

ANNUAL REPORT 2024

EXPANDING
HORIZONS

CENTRAL BANK OF
TRINIDAD & TOBAGO



A young girl with dark hair, wearing a pink cap with a blue logo and a pink t-shirt, is smiling while climbing a rope. She is holding onto a wooden post with one hand and a rope with the other. A person in a purple shirt is visible on the right, holding her hand. The background is a bright, sunlit outdoor area with trees.

The primary purpose of the Bank is the promotion of monetary, credit and exchange conditions most favourable to the development of the economy of Trinidad and Tobago.



EXPANDING HORIZONS

Expanding Horizons encapsulates the Bank's commitment to broadening its educational outreach and community engagement. This theme underscores the Bank's dedication to enhancing these initiatives, especially during its 60th anniversary celebrations, highlighting the importance of financial literacy and environmental sustainability. By fostering partnerships and empowering youth through innovative programs, the Bank aims to inspire a new generation, ensuring that knowledge and resources are accessible to all, thus expanding the horizons of financial understanding and community development nationally. We're not just transferring knowledge; we're investing in brighter futures for all.



THE MANDATE

CENTRAL BANK ACT CHAPTER 79:02

ACT 23 OF 1964

The Central Bank of Trinidad and Tobago is a corporate body established by an Act of Parliament, the Central Bank Act, Chapter 79:02.

The primary mandate of the Central Bank is set out in Section 3 (3) of the Act:

3 (3) The Bank shall have as its purpose the promotion of such monetary, credit and exchange conditions as are most favourable to the development of the economy of Trinidad and Tobago, and shall, without prejudice to the other provisions of this Act: –

- (a) have the exclusive right to issue and redeem currency notes and coins in Trinidad and Tobago;
- (b) act as banker for, and render economic, financial and monetary advice to the Government;
- (c) maintain, influence and regulate the volume and conditions of supply of credit and currency in the best interest of the economic life of Trinidad and Tobago;
- (d) maintain monetary stability, control and protect the external value of the monetary unit, administer external monetary reserves, encourage expansion in the general level of production, trade and employment;
- (e) undertake continuous economic, financial and monetary research;
- (f) review-
 - (i) legislation affecting the financial system;
 - (ii) developments in the field of banking and financial services, which appear to be relevant to the exercise of its powers and the discharge of its duties; and
- (g) generally have the powers and undertake the duties and responsibilities assigned to it by any other law.

LAWS OF TRINIDAD AND TOBAGO

FINANCIAL INSTITUTIONS ACT CHAPTER 79:09

The Central Bank also administers the Financial Institutions Act, 2008, under which it is responsible for the supervision of banks and non-banks (licensees), the oversight of inter-bank payment systems and the regulation of electronic money issuers.

The primary objective of the Central Bank in respect of licensees is to maintain confidence in, and promote the soundness and stability of, the financial system in Trinidad and Tobago.

Other objectives of the Central Bank under this Act are to:

- (a) promote the existence of efficient and fair banking and financial services markets;
- (b) supervise licensees to determine whether they are in sound financial condition; and
- (c) maintain an appropriate level of protection for depositors of licensees.

INSURANCE ACT CHAPTER 84:01

From May 2004, the Central Bank was charged with the administration of the Insurance Act, 1980 which was repealed and replaced by the Insurance Act, 2018. Under this Act, the Central Bank is responsible for the supervision of insurance registrants and privately administered pension fund plans.

The primary objective of the Central Bank, in respect of registrants, is to maintain confidence in, and promote the soundness and stability of, the financial system in Trinidad and Tobago. The other objectives of the Central Bank, in respect of insurance registrants are to:

- (a) promote the existence of efficient and fair insurance markets;
- (b) maintain an appropriate level of protection for policyholders and beneficiaries under policies; and
- (c) ensure compliance of insurers and intermediaries with legislation to combat money laundering and terrorist financing.

The Central Bank performs functions derived from other pieces of legislation. These include, among others, the Exchange Control Act Chapter 79:50, the Heritage and Stabilisation Fund Act Chapter 70:09 and the Proceeds of Crime Act Chapter 11:27 (Financial Obligations Regulations 2010).

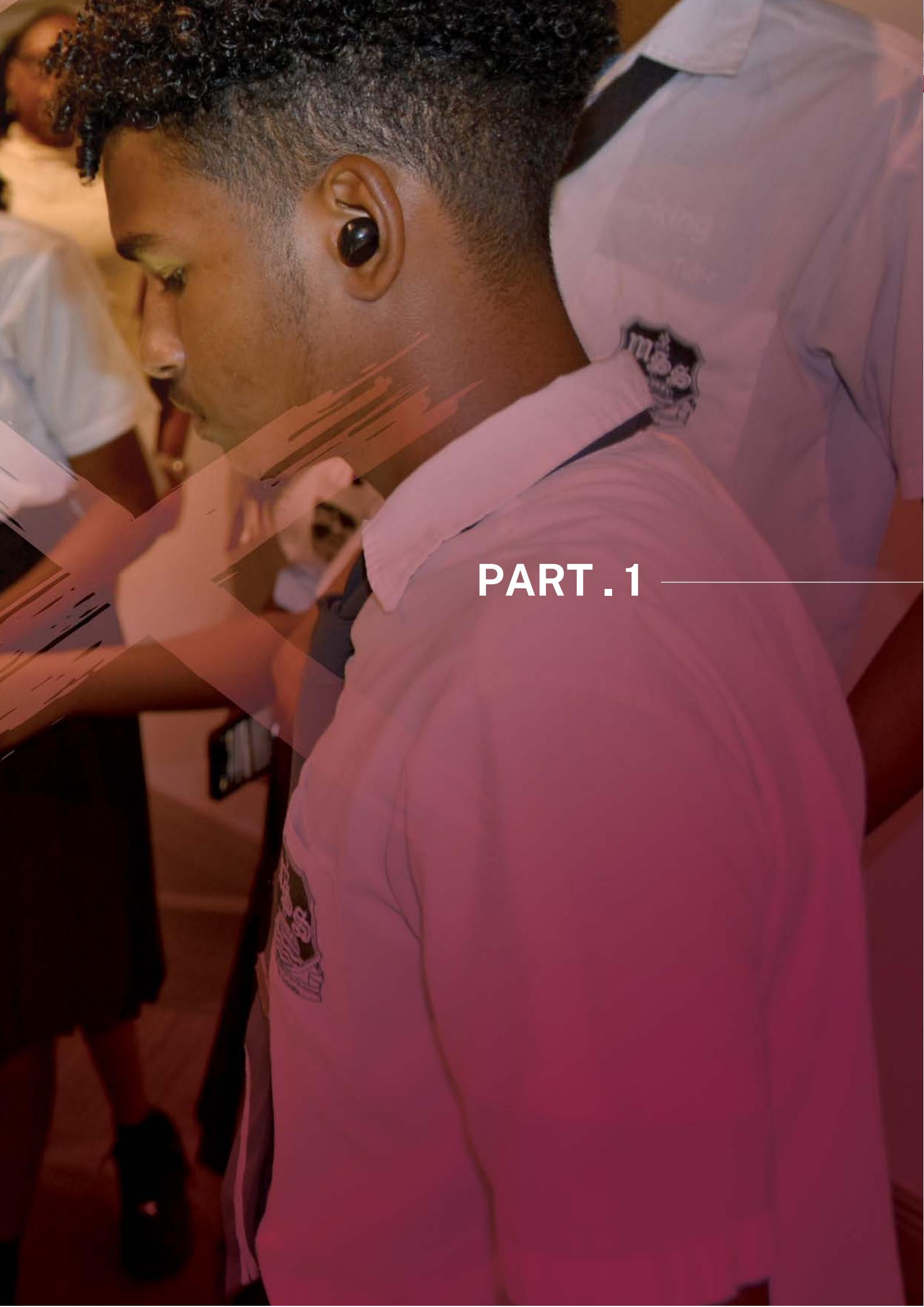
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Spanish Period



