Bourse Securities Limited

Unconsolidated financial statements
For the year ended 31 December 2020

Contents

Bourse Securities Limited

Statement of management's responsibilities

Management is responsible for the following:

- Preparing and fairly presenting the accompanying unconsolidated financial statements of Bourse Securities Limited, ('the Company') which comprise the unconsolidated statement of financial position as at 31 December 2020, the unconsolidated statements of profit or loss and other comprehensive income, statement of unconsolidated changes in equity and statement of unconsolidated cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Company 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 Company's assets, detection/prevention of fraud, and the achievement of the Company's operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that complies with laws and regulations; and
- Using reasonable and prudent judgement in the determination of estimates.

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

Nothing has come to the attention of management to indicate that the Company 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.

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

Chief Accounting Officer	Managing Director
24 May 2021	24 May 2021

Deloitte.

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Independent auditors' report
to the shareholders of
Bourse Securities Limited

Opinion

We have audited the unconsolidated financial statements of Bourse Securities Limited ('the Company'), which comprise the unconsolidated statement of financial position as at 31 December 2020, and the unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in equity and statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including a summary of significant accounting policies.
In our opinion, the accompanying unconsolidated financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ('IFRSs').

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 *Auditors' Responsibilities for the Audit of the Unconsolidated Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' ('IESBA') International Code of Ethics for Professional Accountants (including International Independence Standards) ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the unconsolidated financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.
Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the unconsolidated financial statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 unconsolidated financial statements.

Deloitte.

Independent auditors' report (continued)
to the shareholders of
Bourse Securities Limited

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

- Identify and assess the risks of material misstatement of the unconsolidated 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 Company'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 Company'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 unconsolidated 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
The engagement partner on the audit resulting in this Independent Auditors' report is Daryl Walcott-Grappie (ICATT#1248).

Deloitte & Touche

Trinidad
28 May 2021

Bourse Securities Limited

Unconsolidated statement of financial position
(Expressed in Trinidad and Tobago dollars)

	Notes	As at 31 December 2020 $	2019 $
ASSETS			
Cash and cash equivalents	5	57,601,176	52,823,819
Financial assets FVTOCI	6	171,478,153	119,129,467
Financial assets FVTPL	6	26,780,795	27,513,544
Financial assets at amortised cost	7	65,322,775	44,790,425
Other receivables	10	2,475,176	3,090,759
Due from subsidiaries	12	418,347,986	480,084,721
Total current assets		742,006,061	727,432,735
Fixed assets	8	864,499	1,017,487
Right of use assets	8.1	1,453,270	2,199,872
Intangible assets	9	219,973	258,278
Investment in subsidiaries	11	10,479,896	10,480,666
Deferred tax asset	14.1	13,461,037	9,335,469
Total long term assets		26,478,675	23,291,772
Total assets		**768,484,736**	**750,724,507**
LIABILITIES AND EQUITY			
Taxation payable		714	11,096
Promissory Notes	15	588,719,514	584,276,483
Other liabilities	16	6,565,751	7,865,717
Contingent Liability	18	889,944	224,275
Total current liabilities		596,175,923	592,377,571
Deferred tax liability	14.2	2,151,427	1,944,332
Lease liability	17	1,453,270	2,199,872
Total long term liabilities		3,604,697	4,144,204
Total liabilities		599,780,620	596,521,775
Shareholders' equity			
Share capital	20	26,700,000	26,700,000
Retained earnings		139,120,248	125,846,237
Revaluation reserve	21	2,883,868	1,656,495
Total shareholders' equity		168,704,116	154,202,732
Total liabilities and equity		**768,484,736**	**750,724,507**

The notes on pages 8 to 40 are an integral part of these unconsolidated financial statements.

On 24 March 2021, the Board of Directors of Bourse Securities Limited authorised these unconsolidated financial statements for issue.

Director

Director

The notes on pages 8 to 45 are an integral part of these unconsolidated financial statements.

Bourse Securities Limited

Unconsolidated statement of profit or loss and other comprehensive income
(Expressed in Trinidad and Tobago dollars)

	Notes	Year ended 31 December 2020 $	2019 $
Interest income and interest expense			
Interest income	23	34,148,165	31,205,953
Interest expense	23	(16,101,788)	(15,909,853)
Net interest income		18,046,377	15,296,100
Other income			
Net unrealised gain on financial assets	24	--	3,546,140
Fee and commission income	25	6,404,558	6,576,908
Dividend income	26	216,392	3,895,155
Write back of ECL		--	474,515
Gain on sale of subsidiary		--	12,101,010
Other operating income	27	1,754,682	2,838,956
Total other income		8,375,632	29,432,684
Total operating income		26,422,009	44,728,784
Non-interest expenses			
Net unrealised loss on financial assets	24	(656,175)	--
Expected Credit Loss		(105,192)	--
Personnel costs	28	(7,285,902)	(8,642,269)
Depreciation and amortisation	8/9	(1,261,696)	(1,062,305)
Other expenses	29	(4,015,420)	(4,407,519)
Total non-interest expenses		(13,324,385)	(14,112,093)
Profit before income tax		13,097,624	30,616,691
Income tax credit	30	3,896,543	3,852,443
Profit for the year		16,994,167	34,469,134
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss:			
Fair value gain/(loss) on investments in equity instruments designated at FVTOCI		(374,183)	754,913
Items that may be reclassified subsequently to profit or loss:			
Net fair value movement on debt instruments designated at FVTOCI		1,120,580	374,792
Movement in ECL on debt instruments designated at FVTOCI		124,829	(131,139)
Other comprehensive income/ (loss) for the year, net of income tax		871,226	998,566
Total comprehensive income for the year		**17,865,393**	**35,467,700**

The notes on pages 8 to 45 are an integral part of these unconsolidated financial statements.

Bourse Securities Limited

Unconsolidated statement of changes in equity
(Expressed in Trinidad and Tobago dollars)

	Notes	Share Capital $	Revaluation reserve $	Retained earnings $	Total equity $
Balance at 1 January 2019		**26,700,000**	**1,861,432**	**99,512,578**	**128,074,010**
Profit for the year		--	--	34,469,134	34,469,134
Other comprehensive income		--	998,566	--	998,566
Total comprehensive income		--	998,566	34,469,134	35,467,700
Transfer of realised gains on FVTOCI equities			(1,203,503)	1,203,503	--
Dividends	22	--	--	(9,338,978)	(9,338,978)
Balance at 31 December 2019		**26,700,000**	**1,656,495**	**125,846,237**	**154,202,732**
Profit for the year			--	16,994,167	16,994,167
Other comprehensive income			871,225		871,225
Total comprehensive income			871,225	16,994,167	17,865,392
Transfer of realised gains on FVTOCI equities			356,148	(356,148)	--
Dividends	22			(3,364,008)	(3,364,008)
Balance at 31 December 2020		**26,700,000**	**2,883,868**	**139,120,248**	**168,704,116**

The notes on pages 8 to 45 are an integral part of these unconsolidated financial statements.

