January 2019. This standard establishes principles for the recognition, measurement, presentation and disclosure of leases. IFRS 16 provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying assets has a low value. IFRS 16's approach to lessor accounting will not change substantially, lessors will continue to classify leases as either operating or finance.

This standard will replace the following standards and interpretations:

- IAS 17 – Leases
- IFRIC 4 – Determining whether an Arrangement contains a Lease
- SIC – 15 – Operating Leases – Incentives
- SIC – 27 – Evaluating the Substance of Transactions Involving the Legal Form of a Lease

An assessment was carried out on the rental agreements entered into by the Bank to ensure compliance with the requirements of IFRS 16. It was determined that these rental agreements do not contain leases as the Bank does not have the right to control the use of the assets during the term of the contract. No changes were therefore required to the current accounting treatment.

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CENTRAL BANK OF TRINIDAD AND TOBAGO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended 30 September 2020
(Expressed in Trinidad & Tobago Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

b. Changes in accounting policies and disclosures cont'd

ii. New standards and interpretations that are not yet effective and have not been early adopted by the Bank

There are new standards and amendments to standards and interpretations that are not yet effective for accounting periods beginning on or after January 1 2019 and have not been early adopted by the Bank. The Bank intends to adopt these standards and interpretations, if applicable, when they become effective.

The Bank is currently assessing the impact of adopting these new standards and interpretations. Some of these by nature are not expected to have a significant effect on the Bank's financial statements. However, the impact of adoption depends on the assets and liabilities held by the Bank at the date of adoption; therefore it is not practical to quantify the effect at this time. These standards and amendments include:

- IFRS 17 – *Insurance Contracts (effective January 1, 2021)*

  IFRS 17 replaces IFRS 4 on accounting for insurance contracts; it establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This standard is not relevant to the Bank as it does not issue insurance contracts.

c. Consolidation

Section 36(g) of the Central Bank Act empowers the Bank, with the approval of the Minister of Finance, to acquire, hold and sell shares or other securities of any statutory body or company registered under the Companies Act for the purpose of promoting the development of a money or securities market or for financing the economic development of Trinidad and Tobago. The Bank has interests in a number of institutions – the Trinidad and Tobago Unit Trust Corporation, the Deposit Insurance Corporation, Caribbean Credit Rating and Information Agency, Inter-bank Payments System Limited and the Office of the Financial Services Ombudsman.

In all but the Deposit Insurance Corporation, the Bank has a minority financial interest, in fulfilment of the Bank's role to help promote the development of the country's financial infrastructure. The Deposit Insurance Corporation was established for the protection of depositors in the domestic financial system. While the share capital was paid up by the Bank, the Deposit Insurance Corporation was always conceived to be a separate and independent institution with its own mandate and operates as such. The Financial Statements of these related enterprises have not been consolidated with those of the Bank.

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CENTRAL BANK OF TRINIDAD AND TOBAGO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended 30 September 2020
(Expressed in Trinidad & Tobago Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

d. Foreign Currency Translation

i. Functional and Presentation Currency

The Financial Statements are presented in Trinidad and Tobago dollars, which is the Bank's functional and presentation currency.

ii. Transactions and Balances

Monetary assets and liabilities denominated in foreign currencies are translated into Trinidad and Tobago dollars at the rates of exchange prevailing at the close of business at the Statement of Financial Position date.

Translation gains or losses, at year end exchange rates of these monetary and non-monetary assets and liabilities, are recognised in Provisions – Foreign currency exchange rate reserves.

Foreign currency transactions are translated at the exchange rates prevailing on the transaction dates. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the Statement of Comprehensive Income.

iii. Special Drawing Rights

Transactions with the International Monetary Fund (IMF) are recorded at the local currency equivalent of Special Drawing Rights using rates notified by the IMF. Special Drawing Rights (SDR) are defined in terms of a basket of currencies. To revalue the Bank's holdings of SDRs, the value of the SDR was calculated as a weighted sum of the exchange rates of five major currencies (the US dollar, euro, Japanese yen, pound sterling and the Chinese renminbi) against the Trinidad and Tobago dollar. The TT: SDR rate as at 30 September 2020 was 0.108835 (September 2019 - 0.107297).

e. Critical accounting estimates and judgments

The Bank makes estimates and assumptions that affect the reported amounts of the assets and liabilities within the financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events.

The resulting accounting estimates will seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are illustrated below:

i. Estimated pension and post–employment medical plan

The estimate of the pension and post-employment medical plan obligations, in relation to the defined benefit plans operated by the Bank on behalf of its employees, are primarily based on the estimation of independent qualified actuaries. The value of the obligations is affected by the actuarial assumptions used in deriving the estimate.

ii. Provision for bad and doubtful debts

Pursuant to Section 35(4) of the Act, provisions are made for bad and doubtful debts in the accounts. In this regard, the relevant assets are shown in the Statement of Financial Position net of the amount which, in the opinion of the Bank, requires a specific provision.

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CENTRAL BANK OF TRINIDAD AND TOBAGO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended 30 September 2020
(Expressed in Trinidad & Tobago Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

e. Critical accounting estimates and judgments cont'd

iii. Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. The judgments include considerations of liquidity and model inputs such as volatility for longer dated derivatives and discount rates, prepayment rates and default rate assumptions for asset backed securities.

iv. Measurement of the expected credit loss allowance

The measurement of expected credit loss allowance for the financial assets measured at amortised cost and FVOCI is an area that requires assumptions about economic conditions and credit behaviour (i.e. the likelihood of customers defaulting and the resulting losses).

v. Business Model Assessment

Determining the appropriate business model and assessing the SPPI requirements for financial assets may require significant accounting judgement and have a significant impact on the financial statements (see Note 2.g.).

vi. Estimated replacement value of artwork

The estimated replacement value of artwork was primarily based on the valuation of an independent art consultant. The estimated market value is established based on the valuation report of the condition of the artwork.

f. Cash and cash equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise balances with less than or equal to three months to maturity from the date of acquisition. It consists of cash, balances with other banks, short term funds and highly liquid investments, including fixed deposits and reverse repurchases.

g. Investment securities

The classification of financial instruments at initial recognition depends on their contractual terms and management's business model for managing the instruments. All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities which are recorded at fair value through profit or loss. The Bank classifies all of its financial assets based on the Bank's business model for managing the assets and the instruments' contractual cash flow characteristics, measured at either:

- Amortised Cost
- Fair value through profit or loss (FVPL)

734—*Continued*

CENTRAL BANK OF TRINIDAD AND TOBAGO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended 30 September 2020
(Expressed in Trinidad & Tobago Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

g. Investment securities cont'd

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVPL:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

A financial asset is measured at fair value through other comprehensive income (FVOCI) only if it meets both of the following conditions and is not designated as FVPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and by the sale of financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

The financial assets that are not measured at amortised cost or FVOCI are classified in the category FVPL, with gains and losses arising from changes in the fair value recognised in profit and loss. Management can also, on initial recognition, irrevocably designate a financial asset as measured at FVPL if doing so eliminates or significantly reduce an inconsistency in measurement or recognition that would otherwise result from the measurement of assets or liabilities, and their gains and losses, on different bases.

