

TRINIDAD & TOBAGO
SECURITIES & EXCHANGE
COMMISSION



2012

ANNUAL REPORT





2012

ANNUAL REPORT



OUR VISION

To be an effective regulator of the capital market in which stakeholders have confidence.

OUR MISSION

The Trinidad and Tobago Securities and Exchange Commission is the regulatory agency for the Securities Industry. We administer the Securities Industry Act to protect the investor, promote integrity and transparency and foster the development of the capital market through a committed and competent team of professionals.

CONTENTS

1	LETTER OF TRANSMITTAL	5	Applications	27
2	FUNCTIONS OF THE COMMISSION	6	Monitoring of Trading Activity.....	27
	THE COMMISSIONERS	7	Compliance with Material Change Provisions	28
3	MESSAGE FROM THE CHAIRMAN	8	Regulation and Enforcement	28
	Introduction	8	Policy, Research and Planning Developments	29
	IOSCO Membership	9	Developing and Delivering Programmes of	
	Securities Bill/Act, 2012	10	Investor Education.....	29
	Caribbean Group of Securities Regulators	10	Empowering investors and stakeholders	
	Investor Protection and Education	10	through education and information	29
	Staff Development.....	11	Engaging our stakeholders through	
	Changes to the Board of Commissioners	11	information	30
	Reflections	11	Information and Communication Technology.	31
	Acknowledgements.....	11	Human Resource and Training	31
4	SECURITIES AND FINANCIAL MARKET		Organisational Structure	31
	DEVELOPMENTS	12	Staffing	32
	Developments in the International Markets	12	Training and Development	32
	Economic Performance	13	Staff of the SEC.....	33
	Advanced Economies	13		
	Emerging and Developing Economies. ..	13	APPENDICES	34
	Regional Markets	13	FINANCIAL STATEMENTS	49
	Jamaica Stock Market.....	13		
	Barbados Stock Market	16		
	Trinidad and Tobago Securities Market			
	Development	18		
5	MANAGEMENT DISCUSSION	22		
	Operations Overview.....	22		
	Registration of Market Actors and Securities...	23		
	Monitoring Market Development and Behaviour	26		
	Legislation	26		
	Investigations and Investor Complaints	27		
	Trinidad and Tobago Stock Exchange			



1.0 LETTER OF TRANSMITTAL



January 31st 2013

Senator the Honourable Larry Howai
Minister of Finance and the Economy
Eric Williams Finance Building
Independence Square
Port of Spain

Dear Honourable Minister Howai,

In accordance with the provisions of Section 20 (1) of the Securities Industry Act 1995, I submit the Annual Report of the Trinidad and Tobago Securities and Exchange Commission for the financial year ended September 30, 2012 together with a copy of the Annual Audited Statement of Accounts certified by our auditors.

I would be grateful if you could advise me as to when this report is to be laid in Parliament given that the Act requires that copies be made available to the public after it has been so laid.

Yours faithfully,

Patrick Watson
Chairman
Trinidad & Tobago Securities and Exchange Commission

The Trinidad and Tobago Securities and Exchange Commission (the Commission) was established by the Securities Industry Act, 1995 (the Act). It is an autonomous body whose role is to provide for the regulation of the securities market in Trinidad and Tobago and for all related matters. The main functions of the Commission, as outlined in Section 5 of the Act, are as follows:

- Advise the Minister of Finance on all matters relating to the securities industry;
- Maintain surveillance over the securities market and ensure orderly, fair and equitable dealings in securities;
- Register, authorize or regulate, in accordance with the Act, self-regulatory organizations, securities companies, brokers, dealers, traders, underwriters, issuers and investment advisers, and control and supervise their activities with a view to maintaining proper standards of conduct and professionalism in the securities business;
- Protect the integrity of the securities market against any abuses arising from the practice of insider trading;
- Create and promote such conditions in the securities market as may seem to it necessary, advisable, or appropriate to ensure the orderly growth and development of the capital market.

THE COMMISSIONERS



Standing, L-R: **Ravi Rajcoomar, Marsha King, Dr. Shelton Nicholls, Horace Mahara**
Seated: **Professor Patrick Watson**

MESSAGE FROM THE CHAIRMAN



PATRICK WATSON
Chairman

3.1 INTRODUCTION

The financial year 2012 marks the first year of my appointment as Chairman of the Trinidad and Tobago Securities and Exchange Commission (the Commission), which took effect in January 2012. Upon assuming office, staff of the Commission was actively engaged in carrying out the mandate of the Commission, including registration, research, monitoring and surveillance of the market, and enforcement of relevant legislation and guidelines. In the area of legislation, there was one major event occupying the attention of the staff of the Commission, and I am proud to say that by the end of 2012, this matter had been successfully completed. The matter to which I refer was the passage of the Securities Bill 2012, which was proclaimed on December 31 of that year. Another major achievement for the Commission was its appointment to the board of the International Organization of Securities Commissions (IOSCO) in April 2012.

Together with addressing the enabling legislation and in keeping with its commitments as a member of the board of IOSCO, the Board of the Commission has been focused on further developing the financial regulatory framework and on building institutional capacity at the Commission. The Commission was established by the Securities Industry Act (SIA) 1995. Consequently, it functions as an autonomous body for the regulation of the securities industry of Trinidad and Tobago and all related entities and bodies such as the Trinidad and Tobago Stock Exchange and market actors such as securities companies, and broker/dealers.

The Board has continued its efforts within the context of the global environment and its impact on the domestic economy. The financial crisis of 2008/09 had placed much of the developed economies in a recession, and impacted growth rates in emerging economies. Since that time we have seen the failure of banks and other financial institutions, the crash of the housing market and a rise in unemployment in some countries. There have been several initiatives such as bank bailouts, the

re-financing of financial institutions as part of stimulus packages, and cuts in budgetary allocations and spending. The global economy has, however, continued to languish with serious implications for the Trinidad and Tobago financial markets. The domestic capital market has grown since the inception of the Commission and has become more complex. Over the period 1998-2012, the value of the equity market rose from TT\$19.7 billion to TT\$94.38 billion; debt securities outstanding rose to TT\$67.94 billion from an estimated TT\$1 billion; mutual funds grew from TT\$4 billion to TT\$41.96 billion and securitized instruments rose from an estimated TT\$450 million to TT\$50.55 billion. At the close of the financial year 2012, the capital market was estimated to be valued at TT\$259 billion, an increase of over 980 percent since the inception of the Commission in 1997. New financial products have and continue to be brought to the market, each of which requires special consideration by the Commission before they can be introduced. Brokers/dealers and security traders have all asked for laws, By-laws and policies which would not stultify the market, but rather encourage growth and development. The Commission has, therefore, to balance this need to encourage growth with its obligation to protect the investor with a regulatory framework which is reflective of the realities of today's financial environment.

There have been several external initiatives to which the Commission has had to respond in order to better prepare itself to regulate the securities market. As part of this preparation there has been ongoing regional and international cooperation and collaboration. Such cooperation remains one of the priorities of the Commission.

3.2 IOSCO MEMBERSHIP

A lack of adequate regulation has been cited as one of the main causes of the financial crisis despite the strong criticisms of too much regulation in the past. Consequently, international bodies such as the G20 countries have placed greater emphasis on the promotion of financial regulation that reduces both risks and future financial crises. In this regard, the role of IOSCO

has assumed greater importance internationally. The International Organization of Securities Commissions headquartered in Madrid, Spain, functions as a policy-making body for the supervision and regulation of regulators. IOSCO functions to provide guidance and develop standards for their member countries. Trinidad and Tobago was elected to the Transitional IOSCO Board in April of 2012, a position which will hold to 2014.

IOSCO's mandate is, inter alia:

- "to cooperate in developing, implementing and promoting adherence to internationally recognized and consistent standards of regulation, oversight and enforcement in order to protect investors, maintain fair, efficient and transparent markets, and seek to address systemic risks;
- to enhance investor protection and promote investor confidence in the integrity of securities markets, through strengthened information exchange and cooperation in enforcement against misconduct and in supervision of markets and market intermediaries; and
- to exchange information at both global and regional levels on their respective experiences in order to assist the development of markets, strengthen market infrastructure and implement appropriate regulation".

In 2005, IOSCO adopted a Multilateral Memorandum of Understanding (MMoU) designed to facilitate cross-border enforcement and the exchange of information among the international community of securities regulators. The Commission which currently holds Appendix B status in IOSCO is committed to obtaining the legal authority necessary in order to enable our country to become a full signatory to the IOSCO MMoU in 2013.

When this is achieved, Trinidad and Tobago will have access to several benefits including information exchange with other signatories related to the investigation of offences such as insider trading and market manipulation, misrepresentation of material information and other fraudulent or manipulative practices relating to securities. The global nature of financial transactions

Message from the Chairman (cont'd)

and the dominance of electronic mechanisms which facilitate trade and investment in the securities market, make this type of international cooperation crucial to the achievement of stability and the promotion of investor confidence within the securities industry through an adequate level of regulatory oversight.

The Commission's membership in IOSCO enables this country to access comprehensive technical assistance which is provided particularly to those bodies which regulate emerging securities markets.

IOSCO continues to work with both domestic and international bodies, such as the G20 and the Financial Stability Board (FSB) to strengthen and protect the global financial market.

3.3 SECURITIES BILL/ACT, 2012

There has been for some time recognized deficiencies in the SIA, 1995 with calls for review and changes both from staff of the Commission and market actors. One concern was that the standards established by international bodies such as IOSCO could not have been implemented given that the SIA 1995 did not support such changes in regulation. The Securities Bill, 2012 was in the making for the last twelve (12) years. During the fiscal year October 1, 2011 to September 30, 2012, work continued on the revision of the Bill. A draft Bill was put out for comment in May 2012 and public consultations were held in Trinidad and Tobago in June 2012. The Commission received extensive and useful feedback from several stakeholders. The Bill was subsequently approved by Cabinet and laid and debated in Parliament, after being reviewed and vetted by a Joint Select Committee. After being passed in both houses of Parliament the Securities Act 2012 was eventually proclaimed on the 28th December 2012 and came into effect on 31 December, 2012.

The Securities Act 2012 is designed to give greater flexibility in the regulation of the local capital market. The Commission now has expanded powers and functions,

enhanced disclosure requirements, provisions for greater confidentiality and information sharing with both local and international regulatory agencies; enhanced enforcement capabilities and greater regulatory oversight of market conduct.

3.4 CARIBBEAN GROUP OF SECURITIES REGULATORS

Over the period 2011 – 2012, the Commission served as the Chair of the Caribbean Group of Securities Regulators (CGSR). While Trinidad and Tobago's Chairmanship has continued, the Chairmanship of the CGSR is due to be transferred to another member of the CGSR in 2013. The CGSR continues to hold discussions on the Choice of Law Rules and the Common Take-Over Code, as well as on ways to further develop the capital market and increase the number of listed companies on the various stock exchanges in the region.

3.5 INVESTOR PROTECTION AND EDUCATION

The Commission continues to promote investor awareness. According to the IOSCO's Principles of Securities Regulation, ***"Regulators should play an active role in the education of investors and other market participants."*** It is against this backdrop that the Commission has developed a sustained investor education campaign aimed at educating and empowering investors to follow best practice when investing in the securities market. This campaign, which uses a blend of traditional as well as modern strategies, aims to demystify financial concepts and is designed to equip ordinary investors with the tools they need to understand and evaluate the risks and benefits of various financial products and to recognize, avoid and report illegal investment schemes.

3.6 STAFF DEVELOPMENT

Human development is very close to me as an educator. During the fiscal year training of staff was conducted both domestically and internationally. Efforts have been made to fill existing vacancies as part of the Commission's thrust to strengthen its regulatory capacity.

3.7 CHANGES TO THE BOARD OF COMMISSIONERS

In January 2012, a new chairman was appointed to the Board of Commissioners of the Commission. The previous Chairman, Deborah Thomas-Felix had resigned, after having been offered another appointment. The current members of the Board of Commissioners are:

Dr. Shelton Nicholls
Ms. Marsha King
Mr. Ravi Rajcoomar
Mr. Horace Mahara

3.8 REFLECTIONS

The Commission has continued to engage its stakeholders, having more frequent and meaningful meetings with the Securities Dealers Association of Trinidad and Tobago (SDATT), the Institute of Chartered Accountants (ICATT) and others. It is my hope that the process of consultation will continue to thrive as we move into 2013. In the coming fiscal year and beyond, we expect to have greater participation by SDATT and market actors as a whole, working with the Commission to develop the capital market.