Bourse Securities Limited

Unconsolidated statement of cash flows
31 December 2020
(Expressed in Trinidad and Tobago dollars)

	Notes	Year ended 31 December 2020 $	2019 $
Cash flows from operating activities:			
Profit for the year		13,097,624	30,616,691
Adjustments for:			
Net gains on disposal of investments		(517,314)	(684,833)
Unrealised loss/(gain) on financial assets		1,176,459	(4,020,655)
Write off of premium on bonds		136,608	150,806
Net losses/ (gains) on foreign exchange revaluation		(14,807)	246,887
Finance charge on ROU assets		94,613	85,366
Depreciation and amortisation		1,261,696	1,062,305
		15,234,879	27,456,567
Movements in working capital:			
Net decrease/(increase) in other receivables		(2,111,271)	(1,553,304)
Net increase in promissory notes		13,846,147	160,002,123
Net increase/(decrease) in other liabilities		(1,299,966)	5,603,269
Net decrease/(increase) in due from subsidiaries		61,736,735	(141,359,327)
Cash generated from / (used in) operations		87,406,524	50,149,328
Interest received		2,726,854	2,161,575
Interest paid		(9,403,117)	(9,043,899)
Tax paid net of refunds		(237,535)	(247,486)
Net cash generated from / (used in) operating activities		80,492,726	43,019,518
Cash flows from investing activities:			
Purchase of financial assets		(163,628,747)	(112,660,471)
Sales proceeds on disposals of financial assets		112,979,147	92,678,054
Net movement on loans and receivables		(20,532,351)	(2,992,536)
Purchase of fixed assets		(202,493)	(163,685)
Investment in subsidiary		--	(1,619,383)
Disposal proceeds of investment in subsidiary		--	2,843,320
Disposal proceeds of assets		--	14,298
Purchase of intangible assets		(121,940)	(247,776)
Net cash used in investing activities		(71,506,384)	(22,148,179)
Cash flows from financing activities:			
Payment of principal portion on lease		(746,602)	(620,007)
Payment of finance charge on lease		(94,613)	(85,366)
Dividends paid	21	(3,364,008)	(9,338,978)
Net cash used in financing activities		(4,205,223)	(10,044,351)
Net change in cash and cash equivalents		4,781,119	10,826,988
Effect of change in foreign exchange		(3,762)	(15,466)
Cash and cash equivalents at the beginning of the year		52,823,819	42,012,297
Cash and cash equivalents at the end of the year	5	**57,601,176**	**52,823,819**

The notes on pages 8 to 45 are an integral part of these unconsolidated financial statements.

1. **Incorporation and business activities**

Bourse Securities Limited (the 'Company') was incorporated in the Republic of Trinidad and Tobago on 8 June 1995 and commenced operations on 2 January 1996. The Company was continued under the provisions of The Companies Act 1995 on 16 April 1999. Its principal activities are dealing and trading in financial securities and the provision of investment management and advisory services. Its registered office is 1st Floor, 24 Mulchan Seuchan Road, Chaguanas.

2. **Application of new and revised International Financial Reporting Standards ('IFRS')**

2.1 **New IFRS and amendments to IFRS that are mandatorily effective for the current year**

In the current year, there were a number of amendments to IFRS as well as a new Interpretation issued by the International Accounting Standards Board ('IASB') that are mandatorily effective for an accounting period that begins on or after 1 January 2020.

(i) **IFRS 3 *Definition of a Business***

The Company has adopted the amendments to IFRS 3 for the first time in the current year. The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.
The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.
The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1 January 2020.

(ii) **Definition of Material - *Amendments to IAS 1 and IAS 8***

The Company has adopted the amendments to IAS 1 and IAS 8 for the first time in the current year. The amendments make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1. In addition, the IASB amended other Standards and the *Conceptual Framework* that contain a definition of 'material' or refer to the term 'material' to ensure consistency.

(iii) **Interest Rate Benchmark Reform - *Amendments to IFRS 9, IAS 39 and IFRS 7***

In September 2019, the IASB issued *Interest Rate Benchmark Reform* (*Amendments to IFRS 9, IAS 39 and IFRS 7*). These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reforms. The amendments also introduce new disclosure requirements to IFRS 7 for hedging relationships that are subject to the exceptions introduced by the amendments to IFRS 9.
The amendments are not relevant to the Company.

2. Application of new and revised International Financial Reporting Standards (continued)

2.2 New and revised IFRS in issue but not yet effective

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are effective post December 31, 2020:

(a) Classification of Liabilities* as *Current or Non-Current (Amendments to /AS 1)
The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Effective date: Annual reporting periods beginning on or after 1 January 2023

(b) Reference to the Conceptual Framework (Amendments to IFRS 3)
The amendments update an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard.
Effective date: Annual reporting periods beginning on or after 1 January 2022

(c) Property, Plant and Equipment- Proceeds before Intended Use (Amendments to IAS 16)
The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.
Effective date: Annual reporting periods beginning on or after 1 January 2022

(d) Onerous Contracts* - *Cost of Fulfilling* a *Contract (Amendments to /AS 37)
The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).
Effective date: Annual reporting periods beginning on or after 1 January 2022

(e) ***Annual Improvements to IFRS Standards 2018-2020*** Makes amendments to the following standards:

IFRS 1 - The amendment permits a subsidiary that applies paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRSs.

IFRS 9- The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in paragraph 83.3.6 of IFRS 9 in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

2. **Application of new and revised International Financial Reporting Standards (continued)**

2.2 **New and revised IFRS in issue but not yet effective (continued)**

Annual Improvements to IFRS Standards 2018-2020 (continued)

IFRS 16- The amendment to Illustrative Example 13 accompanying IFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.

IAS 41 - The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

Effective date: Annual reporting periods beginning on or after 1 January 2022

Covid-19-Related Rent Concessions (Amendment to IFRS 16)
The amendment provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification.

Effective date: Annual reporting periods beginning on or after 1 June 2020

Classification of Liabilities as Current or Non-current - Deferral of Effective Date (Amendment to IAS 1)
The amendment defers the effective date of the January 2020 amendments by one year, so that entities would be required to apply the amendment for annual periods beginning on or after 1 January 2023.

Effective date: Immediately available.

(f) Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)
The amendments in *Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)* introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the IBOR reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBORs to alternative benchmark rates, and how the entity is managing this transition.

Effective date: Annual reporting periods beginning on or after 1 January 2021

(g) Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

Effective date: Annual reporting periods beginning on or after 1 January 2023

2. **Application of new and revised International Financial Reporting Standards (continued)**

2.2 **New and revised IFRS in issue but not yet effective (continued)**

Annual Improvements to IFRS Standards 2018-2020 (continued)

(h) Definition of Accounting Estimates (Amendments to IAS 8)

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

Effective date: Annual reporting periods beginning on or after 1 January 2023

The directors do not expect that the adoption of the amendments listed above will have a material impact on the financial statements of the Company in future periods.

3. **Significant accounting policies**

The principal accounting policies applied in the preparation of these unconsolidated financial statements are set out below. These policies have been consistently applied to both years presented, unless otherwise stated.

a. **Basis of preparation**

i) Statement of compliance

The Company's unconsolidated financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board.

ii) Basis of measurement

The unconsolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise their judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgements or complexity, or areas where assumptions and estimates are significant to the unconsolidated financial statements are disclosed in note 4.

3. **Significant accounting policies (continued)**

b. **Foreign currency translation**

The Company's unconsolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Company's unconsolidated financial statements are presented in Trinidad & Tobago dollars.