Business model assessment

Business model assessment entails a determination of the way financial assets are managed in order to generate cash flows. There are three business models available under IFRS 9:

- Hold to collect: it is intended to hold the asset to maturity to earn interest, collecting repayments of principal and interest form the counterparty.
- Hold to collect and sell: this model is similar to the hold to collect model, except that the entity elects to sell some or all of the assets before maturity as circumstances change or to hold the assets for liquidity purposes.
- Other: all those models that do not meet the 'hold to collect' or 'hold to collect and sell' qualifying criteria.

The assessment of business model requires judgement based on facts and circumstances at the date of initial application. The business model is not assessed on an instrument by instrument basis, but at a higher level of aggregated portfolios per instrument type and is based on observable factors.

734—*Continued*

CENTRAL BANK OF TRINIDAD AND TOBAGO
NOTES TO FINANCIAL STATEMENTS
For the Year Ended 30 September 2020
(Expressed in Trinidad & Tobago Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

g. Investment securities cont'd

The Bank determines its business model at the portfolio level (foreign reserves and domestic assets portfolios) as this best reflects the way the Bank manages its financial assets to achieve its business objective. The Bank's business model assessment considers certain qualitative and observable factors that are implicitly in the standards, such as the objectives for each reserve tranche, sales activity, basis for management decisions making, risk parameters, performance evaluation and relative significance of the various sources of income.

Solely Payments of Principal and Interest (SPPI) Test

The Bank assesses the contractual terms of financial assets to determine whether they meet the SPPI test i.e. contractual cash flows that represent solely payments of principal and interest on the principal amount outstanding that are consistent with basic lending arrangements.

'Principal' for the purpose of this test is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as the consideration for the time value of money and the credit risk associated with the principal amount outstanding during a particular period of time.

If a financial asset is held in either a 'Hold to Collect' or a 'Hold to Collect and Sell' business model, then assessment to determine whether contractual cash flows are solely payments of principal and interest on the principal amount outstanding at initial recognition is required to determine the classification. The SPPI test is performed on an individual instrument basis.

In assessing whether the contractual cash flows are SPPI, the Bank considers whether the contractual terms of the financial asset contain a term that could change the timing or amount of contractual cash flows arising over the life of the instrument which could affect whether the instrument is considered to meet the SPPI test. If the SPPI test is failed, such financial assets are measured at FVPL.

h. Recognition and derecognition of financial instruments

The Bank uses trade date accounting when recording financial asset transactions. Financial assets are derecognised when the contractual right to receive the cash flows from these assets has ceased to exist or the assets have been transferred and substantially all the risks and rewards of ownership of the assets are also transferred. Financial liabilities are derecognised when they have been redeemed or otherwise extinguished.

i. Impairment of financial assets

IFRS 9 requires the Bank to record expected credit loss (ECL) on all financial assets measured at amortised cost or FVOCI with the introduction of a three-stage approach to impairment of financial assets. The ECL allowance is based on credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

The Bank's policies for determining if there has been a significant increase in credit risk for assets carried at amortised cost involves assessing changes in existing arrangements or other related terms which affect credit quality. The 12-month ECL is the portion of lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both lifetime and 12-month expected credit losses are calculated on either an individual basis or a collective basis, depending on the size and nature of the underlying portfolio of financial instruments.

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CENTRAL BANK OF TRINIDAD AND TOBAGO
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2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

i. Impairment of financial assets cont'd

The Bank has established a policy to perform an assessment of whether a financial instrument's credit risk has increased significantly since initial recognition, at the end of each reporting period. This is undertaken by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Bank classifies its financial assets into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: 12 months ECL
When financial assets are first recognised and continue to perform in accordance with the contractual terms and conditions at initial recognition, the Bank recognises a loss allowance based on 12 months ECLs. This represents the portion of lifetime expected credit losses from default events that are expected within 12 months of the reporting date.

Stage 2: Lifetime ECL – not credit impaired
When a financial asset has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECLs (i.e. reflecting the remaining lifetime of the financial asset).

Stage 3: Lifetime ECL – credit impaired
A financial asset is considered credit impaired based on whether the occurrence of one or more events having a detrimental impact on the estimated future cash flows of that asset. For exposures that have become credit impaired, a lifetime ECL is recognized.

Measurement of expected credit losses (ECL)

The Bank derives ECLs from probability-weighted estimates of expected loss, and are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls over the expected life of the financial asset discounted by the EIR. The cash shortfall is the difference between the cash flows due to the Bank in accordance with the contract and the cash flows that the Bank expects to receive.
- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows discounted by the EIR.

The mechanics of the ECL calculations are outlined below and the key elements are as follows:

PD – The Probability of Default (PD) is an estimate of the likelihood of default over a given period of time. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

EAD – The Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

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2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

i. Impairment of financial assets cont'd

LGD — The Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

When estimating the ECLs, the Bank considers among other factors the risk rating category and aging of the financial asset. Each of these is associated with different PDs, EADs and LGDs.

The mechanics of the ECL method are summarised below:

Stage 1
The 12 months ECL is calculated as the portion of the lifetime expected credit losses that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Bank calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD.

Stage 2
When a financial asset has shown a significant increase in credit risk since origination, the Bank records an allowance for the lifetime expected credit losses. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The LGDs are derived as explained under Stage 3 for loans and using Global Credit Loss tables for traded investments and modified with management overlays when not traded.

Stage 3
For financial assets considered credit-impaired, the Bank recognises the lifetime expected credit losses for these financial assets. The method is similar to that for Stage 2 assets, with the PD set at 100%. In most instances, LGDs are determined on an individual loan/advance or investment basis, including discounting the expected cash flows at the original EIR. Stage 3 LGDs are grouped by similar types to provide percentage averages to be applied for Stage 1 and Stage 2 loans.

In the assessment of its assets carried at amortised cost, the Bank has applied provision matrix based on an entity's historical default rates and adjusted for forward-looking estimates. In its ECL model, the Bank considers a range of forward looking information as economic inputs such as:

- GDP growth
- Inflation rates
- Unemployment rates

In reviewing these factors, the Bank observed little correlation between the overall performance of the assets and historic loss trends. It was therefore not possible to directly correlate macroeconomic expectations to adjustments within the ECL model.

The Bank however recognised that the inputs and models used for calculating ECLs may not always capture all characteristics and expectations of the market at the date of the financial statements. To reflect this, management adjustments or overlays may occasionally be made based on expert credit judgement.

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2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

j. Fair value measurement

The Bank measures certain financial instruments at fair value at each reporting date. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the orderly sale of asset or transfer of liability takes place in the principal market for the asset or liability. In the absence of a principal market, the most advantageous market for the asset or liability is used as the basis for fair value measurement.