3.9 ACKNOWLEDGEMENTS

This being my first year at the Commission, there has been good synergy between the Board of the Commissioners and the Management and Staff. I wish to thank the Management and staff for their support

and commitment to the work of the Commission. As we continue our work into 2013 it is my hope that as regulators we find the required balance between the facilitation and encouragement of growth in the market and the regulation of that market for the protection of the investor. Ultimately our success will be measured by the confidence investors repose in the market and the growth of the market that can only come with that confidence.



PATRICK WATSON

Chairman

Trinidad & Tobago Securities and Exchange Commission

SECURITIES & FINANCIAL MARKET DEVELOPMENTS

4.1 DEVELOPMENTS IN THE INTERNATIONAL MARKETS

Global financial markets experienced significant bouts of uncertainty and volatility over the past financial year as the sovereign debt crisis in Europe escalated and spilled over to the banking system. The European banking sector faced significant market pressures in the last quarter of 2011 when funding dried up and borrowing costs soared amidst heightened concerns over the financial health of European banks. This culminated in the downgrading of three (3) major French banks by Moody's credit ratings agency on December 9, 2011 due to a lack of investor appetite for their debt. In an effort to ease funding strains in the banking sector, the European Central Bank (ECB) established a Longer-Term Refinancing Operations (LTROs) programme which allowed it to provide unlimited amounts of collateralized loans to euro area banks.

The ECB's intervention in late 2011 led to an improvement in market sentiment which buoyed global equity markets in the first quarter of 2012. However, these gains proved short-lived as major global market indices, with the exception of India's *Sensex*, posted quarterly losses in the second quarter of 2012. During this period, the European sovereign crisis intensified, spreading to Spain. The Spanish economy faced significant challenges in implementing the budget cuts needed to curtail its mounting debt and in recapitalizing the banking sector which remained saddled with a legacy of non-performing loans from the past real estate boom. Consequently, Spanish sovereign bond yields rose to record levels as investors grew increasingly concerned about the rising cost of recapitalizing Spanish banks. These concerns led to significant capital outflows from the sovereign and corporate bond markets in Spain and prompted rating downgrades on sovereign and corporate debt. Amid the mounting problems facing the economy, the Spanish government made a formal request to other European governments on June 25, 2012 for €100 billion in aid, to finance the restructuring of its

banking sector. The series of adverse developments in the Euro area prompted wide-ranging policy measures for European authorities which included:

- The creation of a banking union which would allow Eurozone members to share in the burden of bank bailouts. The banking union will be set up after the establishment of a single supervisory framework for euro area banks;
- The creation of the European Stability Mechanism (ESM) which will be used to recapitalize banks directly by taking equity stakes in banks;
- The establishment of the Outright Monetary Transactions (OMTs) program which will allow the European Central Bank (ECB) to purchase the sovereign debt of Eurozone countries in the secondary bond market and thus lower sovereign yields.

The announcement of these policy measures reassured investors and global equity markets rallied in the third quarter of 2012 and posted overall gains in the twelve (12) months to September 2012. The developed market outperformed the emerging market indices with the German Dax and the Dow Jones posting the highest increases for the review period of 31.15 percent and 23.13 percent respectively, followed by the London FTSE with an increase of 11.96 percent. The India BSE Sensex and Brazil's Bovespa performed the best out of the emerging markets with gains of 14.03 percent and 13.10 percent respectively. Among the worst performing market indices for the review period were China's Shanghai Composite and Spain's Ibex which posted declines of 11.57 percent and 9.81 percent respectively.

4.2 ECONOMIC PERFORMANCE

4.2.1 Advanced Economies

The International Monetary Fund (IMF) forecasted growth in the advanced economies to slow to 1.3 percent in 2012 from a rate of 1.6 percent in 2011. This slowdown reflects the economic contraction experienced in the Euro area economies during the first half of 2012 as the crisis in the Euro area escalated. The United States continued

to post a modest recovery against the backdrop of persistent high unemployment and continued weakness in the housing market. The political impasse over the raising of the country's debt ceiling and the impending "fiscal cliff", which will result in automatic tax increases and spending cuts in the beginning of 2013, threaten to undermine this economic recovery and further tip the economy back into recession.

4.2.2 Emerging and Developing Economies

Growth amongst emerging market and developing economies has moderated considerably in 2012, largely on account of weaker demand from advanced economies and the effects of past monetary tightening policies which were implemented to mitigate the overheating of the economies. The IMF projects the emerging and developing economies to grow by a modest 5.3 percent in 2012 following Real GDP growth of 6.2 percent in 2011. China's economy expanded by 7.4 percent in the third quarter of 2012, the slowest rate in three (3) years, on account of declining exports and domestic investment. The Latin American region also slowed as the effects of monetary policy to dampen inflationary pressures impacted economic activity.

4.3 REGIONAL MARKETS

4.3.1 Jamaica Stock Market

The Jamaican main stock market did not perform well over the 12-month period under review. The JSE Market Index, which measures the performance of the main market, declined by 5 percent over this period. This is in marked contrast to the 10.28 percent increase registered in the previous fiscal period. The junior market, which lists start-ups and small and medium-sized enterprises, performed better than the main market did, increasing by 3.9 percent over the period.

The main market began the fiscal year on a positive note, increasing by 3.84 percent in the first quarter of the period under review. However, at the start of 2012, there was a decline in the index, which went on to fall

Securities & Financial Market Developments (cont'd)

Figure 1:
JSE Market Index: October 1, 2011 – September 30, 2012



by 8.51 percent over the 9-month period January to September 2012. The largest decline took place during the third quarter of the fiscal year, when the Index fell by 5.31 percent, whereas in the fourth quarter, the Index fell by a more moderate 0.16 percent.

Consistent with the negative performance of the JSE Market Index over the period, twenty (20) stocks suffered a decline in their price during the period, while only eight (8) advanced. Five (5) stocks traded firm. Tables 2 & 3 show the five (5) advancing and declining stocks, respectively, on the Jamaican main stock market for the fiscal year October 1, 2011 to September 30, 2012.

Market Developments

Mergers & Acquisitions

Lascelles de Mercado

In early September 2012, CL Financial sold 81.4 percent of its ownership of Lascelles de Mercado to Campari, an

Italian spirits company. This transaction was completed for US\$338 million.

Globe Insurance Company

In turn, in mid-September 2012, Lascelles de Mercado sold a 100 percent stake in Globe Insurance Company, a major player in the general insurance market in Jamaica. This was sold to Guardian Holdings Limited at a price of US\$38 million.

Capital and Credit Financial Group

Jamaica Money Market Brokers (JMMB) acquired Capital and Credit Financial Group (CCFG), whose products include real estate, equity and fixed income trusts. The acquisition was completed in July 2012. With this merger, JMMB is now the sole company with a real estate trust fund in Jamaica.

Table 1:
Percent change in the JSE Market Index by Quarter
during the fiscal year 2011/2012

Quarterly	Opening Value	Closing Value	Percentage change (%)
1	91,771.90	95,297.20	3.84
2	95,297.20	91,369	(4.12)
3	92,291.36	87,388.96	(5.31)
4	87,332.46	87,188.38	(0.16)

Table 2:
Top 5 Advancing Stocks – JSE: October 2011 – September 2012

Security	Opening Price (\$)	Closing Price (\$)	Change (%)
First Caribbean International Bank Jamaica	7.56	13.25	75.56
Jamaica Pegasus Limited	15.00	22.49	49.93
Palace Amusement Company Limited	35.81	50.00	39.63
Lascelles, deMercado and Company Limited	300.00	385.19	28.40
Cable and Wireless Jamaica Limited	0.19	0.24	26.32

Table 3:
Top 5 Declining Stocks – JSE: October 2011 – September 2012

Security	Opening Price (\$)	Closing Price (\$)	Change (%)
Jamaica Livestock Association 7.5%	1.90	0.57	70.00
Caribbean Cement Company Limited	1.90	1.00	47.37
Ciboney Group Limited	0.05	0.03	40.00
Seprod Group of Companies Limited	23.17	15.00	35.26
Mayberry Investments Limited	3.04	2.05	32.57

Securities & Financial Market Developments (cont'd)

4.3 REGIONAL MARKETS (continued)

4.3.2 Barbados Stock Market

Economic growth in Barbados has been sluggish at best, as the economy, heavily dependent on the tourism sector, continues to be impacted by the slow economic recovery in the US and UK, its main tourists markets.

In this poor economic environment, the Barbados stock market has languished. The BSE Composite Index, which measures stock market performance, increased a mere 1.036 percent over the fiscal year under review. The first quarter of this period saw the Index fall by 1.62 percent. However, the Index rallied in 2012, increasing by over 2 percent for the year to September.

However, this rally for the year was not consistent. While the Index increased by 0.41 percent for the first quarter of the year, it fell by 0.49 percent during the second quarter, rising again by 2.78 percent during the third quarter, the highest performance for the fiscal year.

There were five (5) stocks advancing on the Barbados stock market over the period, while six (6) stocks registered declines in their price. The five (5) advancing and declining stocks for the fiscal year under review are shown in *Tables 5 & 6*, respectively.

Figure 2:
BSE Composite Index: October 1, 2011 – September 30, 2012

Time Range 2011-Oct-03-2012-Sep-28 (Daily)



Table 4:

Percent change in the BSE Composite Index by Quarter during the fiscal year 2011/2012

Quarterly	Opening Value	Closing Value	Percentage change (%)
1	734.84	722.92	(1.62)
2	722.95	725.94	0.41
3	725.94	722.40	(0.49)
4	722.40	742.45	2.78

Table 5:

Top 5 Advancing Stocks – BSE: October 2011 – September 2012

Security	Opening Price (\$)	Closing Price (\$)	Change (%)
One Caribbean Media Limited	3.20	5.00	56.25
Sagicor Financial Corporation	2.00	2.08	4.00
First Caribbean International Bank Limited	3.00	3.11	3.67
Cave Sheppard and Company Limited	4.60	4.68	1.74
The West India Biscuit Company Limited	10.00	10.01	0.10

Table 6:

Top 5 Declining Stocks – BSE: October 2011 – September 2012

Security	Opening Price (\$)	Closing Price (\$)	Change (%)
Almond Resorts Inc	1.25	0.50	60.00
Barbados Farms Limited	1.50	1.00	33.33
Banks Holdings Limited	3.81	3.00	21.26
Fortress Caribbean Property Fund	1.05	0.85	19.05
Insurance Corporation of Barbados Limited	3.00	2.70	10.00

4.4 TRINIDAD AND TOBAGO SECURITIES MARKET DEVELOPMENTS

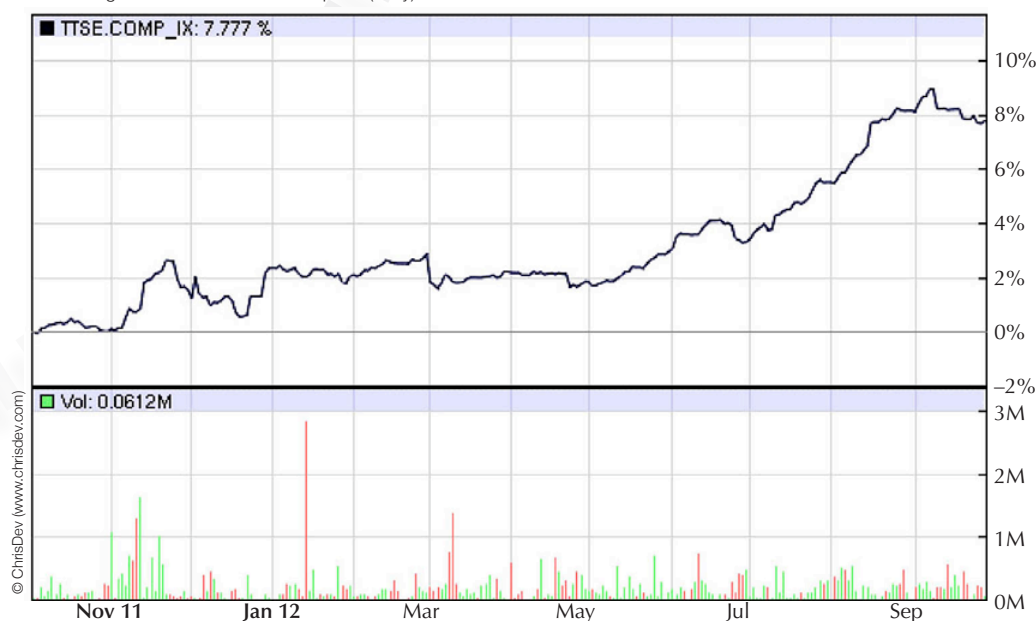
Trinidad and Tobago Stock Market

The domestic stock market registered a positive performance over the period October 1, 2011 to September 30, 2012, increasing by 7.8 percent. This was the best performance among the three (3) major markets in the region. However, this performance compared unfavourably to the 20.4 percent increase of the previous fiscal year.