PART. 1

GOVERNOR'S FOREWORD

During financial year 2023/24, the Central Bank remained steadfast in the face of a complex international environment and challenging domestic economy. Globally, the economic landscape was beset with the lingering effects of past shocks and the emergence of new challenges. For fiscal and monetary authorities worldwide, the ongoing conflict between Russia and Ukraine and geopolitical tensions in the Middle East along with slowing but still relatively high inflation in many territories, contributed to a high level of uncertainty. As inflationary pressures waned and edged back towards central bank targets, several advanced economies initiated an ease in monetary policy. However, the policy options of developing and emerging market economies were hamstrung by the build-up of high-interest debt incurred during the COVID-19 pandemic. Additional tensions were created by the large number of national elections in calendar 2024 – including eight of the world's most populous countries – given the uncertainty clouding the future of economic policies.

The Trinidad and Tobago (T&T) economy experienced a tepid revival on the strength of the non-energy sector alongside a sharp drop in inflation and a pick-up in domestic financing by the Central Government. Economic activity was impeded by lower output from the energy sector on account of shortfalls in upstream production related to maintenance work and the maturation of oil and gas fields. Lower energy exports coupled with softer international commodity prices contributed to building pressures in the foreign exchange market and a downward trend in international reserves.

The low level of inflation and robust credit growth were supportive of the ongoing domestic economic recovery. With inflation broadly contained, the Central Bank maintained an unchanged repo rate and tilted its focus towards ensuring ample system liquidity. In July 2024, the Central Bank lowered the primary reserve requirement of commercial banks by 4.0 per cent to 10.0 per cent to mitigate tightened banking system liquidity and increases in short-term capital market interest rates. This represented the first reduction in the primary reserve requirement since March 2020 following the onset of the pandemic. By this action, the Central Bank moved further along towards reducing its reliance on direct instruments of monetary policy.



Dr. Alvin Hilaire
Governor

Significant strides were made in the execution of the third year of the Strategic Plan 2021/22-2025/26

The domestic financial system remained broadly stable and sound, based on indicators of asset quality, liquidity, solvency, capital adequacy and profitability. Nevertheless, high sovereign exposure, cybersecurity threats and climate-related costs remained key risks for the financial system.

Against this background, significant strides were made in the execution of the third year of the Strategic Plan 2021/22-2025/26. In the sphere of financial stability, the Bank put measures in place to improve the risk absorption capacity and operational resilience

of the financial system. A guideline on the Basel III leverage ratios and additional capital buffers were activated for regulated entities to improve the financial system's resilience to systemic threats. Guidelines on cybersecurity best practices and recovery planning, and the framework for determining a Domestic Systemically Important Bank (D-SIB) were also issued to strengthen the system's risks and crisis management capability. Furthermore, the Bank collaborated with other agencies to develop a Bill to introduce monetary fines for Anti-Money Laundering and Combating the Financing of Terrorism breaches.

Strong progress was made in updating the polymer \$100 banknote, boosting efficiency of the domestic payments system, improving private sector pension regulation and consolidation of internal work processes. Lessons learnt from the introduction of the Electronic Cheque Clearing System (ECCS) in 2023 and a comprehensive document management system helped in the planned consolidation of work processes.

Internally, the Central Bank celebrated its 60th Anniversary of incorporation – having been established on December 12, 1964. This provided an opportunity to engage in public outreach events that focused on financial education, environmental sustainability and community stewardship, to foster staff awareness and recognition, and to elevate the Bank's engagement with local, regional and international institutions. Staff face-to-face activities were almost back to pre-pandemic levels, and the use of online meetings and work-from-home arrangements continued, given their demonstrated benefits in terms of time and efficiency.

Looking ahead to the next financial year 2024/25, the Bank's focus will be on (i) utilising the imminent increase in the coverage of deposit insurance as a platform for further reinforcing financial stability; (ii) introduction of a fast payments arrangement in Trinidad and Tobago; (iii) a more pervasive role in promoting domestic cybersecurity in financial transactions; and (iv) boosting the Central Bank's role in preparing the country for climate change. Simultaneously, the consolidation efforts started a year prior – streamlining of work processes, enhancing inter-department teamwork, and fortifying relationships with local and foreign agencies are expected to be achieved. The Bank prides itself on a cadre of competent and dedicated employees who remain ready to take on the challenges that lie ahead.



Dr. Alvin Hilaire
Governor
Chairman of the Board



A photograph of a man with dark hair and a beard, wearing a purple polo shirt with blue stripes on the sleeves and a small emblem on the chest. He is crouching on a dirt path, looking towards the camera with a slight smile. In the background, there is a lush green hillside and a city with many buildings visible in the distance under a clear sky.

LEADERSHIP AND ORGANISATIONAL STRUCTURE

BOARD GOVERNANCE

BOARD OF DIRECTORS



Front Row (Left to Right): Ms. Lorraine Ferguson*; Dr. Alvin Hilaire, Governor (Executive); Mrs. Suzette Taylor-Lee Chee**
Back Row (Left to Right): Mr. Richard Duncan*; Mr. Terrence Walker*; Mr. Kern Gardiner*; Prof. Surendra Arjoon*,
Dr. Dorian Noel, Deputy Governor, Monetary Operations & Policy (Executive)

Notes:

1. Mr. Lancelot Jack, a long-standing member of the Board, passed away on February 08, 2024.
2. Directors served throughout the FY2023/24 period.