The fair value estimate of an asset or liability is based on the assumptions that market participants would use when pricing the asset or liability, assuming the market participants act in their best economic interest.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price. For all other financial instruments not traded in an active market, the fair value is determined by using valuation techniques considered to be appropriate in the circumstances for which sufficient data is available and for which the use of relevant observable inputs are maximised. Valuation techniques include the market approach, the cost approach and the income approach.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the 3 levels of the fair value hierarchy based on the lowest level input that is significant to the entire fair value measurement. The levels of the fair value hierarchy are:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation technique for which the lowest level input that is significant to the fair value measurement is unobservable

Further details on fair value measurement are included in Note 7.

k. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

l. Employee benefits

i. Pension benefits

The Bank operates a Defined Benefit Plan (Plan) for all its eligible employees. The assets of the Plan are held in a separate trustee administered plan.

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2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

l. Employee benefits cont'd

i. Pension benefits cont'd

A Defined Benefit Plan is a pension plan that defines the amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The pension benefit is based on the final salary of the employee.

An asset or liability recognised in the Statement of Financial Position in respect of the Plan is the present value of the defined benefit obligation at the Statement of Financial Position date less the fair value of the Plan's assets.

The Plan's accounting costs are assessed on the basis of the Projected Unit Credit Method. A valuation is done every three years by independent actuaries. The last triennial valuation was performed as at 30 September, 2017 and the next valuation would be performed as at 30 September 2020. This is expected to be completed in the next financial year.

In accordance with the advice of the actuaries, the Plan's costs of providing pensions are charged to the Statement of Comprehensive Income in order to spread the regular cost over the service lives of employees. The Bank has adopted the amendments to IAS 19; therefore actuarial gains and losses would no longer be deferred but recognised immediately in the period in which they occur.

The Plan is funded by payments from employees and the Bank, taking into account the recommendations of independent qualified actuaries.

ii. Post-employment medical benefits

The Bank operates a post-employment medical benefit scheme for its retirees, whereby a subsidy is provided for premium due for member only contribution. The method of accounting, assumptions and the frequency of valuations are similar to those used for the defined benefit pension scheme.

m. Notes and coins

The stock of notes and coins is stated at original cost. Issues are accounted for using the First In First Out Method. All associated costs such as shipping, handling and insurance are expensed immediately. Printing and minting costs are expensed when the units of currency are issued and put into circulation.

n. Leases

i. Leases (as lessee)

The Bank currently has several agreements for the rental of office space, photocopiers, off-site storage and carpark facilities. An assessment was carried out and it was determined that according to the principles outlined by IFRS 16 these rental agreements do not contain leases. The payments made under these rental agreements are therefore charged to the Statement of Comprehensive Income.

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2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

n. Leases cont'd

ii. Finance leases (as lessor)

Where the Bank grants long-term leases on property, the land and the building are treated as a finance lease. These finance leases are valued at the lower of the gross investment less principal payments and any provisions in the lease, and the present value of the minimum lease payments receivable at the Statement of Financial Position date and are shown as receivable. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return.

o. Intangible Assets

Where the Bank purchases software that does not relate directly to the operation of related hardware, it will be classified as an Intangible Asset in accordance with IAS 38. Following initial recognition intangible assets are carried at cost less any accumulated amortisation and impairment losses. The useful life of intangible assets are assessed as finite and are amortised over the useful economic life, but generally not exceeding ten years. The amortisation expense on intangible assets is recognised in the Statement of Comprehensive Income.

p. Property, plant & equipment

Property, plant and equipment are recorded at cost less accumulated depreciation. Cost includes the purchase price of the assets plus any further cost incurred in bringing the asset to its present condition and location. Capital work-in-progress are recorded at cost but are not depreciated until the asset is available for its intended use. Any additions or improvements to assets during the year, which significantly add to the value of, or extend the useful life of such assets, are capitalised as part of the cost. All other repairs and maintenance are expensed in the Statement of Comprehensive Income during the financial period in which they were incurred. When an asset is retired or sold, any gain or loss on disposal is recognised in the Statement of Comprehensive Income.

Artwork, which is classified under Fixtures and Fittings, is initially carried at cost. The Bank's Artwork is independently and professionally valuated and is carried at its revalued amount, being its fair value at the date of revaluation. Any increase in the carrying amount as a result of the revaluation is recognised in reserves as a provision for revaluation of artwork except to the extent that the increase reverses a revaluation deficit of the Artwork previously recognised in the Statement of Comprehensive Income. The Bank will conduct valuations every five years, with the most recent being performed at September 2017. The next valuation is therefore due September 2022.

Depreciation is charged on a straight-line basis and is applied over the estimated useful lives of the assets, as shown below. Land is not depreciated.

Building	40 years
Building improvements	10 years
Leasehold properties	over the period of the lease
Motor vehicles	4 years
Machinery and equipment	5 years
Computer hardware	3-4 years
Computer software	5-10 years
Furniture	7-10 years
Fixtures and fittings	10 years

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CENTRAL BANK OF TRINIDAD AND TOBAGO
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2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

p. Property, plant & equipment cont'd

The assets' useful lives are reviewed and adjusted if appropriate at each reporting date. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

q. Taxation

Section 55(1) of the Central Bank Act exempts the Bank from the provisions of any Act relating to income taxation, company taxation and from the payment of stamp duty.

r. Provisions

The Bank has a policy of providing for all known and foreseeable losses in the accounts and has adopted a prudent approach to provisioning. Provisions shown on the Statement of Financial Position include the Foreign currency translation reserves, Gold revaluation reserves and Market value revaluation reserves.

s. Gold reserve

Gold is valued at the market price prevailing at the year end. No distinction is made between the price and currency revaluation differences for gold. Instead, a single gold valuation is accounted for on the basis of the price in Trinidad and Tobago dollars per troy ounce of gold.

t. Subscriptions to international financial institutions

The Bank acts as financial agent for the GORTT with international financial institutions (See Note 10). In order to provide a more appropriate presentation, these amounts include the portion of the GORTT's contributions issued to these organisations in the form of Promissory Notes where applicable. These balances are stated at cost once there is no quoted market price in an active market and the fair value cannot be reliably determined. For those that are quoted in an active market, the instrument is carried at fair value based on the closing price at year end.

u. Capital

The entire capital of the Bank is held by the GORTT. Provision is made in Section 34(5) of the Central Bank Act for the Paid-up portion of the authorised capital of the Bank to be increased each year by an amount of not less than fifteen percent (15%) of the amount to be paid into the Consolidated Fund, until the Paid-up portion of the Authorised Capital is equal to the Authorised Capital. Currently the Paid up portion of the Authorised Capital of the Bank is equal to the Authorised Capital (see Note 25).

v. Reserves

Provision is made in Sections 35(3) and 35(6) of the Central Bank Act for the Bank to place in the General Reserve Fund or the Special Reserve Funds, or in both, an amount not exceeding ten percent (10%) of the net surplus of the Bank for each financial year, until the General Reserve Fund is equal to the Authorised Capital. On 30 September 2015, the General Reserve Fund equalled to the amount of the Authorised capital of $800 million.