This increase was driven in the main by the performance of local companies, as measured by the All T&T Index. This index increased by 15.2 percent over the period under review. In contrast, the Cross Listed Index, a measure of the performance of regional companies listed on the domestic stock market, decreased by 10.1 percent over the 12-month period.

Figure 3:
TTSE Composite Index: October 1, 2011 – September 30, 2012

Time Range 2011-Oct-03-2012-Sep-28 (Daily)



Despite the overall positive performance for the year, the Index did not increase uniformly over the period. For the second quarter of the fiscal year, the Index fell, albeit by a moderate 0.13 percent. The Index registered increases for all other quarters, with the highest occurring in the last quarter, when the Index increased by 4.22 percent (See Table 7).

Table 7:
Percent change in the Composite Index by Quarter – TTSE during the fiscal year 2011/2012

Quarterly	Opening Value	Closing Value	Percentage change (%)
1	989.49	1012.87	2.36
2	1012.87	1011.60	(0.13)
3	1011.29	1022.43	1.10
4	1023.30	1066.44	4.22

Figure 4:
TTSE Market Capitalization (TT\$M): 2007-2012

Sept. 2007	92,765
Sept. 2008	94,246
Sept. 2009	71,429
Sept. 2010	76,091
Sept. 2011	92,266
Sept. 2012	97,789

Table 8:
Top 5 Advancing Stocks – TTSE: October 2011 – September 2012

Security	Opening Price (\$)	Closing Price (\$)	Change (%)
Unilever Caribbean Limited	31.00	46.00	48.39
Guardian Holdings Limited	13.25	18.30	38.11
One Caribbean Media Limited	12.00	15.97	33.08
The West Indian Tobacco Company Limited	56.75	74.33	30.98
Scotiabank Trinidad and Tobago Limited	49.10	63.86	30.06

Securities & Financial Market Developments (cont'd)

Table 9:
Top 5 Declining Stocks – TTSE: October 2011 – September 2012

Security	Opening Price (\$)	Closing Price (\$)	Change (%)
LJ Williams Limited	0.46	0.29	36.96
Readymix (West Indies) Trinidad Limited	31.35	22.64	27.78
National Flour Mills Limited	0.90	0.68	24.44
National Commercial Bank of Jamaica Limited	2.09	1.60	23.44
Supreme Ventures Limited	0.18	0.14	22.22

Secondary Bond Market

Government Bonds

As with the previous fiscal year, trading on the secondary market for government bonds surpassed the trading on the corporate bond market. There were a total of eighty-four (84) transactions in government bonds over the period under review, a 13.5 percent increase over the seventy-four (74) transactions taking place in the 2010/2011 fiscal period. In contrast, these transactions had a total value of TT\$164,114,979, less than the TT\$241,446,665 value of the seventy-four (74) transactions of the previous fiscal year.

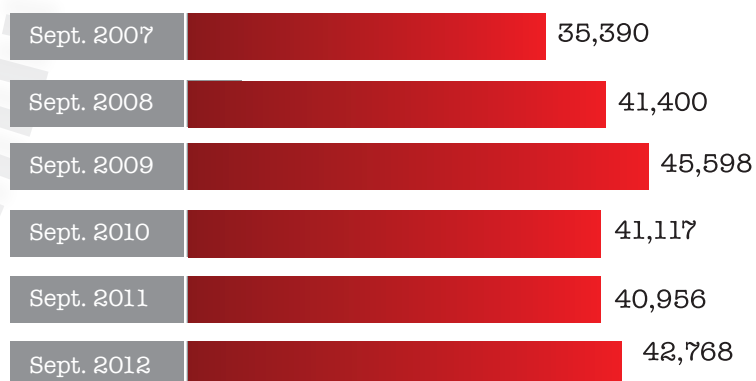
Corporate Bonds

There was no activity on the corporate bond market over the period October 1, 2011 to September 30, 2012.

Mutual Funds

Funds under Management (FUM) as at September 2012 stood at \$42.8 billion, a 4.4 percent increase over the September 2011 value of \$40.9 billion. With respect to savings, mutual funds are proving to be resilient in a time of

Figure 5:
Mutual Funds (TT\$M): 2007-2012



uncertainty in the domestic economy. However, total FUM has not reached the levels registered in 2009, when it stood at \$45.6 billion as at September of that year.

The mutual funds market continued to be dominated by the Unit Trust Corporation, which accounted for 46 percent of the total FUM outstanding. Republic Bank Limited came in a distant second, holding 18 percent of total FUM (*Table 10*).

Table 10:
Top 5 Performing Funds by Funds under Management as at September 2012

Mutual Fund	Percentage share of market for funds under management (%)
Unit Trust Corporation	46.38
RBTT Trust and Asset Management	18.31
Republic Bank Limited	13.72
First Citizens Asset Management Limited	12.91
Ansa Merchant Bank Limited	3.17

5.0 MANAGEMENT DISCUSSION



Standing, L-R:
Arlene Stephen
Senior Communications Manager;
Ronald Phillip
Director Policy Research & Planning;
Francisca Ambrose-Grant
Human Resource Manager;
Chandradath Maharaj
*Director Disclosure Registration
& Corporate Finance;*
Lystra Lucillio
Director Information Management

Sitting, L-R:
Hazel Ramsingh-Persad
Director Corporate Services;
Norton Jack, *General Counsel/*
Deputy General Manager (Acting);
Ayoub Barcoo, *Director Market Regulation &*
Surveillance (Acting)

5.1 OPERATIONS OVERVIEW

During the period under review, the Commission devoted its resources to relevant regulatory and ancillary projects, which included-

- Engaging in public consultation sessions to inform the Securities Bill 2012;
- Review and revision of the Securities Bill by a Cross Divisional Bill Team;
- Interpretation of Section 66(3) of the SIA 1995 and the provision of guidance;
- Examination of the operation of Trust Accounts as contained in Section 87A of the SIA 1995;
- Review of the financial conditions of selected brokerages as part of ongoing examination;

- Formulation of Guidelines to market actors for the dissemination of information to the public via advertisements and press releases/notices;
- Participation in Investor Education outreach sessions;
- Creation of communication strategies and projects;
- Formulation of a proposed fee structure for the Caribbean Exchange Network (CXN);
- Draft of constituent documents for the Caribbean Group of Securities Regulators (CGSR);
- Engaging in discussion on the CARICOM-Canada Trade Agreement;
- Responding to a securities market survey conducted by the American Chamber of Industry and Commerce of Trinidad and Tobago;
- Review of the websites of registrants to examine public statements made in respect of their registration status with the Commission;
- Engaging in Enforcement and Examination activities of market actors; and

- Commemoration of Special Days/Events including World Consumer Rights Day and International Women's Day through the placement of advertisements and the conduct of outreach sessions.

5.2 REGISTRATION OF MARKET ACTORS AND SECURITIES

The total number of registrants on the Commission's register did not change appreciably from the end of fiscal 2011 to fiscal 2012. At September 30, 2012, there were 211 market actors and reporting issuers registered with the Commission, three (3) more than at the same point in 2011 when there were 208 registrants. While the number of Brokers, Self-Regulatory Organizations and Underwriters remained constant over the period, there were small changes in the numbers of Investment Advisors, Securities Companies and Traders registered with the Commission (*See Table 11*).

Table 11:
Market Actors and Reporting Issuers Registered with the Commission:
October 2011 - September 2012

Class of Registration	As at Sept. 30, 2012	As at Sept. 30, 2011
MARKET ACTORS		
Brokers	33	33
Investment Advisors	18	19
Securities Companies	37	36
Self-Regulatory Organizations	2	2
Traders	25	22
Underwriters	2	2
Total Market Actors	117	114
OTHER		
Reporting Issuers	94	94
Total Registrants	211	208

Management Discussion (cont'd)

Registration of Securities

During the fiscal year, the Commission registered a total of thirty-nine (39) securities, seven (7) more than was registered for the previous period. Unlike the previous fiscal year, where the Commission did not receive any applications for the registrations of new collective investment schemes, this fiscal period saw the Commission registering three (3) new collective investment schemes (See table 12).

The total value of securities registered during the fiscal year 2012 was approximately TT\$10.606 billion which was TT\$1.347 billion (or 11.27%) less than the total value of securities registered in fiscal 2011 (TT\$11.952 billion). Debt securities accounted for the lion's share (approximately 59%) of the total value of securities registered in fiscal 2012. Securitized instruments comprised approximately 33 percent (TT\$3.479 billion) and Equities 8 percent (TT\$0.863 billion) of the value of securities registered (See Figure 6).

Figure 6:
Proportion of Securities Registered
by Category

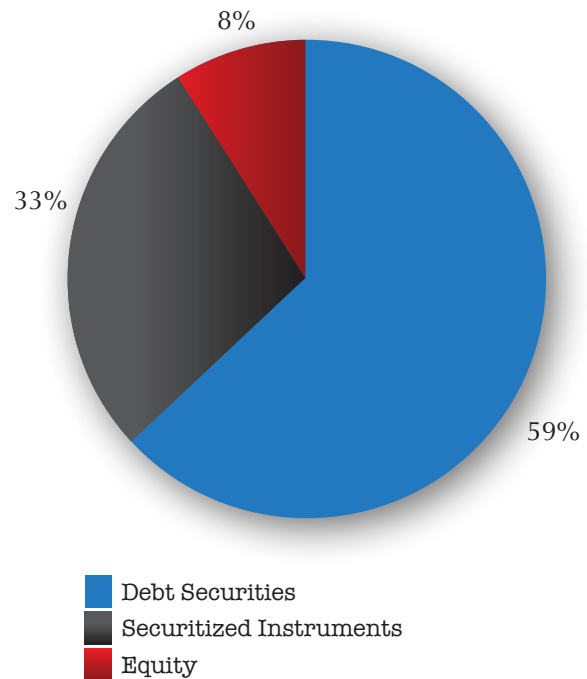


Table 12:
Securities Registered with the Commission: October 2011 - September 2012

Class of Securities	2011 - 2012		2010 - 2011	
	Number of Issues	Value of Securities in TT\$Billion	Number of Issues	Value of Securities in TT\$ Billion
Debt Securities	10	\$6.264	11	\$4.342
Securitized Instruments	7	\$3.479	11	\$6.576
Equity	19	\$0.863	10	\$1.034
Mutual Funds	3		—	
Total	39	\$10.606	32	\$11.952

Debt Securities

While the Commission registered ten (10) issues of debt securities in fiscal 2012, one (1) less than in 2011, the value of these securities increased dramatically from the previous year. Debt securities registered in fiscal 2012 were valued at approximately TT\$6.264 billion. This was TT\$1.921 billion or 44 percent higher than the value of debt securities that were registered with the Commission in fiscal 2011 – TT\$4.342 billion. All debt securities registered in fiscal 2012 were issued in the local currency (*See Table 12*).

All but one (1) of the registered debt securities in fiscal 2012 were fixed rate bonds. The exception was a floating rate bond issued by Home Mortgage Bank for TT\$250 million which was issued in two (2) tranches.

Securitized Instruments

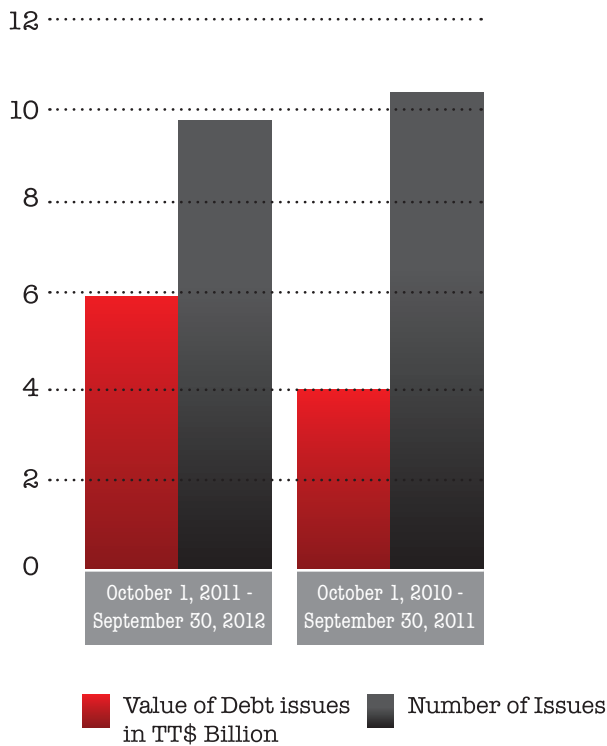
There was a marked decrease in both the number and value of securitized instruments that were registered, with the Commission, during fiscal 2012. In fiscal 2011, the Commission registered eleven (11) issues of securitized instruments with an approximate face value of TT\$6.576 billion. In fiscal 2012 however, only seven (7) issues of securitized instruments were registered with the Commission (four (4) fewer than in 2011). Further, the value of these securitized instruments registered in fiscal 2012 (TT\$3.479 billion) was 47 percent less than in 2011.