* Period of Reappointment: Feb. 18, 2022 - Feb. 17, 2025.
** Period of Reappointment: Apr. 20, 2023 - Apr. 19, 2026.

The Bank's Governance structure is set out in the Central Bank Act, Chap 79:02. Section 5 states that the Bank shall be managed by a Board of Directors comprised of a Governor (as Chairman), not more than two Deputy Governors and not less than six other Directors, two of whom may be Public Service Directors. Pursuant to section 10(1), the Governor, as Chief Executive Officer of the Bank, is entrusted with the day-to-day management, administration, direction and control of the business of the Bank.

The Governor is appointed for a term of not less than three years, but no more than five years. The Deputy Governor serves for a specified term and the other Board members are appointed for a three-year term. There were changes to the composition of the Board during the 2023/24 financial year as follows:

- The term of the Deputy Governor and Director on the Board, Dr. Dorian Noel, expired on December 21, 2023. Dr. Noel was re-appointed with effect from December 22, 2023 for three years.
- The term of the Governor and Chairman of the Board, Dr. Alvin Hilaire, expired on December 22, 2023. Dr. Hilaire was re-appointed with effect from December 23, 2023 for three years.

- The term of Director, Mr. Lancelot Jack, ceased because of his death on February 08, 2024.
- Mr. Joel Jack was appointed a Director on the Board effective September 11, 2024 for three years. [The Bank was informed of the said appointment on October 11, 2024].

The quorum of the Board consists of the Chairman and three other members. Section 15(2) specifies that "the Board shall meet for the transaction of the business of the Bank as may be necessary or expedient, but at least once in every two months and not less than nine times in any calendar year". In keeping with these requirements, the Board held nine meetings and three Special Board Meetings in calendar year 2023. In the Financial Year (October 01, 2023 and September 30, 2024), the Board held nine meetings (including one Special Board Meeting).

Table 1 sets out the dates of the Board Meetings for the Financial Year.

Table 1
Board Meetings for Financial Year 2023/24

DIRECTORS	2023			2024					
	Special Nov 30	Nov 30	Dec 15	Jan 26	Mar 22	May 24	Jun 28	July 26	Sep 27
Dr. Alvin Hilaire	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr. Dorian Noel	✓	✓	✓	✓	✓	✓	✓	✓	✓
Prof. Surendra Arjoon	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Richard Duncan	✓**	✓**	✓	✓	✓**	✓	✓**	✓**	✓
Mr. Lancelot Jack	✓	✓	✓	✓**	Deceased	-	-	-	-
Ms. Lorraine Ferguson	✓**	✓**	✓	✓	✓**	Abs	✓ **	✓	✓
Mr. Kern Gardiner	✓	✓	✓	✓**	✓	✓**	✓	✓	✓
Mr. Terrence Walker	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mrs. Suzette TaylorLee Chee	✓**	✓**	✓	✓	✓	✓**	Abs	✓	Abs

Source: Central Bank of Trinidad and Tobago

✓	Present	**	Virtual Attendance
Abs	Absent		
Note: All Meetings were Hybrid (Virtual/In-person)			

The Board has appointed three Committees to assist with discharging its functions - the Audit Committee, the Human Resource Committee and the Information Technology Committee. Each Committee comprises only Non-Executive Directors and is governed by a charter. The membership of these Committees is contained in **Table 2**.

Table 2
Board Committees (October 01, 2023 – September 30, 2024)

Committee	Members
Audit Committee	Mr. Richard Duncan (Chair) Prof. Surendra Arjoon Mr. Kern Gardiner Ms. Lorraine Ferguson
Human Resource Committee	Prof. Surendra Arjoon (Chair) Mrs. Suzette Taylor LeeChee Mr. Terrence Walker Mr. Lancelot Jack (appointment ceased by reason of death on February 08, 2024)
Information Technology Committee	Ms. Lorraine Ferguson (Chair) Mr. Kern Gardiner Mr. Lancelot Jack (appointment ceased by reason of death on February 08, 2024) Mrs. Suzette Taylor LeeChee (appointed with effect from May 24, 2024) Mr. Terrence Walker (appointed with effect from May 24, 2024)

Source: Central Bank of Trinidad and Tobago

POLICY COMMITTEES

MONETARY POLICY COMMITTEE

The Monetary Policy Committee (MPC) is responsible for the development and implementation of the Bank's monetary policy framework. The Committee comprises of Dr. Alvin Hilaire, Governor and Chairman of the Board; Dr. Dorian Noel, Deputy Governor of Monetary Operations and Policy; Mr. Terrence Clarke, Senior Manager of Capital Markets Development; Ms. Wendy D'arbasie, Senior Manager, Monetary Operations; and Mr. Alister Noel, Senior Manager, Macroeconomics and Payments.

The MPC sets the repo rate, issues the Monetary Policy Announcement and oversees the preparation and publication of the semi-annual Monetary Policy Report.

In its monetary policy deliberations over the financial year, the MPC considered international developments such as the dissipation of inflationary pressures from the highs experienced in 2023, the lowering of policy benchmark rates by many central banks, heightened geopolitical tensions in the Middle East and the ongoing Russia-Ukraine war, and bouts of volatility in the international capital markets.

Locally, the MPC's key considerations included low inflation, a measured economic revival focused on non-energy sectors, and a narrowing of the negative short-term TT/US interest differential, as heightened Government activity on the domestic capital market contributed to a slight upward shift in shorter-term domestic rates during the year. The MPC also noted that buoyant credit conditions, particularly consumer credit supported the ongoing domestic economic recovery.

Although the monetary policy stance remained broadly unchanged, as indicated by maintaining the repo rate at 3.50 per cent over the financial year, the MPC took action in response to tighter liquidity conditions. At a special meeting on July 19, 2024, the MPC decided to reduce the primary reserve requirement of commercial banks from 14.0 per cent to 10.0 per cent of prescribed liabilities with effect from the reserve week beginning July 24, 2024. The decision had an immediate impact on the banking system, boosting liquidity by roughly \$4.0 billion.

FINANCIAL STABILITY COMMITTEE

The Financial Stability Committee (FSC) serves as a coordinating body for macro-prudential supervision to limit threats to financial stability and promote resilience. The FSC membership comprises senior executives from the Central Bank of Trinidad and Tobago, the Trinidad & Tobago Securities and Exchange Commission (TTSEC) and the Deposit Insurance Corporation of Trinidad and Tobago (DIC).