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CENTRAL BANK OF TRINIDAD AND TOBAGO
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2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

w. Transfer of surplus

The Central Bank Act states under section 35(5) that at the end of each financial year, after allowing for the amount referred to in section 35(3), the net profit of the Bank shall be paid into the Consolidated Fund.

x. Revenue recognition

i. Interest income and interest expense

Interest income and expense are recognised in the Statement of Comprehensive Income for all interest-bearing instruments on an accruals basis. Interest income includes coupons earned on fixed income investments and accrued discount and premium on treasury bills and other discount instruments.

ii. Dividend income

Dividend income is recognised when the right to receive payment is established.

iii. Other income and expenses

All other significant items of income and expenditure are accounted for on the accruals basis.

y. Comparatives

Where necessary comparative figures have been adjusted to take into account changes in presentation in the current year.

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CENTRAL BANK OF TRINIDAD AND TOBAGO
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3. FINANCIAL RISK MANAGEMENT

Operational risk is the risk of loss in both financial and non-financial terms resulting from human error and the failure of internal processes and systems. Operational risk management includes bank-wide corporate policies which describe the standard of conduct required of staff and specific internal control systems designed around the particular characteristics of various Bank activities.

In addition to operational risk, the Bank is exposed to various risks arising from its responsibility for the management of the official foreign currency reserves of the country. These risks and the measures taken to mitigate them in the portfolio are as follows:

Credit risk

The Bank takes on exposure to credit risk which is the risk that a counterparty will be unable to pay amounts in full when due.

Credit risk is mitigated by the establishment of counterparty concentration limits and by the establishment of minimum rating standards that each counterparty must attain.

Currency risk

The Bank takes on exposure to fluctuations in the prevailing foreign currency exchange rates on its foreign currency portfolios. Management seeks to mitigate currency risk by aligning the currency composition of the foreign portfolio to the settlement of trade and central government's external debt.

Interest rate risk

The Bank invests in securities and maintains time deposits as a part of its normal course of business. Interest rate risk is the risk of loss arising from changes in prevailing interest rates. The Bank manages this risk by establishing duration limits for the portfolio.

Liquidity risk

The Bank is exposed to daily calls on its available cash resources from overnight deposits, current accounts and maturing deposits.

Liquidity risk is managed by the grouping of reserves into several tranches according to liquidity requirements, and defining specific asset classes and duration limits for each tranche, consistent with its defined liquidity objectives.

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CENTRAL BANK OF TRINIDAD AND TOBAGO
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4. CASH AND CASH EQUIVALENTS

	Sep-20 $'000	Sep-19 $'000
Currency on hand	84,664	114,423
Balances held with banks	3,160,232	2,540,487
Repurchase agreements	915,913	2,571,979
Fixed deposits	20,050,585	18,086,836
Short-term investments	1,180,140	521,434
	25,391,534	**23,835,159**
Represented by:		
Foreign currency - cash and cash equivalents		
Currency on hand	76,085	106,793
Balances held with banks	2,638,173	1,323,020
Repurchase agreements	915,913	2,571,979
Fixed deposits	20,050,585	18,086,836
Short-term investments	1,180,140	521,423
	24,860,896	**22,610,051**
Local currency - cash and cash equivalents		
Cash on hand	8,579	7,631
Balances held with banks	522,059	1,217,466
Short-term investments	-	11
	530,638	**1,225,108**
	25,391,534	**23,835,159**

Local currency - balances with banks

This balance is comprised mostly of cheque deposits made by the GORTT which are sent for clearance at the commercial banks. These are settled against commercial banks' reserve balances on the next working day.

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CENTRAL BANK OF TRINIDAD AND TOBAGO
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5. INVESTMENT SECURITIES

	Sep-20 $'000	Sep-19 $'000
Foreign currency investment securities		
Fair value through profit or loss	22,054,236	21,966,201
	22,054,236	**21,966,201**
Local currency investment securities		
Bonds - amortised cost	26	6
Fair value through profit or loss	4,422	4,422
Loans and advances - amortised cost	140,185	164,082
	144,633	**168,510**
Total investment securities	**22,198,869**	**22,134,711**
Fair value through profit and loss		
Foreign currency		
Investment securities	21,783,910	21,896,981
Appreciation in market value	270,326	69,220
	22,054,236	**21,966,201**
Local currency		
Investments in related enterprises (Note 6)	4,422	4,422
	4,422	**4,422**
Total fair value through profit and loss	**22,058,658**	**21,970,623**
Amortised cost		
Local currency		
Loans and advances	140,185	164,082
Bonds	26	6
	140,211	**164,088**
Total amortised cost	**140,211**	**164,088**
Total investment securities	**22,198,869**	**22,134,711**

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CENTRAL BANK OF TRINIDAD AND TOBAGO
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6. INVESTMENT IN RELATED ENTERPRISES

The Bank has an interest in the following related enterprises to help promote the development of the country's financial infrastructure:

	Sep-20 $'000	Sep-19 $'000
Trinidad and Tobago Unit Trust Corporation	2,500	2,500
Deposit Insurance Corporation	1,000	1,000
Trinidad and Tobago Interbank Payments System	922	922
	4,422	**4,422**

The Bank also has a related interest in the Office of the Financial Services Ombudsman (OFSO). The main objectives of the OFSO are to receive complaints arising from the provision of financial services to individuals and small businesses, and to facilitate the settlement of these complaints. The Ombudsman is provided with a secretariat drawn from or approved by the Central Bank. The remuneration of the Financial Services Ombudsman and the costs of establishing the Ombudsman scheme are borne by the Bank, while recurrent operational costs of the Office are funded by the financial institutions.