Unlike fiscal 2011 where the securitized instruments were based on fixed rate bonds, treasury notes and a finance lease, fiscal 2012 securities consisted only of certificates of participation that were based on bonds. Of the seven (7) issues registered in fiscal 2012, five (5) were issued in local currency with the remaining two (2) being issued in US dollars.

Equities

In fiscal 2012, the Commission registered nineteen (19) issues of equity securities which comprised 224,506,745 shares with an estimated value of TT\$0.863 billion. While fifteen (15) of the nineteen (19) issues of equity that were registered, were pursuant to employee stock compensation plans, these issues accounted for only about 2 percent (or 4,623,159 shares) of the total number of shares registered. These issues, however, did account for approximately 13 percent (or TT\$0.1126 billion) of the value of shares registered during fiscal 2012.

Figure 7:
Debt Securities Registered in
Fiscal 2012 vs Fiscal 2011



Management Discussion (cont'd)

The remaining four (4) issues of equity securities accounted for 98 percent (or 219,883,586) of the number of shares issued and approximately 87 percent (or TT\$0.7506 billion) of the total value of securities issued (See table 13).

When compared to fiscal 2011, the number of equity issues in this fiscal year was greater by nine (9) issues. The aggregate value of this fiscal year's issues were significantly less than that of the prior year by TT\$0.171 billion.

Table 13:
Equities Registered with the Commission

Class of Securities	October 01, 2011 - September 30, 2012			October 01, 2010 – September 30, 2011		
	Number of Issues	Number of Shares '000,000	Value of Securities in TT\$ Billion	Number of Issues	Number of Shares '000,000	Value of Securities in TT\$ Billion
Employee Stock Compensation Plans	15	4.623	\$0.113	8	0.775	\$0.006
Other	4	219.884	\$0.751	2	144.540	\$1.028
Total	19	224.507	\$0.864	10	145.315	\$1.034

5.3 MONITORING MARKET DEVELOPMENT AND BEHAVIOUR

The active monitoring of the market for the twelve (12) months to September 2012 was challenging. In addition to the several matters that rolled over from the preceding fiscal year, a large number of new regulatory issues emerged in the period under review.

5.3.1 Legislation

Staff made great effort to finalize the Securities Bill 2012. The enactment of the legislation will provide staff (inter alia) with the ability to conduct onsite inspections for the first time since the Commission's inception. This will greatly enhance the Commission's compliance

procedures, enabling staff to complete reviews and other types of examinations of registrants. The Commission is responsible for approving compliance officers under the FIU legislation and would also be responsible for conducting examinations of various kinds (focused, for cause and forensic) of its registrants based upon assessed risk areas.

5.3.2 Investigations and Investor Complaints

Though no new formal investigations (under s 138 of the Securities Industry Act, 1995) were initiated in the fiscal year under review, work continued on two (2) existing matters that are both before the High Court.

The Commission received eleven (11) new complaints from investors in the period under review. These complaints involved a wide range of issues including:-

- Alleged issuing of securities by a private company that was previously warned by staff of the Commission to desist from such activity until duly registered;
- Alleged failure of a brokerage to follow a client's trading instructions, resulting in a loss to the investor;
- Complainants' inability to recover funds invested with unregistered entities;
- Inadequate information made available to shareholders in respect of a takeover;
- Dispute between a brokerage and client over the purchase, payment and eventual sale of a block of shares;
- Allegation by a shareholder of market manipulation in the shares of an issuer; and
- Dispute over the status of a stock certificate issued previously to an investor by a listed company.

Of the new complaints received during the period, five (5) are still outstanding and it is expected that they will be resolved within the first quarter of the next fiscal year. In addressing complaints in the fiscal year under review, it is noteworthy that information has been more easily forthcoming from both registrants and non-registrants than in previous years.

5.3.3 Trinidad and Tobago Stock Exchange Applications

In the fiscal year under review, the Commission received five (5) applications for de-listing from the TTSE and three (3) Statements of Substance and Purpose for a change in its rules, broken down as follows:

- De-listing of FNCU Venture Capital Limited;
- De-listing of Barbados Shipping & Trading Limited;
- De-listing of Supreme Ventures Limited;
- De-listing of Savinvest India Asia Fund;
- De-listing of TT\$674.301 Million T&T Government 7.80% Fixed Rate Bond;
- The adoption of TTSE Rules in respect of the SME market;
- The establishment of a Settlement Assurance Fund for the Trinidad & Tobago Central Depository; and
- The establishment of a Contingency Fund for the TTSE.

All the TTSE applications for de-listing and adoption of TTSE rules in respect of the SME Market were considered and approved by the Commission, except in the case of FNCU Venture Capital Limited. In that matter, a Hearing pursuant to Section 134 of the Securities Industry Act, 1995 will be convened in the next fiscal year to consider the de-listing application. At the close of the 2011/2012 fiscal year, the TTSE applications involving the Settlement Assurance Fund for the TTCD and the Contingency Fund for the TTSE were still engaging the attention of the Commission.

5.3.4 Monitoring of Trading Activity

Six (6) trading inquiries were commenced by the staff during 2011/2012 fiscal year. Five (5) inquiries involved reviews of trading in light of major announcements pertaining to the respective issuer. The single exception involved a review of trades executed by Directors of an issuer. One matter was closed with a recommendation for no further action while the other four (4) inquiries are still receiving the attention of staff.

Management Discussion (cont'd)

There was one (1) trading inquiry involving unusual price increases in the shares of a listed company, which commenced in the previous fiscal year, and was completed with a recommendation that no further action be taken.

5.3.5 Compliance with Material Change Provisions

It is very important to the investing public that reporting issuers fulfil their reporting obligations in respect of changes “material” to the affairs of the reporting issuer; such information is critical to investors’ decision-making. For this reason, the Commission adopted a renewed focus on reporting issuers’ compliance with the requirement to file with the Commission and issue a press release outlining the material change within the prescribed time period.

For the period under review, a total of thirteen (13) contraventions relating to the reporting of material changes by reporting issuers were identified and referred for enforcement action. The vast majority of these cases involved changes to the Board of Directors and/or Executive Management, changes which the Commission deems, under certain circumstances, to be material. A change in Executive Management is considered material based on the significance of the executive’s position to the organization. Seven (7) matters were closed in the period and of those, five (5) were settled in accordance with the Securities Industry (Hearings and Settlement) Practice Rules, 2008. The remaining matters are still receiving the attention of staff.

5.4 REGULATION AND ENFORCEMENT

The revision of the Anti Money Laundering and Combating Financing of Terrorism (AML/CFT) Guidelines were completed in compliance with the Proceeds of Crime Act, the Anti Terrorism Act and the Financial Obligations Regulations. The AML/CFT Guidelines along with the Guidelines for Repurchase Agreements were launched in April 2012.

The Commission remains a party to the Commission of Enquiry into the failure of the CL Financial Group of Companies and the Hindu Credit Union which are expected to continue well into 2013.

During the fiscal year, enforcement was focused on continuing investigations into complaints received from members of the public during the last financial year. Pursuant to High Court actions that commenced in the previous fiscal years, the staff of the Commission was successful in having receiver/liquidators appointed by the court, for the purpose of disgorgement of profits obtained by the defendants by reason of their non-compliance with the SIA, and restitution of funds to the affected investors. The staff of the Commission continues to maintain a presence at court in these matters in the interest of the affected investors.

Staff also engaged the promoters of certain newspaper and electronic publications which may have amounted to contraventions of the securities legislation. Whilst in most instances the matters were pre-empted and warnings were administered to the promoters, in one instance enforcement action was initiated in relation to three contraventions of the SIA. Settlement discussions are on-going in these matters.

In addition to the above, as at September 30, 2012 one matter was referred to the Police Fraud Squad for a criminal investigation. The staff of the Commission also commenced discussions with staff at the United States Securities and Exchange Commission (USSEC) with a view of referring two matters for their attention in relation to possible contraventions within their jurisdiction. Enforcement action was also taken against a number of registrants for contraventions of the SIA which resulted in ten (10) Orders being issued by the Commission for penalties imposed. These Orders were published in the Gazette and on the Commission’s website.

5.5 POLICY, RESEARCH AND PLANNING DEVELOPMENTS

Policy and Research centred on several areas during the fiscal year, including credit rating agencies (CRAs), Real Estate Investment Trusts (REITs), Repurchase Agreements (Repos) Anti-Money Laundering and Combating the Financing of Terrorism (AML-CFT) and the Securities Bill 2012 (now the Securities Act, 2012). The objective is to produce policies and guidelines to help with the implementation of the relevant legislation.

Using a cross-divisional team approach, Guidelines on Anti-Money Laundering and Combating the Financing of Terrorism (AML-CFT) were successfully formulated and launched within the fiscal year. The staff has continued its efforts in the area of AML-CFT, conducting research into suspicious activity reporting within the securities industry. This exercise involved a review of international best practices into what constitutes a suspicious activity and the preparation of suspicious activity reports. This research will inform the preparation of a Guidance Note which will be issued to the market. This Note aims to assist market actors in meeting their obligations of making Suspicious Activity Reports to the Financial Intelligence Unit (FIU), in accordance with the FIU Regulations and the Guidelines on Anti-Money Laundering and Combating the Financing of Terrorism.

Members of staff were co-opted from various Divisions, to work on the Repurchase Agreement (Repo) Guidelines resulting in their launch on April 20, 2012. Templates for two (2) quarterly reports were developed in accordance with the disclosure and reporting requirements of the Repo Guidelines. Market actors conducting repo transactions are expected to use this template for their quarterly reports.

Given the success of the cross-functional team approach, this method was again employed to conduct research into the recognition and regulation of CRAs. Staff has reviewed various international best practices in relation to credit rating agencies and examined the regulatory frameworks of several jurisdictions regionally and internationally. Efforts in this area will continue into the next fiscal year.

A research paper into the operation and regulation of Real Estate Investment Trusts (REITs) is expected to be completed in the next fiscal year. This research paper would form the basis of the Commission's thrust to develop a regulatory regime for this product.

The proposed timeline of the current strategic planning period ends in 2012, as the Strategic Plan covered the period 2009 to 2012. The Commission will be embarking on a new Strategic Planning Process for the period 2013-2016.

5.6 DEVELOPING AND DELIVERING PROGRAMMES OF INVESTOR EDUCATION

5.6.1 Empowering investors and stakeholders through education and information

The Commission's Investor Education programme focuses on providing citizens with information on the role and function of the Commission, the rights and responsibilities of investors, making wise investment decisions and safeguarding against scams and other fraudulent activities. In order to ensure that our citizens are educated and empowered, the Commission has made some great strides in diversifying the Investor Education Programme. Some of these include:

5.6.1.1 *The inclusion and development of digital media touch points*

The Commission has launched a Facebook page which provides information to the ordinary investor about the role of the Commission, current initiatives to protect the investor, information on their rights and responsibilities, financial planning and general investing tips. YouTube videos tips are also embedded in this medium. This platform was launched in July 2012 and has amassed more than nineteen hundred (1900) followers with the largest number of followers being females in the 25-34 age group.

Another digital platform that the Commission has utilised is the WordPress Blog which was also launched in July 2012. Information on rights and responsibilities of investors, financial planning for various life stages, information on scams and fraudulent schemes, the Do's and Don'ts of investing, how the Commission protects the rights of investors, insider trading, money management in the middle years and the young adults' guide to personal finance have been blogged/posted. This Blog is also shared among stakeholders and re-posted on Facebook to ensure a wider reach.

5.6.1.2 *Investor Education Competitions*

In July 2012, the Commission launched its first Investor Education Competition for youth between the ages of 14-17 years, which was conducted in partnership with the Embassy of the United States of America. It attracted youth from various secondary schools across Trinidad and Tobago. Another competition is being finalised and will be held in collaboration with the Trinidad and Tobago Stock Exchange Limited. This competition which is expected to be launched by mid February 2013 will target the 18-25 age group and will offer several attractive prizes.