The FSC held two meetings for the fiscal year 2023/24 on March 20, 2024 and July 02, 2024, to provide updates on various regulatory activities, actions taken to comply with various international standard-setting bodies, and studies being undertaken that could impact future regulatory policy. Committee members were also updated by technical staff on the performance, stability and emerging risks in the local financial sector and trends in early warning indicators.

During the fiscal year, the FSC began exploring the use of joint financial crisis simulation exercises (FCSEs) to build capacity for crisis management and resolution in Trinidad and Tobago. These types of exercises are conducted by central banks worldwide to build the capacity to respond to failing or failed financial institutions, efficiently, with the least cost to the taxpayer and minimal disruption to the financial system. Additionally, the FSC conducted a stock-take of the policies, procedures and guidelines that are maintained by the various agencies for financial crisis management and resolution.

SENIOR MANAGEMENT

Executives



Senior Managers



EXECUTIVES:

1. **Dr. Alvin Hilaire** (Governor);
2. **Dr. Dorian Noel** (Deputy Governor, Monetary Operations and Policy);
3. **Mr. Patrick Solomon** (Inspector of Financial Institutions)

SENIOR MANAGERS:

4. **Ms. Marie Borely** (Chief Financial Officer);
5. **Mr. Gregory Camejo** (Senior Manager, Information Technology and Internal Administration);
6. **Ms. Nicole Chapman** (Senior Manager, Legal, Contract and Corporate Secretariat Services);
7. **Mr. Terrence Clarke** (Senior Manager, Capital Markets Development);
8. **Mrs. Nicole Crooks** (Senior Manager, Human Resources, Industrial and External Relations);
9. **Ms. Wendy D' Arbasie** (Senior Manager, Monetary Operations [Date of Appointment: Dec. 01, 2023]);
10. **Mrs. Michelle Francis-Pantor** (Deputy Inspector of Financial Institutions);
11. **Mr. Alister Noel** (Senior Manager, Macroeconomics and Payments);
12. **Mr. Dominic Stoddard** (Financial Services Ombudsman)

MANAGEMENT



Ms. Leslie-Ann Figaro
Manager,
Banking Operations



Ms. Germaine Mendez
Assistant Manager,
Banking Operations



Mrs. Christine Nanton-Winter
Assistant Manager,
External Relations



Mr. Christopher Subryan
Manager,
Finance and Accounting



Ms. Isha Marshall
Assistant Manager,
Finance and Accounting



Ms. Nadira Rahamatula
Manager,
Anti-Money Laundering,
Financial Institutions Supervision



Mrs. Marlene Ming Hon-Mackenzie
Manager,
Banks and Non-Banks,
Financial Institutions Supervision



Ms. Natalie Roopchandsingh
Manager,
Insurance,
Financial Institutions Supervision



Mr. Naveen Lalla
Manager,
Pensions and Intermediaries,
Financial Institutions Supervision



Mrs. Alisha Corbin-Connelly
Assistant Manager,
Insurance
Financial Institutions Supervision



Mr. Fareez Hardit-Singh
Assistant Manager,
Intermediaries and Market Conduct
Financial Institutions Supervision



Ms. Louella-Anne Edwards
Manager,
Information Technology Services



Ms. Loren Harrinauth
Assistant Manager,
Applications,
Financial Technology and
Information Security



Mrs. Keisha Lashley
Assistant Manager,
Information and Cybersecurity,
Financial Technology and
Information Security



Mrs. Lisa Quintyne
Assistant Manager,
Infrastructure,
Financial Technology and
Information Security



Mrs. Heather Huggins
Manager,
Human Resources,
Human Resources and
Industrial Relations

Management



Mr. Randy Marcano
Chief Internal Auditor,
Internal Audit
(Resigned Effective: Jun. 25, 2024)



Mr. Justin Smith
Assistant Manager,
Internal Audit



Mrs. Sabrina Lee-John
Assistant Manager,
Legal, Contract &
Corporate Secretariat Services



Mrs. Karen Campbell-Ash
Assistant Manager,
Knowledge and Information
Management



Ms. Jeanette Joseph
Assistant Manager,
Payments and Financial
Markets Infrastructure



Dr. Kevin Finch
Manager,
Research



Mrs. Susan Ramirez
Assistant Manager,
Research



Dr. Reshma Mahabir
Assistant Manager,
Quantitative Research,
Research
(Assigned to the IMF)



Mr. Kevin Smith
Assistant Manager,
Reserves and Domestic
Market Management



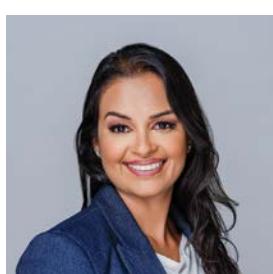
Mr. Harun Abdul-Haqq
Chief Risk Manager,
Risk Management and
IT Governance



Mr. Dennis Gordon
Manager,
Security Services
Security



Mrs. Angela Henry-Small
Manager,
Statistics
(Date of Retirement: Jul. 22, 2024)



Mrs. Shanta Dhoray-Baig
Manager,
Statistics
(Effective: Aug. 06, 2024)



Mr. Vaughn Halliday
Manager,
Support Services – Facilities



Mrs. Marlene Quirico-Callendar
Assistant Manager,
Support Services – Administration



Ms. Amrita Gosine
Assistant Manager,
Support Services – Centralised

Management



Mr. Anson Caliste
Assistant Manager,
Support Services – Facilities



Mrs. Joanne Charles-Edwards
Assistant Manager,
Support Services – Procurement

Advisors and Specialists



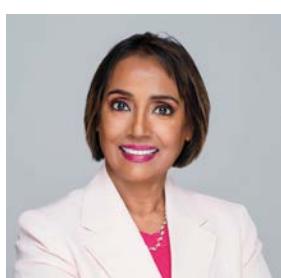
Ms. Patricia Babwah
Legal and Contracts Specialist