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CENTRAL BANK OF TRINIDAD AND TOBAGO
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7. FAIR VALUE OF ASSETS AND LIABILITIES

a. Fair value hierarchy

The fair value of the Bank's assets and liabilities are analysed by the fair valuation hierarchy below:

Recurring fair value measurement of assets and liabilities

Quantitative disclosures fair value measurement hierarchy for assets as at 30 September 2020

Financial Assets	Level 1	Level 2	Level 3	Total
	$'000	$'000	$'000	$'000
Asset-backed Securities:				
Auto Loan Receivable	-	1,621,221	-	1,621,221
Credit Card Receivable	-	1,020,956	-	1,020,956
Other Asset-backed Securities	-	608,927	-	608,927
Corporate Bonds	-	3,311,712	-	3,311,712
Mortgage-backed Securities:	-	-	-	
Federal Home Loan Mortgage Corporation (FHLMC)	-	249,531	-	249,531
Federal National Mortgage Association (FNMA)	-	557,103	-	557,103
Government National Mortgage Association (GNMA) I	-	6,180	-	6,180
Government National Mortgage Association (GNMA) 11	-	636,915	-	636,915
Collateralized Mortgage backed Securities (CMO)	-	26,280	-	26,280
Government Issues	2,687,420	10,530,581	-	13,218,001
Gold	797,409	-	-	797,409
Investments in related enterprises	-	-	4,422	4,422
Municipals	-	-	-	-
Artwork	-	15,176	-	15,176
Total	**3,484,829**	**18,584,583**	**4,422**	**22,073,834**

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7. FAIR VALUE OF ASSETS AND LIABILITIES CONT'D

a. Fair value hierarchy cont'd

Recurring fair value measurement of assets and liabilities cont'd

Quantitative disclosures fair value measurement hierarchy for assets as at 30 September 2019

Financial Assets	Level 1	Level 2	Level 3	Total
	$'000	$'000	$'000	$'000
Asset-backed Securities:				
Auto Loan Receivable		1,010,914		1,010,914
Credit Card Receivable		1,183,599		1,183,599
Other Asset-backed Securities		566,377		566,377
Corporate Bonds		4,046,293		4,046,293
Mortgage-backed Securities:				
Federal Home Loan Mortgage Corporation (FHLMC)		447,284		447,284
Federal National Mortgage Association (FNMA)		921,095		921,095
Government National Mortgage Association (GNMA) I		7,931		7,931
Government National Mortgage Association (GNMA) 11		298,490		298,490
Collateralized Mortgage backed Securities (CMO)		48,674		48,674
Government Issues	2,967,078	9,837,296		12,804,374
Gold	620,024			620,024
Investments in related enterprises			4,422	4,422
Municipals		11,144		11,144
Artwork		15,176		15,176
Total	**3,587,102**	**18,394,275**	**4,422**	**21,985,799**

The Bank had no traded financial liabilities at the reporting date.

Assessing the significance of a particular input to the entire measurement requires judgement, taking into account factors specific to the asset or liability. Furthermore, the estimated fair values of certain financial instruments have been determined using available market information or other appropriate valuation methodologies that require judgement in interpreting market data and developing estimates. Consequently, the estimates made do not necessarily reflect the amounts that the Bank could realise in a current market exchange.

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7. FAIR VALUE OF ASSETS AND LIABILITIES CONT'D

b. Transfers between fair value hierarchy levels

There were no transfers between the hierarchy levels during the period 1 October 2019 and 30 September 2020.

c. Level 1 fair values

Assets and liabilities categorized as Level 1 are those whose values are based on quoted market prices in active markets. No adjustments are made to the quoted price when determining the fair value of these assets.

d. Level 2 fair values

Assets and liabilities categorized as Level 2 are valued based on a compilation of primarily observable market information. This includes broker quotes in a non-active market, alternative pricing sources supported by observable inputs and investments in securities with fair values obtained via fund managers.

e. Level 3 fair values

The Bank investments in several related companies are accounted for as fair value through profit or loss (see Note 6). However, none of these equity investments have a quoted market price in an active market and therefore their fair value cannot be reliably measured. The cost of these equity investments is therefore considered a reasonable approximation of fair value.

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8. RETIREMENT BENEFIT ASSET

	Sep-20 $'000	Sep-19 $'000
Consolidated statement of financial position obligations for:		
- Pension plan	111,168	102,304
- Post-retirement medical plan	(36,450)	(34,168)
	74,718	**68,136**

a) Pension plan

	Sep-20 $'000	Sep-19 $'000
Defined benefit obligation	(826,250)	(806,654)
Fair value of assets	937,418	908,958
IAS 19 net defined asset	**111,168**	**102,304**
Reconciliation of opening and closing defined benefit assets		
Define benefit asset at prior year end	102,304	117,524
Decrease in pension asset:		
Net pension cost	(16,727)	(15,252)
Re-measurements of net define benefit asset/liability	12,231	(13,129)
Bank contribution paid	13,360	13,161
	8,864	(15,220)
Closing defined benefit asset	**111,168**	**102,304**
Amounts recognised in the earnings statement		
Current service cost	(22,736)	(22,174)
Net interest on net defined benefit liability	6,710	7,617
Expense Allowance	(701)	(695)
Net pension cost	**(16,727)**	**(15,252)**
Re-measurements of net define benefit asset/liability		
Experience gains/(losses)	12,231	(13,129)
Actuarial loss on plan assets	-	-
Actual return on plan assets	**12,231**	**(13,129)**

	Sep-20	Sep-19
Actuarial assumptions		
Discount rate	6.00%	6.00%
Expected return on plan assets	n/a	n/a
Projected future rate of salary increase	5.15%	5.15%

Value of Pension Scheme Asset	Based on Fair Value at Balance Sheet Date

734—*Continued*

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8. RETIREMENT BENEFIT ASSET CONT'D

b) Post-Employment Medical Plan

	Sep-20 $'000	Sep-19 $'000
IAS 19 net defined obligation	(36,450)	(34,168)
Reconciliation of opening and closing defined benefit liability		
Defined benefit liability at prior year end	(34,168)	(24,475)
Decrease in plan:		
Net benefit cost	(3,641)	(2,648)
Re-measurements of net define benefit asset/liability	556	(7,946)
Bank contribution paid	803	901
	(2,282)	(9,693)
Closing defined benefit liability	**(36,450)**	**(34,168)**
Amounts recognised in the earnings statement		
Current service cost	(1,614)	(1,196)
Interest on defined benefit obligation	(2,027)	(1,452)
Net benefit cost	**(3,641)**	**(2,648)**
Return on plan assets: The plan holds no assets		
Actuarial assumptions		
Medical cost increases	5.00%	5.00%

734—*Continued*

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9. ACCOUNTS RECEIVABLE AND PREPAID EXPENSES

	Sep-20 $'000	Sep-19 $'000
Foreign receivables		
Pending trades - investments sold	4,250,315	5,581,632
Foreign interest receivable	73,760	129,876
Other receivables	5,990	3,155
	4,330,065	**5,714,663**
Local receivables		
Interest receivable on domestic investments	1	142
Amounts recoverable from CLF/GORTT (Note 27)	2,172,058	2,169,363
Other receivables	1,611	1,629
Prepayments	10,674	10,823
Suspense accounts- pending transfers	968	19,626
Value added tax	1,529	1,569
	2,186,841	**2,203,152**

10. SUBSCRIPTIONS TO INTERNATIONAL FINANCIAL INSTITUTIONS

	Sep-20 $'000	Sep-19 $'000
Banco Latino Americano De Exportaciones	13,211	21,622
Caribbean Development Bank	8,194	8,194
Caribbean Information and Credit Rating Services Ltd	1,776	1,771
Corporacion Andina de Formento	729,603	727,566
Inter-American Development Bank	6,695	6,695
International Bank for Reconstruction and Development	119,389	119,055
International Development Association	6,745	6,742
International Finance Corporation	333	333
International Monetary Fund	4,316,627	4,378,501
	5,202,573	**5,270,479**

The holdings in Banco Latino Americano De Exportaciones (Bladex) are based on a quoted market price off the New York Stock Exchange of US$ 12.15/ share as at 30 September 2020 (2019 US$ 19.94/ share).