5.6.1.3 *Use of traditional media – Print and Electronic Print Ads*

Traditional media, such as the print and electronic forms, were also heavily utilised in fiscal year 2012. Column/strip ads were placed in all daily newspapers in Trinidad and the Tobago News in Tobago. These column Ads were also placed in special publications such as the *Catholic News*; community supplements such as the *Eastern Times*; business publications such as the *Trinidad and Tobago Chamber of Industry and Commerce's CONTACT*, *Business Trinidad and Tobago*, *TTCSI's Quarterly* and the *Employers Consultative Association's magazine* as well as generational magazines such as the *Trinidad and Tobago Association of Retired Persons' (TTARP) 050Q* magazine geared toward citizens 50 years and over.

Calendars

The Commission also printed two (2) calendars; a one (1) page calendar/flyer and a twelve (12) page calendar. These calendars were designed to include tips for investors and key information to guide their financial decision-making. Seventy nine thousand (79,000) copies of the one- page flyer were used as inserts and distributed via the *Trinidad Express* with five hundred (500) copies of the twelve page calendar being distributed to stakeholders.

Radio Ads

New radio Ads were also scripted, produced and aired from April to July 2012 on twelve (12) diverse radio frequencies in Trinidad and Tobago. These ranged from the youth-focused frequencies to adult contemporary stations, popular East Indian stations and frequencies which focused on news and talk programmes.

TV Ads

In August 2012, scripts were finalised for the production of a five-part SCAMS TV Ad. This five-part series will provide information on how to be a wise investor and how to be aware of scams and fraudulent investment schemes. In September 2012, a provider was procured and the production was fine tuned. This five- part Ad will be filmed in 2013.

5.6.1.4 *Investor Education Outreach Sessions*

In 2012, the Commission partnered with the Judiciary of Trinidad and Tobago and the Trinidad and Tobago Defence Force to conduct investor education outreach sessions with its staff. Sessions were also conducted at Trinity Power Limited, St. Joseph's Convent and the University of the Southern Caribbean.

5.6.2 **Engaging our stakeholders through information**

Launch of a Quarterly Newsletter

The Commission launched a quarterly communiqué which serves as a forum to continue our dialogue with

all stakeholders and explain regulations or guidelines that are being introduced. Two issues of the newsletter were printed in fiscal year 2012 and dispatched to stakeholders and market actors.

Engagement of the Media

Apart from our traditional media partners, media coverage regarding the work of the Commission has expanded to include *Caribseek*, a Caribbean news portal covering Caribbean news, breaking news from the Caribbean islands, diaspora Caribbean news and worldwide Caribbean news online and the Government Information Services Ltd's (GISL) news and information portal.

5.7 INFORMATION AND COMMUNICATION TECHNOLOGY

In the area of information and communication technology, staff continued to strengthen the strategic initiatives of business continuity and information security during the fiscal year October 1, 2011 to September 30, 2012. In addition to this, there was also a thrust towards enhanced monitoring and technological currency.

Policy development, in line with international best practice, focused on providing a base for process development, review and improvement to allow for greater efficiency. Additionally, significant strides were made in the re-design and implementation of information systems for the management of the Commission's data and electronic services for registrants, in keeping with the Commission's strategic goal of creating more efficient processes to support our stakeholders.

System and platform monitoring tools were also assessed to ensure security, stability and availability of the Commission's systems. New technologies were introduced to enhance the ability of staff to work productively while offsite.

Acquisition of value-producing technologies and applications to align with the Commission's business objectives were integral in the identification and development of enhanced market monitoring functionalities, registration management and risk analysis.

As initiated in the previous year, the Commission's online presence, functionalities and electronic features for support and communication with stakeholders, investors and the public, were enhanced and continue to be a strategic goal into the next year.

5.8 HUMAN RESOURCE AND TRAINING

5.8.1 Organisational Structure

The Human Resources Department is responsible for planning and executing a range of human resource strategies, in tandem with line managers in order to co-ordinate and implement the human resource management infrastructure. This, in turn, provides a platform of support for the attainment of the Commission's strategic goals and objectives.

The Commission underwent a change in its leadership at both the Board and Management levels in the first quarter of 2011/2012 with the departure of its General Manager, Ms. Claudia Emmanuel in December, 2011 and its Chairman, Ms. Deborah Thomas-Felix who was appointed President of the Industrial Court of Trinidad and Tobago.

The new Chairman, Professor Patrick Watson was appointed to the Board of Commissioners on January 30, 2012. In addition to the Chairmanship of the Commission, Professor Watson is the University of the West Indies Director of the Sir Arthur Lewis Institute of Social & Economic Studies (SALISES) and Professor of Applied Economics at the University of the West Indies, St. Augustine, Trinidad & Tobago. He previously served as Dean of the Faculty of Social Sciences from 1995 to 2003.

5.8.2 Staffing

As at September 30, 2012, the Commission had a total of sixty-two (62) employees on its establishment, an increase of nine (9) individuals over the past year. The Commission, over the same period, has conducted interviews to fill all its key positions including that of General Manager and Director, Legal Advisory and Enforcement. Eight (8) individuals resigned from the Commission under the period of review.

5.8.3 Training and Development

The Commission is cognizant that in order to attract and retain its human capital, training and developing of its staff is a key organizational development activity. Staff of the Commission was exposed to forty (40) local training programmes which included training on Cyber Crime,

Accounting and Auditing Standards, Fraud Investigations and Financial and Forensic Investigations.

Staff also attended seven (7) overseas training programmes/conferences which dealt with Securities Enforcement, Leadership and Accounting Oversight.

In October 2011, the Commission hosted the Caribbean Group of Securities Regulators Meeting at the Hyatt Regency Trinidad. The Conference featured distinguished presenters from the world of finance and securities regulation as well as from various international regulatory bodies including Mr. Harvey Pitt, former Chairman of the United States Securities and Exchange Commission (USSEC) and Dr. Kimberly Cornaggia of the American University. The Programme examined the regulatory challenges in times of financial turbulence.

STAFF OF THE SEC



- 1st Row: 1) Lystra Lucillio 2) Reshma Gupta 3) Susan Alfonso 4) Dike Noel 5) Mariella Woodruffe-Charles
6) Chandradath Maharaj
- 2nd Row: 7) Hazel Ramsingh-Persad 8) Karlene Alibey-Mohammed 9) Nikita Deobhajan 10) Hanna-Leah London
11) Anira Abraham 12) Valerie Celimene 13) Cristal McIntosh 14) John Cozier
- 3rd Row: 15) Sandiar Allard 16) Abigail Baird 17) Rachael Rampersad 18) Charmaine Howard 19) Nathalia John
20) Francisca Ambrose-Grant
- 4th Row: 21) Krystal Francette 22) Michelle Rojas-Britto
23) Rosalind King 24) Thaiz Gulston 25) Anika Noel
- 5th Row: 26) Ronald Phillip 27) Rhonda Simmons-Doyle
28) Raphael Romany 29) Giselle Bartholomew
30) Astraea Douglas 31) Aneisha Paul
- 6th Row: 32) Suresh Gobin 33) Kimberly Jeffers
34) Carol Noel 35) Anika Farmer
36) Nina Antoine
- 7th Row: 37) Kester Craig 38) Arlene Francis
39) Kyle Delgado 40) Kevin Deopersad
41) Frank Isaac 42) Curlene James
43) Salisha Ali
- 8th Row: 44) Joan Biroo-Wellington
45) Gerard Pierre 46) Natasha Lake
47) Tayeb Bostic 48) Adrian Pennie
49) Kester Joseph 50) Brian Peters
51) Ayoub Barcoo



A1: BROKERS		COMPANY
1	Akan, Myrnelle V.	Independent
2	Alexander, Liesel	KCL Capital Market Brokers Limited
3	Ali, Salma	West Indies Stockbrokers Limited
4	Alleyne, Harold	Caribbean Stockbrokers Limited
5	Alviar, Oscar	Independent
6	Awai, Gary *	Intercommercial Bank Limited
7	Bridgewater, Joanne	Republic Securities Limited
8	Carrera-Justiz, Francisco	Independent
9	Clouden, Randolph	Independent
10	Cugliari, Fernando	Independent
11	Darbasie, Karen *	Citicorp Merchant Bank Limited
12	Fadahunsi, Lai	AIC Securities Limited
13	Fletcher, Claire	Scotia Investments Trinidad and Tobago Limited
14	Gosein, Godfrey	Republic Securities Limited
15	Hepburn, Karrian	Scotia Investments Trinidad and Tobago Limited
16	Ho Sing Loy, Ameen*	RBC Merchant Bank (Caribbean) Limited
17	Johnson, Alvin	Caribbean Stockbrokers Limited
18	Khodai, Keshwar *	First Citizens Bank Limited
19	Maharaj, Varun *	Ansa Merchant Bank Limited
20	Manmohan, Adrian	West Indies Stockbrokers Limited
21	Montes, Francisco	Independent
22	Mullings, Donavan	Bourse Brokers Limited
23	Narine, Ian	Guardian Asset Management Limited
24	Padmore, Winston	Independent
25	Persad Michelle *	Trinidad and Tobago Unit Trust Corporation
26	Ramkhelawan, Sarodh	Bourse Securities Limited
27	Ramkhelawan, Subhas	Bourse Securities Limited
28	Salvary, Brent	KSBM Asset Management Limited
29	Seebaran, Madree	Bourse Securities Limited
30	Shah, Reaaz *	FirstCaribbean International Bank (Trinidad and Tobago) Limited
31	Sheppard, George	Sheppard Securities Limited
32	Syne, Sascha	First Citizens Investment Services Limited
33	Thomas, Rowland	Guardian Asset Management and Investment Services Limited

* Brokers in GOTT Bonds

A2. INVESTMENT ADVISORS

1	Burris, Stephen	10	Infinity Financial Engineering Limited
2	Clewett, Nigel	11	Marquis Portfolio Managers Limited
3	FCL Financial Limited	12	Mondial (Trinidad) Limited
4	FirstCaribbean International Bank (Trinidad & Tobago) Limited	13	Quan-Soon, Ian
5	Funds International Limited	14	RBC Investment Management (Caribbean) Limited
6	Global Financial Brokers Limited	15	Republic Securities Limited
7	Goolcharan, Vishal	16	Ruby Wealth Management Limited
8	Guardian Life of the Caribbean Limited	17	The Beacon Asset Management Limited
9	Husain, Haroon	18	Vega Capital Management Limited

A3: REPORTING ISSUERS

1	Add Venture Capital Fund Limited	21	Dynamic Equity Venture Fund Limited
2	Agostini's Limited	22	Education Facilities Company Limited
3	Manulife Investment Exchange Funds Corp	23	First Citizens Asset Management Limited
4	Airports Authority of Trinidad and Tobago	24	First Citizens Bank Limited
5	Angostura Holdings Limited	25	FirstCaribbean International Bank Limited
6	Angostura Limited	26	Flavorite Foods Limited
7	ANSA McAL Limited	27	FNCU Venture Capital Company Limited
8	Ansa Merchant Bank Limited	28	Fortress Caribbean High Interest Fund Limited
9	BCB Holdings Limited	29	Fortress Caribbean Property Fund Limited
10	Berger Paints Trinidad Limited	30	Fortress Global Value Fund Limited
11	BWIA West Indies Airways Limited	31	Fortress Mutual Fund Limited
12	Capital and Credit Financial Group Limited	32	GraceKennedy Limited
13	Capital and Credit Merchant Bank Limited	33	Guardian Holdings Limited
14	Caroni (1975) Limited	34	Guardian Media Limited
15	CIBC Private Client Fund Limited	35	Intercommercial Bank Limited
16	Citibank (Trinidad and Tobago) Limited	36	Jamaica Money Market Brokers Limited
17	Citicorp Merchant Bank Limited	37	Jamaica Select Index Fund Limited
18	BE TAG Antilles Group (St. Lucia) Limited	38	L.J. Williams Limited
19	Development Finance Limited	39	La Brea Industrial Development Company Limited
20	Dynamic Equity Fund II Limited		

A3: REPORTING ISSUERS (continued)