Ms. Denise Daniel
Industrial Relations Specialist



Ms. Ejenny Espinet
Legal Advisor



Ms. Sita Mangal
Credit Risk Specialist



Ms. Sandra Racha
Specialist Advisor

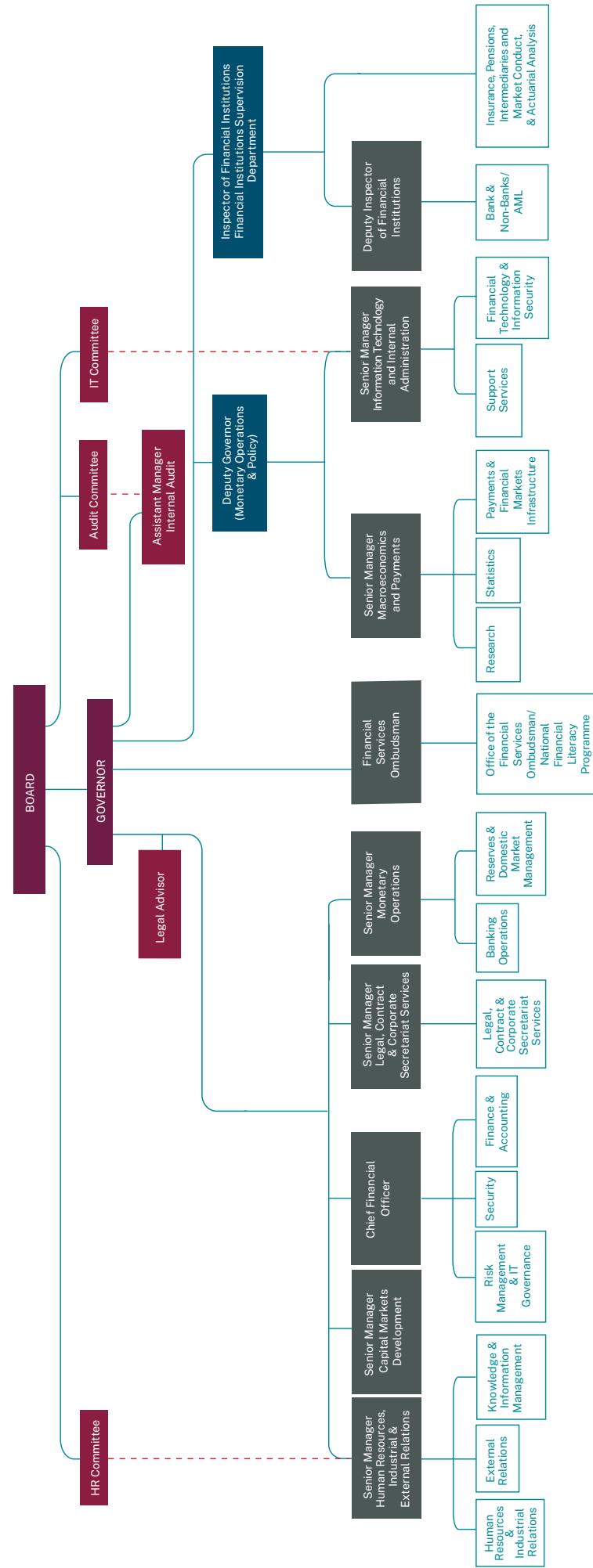


Ms. Ingrid Stewart
Specialist
(Contract Ended: Dec. 31, 2023)



ORGANISATIONAL STRUCTURE

AS AT SEPTEMBER 30, 2024



CENTRAL BANK OF TRINIDAD AND TOBAGO STRATEGIC PLAN 2021/22-2025/26

HIGHLIGHTS OF YEAR 3: 2023/24¹

The strong momentum of project execution continued into the third year of the Central Bank's current Strategic Plan, coinciding with the celebration of the Bank's 60th Anniversary.

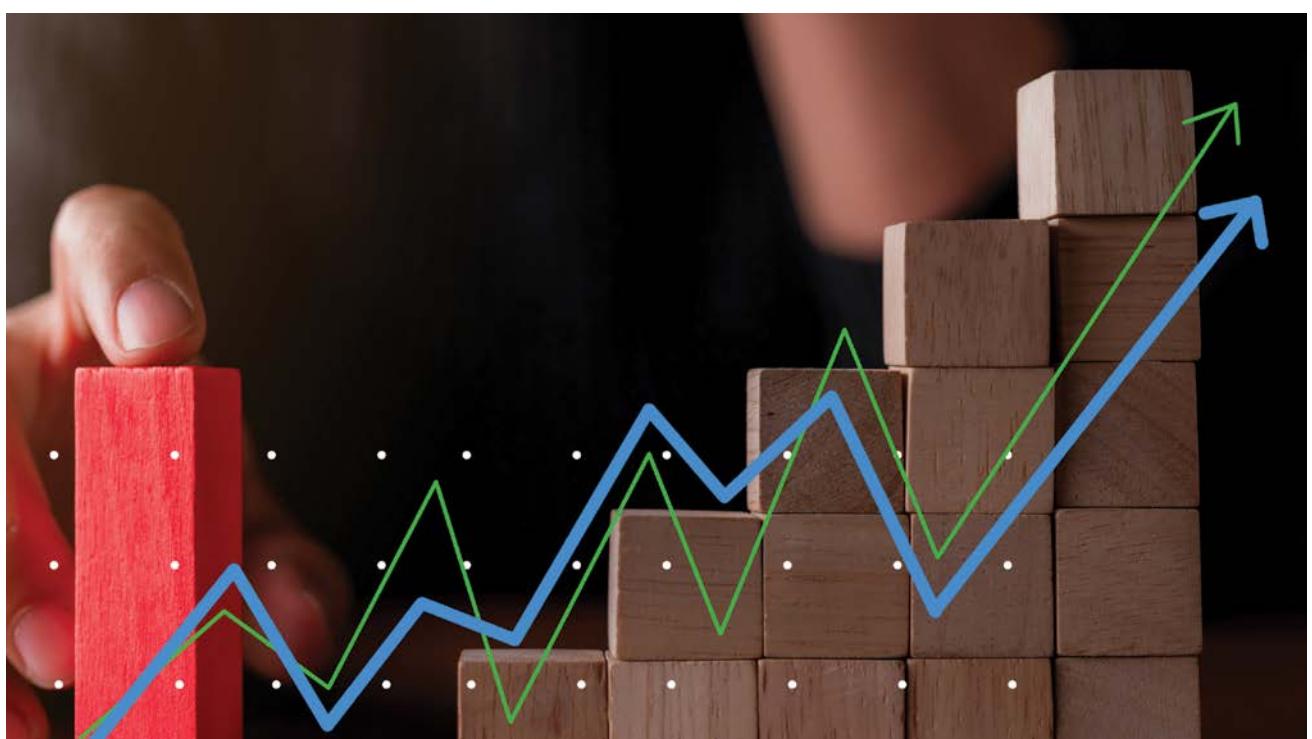
Monetary

Key initiatives were achieved in the realm of monetary policy and operations. Specifically, the completion and achievement of critical milestones for the first update to the \$100 polymer, with improved security features, pave the way for its release and circulation in 2025. The granting of registration to two additional

companies to operate as electronic money (e-money) issuers following the registration of three other companies in the previous year, marking significant developments in domestic crypto asset regulation. As an expression of the Bank's commitment to improving monetary operations, work processes were consolidated through the Electronic Cheque Clearing System (ECCS) with crucial stakeholders.