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11. OTHER ASSETS

	Sep-20 $'000	Sep-19 $'000
Leased asset	55,297	68,450
Stock of notes and coins	108,994	84,019
Consumables	1,722	1,922
	166,013	**154,391**

Leased asset

In 1995 the Bank entered into a thirty-year finance lease agreement with the GORTT for the purchase of the Ministry of Finance Building with a rate of interest of 2%.

	Sep-20 $'000	Sep-19 $'000
Gross receivable due	58,089	72,611
Present value of minimum lease payments	(55,297)	(68,450)
Total unearned finance income	**2,792**	**4,161**

	Sep-20 $'000	Sep-19 $'000
Gross receivables due		
Not later than one year	14,522	14,522
Later than one year but within five years	43,567	58,089
	58,089	72,611
Less: unearned finance income	(2,792)	(4,161)
Net investment in finance lease	**55,297**	**68,450**

The net investment in finance lease is analysed as follows:

	Sep-20 $'000	Sep-19 $'000
Not later than one year	14,238	14,237
Later than one year but within five years	41,059	54,213
	55,297	**68,450**

734—*Continued*

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11. OTHER ASSETS CONT'D

Inventory of notes and coins

	Sep-20 $'000	Sep-19 $'000
Notes	100,692	74,677
Coins	8,302	9,342
	108,994	**84,019**

Inventory of notes

	Sep-20 $'000	Sep-19 $'000
Opening balance	74,677	78,477
Cost of notes issued	(78,772)	(40,516)
Purchase of notes	113,104	53,967
Accruals	-	(17,251)
Demonitzation $100 cotton note	(8,317)	-
Closing balance	**100,692**	**74,677**

Inventory of coins

	Sep-20 $'000	Sep-19 $'000
Opening balance	9,342	15,789
Cost of coins issued	(6,373)	(6,447)
Accruals	1,341	-
Purchase of coins	3,992	-
Closing balance	**8,302**	**9,342**

By way of Legal Notice No. 357 of 2019, the Bank demonetised the $100 cotton-based notes which ceased to be legal tender effective January 1, 2020. As a result, the stock of $100 cotton notes held, both at the Bank and at De La Rue, valued at $8,317,138.12 was written off.

734—*Continued*

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12. PROPERTY, PLANT AND EQUIPMENT

	Land & Building	Leasehold Property	Machinery & Equipment	Computer Equipment	Furniture, Fixture & Fittings, Artwork	Capital Work in Progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
As at 30th September 2020							
Net book value							
Balance b/fwd 01 Oct 2019	72,018	10,642	15,288	13,456	27,682	4,456	143,542
Transfers	834	-	905	3,539	208	(5,486)	-
Additions	107	-	5,975	1,886	838	9,608	18,414
Disposals	-	-	(41)	-	-	-	(41)
Depreciation for the year	(12,045)	(7)	(6,525)	(7,241)	(2,848)	-	(28,666)
	60,914	10,635	15,602	11,640	25,880	8,578	133,249
Represented by:							
Represented by:							
Cost	432,372	10,923	113,154	85,033	64,944	8,578	715,004
Accumulated depreciation	(371,458)	(288)	(97,552)	(73,393)	(39,064)	-	(581,755)
	60,914	10,635	15,602	11,640	25,880	8,578	133,249

	Land & Building	Leasehold Property	Machinery & Equipment	Computer Equipment	Furniture, Fixture & Fittings, Artwork	Capital Work in Progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
As at 30th September 2019							
Net book value							
Balance b/fwd 01 Oct 2018	77,891	10,649	13,598	14,609	26,183	19,411	162,341
Transfers	5,790	-	3,871	2,383	747	(12,791)	-
Additions	431	-	4,116	4,819	4,010	(2,164)	11,212
Disposals	-	-	(26)	(172)	(81)	-	(279)
Depreciation for the year	(12,094)	(7)	(6,271)	(8,183)	(3,177)	-	(29,732)
Balance carried forward	72,018	10,642	15,288	13,456	27,682	4,456	143,542
Represented by:							
Cost	431,431	10,922	108,564	79,833	64,216	4,456	699,422
Accumulated depreciation	(359,413)	(280)	(93,276)	(66,377)	(36,534)	-	(555,880)
	72,018	10,642	15,288	13,456	27,682	4,456	143,542

734—*Continued*

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13. INTANGIBLE ASSETS

As at 30th September 2020	Sep-20 $'000	Sep-19 $'000
Net book value		
Balance b/fwd	11,845	-
Additions	642	12,805
Depreciation for the year	(1,307)	(960)
	11,180	11,845
Represented by:		
Cost	13,448	12,805
Accumulated depreciation	(2,268)	(960)
	11,180	11,845

14. NON–CURRENT ASSETS HELD FOR SALE

	Sep-20 $'000	Sep-19 $'000
Freehold land	20	20
	20	**20**

In the financial year September 30, 2018 the Board made a decision to dispose of two properties owned by the Bank. The properties were a commercial building situated at 78 Independence Square, Port of Spain and a parcel of land located at Toco. The properties were classified as held for sale and were reflected in the Financial Statements at the lower of the carrying value and fair value less costs to sell.

During the financial year 2019, the commercial building was sold, whilst the parcel of land located at Toco remains available for immediate sale and continues to be actively marketed. It continues to be reflected in the Financial Statements at the lower of the carrying value and fair value less costs to sell.

734—*Continued*

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15. DEMAND LIABILITIES

Demand liabilities - foreign	Sep-20 $'000	Sep-19 $'000
Foreign deposits	3,829	4,956
Government special accounts	785,358	845,256
	789,187	**850,212**

Demand liabilities - local	Sep-20 $'000	Sep-19 $'000
Notes in circulation	7,474,527	8,633,381
Coins in circulation	252,097	244,959
Deposits by commercial banks	27,597,398	18,561,593
Deposits by non-banking financial institutions	220,760	265,934
Statutory deposits - insurance companies	8,898	20,855
Deposits by government and government agencies	(10,065,580)	(9,583,905)
Deposits by other current accounts	2,616,593	2,646,344
Deposits by regional and international institutions	222,098	419,531
Promissory Notes due to international financial institutions	3,225,457	3,225,157
	31,552,248	**24,433,849**

a. Deposits by financial institutions

The required statutory cash reserve ratios for commercial banks was changed from 17% to 14% on March 18, 2020. Non-bank financial institutions remained unchanged at 9 percent of their prescribed liabilities. Notwithstanding, over the period October 2019 to September 2020 the average value of the commercial banks' required reserves decreased by about 2.3 percent, while non-banks' required reserves increased by about 22 percent respectively, over the corresponding period 2018-2019.

b. Promissory Notes due to international financial institutions

The Promissory Note represents amounts due to the International Monetary Fund (IMF), International Development Association (IDA) and International Bank for Reconstruction and Development (IBRD) as part of the arrangement whereby the Bank acts as the Agent for the country.