40	Life Settlements Funds Limited	68	Schroder International Selection Fund
41	Mega Insurance Company Limited		Global Energy
42	Mora Ven Holdings Limited	69	Scotia Caribbean Income Fund Inc
43	National Commercial Bank Jamaica Limited	70	Scotia Investments (Jamaica) Limited
44	National Enterprises Limited	71	Scotiabank Trinidad & Tobago Limited
45	National Flour Mills Limited	72	St Christopher Air and Sea Ports Authority
46	National Infrastructure Development Company Limited	73	St. Kitts Urban Development Corporation Limited
47	National Insurance Property Development Company Limited	74	Supreme Ventures Limited
48	National Maintenance Training and Security Company Limited	75	TCL Leasing Limited
49	Neal & Massy Holdings Limited	76	TCL Service Limited
50	Nestle Trinidad and Tobago Limited	77	Telecommunications Services of Trinidad and Tobago Limited
51	One Caribbean Media Limited	78	The Barbados Shipping & Trading Company Limited
52	Point Lisas Industrial Port Development Corporation Limited	79	The Home Mortgage Bank
53	Port Authority of Trinidad and Tobago	80	The National Football Stadium Company Limited
54	Prestige Holdings Limited	81	The West Indian Tobacco Company Limited
55	Public Transport Service Corporation	82	Tourism & Industrial Development Company of Trinidad & Tobago Limited
56	RBC Financial (Caribbean) Limited	83	Transjamaican Highway Limited
57	RBC Merchant Bank (Caribbean) Limited	84	Trinidad and Tobago Housing Development Corporation
58	RBC Royal Bank (Trinidad & Tobago) Limited	85	Trinidad and Tobago Mortgage Finance Company Limited
59	RBTT Finance Limited	86	Trinidad and Tobago Unit Trust Corporation
60	Readymix (West Indies) Limited	87	Trinidad Cement Limited
61	Republic Bank Limited	88	Trinidad Select Index Fund Limited
62	Republic Finance and Merchant Bank Limited	89	Unilever Caribbean Limited
63	Royal Bank of Canada	90	Unit Trust Corporation (Cayman) SPC Limited
64	Royal Skandia Life Assurance Limited	91	Urban Development Corporation of Trinidad & Tobago Limited
65	Sagicor Asset Management (Trinidad and Tobago) Limited	92	VT Umbrella Fund PCC Limited
66	Sagicor Financial Corporation	93	Water & Sewerage Authority
67	Sagicor Funds Incorporated		

A4. TRADERS

TRADERS

COMPANY

1	Basdeo, Anderson *	Citicorp Merchant Bank Limited
2	Basdeo, Roshan	West Indies Stockbrokers Limited
3	Chen, Nancy	West Indies Stockbrokers Limited
4	Coonai Ryan	Bourse Brokers Limited
5	Crooks, Victoria	Sheppard Securities Limited
7	Gajadar, Kerry	Caribbean Stockbrokers Limited
8	Ghany, Rianna Sarah *	First Citizens Bank Limited
9	Inniss-Bernard, Judy	Republic Securities Limited
10	Julien, Jason	First Citizens Investment Services Limited
11	Leons, Keron	First Citizens Investment Services Limited
12	Mahabirsingh, Sherma	First Citizens Investment Services Limited
13	Martineau, Dan *	ANSA Merchant Bank Limited
14	Mohammed, Shaun	Bourse Brokers Limited
15	Mooteeram, Charissa	First Citizens Brokerage and Advisory Services Limited
16	Pereira, Marc	Sheppard Securities Limited
17	Ramnath-Singh, Gail	Caribbean Stockbrokers Limited
18	Ramroop, Dianna	First Citizens Brokerage and Advisory Services Limited
19	Savary, Hilary	AIC Securities Limited
20	Sookhoo, Anganie	RBC Merchant Bank (Caribbean) Limited
21	St. Clair, Tallia	Scotia Investments Trinidad and Tobago Limited
22	Thompson, Leah	Sheppard Securities Limited
23	Vieria, Lisa Ann	AIC Securities Limited
24	Wallace, Chivonne *	First Citizens Bank Limited
25	Wells-Fraser, Bernadette	AIC Securities Limited

* Traders in GOTT Bonds

A5. UNDERWRITERS

1	FirstCaribbean International Bank (Trinidad & Tobago) Limited
2	FirstCaribbean International Bank (Bahamas) Limited

A6. SECURITIES COMPANIES

1	AIC Securities Limited	Broker, Dealer, Investment Adviser, Underwriter
2	Ansa Merchant Bank Limited	Broker (G), Dealer, Investment Adviser, Underwriter
3	Ansa Securities Limited	Broker (G), Dealer, Investment Adviser, Underwriter
4	Bourse Brokers Limited	Broker, Dealer, Investment Adviser, Underwriter
5	Bourse Securities Limited	Broker, Dealer, Investment Adviser, Underwriter
6	Caribbean Stockbrokers Limited	Broker, Dealer, Investment Adviser, Underwriter
7	Citicorp Merchant Bank Limited	Broker (G), Dealer, Underwriter
8	Development Finance Limited	Dealer, Investment Adviser, Underwriter
9	First Citizens Asset Management Limited	Dealer, Investment Adviser, Underwriter
10	First Citizens Bank Limited	Broker (G), Investment Adviser, Underwriter
11	First Citizens Brokerage and Advisory Services Limited	Broker, Dealer, Investment Adviser, Underwriter
12	First Citizens Investment Services Limited	Broker, Dealer, Investment Adviser, Underwriter
13	First Citizens Securities Trading Limited	Dealer, Investment Adviser, Underwriter
14	First Global (Trinidad and Tobago) Limited	Dealer, Investment Adviser, Underwriter
15	FirstCaribbean International Bank (Trinidad & Tobago) Limited	Broker (G)
16	Firstline Securities Limited	Dealer, Investment Adviser, Underwriter
17	General Finance Corporation Limited	Dealer, Investment Adviser, Underwriter
18	Guardian Asset Management and Investment Services Limited	Broker, Dealer, Investment Adviser, Underwriter
19	Guardian Asset Management Limited	Broker, Dealer, Investment Adviser, Underwriter
20	Intercommercial Bank Limited	Broker (G), Dealer, Investment Adviser, Underwriter
21	Intercommercial Trust and Merchant Bank Limited	Dealer, Investment Adviser, Underwriter
22	JMMB Investments (Trinidad and Tobago) Limited	Broker, Dealer, Investment Adviser and Underwriter
23	KCL Capital Market Brokers Limited	Broker, Dealer, Investment Adviser, Underwriter
24	KSBM Asset Management Limited	Broker, Dealer, Investment Adviser, Underwriter
25	Murphy Clarke Financial Limited	Dealer, Investment Adviser, Underwriter
26	RBC Merchant Bank (Caribbean) Limited	Broker, Dealer, Underwriter
27	Republic Bank Limited	Dealer, Investment Adviser, Underwriter
28	Republic Finance and Merchant Bank Limited	Underwriter

A6. SECURITIES COMPANIES *(continued)*

29	Republic Securities Limited	Broker
30	Sagikor Asset Management (Trinidad and Tobago) Limited	Dealer, Investment Adviser, Underwriter
31	Sagikor Life Incorporated	Dealer, Investment Adviser, Underwriter
32	Scotia Investments (Trinidad and Tobago) Limited	Broker, Dealer, Investment Adviser, Underwriter
33	Scotiabank Trinidad & Tobago Limited	Underwriter
34	Scotiabank and Merchant Bank (Trinidad and Tobago) Limited	Dealer, Investment Adviser, Underwriter
35	Sheppard Securities Limited	Broker
36	Trinidad and Tobago Unit Trust Corporation	Broker (G), Dealer, Investment Adviser, Underwriter
37	West Indies Stockbrokers Limited	Broker, Dealer, Investment Adviser, Underwriter

A7. SELF REGULATORY ORGANIZATIONS

1	The Trinidad and Tobago Central Depository Limited
2	The Trinidad and Tobago Stock Exchange Limited

A8. EQUITIES REGISTERED BY THE COMMISSION: October 1, 2011 – September 30, 2012

Issuer	Type	Type of Shares	Description	No. of Shares
Grace Kennedy Limited	DSOP	Ordinary	Grace Kennedy Limited 1,995,433 Ordinary Shares pursuant to Directors Stock Option Plan	1,995,433
Grace Kennedy Limited	DSOP	Ordinary	Grace Kennedy Limited 45,216 Ordinary Shares pursuant to Directors Stock Option Plan	45,216
Grace Kennedy Limited	DSOP	Ordinary	Grace Kennedy Limited 742,485 Ordinary Shares pursuant to Directors Stock Option Plan	742,485
Sub-Total	DSOP			2,783,134
Grace Kennedy Limited	MSOP	Ordinary	Grace Kennedy Limited 7,946 Ordinary Shares pursuant to Managers Stock Option Plan	7,946
Sub-Total	MSOP			7,946
Grace Kennedy Limited	ESOP	Ordinary	Grace Kennedy Limited 106,270 Ordinary Shares pursuant to Employee Stock Option Plan	106,270
Republic Bank Limited		Ordinary	Republic Bank Limited 1,056,563 Ordinary Shares pursuant to its Executive Stock Option Plan	1,056,563
Ansa McAL Limited	ESOP	Ordinary	Ansa McAL Limited 50,000 Ordinary Shares pursuant to its Executive Stock Option Plan	50,000
Grace Kennedy Limited	ESOP	Ordinary	Grace Kennedy Limited 92,610 Ordinary Shares pursuant to Employee Stock Option Plan	92,610
Agostini's Limited	ESOP	Ordinary	Agostini's Limited 53,700 Ordinary Shares pursuant to Executive Stock Option Plan	53,700
Grace Kennedy Limited	ESOP	Ordinary	Grace Kennedy Limited 105,456 Ordinary Shares pursuant to Employee Stock Option Plan	105,456
Neal and Massy Holdings Limited	ESOP	Ordinary	Neal and Massy Holdings Limited 30,674 Ordinary Shares pursuant to Executive Stock Option Plan	30,674
Neal and Massy Holdings Limited	ESOP	Ordinary	Neal and Massy Holdings Limited 18,849 Ordinary Shares pursuant to Executive Stock Option Plan	18,849

*39500 shares were offered at \$8.55 and 14,200 shares were offered at \$10.00
 **256,406 shares were offered at TT\$90.19; 319,584 shares were offered at TT\$86.75; 425,704 shares were offered at TT\$80.00; 54,869 shares were offered at TT\$85.94 and 425,704 shares were offered at TT\$80.00
 ***US dollar values were converted at an Exchange rate of US\$1 = TT\$6.4370
 ****JMD dollar values were converted at an Exchange rate of JMD\$1 = TT\$0.0718
 *****BBD dollar values were converted at an Exchange rate of BBD\$1 = TT\$3.2835

Currency	Price of Share	Value of Shares	Value of Shares in TT\$	Registration Date
JMD	\$27.34	\$54,555,138.22	\$3,917,058.92	13-Mar-12
JMD	\$50.26	\$2,272,556.16	\$163,169.53	13-Mar-12
JMD	\$27.34	\$20,299,539.90	\$1,457,506.96	26-Jul-12
			\$5,537,735.42	
JMD	\$50.83	\$403,895.18	\$28,999.67	26-Jul-12
			\$28,999.67	
JMD	39.73	\$4,222,107.10	\$303,147.29	9-Nov-11
TT\$	"\$90.19; \$86.75; \$80.00 and \$85.94**"	\$89,620,931.00	\$89,620,931.00	9-Nov-11
TT\$	\$49.48	\$2,474,000.00	\$2,474,000.00	28-Dec-11
JMD	\$27.34	\$2,531,957.40	\$181,794.54	26-Jul-12
TT\$	\$8.55 and \$10.00 *	\$479,725.00	\$479,725.00	6-Jun-12
JMD	\$40.85	\$4,307,877.60	\$309,305.61	13-Mar-12
TT\$	\$37.03	\$1,135,858.22	\$1,135,858.22	19-Apr-12
TT\$	\$37.03	\$697,978.47	\$697,978.47	6-Jun-12

A8. EQUITIES REGISTERED BY THE COMMISSION: October 1, 2011 – September 30, 2012 (continued)

Issuer	Type	Type of Shares	Description	No. of Shares
Neal and Massy Holdings Limited	ESOP	Ordinary	Neal and Massy Holdings Limited 25,711 Ordinary Shares pursuant to Executive Stock Option Plan	25,711
Neal and Massy Holdings Limited	ESOP	Ordinary	Neal and Massy Holdings Limited 166,524 Ordinary Shares pursuant to Executive Stock Option Plan	166,524
Neal and Massy Holdings Limited	ESOP	Ordinary	Neal and Massy Holdings Limited 125,722 Ordinary Shares pursuant to Executive Stock Option Plan	125,722
Sub-Total	ESOP			1,832,079
FirstCaribbean Other International Bank		Ordinary	FirstCaribbean International Bank 51,917,808 Ordinary Shares	51,917,808
Jamaica Money Market Brokers Limited	Other	Ordinary	Jamaica Money Market Brokers Limited 155,691,624 Ordinary Shares pursuant to its proposed Take-over Bid of Capital and Credit Financial Group Limited	155,691,624
Jamaica Money Market Brokers Limited	Other	Ordinary	Jamaica Money Market Brokers Limited 11,474,154 Ordinary Shares pursuant to its proposed Take-over Bid of Capital and Credit Financial Group Limited	11,474,154
Development Finance Limited	Other	Preference	800,000 Convertible Preference Shares	800,000
Sub-Total	Other			219,883,586
Grand Total				224,506,745