For the purposes of presenting these unconsolidated financial statements, the assets and liabilities of the Company's foreign currency transactions are translated using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, exchange differences arising, if any, are recognized in profit or loss.

c. **Fixed assets**

Fixed assets mainly comprise building and leasehold improvements, furniture and fixtures, computer and office equipment and motor vehicles, stated at historical cost less depreciation.

Depreciation is provided at rates estimated to write off the assets over their estimated useful lives. The rates used are as follows:

Building and leasehold improvements	-	33% reducing balance
Motor vehicles	-	25% reducing balance
Computer and office equipment	-	25% reducing balance
Furniture and fixtures	-	15% reducing balance

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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 statement of profit or loss.

d. **Intangible assets**

Computer software

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Amortisation is provided at a rate estimated to write off the asset over its estimated useful lives. The rate used is as follows:

Computer software	-	33% reducing balance

3. **Significant accounting policies**

e. **Impairment of tangible and intangible assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation.

f. **Financial assets**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value.

The Company classifies its financial assets based on the following business models:

- Hold to collect
- Hold to collect and sell
- Not held for trading or
- Hold for trading

Based on these factors, the Company classifies its assets into one of the following three measurement categories:

(i) *Amortised cost* – where the asset is held to collect its contractual cash flows and the cash flows represent solely payments of principal and interest 'SPPI'

(ii) Fair value through other comprehensive income (FVTOCI) – where the financial asset is held in order to both collect contractual cash flows and for sale or where the financial asset is not held for trading.

(iii) Fair value through profit or loss (FVTPL) – where the financial asset does not meet the criteria above with all changes recorded through profit or loss.

3. **Significant accounting policies (continued)**

f. **Financial assets (continued)**

(a) *Company's business model*

The business model reflects how the Company manages the assets in order to generate cash flows. An assessment is made at a portfolio level and includes an analysis of factors such as:

- The stated objective and policies of the portfolio and the operation of those in practice. More specifically whether the Company's objective is solely to collect the contractual cash flows from the assets and cash flows arising from the sale of the assets.
- Past experience on how the cash flows for these assets were collected.
- Determination of performance targets for the portfolio, how evaluated and reported to key management personnel.
- Managements identification of and response to various risks, which includes but not limited to, liquidity risk, market risk, credit risk, interest rate risk.
- Management considers, in classifying its assets, the level of historical sales and forecasted liquidity requirements.
- Arising out of the assessment the portfolios were deemed to have the business models identified as follows:

Hold to Collect	Hold to Collect & Sell	Not Held for Trading	Hold for Trading
Loans and advances	Bonds issued by the Government of Trinidad and Tobago	Equity Investments – Not Actively Traded	Actively Traded Equities Portfolio
Cash and short-term funds	Bonds issued by State Owned Entities		Fixed / Floating NAV Funds
Cash and cash equivalents	Eurobonds Corporate Bonds		Actively Traded Bonds

(b) *Debt instruments*

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds.

Classification and subsequent measurement of debt instruments depend on:

(i) the Company's business model for managing the asset; and
(ii) the cash flow characteristics of the asset.

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented in the "income statement" within "Unrealised gains from investments securities" in the period in which it arises. Interest income from these financial assets is included in "Interest income" using the effective interest rate method.

3. **Significant accounting policies (continued)**

f. **Financial assets (continued)**

(b) *Debt instruments (continued)*

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets cash flows represent solely payments of principal and interest, and that are not designated at FVTPL, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss and recognised in "Net Investment Income". The interest income from these financial assets is included in "interest Income" using the effective interest rate method.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI), and that are not designated at FVTPL are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured as described in **note 3.f.** Interest income from these financial assets is included in "Interest income" using the effective interest rate method.

The Company reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

(c) *Equity instruments*

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The Company subsequently measures all equity investments at fair value through profit or loss, except where the Company's management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income. These financial assets are presented within investment securities held to collect and sell. The Company's policy is to designate equity investments as FVTOCI when those investments are held for purposes other than to generate investment returns.

When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Gain and losses on equity investments classified as FVTPL are included in the income statement.

3. **Significant accounting policies (continued)**

e. **Financial assets (continued)**

(d) *Impairment*

The Company assesses on a forward-looking basis as well as performs historical analysis and identifies the key economic variables impacting credit risk and expected credit losses for each investment within portfolio. The expected credit losses (ECL) is associated with assets carried at amortised cost and FVTOCI and with the exposure arising from debt instruments and loan commitments and financial guarantee contracts.

Assets at amortised cost has its accompanying 'impairment' account presented in the statement of financial position whereas the purchased securities classified as FVTOCI does not have an 'impairment' account on the asset side but instead uses impairment provision account in capital and reserves. The Company recognises a loss allowance at the date of initial application of IRFS 9 for such losses and subsequently at each reporting date.

The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.
- Note 3.e. provides more detail of how the expected credit loss allowance is measured.

Financial liabilities

Classification and subsequent measurement

In both the current and prior period, financial liabilities are classified and subsequently measured at amortised cost.

f. **Credit risk**

The ECL model applies to financial assets that are not measured at FVTPL, including loans, lease and trade receivables, debt securities, contract assets under IFRS 15 and specified financial guarantees and loan commitments issued. The model uses a dual measurement approach:

- 12 month expected credit losses; or
- Lifetime expected credit losses

The measurement basis generally depends on whether there has been a significant increase in credit risk since initial recognition.

(a) 12 month ECL is defined as: the portion of a lifetime expected credit losses that represents the expected credit losses that result from a default events on the financial instrument that will result if a default occurs in the 12 months after the reporting date.

3. **Significant accounting policies (continued)**

f. **Credit risk (continued)**

(b) Lifetime ECL is defined as the expected credit losses that result from all possible default events over the expected life of the financial instrument and are measured as lifetime expected credit losses to date on which a financial asset becomes credit-impaired. A financial asset is credit-impaired when one or more events have occurred that have a detrimental impact on the expected future cash flows of the financial asset. It includes observable data such as:

- Significant financial difficulty of the issuer or borrower;
- A breach of contract, such as a default or past-due event;
- The lenders for economic or contractual reasons relating to the borrower's financial difficulty granting the borrower a concession that would not otherwise be considered;
- It becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- The disappearance of an active market for the financial asset because of financial difficulties; or
- The purchase or origination of a financial asset at a deep discount that reflects incurred credit losses.

In accordance with IFRS 9, the company in evaluating whether an increase in credit risk is significant, compares the risk of default at initial recognition of an instrument with the risk of default at the reporting date.

(i) *Expected credit loss measurement*

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

- A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1 and has its credit risk continuously monitored by the Company.

- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired.

- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'.

- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses within the next 12 months. Instruments in Stages 2 or 3 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. Note 3.f.ii hereunder includes an explanation of how the Company has incorporated this in its ECL model.

3. **Significant accounting policies (continued)**

f. **Credit risk (continued)**

(ii) *Measuring ECL - Explanation of inputs, assumptions and estimation techniques*

The Expected Credit Loss (ECL) is measured on either a 12-month (12M) or lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation. These are taken from Moody's and S&P default studies.
- EAD is based on the amounts the Company expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD).
- Loss Given Default (LGD) represents the Company's expectation of the extent of loss on a defaulted exposure factoring in the availability of collateral.