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CENTRAL BANK OF TRINIDAD AND TOBAGO
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16. ACCOUNTS PAYABLE

	Sep-20	Sep-19
Accounts payable - Foreign	**$'000**	**$'000**
Bilateral accounts	15,434	33,212
Pending trades - investments purchased	4,557,735	6,202,537
Other payables	1,436	6,406
	4,574,605	**6,242,155**

	Sep-20	Sep-19
Accounts payable - Local	**$'000**	**$'000**
Trade payables and accrued charges	65,244	67,109
Interest payable	529	4,767
Unclaimed monies	27,745	23,050
Blocked accounts	11,902,268	17,488,130
Other payables	589,151	73,983
	12,584,937	**17,657,039**

Blocked accounts

These accounts represent funds withheld when liquidity levels are considered to be too high. Typically, these funds are Open Market Operations Instruments (OMO), treasury bills and treasury notes, as well as Government Bonds. The resources absorbed from the system are then sterilized (held in blocked accounts at the Central Bank).

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17. PROVISIONS

The Bank has adopted a prudent approach for provisioning in order to maintain adequate capacity to fulfil its functions. This accounting treatment reflects the limitations on the creation of reserves set out in Section 35 of the Central Bank Act. The Act specifies the terms and conditions governing General and Special Reserve funds and the creation of provisions for bad and doubtful debts, depreciation in assets, contributions to staff pension benefits and other contingencies, before payment of the net surplus for the financial year to the GORTT. This is a departure from the definition outlined in IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The provisions shown on the Statement of Financial Position comprise:

Provisions	Sep-20 $'000	Sep-19 $'000
Gold reserve	574,542	416,903
Foreign currency exchange rate reserves	5,565,125	5,511,787
Pension reserve	74,718	68,136
Revaluation reserve on investments	275,301	133,054
	6,489,686	**6,129,880**

18. INCOME FROM FOREIGN CURRENCY ASSETS

	Sep-20 $'000	Sep-19 $'000
Investment income		
Interest on United States dollar balances & securities	641,111	1,076,958
Interest on other foreign balances & securities	9,726	24,731
Other income	18,679	20,448
	669,516	**1,122,137**
Investment expenses	(29,955)	(27,976)
Realised gain/(loss) from currency translation	14,629	(98,451)
Net gain/(loss) realised on disposal and amortisation of investment		
Gains realised on disposal of investments	140,129	61,004
Losses realised on disposal of investments	(25,790)	(2,399)
	114,339	**58,605**
Total income from foreign assets	**768,529**	**1,054,315**

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19. INCOME FROM LOCAL CURRENCY ASSETS

Interest income	Sep-20 $'000	Sep-19 $'000
Loans	1,090,281	1,277,643
Other investments	3,514	6,330
	1,093,795	**1,283,973**

Other income		
General earnings	307	1,029
Dividends	45	155
Fees charged to financial institutions	59,039	53,101
Profit on sale of assets	-	14
Other	558	1,311
	59,949	**55,610**

20. PRINTING OF NOTES AND MINTING OF COINS

	Sep-20 $'000	Sep-19 $'000
Cost of new notes issued	78,772	40,516
Cost of new coins issued	6,373	6,447
Other printing and minting expenses	4,999	1,662
Write-off of cotton $100 notes	8,317	-
Total costs for printing of notes and minting of coins	**98,461**	**48,625**

21. SALARIES AND RELATED EXPENSES

	Sep-20 $'000	Sep-19 $'000
Salaries and allowances	211,494	206,457
National insurance	7,839	8,107
Employee benefits- pension and post retirement medical plan (Note 8)	(6,582)	24,913
Other staff costs	31,533	33,765
	244,284	**273,242**

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22. OTHER OPERATING EXPENSES

	Sep-20 $'000	Sep-19 $'000
Other operating expenses include:		
Advertising and public relations	4,402	2,031
CL Financial expenses (Note 27)	2,365	984
Computer expenses	27,332	26,083
Conferences and meetings	654	2,189
Contribution to other organizations	2,514	2,506
Electricity	3,889	3,869
Insurance	3,222	3,374
Library expenses	3,503	3,905
Loss on disposal of assets	41	383
Impairment loss on non-current assets held for sale	-	292
Maintenance cost	23,035	23,233
Printing and stationery	2,581	2,920
Professional fees	1,939	4,774
Rent	4,423	4,364
Telephone	4,933	4,330
Other expenses	4,447	5,123
	89,280	**90,360**

23. CAPITAL COMMITMENTS

There was $2.3 million in outstanding commitments for capital expenditure as at 30 September 2020 (30 September 2019 - $3.8 million).

24. LEASEHOLD OBLIGATIONS – OPERATING LEASES

Operating leases where the Bank is the lessor

The Bank currently has one lease arrangement for office space located within the Bank's building. The tenant is charged monthly rental and service fees based on the square footage occupied.

734—*Continued*

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25. CAPITAL

	Sep-20 $'000	Sep-19 $'000
Authorised capital	800,000	800,000
Paid-up capital	800,000	800,000

26. RELATED PARTY TRANSACTIONS

a. Government of the Republic of Trinidad and Tobago

The Bank as part of its regular operations enters into various transactions with the GORTT, state owned entities, state agencies and local government bodies. It should be noted that all transactions are done at arms' length and in accordance with normal business practices. Transactions and balances with the Bank and these entities are listed below:

	Sep-20 $'000	Sep-19 $'000
Interest income from local currency assets	1,087,621	1,276,792
Interest expense	63,782	59,859
Assets		
Local currency investment securities	26	6
Liabilities		
Demand liabilities - foreign	785,358	845,256
Demand liabilities - local	(8,838,410)	(8,401,764)
Accounts payable	11,902,268	17,488,131

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26. RELATED PARTY TRANSACTIONS CONT'D

b. Related enterprises

These Financial Statements include the following transactions with related enterprises (see Note 6) during the year:

	Sep-20 $'000	Sep-19 $'000
Income		
Dividend Income	45	155
Rental income	243	243
Other income	42	42
	330	**440**
Expenditure		
Salaries and related expenditure	1,107	1,028
	1,107	**1,028**
Ending period balances		
Investments in related enterprises	4,422	4,422
Payables to related enterprises	1,375,058	1,450,404

c. Key management compensation

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the key activities of the Bank, directly or indirectly, including all executives, senior, middle and junior managers.