Currency	Price of Share	Value of Shares	Value of Shares in TT\$	Registration Date
TT\$	\$37.03	\$952,078.33	\$952,078.33	6-Jun-12
TT\$	\$37.03	\$6,166,383.72	\$6,166,383.72	6-Jun-12
TT\$	\$37.03	\$4,655,485.66	\$4,655,485.66	6-Jun-12
			\$106,976,687.84	
BBD	\$3.13	\$162,502,739.04	\$533,577,743.64	9-Nov-11
TT\$	\$0.82	\$127,667,131.68	\$127,667,131.68	3-Jul-12
TT\$	\$0.82	\$9,408,806.28	\$9,408,806.28	11-Sep-12
TT\$	\$100.00	\$80,000,000.00	\$80,000,000.00	9-Nov-11
			\$750,653,681.60	
			\$863,197,104.54	

*39500 shares were offered at \$8.55 and 14,200 shares were offered at \$10.00

**256,406 shares were offered at TT\$90.19; 319,584 shares were offered at TT\$86.75; 425,704 shares were offered at TT\$80.00; 54,869 shares were offered at TT\$85.94 and 425,704 shares were offered at TT\$80.00

***US dollar values were converted at an Exchange rate of US\$1 = TT\$6.4370

****JMD dollar values were converted at an Exchange rate of JMD\$1 = TT\$0.0718

*****BBD dollar values were converted at an Exchange rate of BBD\$1 = TT\$3.2835

A9. DERIVATIVE SECURITIES REGISTERED BY THE COMMISSION:

Issuer	Issue Name
Scotiabank Trinidad and Tobago Limited	Scotiabank Trinidad and Tobago Limited Certificates of Participation in the Government of Trinidad and Tobago 15 Year Term Receivables due to Petrotrin 2026
Citicorp Merchant Bank Limited	Citicorp Merchant Bank Limited US\$11,420,868.63 (Face Value) Certificates of Participation in the BBD\$161,000,000 Barbados Agricultural Management Company Limited Fixed Rate Bond due 2016
Citicorp Merchant Bank Limited	Citicorp Merchant Bank Limited TT\$286,470,706.55 (Face Value) Certificates of Participation in TT\$150,338,000.00 of the National Insurance Property Development Company Limited
Citicorp Merchant Bank Limited	TT\$500,000,000.00 6.05% Fixed Rate Bond due 2026
Citicorp Merchant Bank Limited	Citicorp Merchant Bank Limited US\$7,078,576.50 (Face Value) Certificates of Participation in the Government of the Cayman Islands US\$312 Million 5.95% Notes due 2019
ANSA Merchant Bank Limited	ANSA Merchant Bank Limited TT\$117,592,291.67 (Face Value) Certificates of Participation in the TT\$270,000,000.00 Telecommunications Services of Trinidad and Tobago Limited Fixed Rate Bond
Citicorp Merchant Bank Limited	Citicorp Merchant Bank Limited Certificates of Participation in the Citigroup Funding Inc. TT\$100 Million Medium Term Note due 2019
ANSA Merchant Bank Limited	ANSA Merchant Bank Limited TT\$440,000,000.00 (Face Value) Certificates of Participation in Government of the Republic of Trinidad and Tobago ("GORTT") TT\$1.5 Billion 6.00% Fixed Rate Bond due 2031
Grand Total	

October 1, 2011 – September 30, 2012

Issue Type	Currency Type	Face Value	Value TT\$	Registration Date
Certificates of Participation	TT\$	\$2,416,151,573.10	\$2,416,151,573.10	14-Oct-11
Certificates of Participation	US\$	\$11,420,868.63	\$73,516,131.37	9-Nov-11
Certificates of Participation	TT\$	\$286,470,706.55	\$286,470,706.55	9-Nov-11
Certificate of Participation	US\$	\$7,078,576.50	\$45,564,796.93	29-Mar-12
Certificate of Participation	TT\$	\$117,592,291.67	\$117,592,291.67	19-Apr-12
Certificate of Participation	TT\$	\$100,000,000.00	\$100,000,000.00	11-Sep-12
Certificate of Participation	TT\$	\$440,000,000.00	\$440,000,000.00	12-Dec-11
			\$3,479,295,499.62	

*US dollar values were converted at an Exchange rate of US\$1 = TT\$6.4370

A10. FIXED INCOME SECURITIES REGISTERED BY THE COMMISSION:

Issuer	Type of Security	Description
Government of Trinidad and Tobago	Fixed Rate Bond	Government of Trinidad and Tobago TT\$1.5 Billion 6.00% Fixed Rate Bond due 2031
National Insurance Property Development Company Limited	Fixed Rate Bond	National Insurance Property Development Company Limited TT\$500,000,000.00 6.05% Fixed Rate Bond due 2026
The Home Mortgage Bank	Fixed Rate Bond	The Home Mortgage Bank TT\$200,000,000 Fixed Rate Bonds (76th Issue) issued in Four Tranches
Trinidad and Tobago Mortgage Finance Company Limited	Fixed Rate Bond	Trinidad and Tobago Mortgage Finance Company Limited Negotiable TT\$175,000,000 Commercial Paper Notes
Guardian Holdings Limited	Fixed Rate Bond	Guardian Holdings Limited TT\$300 Million Short Term Notes due 2013
Trinidad and Tobago Mortgage Finance Company Limited	Fixed Rate Bond	Trinidad and Tobago Mortgage Finance Company Limited Tax Exempt Fixed Rate Debentures of up to TT\$250,000,000.00 in Three Series
National Insurance Property Development Company Limited	Fixed Rate Bond	National Insurance Property Development Company Limited TT\$339,000,000.00 5.15% Fixed Rate Bond due 2025
National Insurance Property Development Company Limited	Fixed Rate Bond	National Insurance Property Development Company Limited TT\$250,000,000.00 6.25% Fixed Rate Bond due 2032
The Home Mortgage Bank	Floating Rate Bond	The Home Mortgage Bank TT\$250,000,000 Floating Rate Bonds (77th Issue) to be issued in Two Tranches
Government of Trinidad and Tobago	Fixed Rate Bond	Government of Trinidad and Tobago TT\$2.5 Billion 5.20% Fixed Rate Bond due 2027
Grand Total		

October 1, 2011 – September 30, 2012

Currency	Value	Value in TT\$	Registration Date
TT\$	\$1,500,000,000.00	\$1,500,000,000.00	9-Nov-11
TT\$	\$500,000,000.00	\$500,000,000.00	14-Oct-11
TT\$	\$200,000,000.00	\$200,000,000.00	12-Dec-11
TT\$	\$175,000,000.00	\$175,000,000.00	17-Apr-12
TT\$	\$300,000,000.00	\$300,000,000.00	6-Jun-12
TT\$	\$250,000,000.00	\$250,000,000.00	3-Jul-12
TT\$	\$339,000,000.00	\$339,000,000.00	26-Jul-12
TT\$	\$250,000,000.00	\$250,000,000.00	11-Sep-12
TT\$	\$250,000,000.00	\$250,000,000.00	20-Sep-12
TT\$	\$2,500,000,000.00	\$2,500,000,000.00	11-Sep-12
		\$6,264,000,000.00	

*US dollar values were converted at an Exchange rate of US\$1 = TT\$6.4370

A11. COLLECTIVE INVESTMENT SCHEMES REGISTERED BY THE COMMISSION: October 1, 2011 – September 30, 2012

Sponsor/Issuer	Currency	Fund Name	Description	Country	Registration Date
RBC Investment Management (Caribbean) Limited		Roytrin Money Market Fund	Money Market Fund		29-Mar-12
Republic Bank Limited	TT\$	Republic TT\$ Fixed Income Securities Fund	Fixed Income		19-Apr-12
Republic Bank Limited	US\$	Republic US\$ Fixed Income Securities Fund	Fixed Income		19-Apr-12



2012

FINANCIAL
STATEMENTS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE TRINIDAD & TOBAGO SECURITIES AND EXCHANGE COMMISSION

Report on the Financial Statements

We have audited the accompanying financial statements of The Trinidad & Tobago Securities and Exchange Commission, which comprise the statement of financial position as at 30 September 2012 and the statements of comprehensive income, statement of changes in accumulated surplus and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Trinidad & Tobago Securities and Exchange Commission as at 30 September 2012, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers

PricewaterhouseCoopers

23 January 2013

Port of Spain,

Trinidad, West Indies

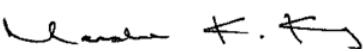
STATEMENT OF FINANCIAL POSITION


(EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS)


		30 September	
	Notes	2012 \$	2011 \$
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	6,363,768	8,171,588
Prepayments and other receivables	5	179,438	179,438
		<u>6,543,206</u>	<u>8,351,026</u>
Current Assets			
Cash and cash equivalents	6	47,274,132	38,192,505
Prepayments and other receivables	5	3,293,885	2,492,628
Taxation recoverable		85,728	107,151
		<u>50,653,745</u>	<u>40,792,284</u>
Total Assets		<u>57,196,951</u>	<u>49,143,310</u>
ACCUMULATED SURPLUS AND LIABILITIES			
Accumulated Surplus			
		<u>52,066,002</u>	<u>43,166,159</u>
Non-Current Liabilities			
Deferred government subvention	7	<u>1,895,833</u>	<u>3,520,833</u>
Current Liabilities			
Deferred government subvention	7	1,625,000	1,625,000
Payables and other accruals		<u>1,610,116</u>	<u>831,318</u>
Total Liabilities		<u>5,130,949</u>	<u>5,977,151</u>
Total Accumulated Surplus and Liabilities		<u>57,196,951</u>	<u>49,143,310</u>

The notes on pages 55 to 63 are an integral part of these financial statements.

On 18 January 2013, the Commissioners of The Trinidad & Tobago Securities and Exchange Commission authorised these financial statements for issue.

Commissioner : 

Commissioner : 

Chairman : 

STATEMENT OF COMPREHENSIVE INCOME

(EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS)

			Year Ended 30 September	
	Notes	2012 \$	2011 \$	
Income				
Registration fees		4,370,221	4,989,203	
Government subvention	9	35,625,000	26,712,302	
Interest		690	48,809	
Other income		15,796	34,170	
		<u>40,011,707</u>	<u>31,784,484</u>	
Expenses				
Administration		(2,572,257)	(2,321,012)	
Finance		(8,727)	(6,692)	
Operating		(28,518,048)	(24,052,260)	
	10	<u>(31,099,032)</u>	<u>(26,379,964)</u>	
Surplus Before Taxation		8,912,675	5,404,520	
Taxation	11	<u>(12,832)</u>	<u>(5,526)</u>	
Net Surplus		8,899,843	5,398,994	
Other Comprehensive Income		<u>—</u>	<u>—</u>	
Total Comprehensive Income For The Year		<u>8,899,843</u>	<u>5,398,994</u>	

The notes on pages 55 to 63 are an integral part of these financial statements.

STATEMENT OF CHANGES IN ACCUMULATED SURPLUS

(EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS)

	Year Ended 30 September	
	2012 \$	2011 \$
Balance at beginning of year	43,166,159	37,767,165
Total Comprehensive Income for the year	8,899,843	5,398,994
Balance at end of year	<u>52,066,002</u>	<u>43,166,159</u>

The notes on pages 55 to 63 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

(EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS)

	Note	Year Ended 30 September	
		2012 \$	2011 \$
Operating Activities			
Surplus before taxation		8,912,675	5,404,520
Adjustment to reconcile surplus to net cash from operating activities:			
Depreciation		2,039,695	2,299,822
Release of deferred government subvention		(1,625,000)	(1,354,167)
Loss on disposal of property, plant and equipment		–	512,033
Net change in operating assets and liabilities	15	(22,459)	(1,893,962)
		<u>9,304,911</u>	<u>4,968,246</u>
Net tax refunds received		<u>8,591</u>	<u>36,839</u>
Net Cash Inflow From Operating Activities		<u>9,313,502</u>	<u>5,005,085</u>
Investing Activities			
Purchase of property, plant and equipment		(231,875)	(662,367)
Net Cash Used In Investing Activities		<u>(231,875)</u>	<u>(662,367)</u>
Increase In Cash And Cash Equivalents		<u>9,081,627</u>	<u>4,342,718</u>
Cash And Cash Equivalent			
At beginning of year		38,192,505	33,849,787
Increase		<u>9,081,627</u>	<u>4,342,718</u>
End of year		<u>47,274,132</u>	<u>38,192,505</u>
Represented By:			
Cash		47,162,578	38,081,569
Fixed deposits		<u>111,554</u>	<u>110,936</u>
		<u>47,274,132</u>	<u>38,192,505</u>

The notes on pages 55 to 63 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2012

(Expressed in Trinidad and Tobago Dollars)

1 General Information

The Trinidad & Tobago Securities and Exchange Commission is a body corporate and was established by an Act of Parliament known as the Securities Industries Act 1995. The Act provides for the regulation of the securities market and connected matters in Trinidad and Tobago. It also provides for the funds received from government, the fees earned and any other income earned from operations to be applied in defraying expenditure authorised by the Commission.