The ECL is determined by multiplying the PD, LGD and EAD after taking into consideration collateral enhancements. The ECL is computed in part by loss given default. Loss given default (and recovery ratings) are usually expressed at a proportion of the notional amount or face value of bonds. The calculation of ECL incorporates forward-looking information as the Company performs historical analysis and identifies the key economic variables impacting credit risk and expected credit losses for each investment within portfolio. PD, EAD, and LGD are based on industry / country specific indicators used for different jurisdictions around the world.

	31-Dec-20				31-Dec-19
	Stage 1	**Stage 2**	**Stage 3**	**Total**	
	12-month ECL	**Lifetime ECL**	**Lifetime ECL**		
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Debt securities at FVTOCI	**166,190,916**	**--**	**--**	**166,190,916**	**114,043,673**
Included in Revaluation Reserve:					
Opening ECL on FVTOCI	(316,505)	-	-	(316,505)	(503,845)
Movement in ECL	(178,327)			(178,327)	187,340
Closing ECL balance	**(494,832)**			**(494,832)**	**(316,505)**
Debt securities at Amortised Cost	**64,952,025**	**--**	**--**	**64,952,025**	**44,522,176**
Opening ECL	(106,960)	--	--	(106,960)	(450,336)
Movement in ECL	19,617	--	--	19,617	343,376
Closing ECL	(87,343)	--	--	(87,343)	(106,960)
Carrying balance	**64,864,682**	**--**	**--**	**64,864,682**	**44,415,216**

The changes in the loss allowance were caused predominantly by the downgrade of one security. The gross carrying amount of the security was TT$283,968. and associated loss allowance was TT$227,174.64.

3. **Significant accounting policies (continued)**

g. **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

h. **Other receivables**

Other receivables refer to interest receivable on financial assets, management fees due from mutual funds and prepayment of expenses.

i. **Investment in subsidiaries**

The Company's investments in subsidiaries are carried at cost less any impairment losses.

j. **Current and deferred income taxes**

Current tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

The current income tax charge is calculated on the basis of the tax laws enacted in Trinidad and Tobago. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the unconsolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted in Trinidad and Tobago.

k. **Promissory Notes**

Promissory notes are recognised initially at fair value, inclusive of transaction costs incurred. Promissory notes are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit or loss over the term of the promissory note using the effective interest method. Interest expense is accrued and paid at maturity.

l. **Share capital**

Shares issued for cash are accounted for at the issue price less any transaction costs of the issue. Shares issued as consideration for the acquisition of a business are recorded at the market price on the date of the issue.

3. **Significant accounting policies (continued)**

m. **Dividend**

Dividend distribution to the Company's shareholders is recognised as a liability in the unconsolidated financial statements in the period in which the dividends are approved by the shareholders.

Dividends that are proposed and declared after the year end date are not shown as a liability in the statement of financial position but are disclosed as a note to the unconsolidated financial statements.

n. **Revenue recognition**

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific, criteria have been met for each of the Company's activities described below.

Interest income is accounted for using the effective interest method.

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

When a loan or receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income.

Interest income on impaired loan and receivables is recognised using the original effective interest rate.

The Company earns investment advisory, fund management and distribution fees on the Savinvest range of mutual funds. These fees are based on a fixed percentage of the net asset value of the fund. The fees are accrued as earned on a monthly basis but paid quarterly.

o. **Leases**

In the current year, the Company has applied IFRS 16 – effective for annual periods that begin on or after 1 January 2019. Contingent lease liabilities arising out of lease agreements for the occupancy of business premises are recognised in the period in which they are incurred as presented in **note 7.1** hereunder.

p. **Retirement benefit**

The Company offers a retirement benefit to its employees; this is operated as a defined contribution plan. The assets of the plan are held in a separate trustee-administered fund. The Company's contribution to the defined contribution plan is charged to the statement of profit or loss in the year to which they relate.

q. **Personnel costs**

Personnel costs include wages, salaries, accruals for bonuses and other charges. The Company recognises a liability and an expense for bonuses and profit-sharing based on a formula that takes into account the profit attributable to the Company's shareholders after certain adjustments.

4. **Critical accounting estimates and judgements**

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.

4.1 **Critical accounting estimates and assumptions**

The Company 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 amount of assets and liabilities within the next financial year are discussed below.

Income taxes

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which the determination is made.

In respect of open tax authority examinations, management assesses the probability of an outflow of economic resources being required to settle any current obligation. Where management determines that an outflow is more likely than not a provision for taxation payable will be recorded representing management's best estimate of the resources required to settle the obligation. Where an outflow of resources is determined to be possible, but not probable, a contingent liability will be disclosed but not provided for.

Fair value of financial assets

In the application of the Company's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

5. **Cash and cash equivalents**

	2020 $	2019 $
Balances with commercial banks	57,214,708	52,416,915
Money market accounts:		
- Savinvest Mutual Funds	105,918	103,609
- Unit Trust Corporation	140,751	139,058
- First Citizens Investment Services	19,043	45,359
- Guardian Asset Management	58,377	57,352
- Other	62,379	61,525
Cash and cash equivalents	**57,601,176**	**52,823,819**

As at 31 December 2020, the Company had an unused overdraft facility of TT$25.75 million and this facility can be drawn down in either TT$ or US$. The rate of interest on the TT$ facility is Repo Rate plus 2.25% with a floor rate 7.00% per annum, while the rate on the US$ facility is 6 month LIBOR plus 5.50%, with a floor of 5.50%.

6. (a) **Financial assets FVTOCI**

	2020 $	2019 $
Debt securities		
TT dollar bonds		
- Government bonds	40,700,574	2,031,817
- State owned entities	41,843,305	26,755,623
- Corporate bonds	46,624,662	45,658,660
US dollar bonds		
- Government bonds	3,848,159	3,777,009
- State owned entities	15,933,283	15,533,514
- Corporate bonds	17,240,933	20,287,050
	166,190,916	114,043,673
Accrued investment income	2,610,919	2,351,616
	168,801,835	116,395,289
Equity securities		
Other listed equity securities	2,676,318	2,734,178
Total	**171,478,153**	**119,129,467**

Movement for the year of financial assets FVTOCI:

	2020 $	2019 $
At beginning of year	119,129,467	89,367,008
Additions	157,094,299	107,501,597
Interest received	(6,926,723)	(5,775,545)
Interest income	7,186,026	6,264,111
Increase in fair value	1,615,776	140,677
Disposals/ maturity	(106,620,692)	(78,368,381)
At end of year	**171,478,153**	**119,129,467**

Included above are securities set aside as collateral against promissory notes and finance charges to the value of $153.61 million (2019: $114.61 million).