Financial Stability

The strengthening of financial stability was marked by the collaboration with various multilateral agencies and regional central banks, which led to critical advancements in payments reform and fintech. Following technical assistance, the Bank received and facilitated the review of the first cybersecurity self-assessments submitted by licensed institutions that attested to these reports. In assessing the reports, the Bank adopted training approaches for supervisory staff and remained committed to boosting technical capacity in cybersecurity supervision. Significant progress was made in improving private sector pension regulation through discussions with the Board of Inland Revenue (BIR) to bolster financial stability.



¹ Strategic Plan 2021/2022 - 2025/2026 | Central Bank of Trinidad and Tobago.

Internal Operations and Community Engagement

The boost in community engagement and internal operations was intensified through several activities undertaken by the Bank in celebration of its 60th Anniversary. The formation of a dynamic cross-departmental team proposed a year-long programme to commemorate the 60th Anniversary of the Bank. This team spearheaded activities involving key stakeholders, namely the public, staff, schoolchildren, non-profit organisations and international organisations, fostering increased engagement with local, regional, and international institutions. The Bank launched its Public Education Series to explain critical economic concepts and monetary policy actions to a broad public audience in non-technical terms. Three topics have been addressed to date². Consolidating internal work processes is taking place on several fronts, such as the completion of the proposal for a new Document Management System (DMS), which marks significant headway for its implementation in 2025.

The increasing importance of cybersecurity spurred the alignment of the public outreach activities of the Office of the Financial Services Ombudsman (OFSO) and the National Financial Literacy Programme (NFLP) towards addressing the opportunities and risks of digital transactions. Leveraging the reach of several popular social media influencers, the Bank conducted a successful Know Your Money (KYM) campaign. This engagement marked a new phase in the Bank's public outreach strategy, which received extensive positive feedback and instilled confidence in the innovative approaches to be employed in the Bank's public communication. The Central Bank's Museum executed three invigorating exhibitions, which were well-received by the public, and strengthened the Bank's efforts to contribute to the culture of Trinidad and Tobago, while educating the public on social issues.



Monetary Policy

- Registration of two new electronic money (e-money) issuers
- The completion of key milestones for the first update to the TT\$100 polymer banknote
- Consolidation of Electronic Cheque Clearing System work processes



Financial Stability

- Issuing of Guideline on Leverage Ratio and Guideline on Recovery Plans
- Review of Cybersecurity Self Assessments submitted by licensed financial Institutions
- Improvement of private sector pension regulation
- Advancements in payments reform and fintech



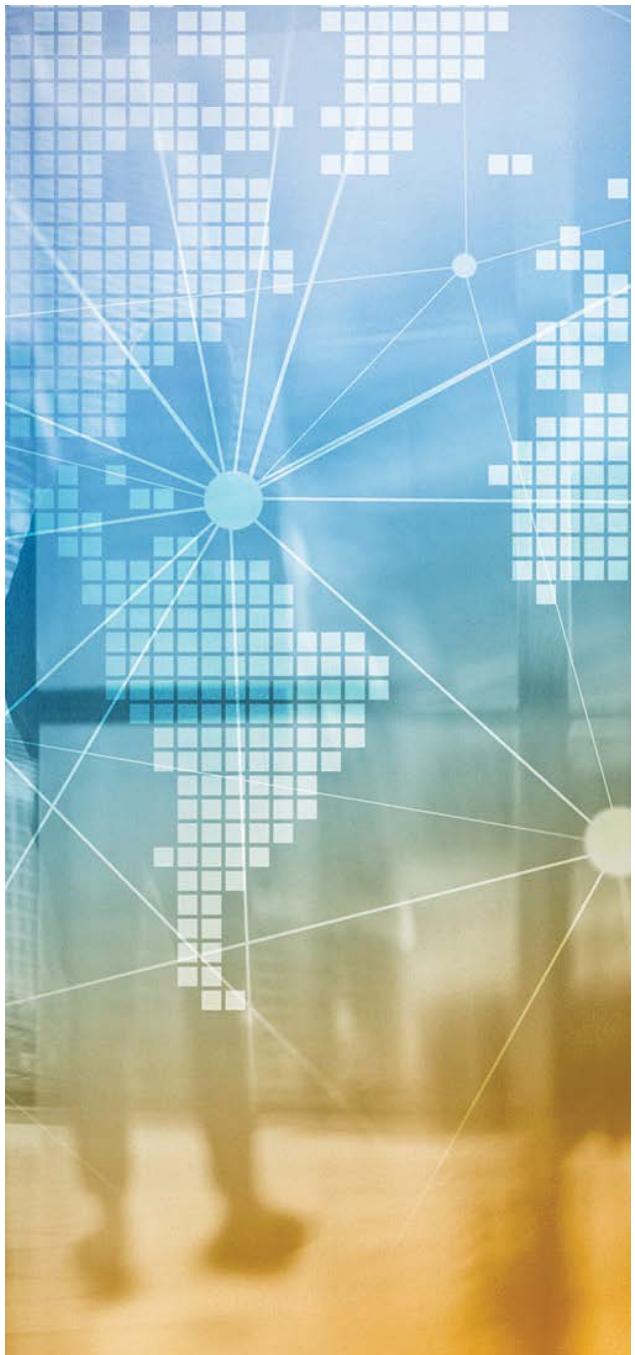
Internal Operations

- Launch of the Bank's new Public Education Series
- Successful Know Your Money Campaign
- Alignment of public education in dealing with opportunities and risks of digital transactions
- Boosting the effort towards contributing to the culture of T&T through the Museum's hosting of three exhibitions.

GLOBAL ENGAGEMENTS

The Central Bank's Strategic Plan progressed with a strong momentum into its third year of operationalisation. The Bank's aim to bolster its interface with foreign institutions, as per project seven of the Strategic Plan, has proven beneficial in supporting its work agenda and complementing its strategic objectives. Over the financial year 2023/24, the Bank continued, and expanded, its interactions with various foreign agencies through meetings, conferences, capacity building, supervisory collaboration and representation in working groups. More specifically, the Bank interfaced with international institutions such as the International Monetary Fund (IMF), G-24, the World Bank Group (WB), Inter-American Development Bank (IDB), Network for Greening the Financial System (NGFS), Bank for International Settlements (BIS), Financial Stability Board (FSB), and the United Nations (UN). Meanwhile, regional institutions included the Association of Supervisors of Banks of the Americas (ASBA), Caribbean Actuarial Association (CAA), Caribbean Regional Technical Assistance Centre (CARTAC), Centre for Latin American Monetary Studies (CEMLA), Caribbean Economic Research Team (CERT), Corporacion Andina De Fomento (CAF) Development Bank of Latin America, and Caribbean Development Bank (CDB). Some of the main external interactions are summarised in the ensuing paragraphs.