2 Summary Of Significant Accounting Policies

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

2.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRIC interpretations. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. There are no 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.

Changes in accounting policies and disclosures

(i) *New and amended standards adopted by the Company*

There are no IFRSs or IFRIC interpretations that are effective for the first time for that financial year beginning on or after 1 October 2011 that would be expected to have a material impact on the Company.

(ii) *New standards, amendments and interpretations issued but not effective for the financial year beginning 1 October 2011 and not early adopted*

- IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The company is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 not later than the accounting period beginning on or after 1 January 2015.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2012

(EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS)

2 Summary Of Significant Accounting Policies *(continued)*

2.2 Foreign currency translation

(i) *Functional and presentation currency*

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

(ii) *Transactions and balances*

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

2.3 Leasehold improvements and equipment

All leasehold improvements and equipment is stated at historical cost less depreciation. Depreciation is calculated on the reducing balance basis unless otherwise stated to write off the cost of each asset to their residual values over their estimated useful life as follows:

Office equipment	– 25%
Leasehold improvements	– 20% - (Straight line)
Computer equipment	– 25%
Artwork and fixtures and fittings	– 10%
Motor vehicles	– 25%

The 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 disposal of equipment are determined by comparing proceeds with carrying amounts and are included in surplus before taxation.

2.4 Cash and cash equivalents

Cash and cash equivalents include cash in hand, and deposits held at call with banks, with original maturities of three months or less.

2.5 Pension

The Commission has established a defined contribution plan effective March 2005. Contributions are recognised as an expense when due. Prepaid contributions are recognised as an asset to the extent that cash refund or a reduction in the future payments is available.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2012

(EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS)

2.6 Deferred income taxes

Deferred income tax is provided in full using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Currently enacted tax rates are used to determine deferred income tax.

The principal temporary differences arise from depreciation on equipment and tax losses carried forward. Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

2.7 Revenue recognition

Interest income is recognised as it accrues to the Commission.

Fees charged by the Commission are recognised as income when services are provided.

See note 2.10 for Government subventions.

2.8 Provisions

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

2.9 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income and expenditure account over the period of the lease.

2.10 Government subventions

Government subventions are made to the Commission in accordance with an annual budget to defray capital and operating expenditure not covered by fees from operations. There are no contingencies attached to the receipt of these subventions.

Government subventions relating to operating expenditure are recognised in the statement of comprehensive income as income representing immediate financial support in the period in which it becomes receivable.

Government subventions relating to property, plant and equipment are included in non-current liabilities as deferred government subventions and are credited to the statement of comprehensive income on a straight-line basis over the expected lives of the related assets.

2.11 Financial assets

The Commission classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. The classification is determined at initial recognition.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2012

(EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS)

2 Summary Of Significant Accounting Policies (*continued*)

2.12 Comparative information

Where necessary, comparative information has been adjusted to conform to changes in presentation in the current year.

3 Financial Risk Management

The Commission's activities do not expose it to any significant financial risks: market risk (including currency risk, fair value interest rate and price risk), credit risk and liquidity risk.

a) *Market risk*

i) Cash flow and fair value interest rate risk

As the Commission has no significant interest bearing assets, the Commission's income and operating cash flows are substantially independent of changes in market interest rates.

b) *Credit risk*

Credit risk arises from cash and deposits with banks and financial institutions. For banks and financial institutions, only those with good standing and with a sound reputation are used.

c) *Liquidity risk*

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Company aims to maintain flexibility in funding by keeping committed credit lines available.

The table below analyses the Commission's financial liabilities based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 1 year equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 year \$
At 30 September 2012	
Payables and other accruals	1,610,116
	<u>1,610,116</u>
At 30 September 2011	
Payables and other accruals	831,318
	<u>831,318</u>

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2012

(EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS)

4 Property, Plant And Equipment

	Leasehold Improvements \$	Office Equipment \$	Computer Equipment \$	Artwork and Fixtures and Fittings \$	Motor Vehicles \$	Capital Work in Progress \$	Total \$
At 30 September 2010							
Cost	2,183,496	5,174,348	5,231,846	947,391	415,868	6,409,559	20,362,508
Accumulated depreciation	(1,922,645)	(3,581,364)	(3,828,091)	(480,049)	(229,283)	–	(10,041,432)
Net book amount	260,851	1,592,984	1,403,755	467,342	186,585	6,409,559	10,321,076
Year ended 30 September 2011							
Opening net book amount	260,851	1,592,984	1,403,755	467,342	186,585	6,409,559	10,321,076
Additions	2,933	4,623	654,811	–	–	–	662,367
Transfer	–	–	6,409,559	–	–	(6,409,559)	–
Disposals/adjustments	(94,889)	(196,154)	4,908	(224,101)	(1,797)	–	(512,033)
Depreciation	(70,484)	(349,230)	(1,809,587)	(24,324)	(46,197)	–	(2,299,822)
Closing net book amount	98,411	1,052,223	6,663,446	218,917	138,591	–	8,171,588
At 30 September 2011							
Cost	879,223	4,816,561	11,759,223	368,389	415,868	–	18,239,264
Accumulated depreciation	(780,812)	(3,764,338)	(5,095,777)	(149,472)	(277,277)	–	(10,067,676)
Net book amount	98,411	1,052,223	6,663,446	218,917	138,591	–	8,171,588
Year ended 30 September 2012							
Opening net book amount	98,411	1,052,223	6,663,446	218,917	138,591	–	8,171,588
Additions	–	145,774	86,101	–	–	–	231,875
Depreciation	(31,182)	(278,938)	(1,673,035)	(21,892)	(34,648)	–	(2,039,695)
Closing net book amount	67,229	919,059	5,076,512	197,025	103,943	–	6,363,768
At 30 September 2012							
Cost	879,223	4,962,335	11,845,324	368,389	415,868	–	18,471,139
Accumulated depreciation	(811,994)	(4,043,276)	(6,768,812)	(171,364)	(311,925)	–	(12,107,371)
Net book amount	67,229	919,059	5,076,512	197,025	103,943	–	6,363,768

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2012

(EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS)

5 Prepayments And Other Receivables	2012	2011
	\$	\$
Non-Current		
Rental deposit	<u>179,438</u>	<u>179,438</u>
Current		
Prepayments	313,885	524,554
Receivables from GOTT – Ministry of Finance	<u>2,980,000</u>	<u>1,968,074</u>
	<u>3,293,885</u>	<u>2,492,628</u>
	<u>3,473,323</u>	<u>2,672,066</u>

6 Cash And Cash Equivalents		
Cash at bank and on hand	47,162,578	38,081,569
Short-term bank deposits	<u>111,554</u>	<u>110,936</u>
	<u>47,274,132</u>	<u>38,192,505</u>

The effective interest rate on short-term deposits was 0.25% (2011: 1.13%).
These deposits have an average maturity of 90 days.

7 Deferred Government Subvention		
Balance at beginning of year	5,145,833	6,500,000
Amounts transferred to the statement of comprehensive income	<u>(1,625,000)</u>	<u>(1,354,167)</u>
Balance at end of year	3,520,833	5,145,833
Less : Release of deferred government subvention for upcoming financial year	<u>(1,625,000)</u>	<u>(1,625,000)</u>
	<u>1,895,833</u>	<u>3,520,833</u>

The deferred government subvention received during the 2009 financial period relates to funds allocated towards the Commission's Server Consolidation Project which was completed during the current financial year.

8 Payables And Other Accruals	2012	2011
	\$	\$
Due to GOTT – Comptroller of Accounts	39,000	580,000
Payables and accrued expenses	<u>1,571,116</u>	<u>251,318</u>
	<u>1,610,116</u>	<u>831,318</u>

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2012

(EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS)

9 Government Subvention	Note	2012 \$	2011 \$
Current year funding		34,000,000	25,358,135
Release of deferred government subvention		<u>1,625,000</u>	<u>1,354,167</u>
		<u>35,625,000</u>	<u>26,712,302</u>
 10 Expenses By Nature			
Employee salaries & benefit expense	12	12,795,215	10,086,349
Rent/property expenses		4,566,911	4,379,617
Legal, professional and consultancy fees		2,973,327	2,018,353
Other expenses		1,450,506	2,074,821
Depreciation		2,039,695	2,299,822
Training & seminars		2,006,971	1,544,589
Public education & advertising		1,186,094	515,289
Utilities		672,121	422,909
Office supplies		201,177	290,650
Motor vehicle expenses		790,571	512,223
Telephone		432,692	356,381
Commissioners' fees		373,859	302,659
Library & subscriptions expenses		280,498	388,909
Computer related expenses		1,226,330	1,090,822
Printing and reproduction		<u>103,065</u>	<u>96,571</u>
Total expenses		<u>31,099,032</u>	<u>26,379,964</u>
 11 Taxation			
Business levy – prior year		–	(10,112)
– current year		8,555	11,476
Green fund levy – prior year		–	(1,576)
– current year		<u>4,277</u>	<u>5,738</u>
		<u>12,832</u>	<u>5,526</u>

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2012

(EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS)

11 Taxation (continued)

- (a) The Commission's effective tax rate varies from the statutory rate as a result of the differences shown below:

	2012 \$	2011 \$
Surplus before taxation	8,912,675	5,404,520
Corporation tax at the statutory rate of 25%	2,228,169	1,351,130
Expenses not deductible for tax purposes	11,816	—
Expenses reimbursed by the government subventions	6,271,831	4,988,404
Income not subjected to tax	8,850	—
Government subventions not subject to taxation	(8,500,000)	(6,339,534)
Business levy	8,555	1,364
Green fund levy	4,277	4,162
Other permanent differences	(2,966)	—
	12,832	5,526

- (b) The Commission is required to pay Business Levy at 0.2% of total revenue. Business Levy only takes effect when it exceeds the current corporation tax liability.
- (c) The Commission has tax losses of approximately \$736,283 (2011 - \$451,824) available for set off against future taxable profits. These losses have not yet been approved by the Board of Inland Revenue.

No deferred tax asset relating to these losses has been recognised due to uncertain timing of their recovery.

12 Employee Salaries and Benefit Expense

	2012 \$	2011 \$
Salaries, national insurance and other staff expenses	12,176,596	9,205,611
Pension costs	618,619	880,738
	12,795,215	10,086,349
Average number of employees	62	50

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2012

(EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS)

13 Capital And Operating Lease Commitments

2012
\$

2011
\$

Operating lease commitments

The future minimum lease payments relating to the rental of premises and vehicles are as follows:

Not later than 1 year	239,000	213,900
Later than 1 year and not later than 5 years	161,000	178,250
	<u>400,000</u>	<u>392,150</u>

Capital commitments

There are no capital expenditure contracted for at the financial position date (2011: Nil).

14 Financial Instruments By Category

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

Loans and receivables

Cash and cash equivalents	47,274,132	38,192,505
Prepayments and other receivables	3,473,323	2,672,066
	<u>50,747,455</u>	<u>40,864,571</u>
<i>Other financial liabilities</i>		
Payables and other accruals	<u>1,610,116</u>	<u>831,318</u>

15 Net Changes In Operating Assets And Liabilities

(Increase)/decrease in prepayments and other receivables	(801,257)	113,516
Increase/(decrease) in payables and other accruals	778,798	(2,007,478)
	<u>(22,459)</u>	<u>(1,893,962)</u>

16 Related Party Transactions

The following transactions and balances were carried out with related parties:

(i) Government subvention	<u>35,625,000</u>	<u>26,712,302</u>
(ii) Key management compensation	<u>3,401,676</u>	<u>2,632,279</u>
(iii) Receivable from GOTT – Ministry of Finance	<u>2,980,000</u>	<u>1,968,074</u>
(iv) Payable to GOTT – Comptroller of Accounts	<u>(39,000)</u>	<u>580,000</u>

COMPLAINTS /QUERIES :

To enquire about or lodge a complaint on any matter concerning either a registrant, a security registered with the Commission, any other security or any person engaged in securities transactions, please contact the Commission's Division of Market Regulation and Surveillance by mail, facsimile or telephone.



FOR ADDITIONAL COPIES OF THIS REPORT, WRITE TO:

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