6. (b) **Financial assets FVTPL**

	2020 $	2019 $
Mutual funds		
Savinvest Capital Growth Mutual Funds:		
- Managed by Bourse Securities Limited	9,296,124	10,327,287
Savinvest India/Asia Fund		
-Managed by Bourse Securities Limited	4,227,107	9,073,522
Bourse Brazil Latin Fund		
-Managed by Bourse Securities Limited	598,502	713,591
	713,591	621,204
Equity securities		
Other listed equity securities	12,659,062	7,399,144
Total	**26,780,795**	**27,513,544**

Movement for the year of financial assets FVTPL:

	2020	2019
At beginning of year	27,513,544	32,556,185
Additions	6,609,531	5,158,874
Net (decrease) / increase in fair value	(924,376)	2,226,418
Disposals/ maturity	(6,417,904)	(12,427,933)
At end of year	**26,780,795**	**27,513,544**

7. **Financial assets at amortised cost**

	2020 $	2019 $
UDeCOTT	21,502,322	23,708,799
Desalcott syndicated loan facility	5,038,998	6,716,279
Government of St Lucia (GOSL)	1,292,713	2,601,943
BLAS loan facilities	23,595,692	11,495,155
PERTT (GORTT) loan facility	13,522,300	--
Accrued Interest	458,093	375,228
Less Provisions ECL	(87,343)	(106,979)
	65,322,775	**44,790,425**

The balance financial assets at amortised cost comprises of the UDECOTT 4.30% facility maturing on 1 November 2028, Desalcott syndicated loan facility at a 6% fixed rate of interest maturing in 2023, GOSL 7.50% maturing 15 November 2021, PERTT 5.00% loan facility maturing 26 November 2021 and several BLAS loan facilities with terms between 1 to 3 years.

8. Fixed assets

	Building & leasehold improvements $	Motor vehicles $	Computer & office equipment $	Furniture & fixtures $	Total $
Year ended 31 December 2020					
Cost at beginning of year	495,402	177,700	4,870,820	462,509	6,006,431
Additions			199,792	2,701	202,493
Disposals			(17,000)		(17,000)
Transfers and adjustments					
Total cost as at December 2020	495,402	177,700	5,053,612	465,210	6,191,924
At 31 December 2020					
Accumulated depreciation at beginning of year	332,722	130,824	4,198,058	327,340	4,988,944
Depreciation charge for the year	69,903	15,626	245,387	23,933	354,849
Disposal			(16,368)		(16,368)
Accumulated depreciation	402,625	146,450	4,427,077	351,273	5,327,425
Net book value	**92,777**	**31,250**	**626,535**	**113,937**	**864,499**
Year ended 31 December 2019					
Cost at beginning of year	388,617	177,700	4,866,260	461,314	5,893,891
Additions	106,785	--	55,705	1,195	163,685
Disposals	--	--	(51,145)	--	(51,145)
Transfers and adjustments	--	--	--	--	--
Total cost as at December 2019	495,402	177,700	4,870,820	462,509	6,006,431
At 31 December 2019					
Accumulated depreciation at beginning of year	283,573	115,198	3,991,810	302,108	4,692,689
Depreciation charge for the year	49,149	15,626	243,096	25,232	333,103
Disposal	--	--	(36,848)	--	(36,848)
Accumulated depreciation	332,722	130,824	4,198,058	327,340	4,988,944
Net book value	**162,680**	**46,876**	**672,762**	**135,169**	**1,017,487**

8.1. Right of use assets

	2020 $	2019 $
Cost at beginning of year	2,819,881	--
Right of use assets recognised on adoption of IFRS 16	--	1,308,534
Additions	--	1,511,347
Closing net book cost	**2,819,881**	**2,819,881**
Amortisation at the beginning of the year	620,009	--
Amortisation charge for the year	746,602	620,009
Net book value	**1,453,270**	**2,199,872**

8.1. Right of use assets (continued)

The Company has entered into lease contracts for the occupation of office premises. The average lease term is 3 years (2019: 3 years) with the option to extend.

The maturity analysis of lease liabilities is presented in Note 17.

Amounts recognised in profit or loss

	2020 $	2019 $
Depreciation on right of use assets	746,602	620,009
Finance charge on lease liabilities	94,613	85,366

9. Intangible assets

	2020 $	2019 $
Cost at beginning of year	4,330,186	4,082,410
Additions	121,941	247,776
Closing book cost	**4,452,127**	**4,330,186**
Accumulated amortisation at beginning of year	4,071,908	3,962,715
Amortisation charge for the year	160,246	109,193
Disposal of assets	--	--
Accumulated amortisation	**4,232,154**	**4,071,908**
Net book value	**219,973**	**258,278**

Intangible assets comprise computer software.

10. Other receivables

	2020 $	2019 $
Other receivables	80,133	287,953
Prepayments	604,559	778,714
Due from Savinvest mutual funds	1,790,484	2,024,092
	2,475,176	**3,090,759**

11. Investment in subsidiaries

	2020 $	2019 $
Investment in:		
Bourse International Asset Management Limited	2,772,072	2,772,564
ADCOTT	1,622,676	1,622,935
Bourse Brokers Limited	6,078,387	6,078,387
Windsor Investments Limited	6,761	6,780
	10,479,896	**10,480,666**

12. **Due to/from subsidiaries**

	2020 $	2019 $
Due from subsidiaries		
Windsor Investments Limited	24,639	14,530
ADCOTT	722,035	481,261
Bourse Brokers Limited	97,993	1,013,951
Bourse International Asset Management Limited	417,503,319	478,574,979
	418,347,986	**480,084,721**

Balances due from Bourse International Asset Management have fixed terms with an interest rate of 5.50% per annum. All other balances bear no specific terms of repayment.

13. **Related party transactions and balances**

	2020 $	2019 $
Amounts included in the statement of profit or loss:		
Fee and commission income – subsidiaries	**397,703**	**377,875**
Fee and commission income – related parties	**6,404,558**	**7,317,252**
Dividend income - subsidiary	**--**	**3,040,132**
Interest income - subsidiary	**24,058,447**	**23,279,638**
Interest expense – subsidiary	**227,265**	**213,578**
Interest expense – related parties	**468,187**	**563,029**
Key management remuneration	**4,677,460**	**4,201,584**
Balances included in statement of financial position:		
Assets:		
Financial assets FVTPL – related parties	**14,121,732**	**20,114,400**
Cash and cash equivalents – related parties	**105,919**	**103,609**
Other receivables – related parties	**1,793,091**	**2,024,092**
Investment in subsidiaries	**--**	**10,477,114**
Due from subsidiaries	**--**	**480,084,721**
Liabilities:		
Other liabilities – related parties	**860,782**	**1,585,831**
Repurchase agreements - subsidiary	**12,547,914**	**11,653,774**
Repurchase agreements – related parties	**20,120,833**	**16,356,668**

14. Deferred income tax

Deferred income taxes are calculated on all temporary differences under the liability method using an effective tax rate of 30%.

14.1 Net deferred tax asset

The deferred tax asset resulted from unused tax credits brought forward from prior years as well as from the current year. Management anticipates the use of these credits against future taxable profits. Management has based its assessment on the current and budgeted taxable profits of the Company's subsidiaries for which the carried forward tax credits are allowed to be used against.