As is customary, in October 2023 and April 2024, officials from the Bank were part of Trinidad and Tobago's delegation that attended the G-24 meetings, as well as the IMF and WB Annual and Spring meetings. Several topics were discussed at the G-24 meetings such as: access to financing, reform of the IMF surcharge policy, addressing sovereign debt challenges, climate finance and global trade. Overall, members called for stronger international cooperation to effectively address challenges facing the global economy. Meanwhile, during the IMF and WB meetings, Governor Hilaire advocated for the IMF's continued support of Suriname and Haiti, a well-funded CARTAC, and endorsed the interests of small developing states. Governor Hilaire was also a panelist at the WB Reserve Advisory and Management Partnership (RAMP) forum (April 2024), and the Regional Consultative Group for the Americas hosted by the British Virgin Islands Financial Services Commission (June 2024).



Overall, members called for stronger international cooperation to effectively address challenges facing the global economy.

During the IMF's Annual Staff Visit to Trinidad and Tobago in December 2023, the Bank, and other key public and private stakeholders, were engaged in consultations relating to domestic economic developments and the outlook for the local economy. This was followed by the IMF's Article IV consultations in March 2024. In its report, published in June 2024, the IMF indicated that Trinidad and Tobago was undergoing sustained economic growth for the first time in a decade. Growth is anticipated to gain momentum soon, with several notable downside risks generating uncertainty over the medium term. Similarly, Bank officials attended annual surveillance meetings with international and regional credit rating agencies (Moody's Investor Services, and Standard and Poor's (S&P)) to discuss domestic economic developments. Several other meetings were attended over the financial year, including the CAA stakeholder meeting on the proposed regulatory approach for the implementation of International Financial Reporting Standard (IFRS) 17, the UN International Organisation for Migration meeting for an update on the Displacement Tracking Matrix, CARICOM's Annual Central Bank Governors Meeting, CAF meeting to discuss the bolstering of strategic initiatives in the domestic financial sector, CDB meeting as part of their Appraisal Mission, the Caribbean Group of Banking Supervisors (CGBS) Annual Strategic Meeting, CERT's 54th Annual Monetary Studies Conference 2023 and the CDB's 54th Annual Meeting in 2024.

The Bank also continued its collaborations with other institutions. In its role as the lead on *CERT's Workstream #1: Climate Change and Climate-related*

Risk, the Bank organised a presentation from the NGFS Secretariat and presented the first draft of the working paper entitled "Central Bank's Data Strategies to Support Climate Risk Assessment" at the CERT Group of Research Directors Meeting. The paper was also discussed at the 61st Meeting of CARICOM Central Bank Governors, hosted by the Bank of Jamaica, in November 2023. The Bank also responded to the FSB's Vulnerability survey, highlighting regional vulnerabilities, including climate finance, fiscal consolidation and cybersecurity gaps, while persistent inflation, global housing market activity and geopolitical tensions were highlighted as global vulnerabilities. During the period, the Bank and BIS collaborated on cybersecurity issues, jointly hosting a webinar to discuss Artificial Intelligence (AI), Cyber Resilience and Cybersecurity. A "Cyber Range" exercise was also hosted to review simulations of realistic cyber-attacks on the financial system. Through the BIS, the Bank received a comprehensive overview of the payments system landscape and explored international best practices from standard-setting bodies on key areas of financial technology (fintech), e-money, and e-money regulation.

Also, as part of the Trinidad and Tobago Financial Stability Committee (FSC), the Bank benefitted from a BIS presentation on Financial Crisis Simulation Exercises, which covered the main steps in conducting crisis simulation exercises, particularly for first-time country implementation.



To kick-off the Bank's Research Review Seminar 2024, themed "Central Banking 60 Years and Beyond: Staying Ahead of the Curve", the Bank hosted a Panel Discussion entitled "Building Trinidad and Tobago's Economic and Financial Resilience: The Role of Multilateral Financial Institutions". The panel, which included senior officials from the IDB, CDB, CAF and CARTAC, discussed their organisations' roles and avenues available to support Trinidad and Tobago's resilience efforts. Overall, increased coordination and collaboration with multilateral financial institutions were viewed as essential for the country's sustainable economic transformation. Representatives of regional central banks and members of the Diplomatic Corps were in attendance.

Over the twelve months, the Bank continued leveraging capacity development opportunities from international and regional institutions through technical assistance (TA), training and workshops. TA was received from the UN Office on Drugs and Crime on virtual assets and virtual asset services, which aimed to strengthen the country's capacity to implement sanction regimes and prevent the financing of terrorism by focusing on virtual assets. Complementing this was TA from the IMF on strengthening cybersecurity in financial institutions and a webinar hosted by the IMF that focused on the public and private issuance and complexities of digital currencies. Bank officials benefitted from IMF online courses on macroeconomic diagnostics, special drawing rights, and macroeconomics of climate change, in-person training on monetary and financial statistics, and financial programming and policies. The WB also offered in-person training during the period, particularly

a workshop on the fundamentals of market risk through RAMP. During the second half of FY2023/24, the Bank announced the secondment of a Senior Economist to the WB for a two-year period effective November 01, 2024.

The IDB and the NGFS facilitated capacity development on the issue of climate change and the supervision of climate-related risks, respectively. Insights were also provided by the Banque de France International Banking and Finance Institute (IBFI) on big data, and the different strategies for reducing a central bank's carbon footprint. Regionally, CARTAC conducted a workshop on climate risk and financial stability and a TA workshop on external sector statistics and risk-based supervision, while ASBA provided training on supervising operational risk, operational resilience, and sustainable finance taxonomies. CEMLA also offered courses on international macroeconomics and the implications of the AI economy, financial market infrastructure, and financial econometrics. Overall, during FY2023/24, the Bank bolstered its interface with routine partners and central bank counterparts and expanded its engagements on topical issues relating to cybersecurity, regulation and supervision of the financial sector, climate change, big data and AI to help navigate the evolving global landscape.







REVIEW OF ACTIVITIES³ 2023-2024

³ The Bank's financial year runs from October 01 to September 30

MONETARY POLICY AND ECONOMIC DEVELOPMENTS

Global economic activity in FY2023/24 remained buoyant despite various geopolitical shocks. These include the Russia-Ukraine War, conflicts in the Middle East, and heightened trade tensions among some of the world's larger economies. Inflation trended downward, though at a slower pace than initially anticipated, mainly on account of lower energy and food prices. This occurred in the wake of persistently high service prices due to elevated demand. The combined effects of still-elevated inflation, albeit declining, and tight monetary conditions continue to hinder growth among the Advanced Economies (AEs). Emerging Market and Developing Economies (EMDEs), however, accounted for the bulk of global growth due to factors such as a reconfiguration of supply-chain imbalances, easing labour market conditions, stronger-than-expected private consumption, and favourable terms-of-trade positions. Against this backdrop, the IMF, in its October 2024 World Economic Outlook (WEO), projected that the global economy would grow by 3.2 per cent in 2024, slightly lower than the 3.3 per cent recorded in 2023.