	Sep-20 $'000	Sep-19 $'000
Short-term employee benefits	66,552	64,364
Directors' fees	1,802	1,462

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27. CL FINANCIAL GROUP MATTER

During January 2009, representatives of CL Financial Limited (CLF) met with the Bank and the Ministry of Finance requesting urgent liquidity support for CLICO Investment Bank Limited (CIB), CLICO (Trinidad) Limited (CLICO) and British American Insurance Co (Trinidad) Limited (BAT). On 30 January 2009, in an effort to protect the interest of depositors and policyholders, the Minister of Finance entered into a Memorandum of Understanding with CLF for the provision of liquidity support for CIB, CLICO and BAT under certain conditions.

On 31 January 2009 the Bank assumed control of CIB, under Section 44D of the Central Bank Act (the Act) and consequent to an amendment to the Act, it also assumed control of CLICO and BAT on 13 February 2009. By Order of the Court, CIB was placed into Liquidation in October 2011 under the Deposit Insurance Corporation.

A resolution strategy with a number of phases was developed to stabilise the activities of CLICO and BAT. A key component of the resolution strategy included the sale of the traditional portfolios of these institutions to a suitable purchaser at prices consistent with independent valuations.

Following a competitive and rigorous bidding process conducted by CLICO/BAT with Central Bank oversight, Sagicor was selected as the preferred purchaser. Agreements for the transfer of their respective traditional insurance portfolios to Sagicor were executed on September 30, 2019 by CLICO and BAT. Progress of the sale of the traditional portfolio of CLICO and BAT has been impacted by court proceedings in the context of a challenge by one of the bidders for the portfolios.

As a result of these actions the Bank currently has in its Financial Statements the following assets:

	Sep-20 $'000	Sep-19 $'000
Assets		
Amounts recoverable from CLF/GORTT	2,172,058	2,169,363

The Bank together with CLICO has initiated civil proceedings against former executives of CLICO. In the context of delays with criminal action, this suit was filed with the dual objective of bringing those responsible to justice and recovering monies spent by the GORTT. The outcome of this matter cannot reliably be estimated at this time.

Legal, consultancy and other costs incurred in relation to all CLF matters have been disclosed in Note 22.

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28. CONTINGENT LIABILITIES

The Bank is currently involved in claims and counterclaims arising from the conduct of its business. Based on the facts currently available to the Bank, it has been concluded that the outcome of these matters would not have a material adverse effect on the position of the Bank.

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29. STATEMENT OF FINANCIAL POSITION – CURRENT/NON-CURRENT DISTINCTION

		Sep-20	
	Current	Non-Current	Total
ASSETS	$'000	$'000	$'000
Foreign currency assets			
Foreign currency cash and cash equivalents	24,860,896	-	24,860,896
Foreign currency investment securities	6,217,428	15,836,808	22,054,236
Foreign receivables	4,330,065	-	4,330,065
Subscriptions to international financial institutions	-	5,202,573	5,202,573
International Monetary Fund - Holdings of Special Drawing Rights	-	2,223,842	2,223,842
	35,408,389	**23,263,223**	**58,671,612**
Local currency assets			
Local currency cash and cash equivalents	530,638	-	530,638
Local currency investment securities	30,154	114,479	144,633
Retirement benefit asset	-	74,718	74,718
Accounts receivable and prepaid expenses	2,186,356	485	2,186,841
Other assets	124,133	41,880	166,013
Property, plant and equipment	-	133,249	133,249
Intangible assets	-	11,180	11,180
Non current assets held for sale	20	-	20
	2,871,301	**375,991**	**3,247,292**
TOTAL ASSETS	**38,279,690**	**23,639,214**	**61,918,904**
LIABILITIES			
Foreign currency liabilities			
Demand liabilities - foreign	789,187	-	789,187
International Monetary Fund - Allocation of Special Drawing Rights	-	2,950,659	2,950,659
Accounts payable	4,574,605	-	4,574,605
	5,363,792	**2,950,659**	**8,314,451**
Local currency liabilities			
Demand liabilities - local	31,552,248	-	31,552,248
Accounts payable	11,415,739	1,169,198	12,584,937
Provision for transfer of surplus to government	1,377,582	-	1,377,582
Provisions	916,900	5,572,786	6,489,686
	45,262,469	**6,741,984**	**52,004,453**
CAPITAL AND RESERVES			
Capital	-	800,000	800,000
General reserve	-	800,000	800,000
	-	**1,600,000**	**1,600,000**
TOTAL LIABILITIES, CAPITAL AND RESERVES	**50,626,261**	**11,292,643**	**61,918,904**

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29. STATEMENT OF FINANCIAL POSITION – CURRENT/NON-CURRENT DISTINCTION CONT'D

		Sep-19	
ASSETS	**Current $'000**	**Non-Current $'000**	**Total $'000**
Foreign currency assets			
Foreign currency cash and cash equivalents	22,610,051	-	22,610,051
Foreign currency investment securities	5,238,567	16,727,634	21,966,201
Foreign receivables	5,714,663	-	5,714,663
Subscriptions to international financial institutions	-	5,270,479	5,270,479
International Monetary Fund - Holdings of Special Drawing Rights	-	2,253,982	2,253,982
	33,563,281	**24,252,095**	**57,815,376**
Local currency assets			
Local currency cash and cash equivalents	1,225,108	-	1,225,108
Local currency investment securities	35,763	132,746	168,510
Retirement benefit asset	-	68,136	68,136
Accounts receivable and prepaid expenses	2,203,152	-	2,203,152
Other assets	99,095	55,297	154,391
Property, plant and equipment	-	143,542	143,542
Intangible assets	-	11,845	11,845
Non current assets held for sale	20	-	20
	3,563,138	**411,566**	**3,974,704**
TOTAL ASSETS	**37,126,419**	**24,663,661**	**61,790,080**
LIABILITIES			
Foreign currency liabilities			
Demand liabilities - foreign	850,212	-	850,212
International Monetary Fund - Allocation of Special Drawing Rights	-	2,992,954	2,992,954
Accounts payable	6,242,155	-	6,242,155
	7,092,367	**2,992,954**	**10,085,321**
Local currency liabilities			
Demand liabilities - local	24,433,849	-	24,433,849
Accounts payable	12,394,049	5,262,990	17,657,039
Provision for transfer of surplus to government	1,883,991	-	1,883,991
Provisions	701,519	5,428,361	6,129,880
	39,413,408	**10,691,351**	**50,104,759**
CAPITAL AND RESERVES			
Capital	-	800,000	800,000
General reserve	-	800,000	800,000
	-	**1,600,000**	**1,600,000**
TOTAL LIABILITIES, CAPITAL AND RESERVES	**46,505,775**	**15,284,305**	**61,790,080**

PRINTED AND PUBLISHED BY THE GOVERNMENT PRINTER, CARONI, REPUBLIC OF TRINIDAD AND TOBAGO—2021
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