The movement on the deferred income tax asset account is as follows:

	Balance at 1-Jan-20 $'000	(Charge)/credit to profit or loss $'000	Balance at 31-Dec-20 $'000
Deferred income tax asset			
Unused tax credits	9,335,469	4,125,568	13,461,037
Net deferred income tax assets	**9,335,469**	**4,125,568**	**13,461,037**

	Balance at 1-Jan-19 $'000	(Charge)/credit to profit or loss $'000	Balance at 31-Dec-19 $'000
Deferred income tax asset			
Unused tax credits	5,226,300	4,109,169	9,335,469
Net deferred income tax asset	**5,226,300**	**4,109,169**	**9,335,469**

14.2 Net deferred tax liability

The movement on the deferred income tax liability account is as follows:

	Balance at 1-Jan-20 $'000	(Charge)/credit to profit or loss $'000	(Charge)/credit to OCI $'000	Balance at 31-Dec-20 $'000
Deferred income tax asset				
Fair value measurement of financial assets	186,019	(114,381)	--	71,638
Deferred income tax liabilities				
Fair value measurement of financial assets	(2,130,351)	836,006	(928,720)	(2,223,065)
Net deferred income tax liability	**(1,944,332)**	**721,625**	**(928,720)**	**(2,151,427)**

	Balance at 1-Jan-19 $'000	(Charge)/credit to profit or loss $'000	(Charge)/credit to OCI $'000	Balance at 31-Dec-19 $'000
Deferred income tax asset				
Fair value measurement of financial assets	210,904	(24,885)		186,019
Deferred income tax liabilities				
Fair value measurement of financial assets	(1,278,913)	(171,422)	(680,016)	(2,130,351)
Net deferred income tax liability	**(1,068,009)**	**(196,307)**	**(680,016)**	**(1,944,332)**

15. Repurchase agreements

	2020 $	2019 $
Repurchase agreements - denominated in TT$	433,344,215	358,078,587
Repurchase agreements - denominated in US$	155,375,299	226,197,896
	588,719,514	**584,276,483**

Repurchase agreements are all payable within 24 months of issue and accrue interest at fixed rates between 1.35% and 3.55% per annum. The Company has set aside securities as collateral against repurchase agreements and finance charges to the value of $194.12 million (2019: $133.33 million). Securities held in the books of the wholly owned subsidiary Bourse International Asset Management Limited (BIAM) have also been set aside as collateral against repurchase agreements and finance charges, to the value of $418.11 million (2019: $436.77 million).

16. Other liabilities

	2020 $	2019 $
Accrued expenses and other payables	5,704,969	6,279,886
Accrued remuneration (Note 19)	600,000	1,250,000
Due to Savinvest Mutual Funds	260,782	335,831
	6,565,751	**7,865,717**

17. Lease liabilities

Maturity Analysis:	2020 $	2019 $
Year 1	627,644	746,602
Year 2	119,707	627,644
Year 3	421,868	287,294
Year 4	182,965	302,417
Year 5	101,086	185,372
Year 6	--	50,543
	1,453,270	**2,199,872**

Refer to Note 8.1 for details on the corresponding right of use assets in accordance with IFRS 16.

18. Option liability

During the year 2019, the Company entered into an agreement with the Savinvest Structured Investment Fund being "The Purchaser" and Bourse Securities Limited as "The Seller" of "Put Options". The Put Option gives the right but not the obligation of the purchaser to sell certain underlying assets to the seller for the purchase price as at the date of exercising the option. Accordingly, the Company as at 31 December 2020 valued the underlying assets using the prevailing market prices and has provided against any diminution in value.

19. Remuneration accruals

The Company accrues for bonus and profit sharing based on guidelines that take into consideration the profit attributable to the Company's shareholders after certain adjustments.

	2020 $	2019 $
At beginning of the year	1,250,000	700,000
Additions	600,000	1,250,000
Payments and reversals	(1,250,000)	(700,000)
At end of the year	**600,000**	**1,250,000**

20. Share capital

	2020 $	2019 $
Authorised:		
An unlimited number of shares of no par value		
Issued and fully paid:		
300,000 ordinary shares of no par value	**26,700,000**	**26,700,000**

21. Revaluation Reserve

	2020 $	2019 $
Unrealized gains equities on FVTOCI	142,326	35,540
Unrealized gains on bonds FVTOCI	2,395,160	1,399,401
ECL provision	346,382	221,554
	2,883,868	**1,656,495**

22. Dividends

	Amount 2020 $	Amount per share 2020 $	Amount 2019 $	Amount per share 2019 $
Second interim dividend - prior year	3,364,008	11.21	5,737,717	19.13
First interim dividend - current year	--	--	3,601,261	12.00
	3,364,008		**9,338,978**	

23. Net interest income

	2020 $	2019 $
Interest income		
Cash and cash equivalents	40,321	83,668
Financial assets FVTOCI	7,186,901	5,624,739
Income on financial assets at amortised cost	24,241,828	24,325,335
Income due from transactions with subsidiaries	2,679,115	1,172,211
	34,148,165	**31,205,953**

Income on financial assets relate to interest income earned from promissory notes issued to Bourse International Asset Management Limited, a wholly owned subsidiary of Bourse Securities Limited.

	2020 $	2019 $
Interest expense		
Promissory notes	**16,101,788**	**15,909,853**

24. Unrealised gain/(loss) on financial assets

	2020 $	2019 $
Unrealised gain on put option	256,828	1,805,562
Unrealised (loss) / gain on FVTPL assets	(913,003)	1,740,578
Net (loss)/gain	**(656,175)**	**3,546,140**

25. Fee and commission income

	2020 $	2019 $
Management fee income from the Savinvest range of mutual funds	**6,404,558**	**6,576,908**

26. Dividend income

	2020 $	2019 $
Dividends on equities	216,392	855,023
Dividends from subsidiary – Bourse Brokers Limited	--	3,040,132
	216,392	**3,895,155**

27. Other operating income

	2020 $	2019 $
Management fees	616,711	191,398
Gain on sale of investments FVTOCI	517,314	1,244,550
(Loss)/gains on currency exchange	14,807	(231,424)
Other operating income	605,850	1,634,432
	1,754,682	**2,838,956**

28. Personnel cost

	2020 $	2019 $
Salaries	6,119,756	7,681,303
Retirement contributions	233,824	277,195
Health insurance	203,304	186,668
Other staff cost	729,018	497,103
	7,285,902	**8,642,269**

29. Other expenses

	2020 $	2019 $
Advertising and public relations	407,911	366,383
Bank / Finance charges	182,445	137,001
Donations and gifts	99,662	98,739
Entertainment	38,836	51,062
Insurance	264,680	243,023
Legal and professional expenses	407,831	670,941
Rent	--	155,000
Repairs and maintenance	167,589	135,236
Postage and stationery	232,635	179,254
Subscriptions and registration	196,201	292,243
Travelling and motor vehicle expense	28,877	160,213
Licence fees	640,309	530,452
Utilities	580,677	560,653
Directors fees	530,000	479,100
Other expenses	237,767	348,219
	4,015,420	**4,407,519**

30. Income tax expense/(credit)

	2020 $	2019 $
Corporation tax - current period	(4,105,081)	(4,476,327)
- Prior period		365,289
Green fund levy	127,571	181,916
Business levy	80,967	76,679
	(3,896,543)	**(3,852,443)**

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

	2020	2019
Profit before tax	13,097,624	30,616,691
Tax calculated at 30% for profit exceeding $ 1,000,000	3,929,287	9,185,007
Income not subject to tax	(8,034,368)	(13,661,334)
Green fund levy	127,571	181,916
Prior period	--	365,289
Business Levy	80,967	76,679
Tax credit	**(3,896,543)**	**(3,852,443)**

31. Financial risk management

31.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risks (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects on the entity's financial performance.

Risk management is carried out by a management committee under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

a) Market risk

(i) Foreign exchange risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The Company has certain investments in foreign operations and also undertakes transactions in foreign currencies, where the net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Company's foreign operations and transactions in foreign currencies is managed primarily through borrowings denominated in the relevant foreign currencies.

At 31 December 2020, if the Trinidad and Tobago dollar had weakened by 1% against the US dollar with all other variables held constant, post-tax profit for the year would have been $2.725 million higher (2019: $2.545 million higher), mainly as a result of foreign exchange gains/losses on translation of US dollar-denominated money market funds, financial assets classified as available-for-sale and foreign exchange losses/gains on translation of US dollar-denominated borrowings.

31. **Financial risk management (continued)**

31.1 **Financial risk factors (continued)**

a) Market risk (continued)

(i) Foreign exchange risk (continued)

Foreign exchange risk

	TT $	US $	Other $	Total $
As at 31 December 2020				
Assets				
Cash and short-term funds	23,189,630	34.411,546	--	57,601,176
Financial assets FVTOCI	131,092,605	19,635,470	20,750,078	171,478,153
Financial assets FVTPL	21,955,187	4,825,608	--	26,780,795
Financial assets at amortised cost	45,453,134	19,869,641	--	65,322,775
Other receivables	1,083,370	1,376,223	15,583	2,475,176
Due from subsidiaries	86,664,278	331,683,708	--	418,347,986
	309,438,204	**411,802,196**	**20,765,661**	**742,006,061**
Liabilities				
Repurchase agreements	433,344,215	155,375,299	--	588,719,514
Other liabilities	2,839,463	3,726,288	--	6.565,751
Option liabilities		889,944	--	889,944
	436,183,678	**159,991,531**	**--**	**596,175,209**
Net foreign exchange risk gap		**251,810,665**	**20,765,661**	
As at 31 December 2019				
Assets	**245,976,569**	**481,396,123**	**60,052**	**727,432,744**
Liabilities	**365,516,286**	**226,850,189**	**--**	**592,366,475**
Net foreign exchange risk gap		**254,545,934**	**60,052**	

31. **Financial risk management (continued)**

31.1 **Financial risk factors (continued)**

a) *Market risk (continued)*

The Company employs various asset/liability techniques to manage currency risk. Currency exposures are minimised by matching assets with liabilities. Certain currency positions are unhedged up to the limit as defined by the capital allocation exposure determined by the Company.

(ii) *Price risk*

The Company is exposed to equity securities price risk because investments are held and classified on the statement of financial position as available-for-sale. The Company is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Company maintains a diversified portfolio. Diversification of the portfolio is done in accordance with the pre-determined limits set by the Company.

The Company invests in equities of other entities that are publicly traded and are included in one of the following three equity indices: Trinidad and Tobago Composite Index, Barbados Composite Index or Jamaica Main Index. The Company also invests in local government and corporate debt.

The analysis is based on the assumption that the equity indices had decreased by 5% with all other variables held constant and all the Company's equity instruments moved according to the historical correlation with the index. Other comprehensive income for the year would decrease by $134K (2019: $137K) as a result of losses on equity securities classified as FVTOCI investments.

(iii) *Cash flow and fair value interest rate risk*

The Company's interest rate risk arises from short-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. Company policy is to maintain a part of its borrowings in fixed rate instruments.

At 31 December 2020, assuming interest rates were 25 basis points lower with all other variables held constant, the table below summarises the impact on profit or loss.

	2020 $	2019 $
Impact on profit or loss for the year	156,718	336,728

31. **Financial risk management (continued)**

31.1 **Financial risk factors (continued)**

a) *Market risk (continued)*

(iii) *Cash flow and fair value interest rate risk*

Interest rate sensitivity of assets and liabilities

The Company is exposed to various risks associated with the effect of fluctuations in the prevailing levels of market rates on its financial position and cash flows. The table below summarises the Company's exposure to interest rate risks. Included in the table are the Company's assets and liabilities at carrying amounts, categorised by the earlier of contractual re-pricing or maturity dates.

	On Demand $	Up to one Year $	One to five years $	Over five years $	Total $
As at 31 December 2020					
Cash and cash equivalents	387,343	--		-	387,343
Financial assets FVTOCI	--	3,379,541	47,407,198	118,015,098	168,801,837
Financial assets at amortised cost	--	42,394,582	13,996,626	8,931,567	65,322,775
Due from subsidiaries	--	418,347,986	--	--	418,347,986
	387,343	**464,122,109**	**61,403,824**	**126,946,665**	**652,859,941**
Liabilities					
Repurchase agreements	--	516,045,351	72,674,163	--	588,719,514
Other Liabilities	--	627,644	825,626		1,453,270
	--	**516,672,995**	**73,499,789**	**--**	**590,172,784**
Net interest rate gap	**387,343**	**(52,550,886)**	**(12,095,964)**	**126,946,665**	**62,687,157**
Cumulative gap	**387,343**	**(52,163,543)**	**(64,259,508)**	**62,687,157**	
As at 31 December 2019					
Assets	**406,904**	**497,499,535**	**46,299,604**	**97,471,306**	**641,677,349**
Liabilities	**--**	**516,138,368**	**70,287,444**	**50,543**	**586,476,355**
Net interest rate gap	**406,904**	**(18,638,833)**	**(23,987,840)**	**97,420,762**	**55,200,994**
Cumulative gap	**406,904**	**(18,231,929)**	**(42,219,768)**	**55,200,994**	

The Company employs various asset/liability techniques to manage interest rate sensitivity gaps. The techniques used vary subject to market conditions and include the employment of variable rate financial instruments.

31. **Financial risk management (continued)**

31.1 **Financial risk factors (continued)**

b) Credit risk

Credit risk arises from cash and cash equivalents, FVTOCI financial assets and deposits with banks and financial institutions, as well as credit exposures to retail customers, including outstanding receivables and committed transactions.

Credit risk is the risk of loss due to a debtor's non-payment of a balance or other line of credit. The Company is exposed to this category of risk through possible over concentration of lending to a particular institution or individual. The Company sets and adheres to specific limits relating to credit ratings established internally in its investment with any one entity in order to mitigate credit risk.

Maximum exposure to credit risk before collateral held or other credit enhancements

	Maximum exposure	
	2020	**2019**
	$	**$**
Credit risk exposures relating to on-SOFP assets are as follows:		
Cash and cash equivalents	57,601,176	52,823,819
Financial assets FVTOCI - debt	171,478,153	119,129,467
Financial assets Amortised Cost	65,322,775	44,790,425
Other assets	2,475,176	3,090,759
Due from subsidiaries	418,347,986	480,084,721
Total	**715,225,266**	**699,919,191**

The above table represents the maximum exposure to credit risk exposure for the Company at 31 December 2020 and 31 December 2019, without taking account of any collateral held or other credit enhancements attached. For assets that are included in the statement of financial position, the exposures set out above are based on net carrying amounts as reported.

31. **Financial risk management (continued)**

31.1 **Financial risk factors (continued)**

c) *Liquidity risk*

Liquidity risk is financial risk due to uncertain liquidity. An institution might lose liquidity if its credit rating falls, it experiences sudden unexpected cash outflows, or some other event causes counterparties to avoid trading with or lending to the institution. A firm is also exposed to liquidity risk if markets on which it depends are subject to loss of liquidity.

The Company's approach to managing liquidity risk includes further diversification of its funding base through access to an expanded range of funding in terms of the number of counterparties, longer term financing tenure and in securing additional credit lines.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	On Demand $	0-90 days $	91-180 days $	181-365 days $	>365 days $	Total $
2020						
Assets						
Cash and cash equivalents	57,602,051	--	--	--	--	57,602,051
Financial assets FVTOCI	--	2,610,920	--	770,000	160,358,883	163,739,803
Financial assets AC	--	5,503,113	19,148,366	17,285,010	22,928,193	64,864,682
Interest receivable	--	2,644,687	3,755,404	5,360,396	82,720,570	94,481,057
Other receivables	--	1,869,741	--	--	--	1,869,741
Due from subsidiaries	--	9,149,480	5,625,698	420,574,918	--	435,350,096
	57,602,051	21,777,941	28,529,468	443,990,324	266,007,646	817,907,430
Liabilities						
Promissory Notes	--	250,806,121	62,366,624	202,872,605	72,674,163	588,719,513
Interest payable	--	461,525	4,463,612	4,680,583	450,995	10,056,715
Other liabilities	--	6,565,751	--	--	--	6,565,751
Lease liability	--	156,911	156,911	313,822	825,626	1,453,270
Option liability	--	889,944	--	--	--	889,944
	--	258,880,252	66,987,147	207,867,010	73,950,784	607,685,193
Gap	57,602,051	(237,102,311)	(38,457,679)	236,123,314	192,056,862	210,222,237
Cumulative gap	**57,602,051**	**(179,500,260)**	**(217,957,939)**	**18,165,375**	**210,222,237**	

31. Financial risk management (continued)

31.1 Financial risk factors (continued)

	On Demand $	0-90 days $	91-180 days $	181-365 days $	>365 days $	Total $
2019						
Assets						
Cash and cash equivalents	52,823,819	--	--	--	--	52,823,819
Financial assets FVTOCI	--	2,351,626	--	110,000	110,196,225	112,657,851
Financial assets AC	--	408,964	3,360,925	10,810,762	29,904,005	44,484,656
Interest Receivable	--	1,630,091	2,227,918	3,788,670	66,553,596	74,200,275
Other receivables	--	2,312,045	--	--	--	2,312,045
Due from subsidiaries	--	1,509,742	--	478,574,979	--	480,084,721
	52,823,819	8,212,468	5,588,843	493,284,411	206,653,826	766,563,367
Liabilities						
Promissory Notes	--	283,656,334	51,690,677	180,044,755	68,884,717	584,276,483
Other liabilities	--	7,865,717	--	--	--	7,865,717
Interest payable	--	615,298	3,508,802	2,950,255	1,576,701	8,651,056
Lease liability	--	186,651	186,651	373,301	1,453,270	2,199,873
Option liability	--	224,275	--	--	--	224,275
	--	292,548,275	55,386,130	183,368,311	71,914,688	603,217,404
Gap	52,823,819	(284,335,807)	(49,797,287)	309,916,100	134,739,138	163,345,963
Cumulative gap	**52,823,819**	**(231,511,988)**	**(281,309,275)**	**28,606,825**	**163,345,963**	

The Company has reduced its exposure of concentration of liquidity risk whereby approximately 8.80% as at December 2020 of promissory notes are owed to a single investor down from 15.12% as at December 2019. This exposure is managed by ensuring maturities of facilities with this investor are staggered throughout the year. The Company also ensures that sufficient liquid assets are available to fund all maturities through available for sale assets in a readily accessible market as well as from the amount due from subsidiaries.

The Company's liquidity strategy relies on sufficient cash and marketable financial assets to meet short term requirements. Daily cash and liquid assets are all prudently managed to ensure that the Company has sufficient funds to meet its obligations upon maturity.

31. Financial risk management (continued)

31.1 Financial risk factors (continued)

c) Liquidity risk (continued)

Management considers that the carrying amounts of financial assets and financial liabilities recognised in these unconsolidated financial statements approximate their fair values.

	Year ended 31 December 2020		Year ended 31 December 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets	$	$	$	$
Cash and cash equivalents	57,601,176	57,601,176	52,823,819	52,823,819
Financial assets FVTOCI	171,478,153	171,478,153	119,129,467	119,129,467
Financial assets FVTPL	26,780,795	26,780,795	27,513,544	27,513,544
Financial assets AC	65,322,775	65,322,775	44,790,425	44,790,425
Other receivables	2,475,176	2,475,176	3,090,759	3,090,759
Due from subsidiaries	418,347,986	418,347,986	480,084,721	480,084,721
	742,006,061	**742,006,061**	**727,432,735**	**727,432,735**
Financial liabilities				
Promissory Agreement	588,719,514	588,719,514	584,276,483	584,276,483
Other liabilities	6,565,751	6,565,751	7,865,717	7,865,717
Option liability	889,944	889,944	224,275	224,275
	596,175,209	**596,175,209**	**592,366,475**	**592,366,475**

Fair value estimation

Effective 1 January 2009, the Company 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 priced (unadjusted) in active markets for identical assets and liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset and liability, either directly (that is prices) or indirectly (that is, derived from prices) (level 2);
- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The table below presents the Company's financial instruments that are classified as FVTOCI and FVTPL in their respective categories:

31. Financial risk management (continued)

31.1 Financial risk factors (continued)

Fair value estimation

	Level 1 $	Level 2 $	Level 3 $	Total $
31 December 2020				
Financial assets FVTOCI	67,724,488	103,628,364	125,301	171,478,153
Financial assets FVTPL	12,659,063	14,121,732	--	26,780,795
	80,383,551	**117,750,096**	125,301	**198,258,948**
31 December 2019				
Financial assets FVTOCI	118,822,910	306,557	--	119,129,467
Financial assets FVTPL	7,399,144	20,114,400	--	27,513,544
	126,222,054	**20,420,957**	--	**146,643,011**

31.2 Capital risk management

The Company's objectives when managing capital are to safeguard the Company'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.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt, subject to shareholders' approval.

Consistent with others in the industry, the Company monitors capital at risk on the basis, inter alia, of its leverage as measured by the debt to equity ratio. Debt encompasses promissory notes. This is complemented by capital allocation stress testing for its exposure to specific business lines and asset classes.

	2020 $	2019 $
Total debt	**588,719,514**	**584,276,483**
Total equity	**168,704,116**	**154,202,732**
Debt to equity ratio	3:49 : 1	3.79 : 1

The Company, as a securities company licenced to operate in Trinidad and Tobago, is required by regulation to maintain a minimum paid up capital of $15 million.

32. Funds under management

Funds under management relate to the Savinvest Range of Mutual Funds and amounted to $345.99 million as at 31 December 2020 (2019: $336.93 million).

33. Events after the reporting date

No significant events occurred after the reporting date affecting the financial performance, position or changes therein for the reporting period presented in these annual unconsolidated financial statements.