In domestic developments, economic activity expanded on the strength of the non-energy sector. Data from the Central Statistical Office (CSO) indicated that real GDP expanded by 1.5 per cent (year-on-year) in the first quarter of 2024. Growth was premised on a 1.8 per cent expansion of the non-energy sector and an increase of 0.9 per cent in the energy sector. Estimates from the Central Bank's Quarterly Index of Real Economic Activity (QIEA) suggested that economic activity weakened into the second quarter of 2024 due to the continued contraction of the energy sector. Energy sector output declined largely on account of shortfalls in upstream production. The fall in output was mainly a result of planned maintenance carried out on three of bpTT's facilities, namely, Mahogany, Savonette and Juniper, during the period.

Labour market conditions softened somewhat over the financial year. The CSO has indicated that the unemployment rate measured 4.8 per cent in the

second quarter of 2024, compared to 3.7 per cent in the corresponding quarter one year prior. This partly reflects a decline in labour force participation. Moreover, anecdotal evidence suggests that the number of retrenchment notices fell over the six months to June 2024, while notices of job vacancies increased. Headline inflation remained subdued throughout 2024. At the end of September 2024, headline inflation measured 0.4 per cent, with food and core inflation at 1.3 per cent and 0.1 per cent, respectively.

Monetary policy continued to centre around supporting ample system liquidity over the year. The Bank kept the repo rate fixed at 3.50 per cent throughout the period while managing open market operations to ensure ample liquidity to meet the requirements of the domestic market. At a special meeting on July 19, 2024, the Monetary Policy Committee (MPC) made the decision to lower the reserve requirement from 14.0 per cent of prescribed liabilities to 10.0 per cent. This was to address declining excess liquidity in the banking system. Immediately following the July 2024 reduction in the reserve requirement, banking system liquidity (as measured by commercial banks excess reserves at the Central Bank) rose by about \$4.0 billion. Liquidity then fluctuated due to open market operations and continued public sector borrowing. Commercial banks excess reserves averaged \$4.5 billion in FY2023/24 compared with \$6.2 billion in the previous year. Ample system liquidity supported the growth momentum in private sector credit during the first eight months of 2024. Overall financial system credit grew by 7.9 per cent (year-on-year) in the 12 months to September 2024, up from 7.8 per cent one year earlier. Moreover, all three loan categories accelerated in growth – consumer loans by 10.9 per cent, real estate mortgage loans by 5.6 per cent and business loans by 11.8 per cent.

Conditions in the local market for foreign currency remained tight during the first nine months of 2024, as demand continued to outstrip supply. Purchases of foreign exchange by authorised dealers from the public increased marginally by 0.5 per cent from January to September 2024, relative to the same period a year earlier, due mainly to energy sector conversions. Meanwhile, sales of foreign exchange by authorised dealers to the public fell by 7.4 per cent over the same

period. The Central Bank maintained its support to the market with total sales to the authorised dealers of US\$975.0 million, exceeding the authorised dealers' net sales gap of US\$963.3 million.

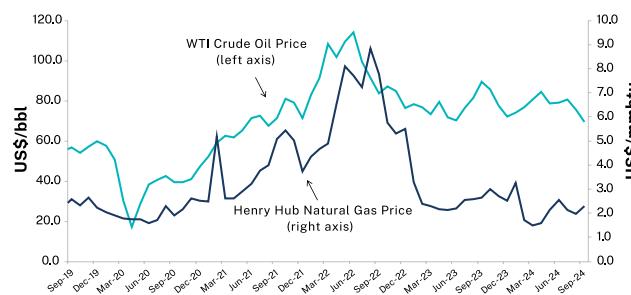
Softer energy prices and declining domestic energy production, resulted in lower energy receipts. Preliminary estimates from the Ministry of Finance indicate that the Central Government accounts registered a deficit of \$7.1 billion in FY2023/24 (3.8 per cent of GDP)⁴. This compares with an originally budgeted deficit of \$5.2 billion and a deficit of \$3.2 billion in FY2022/23. Government revenue declined by \$4.3 billion from the previous fiscal year as the falloff in

energy receipts was partly offset by higher non-energy earnings. Similarly, total expenditure fell by \$351.4 million as transfers and subsidies declined marginally.

At the end of September 2024, gross official reserves amounted to US\$5,653.9 million, US\$604.0 million lower than the amount recorded at the end of December 2023. The external accounts, therefore, registered an overall deficit in the first nine months of 2024, equivalent to eight months of prospective imports of goods and services.

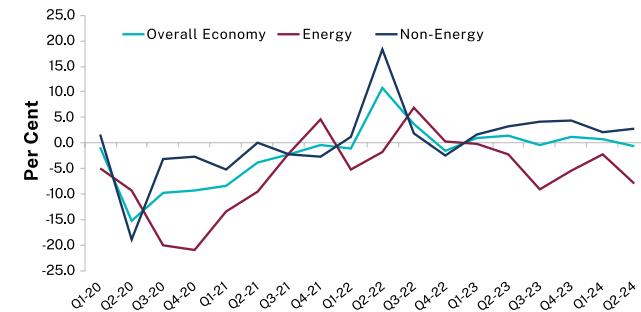
⁴ GDP for FY2024 estimated at \$186,269.4 million (Review of the Economy, 2024).

Crude Oil and Natural Gas Prices



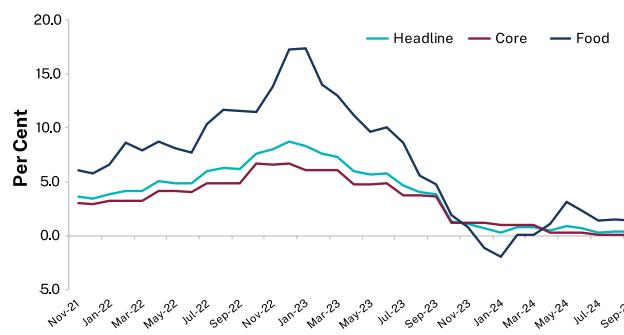
Crude oil prices moderated in 2024, as global demand continued to decelerate and supply remained strong

Quarterly Change in Index of Real Economic Activity (Year-on-Year Per Cent Change)



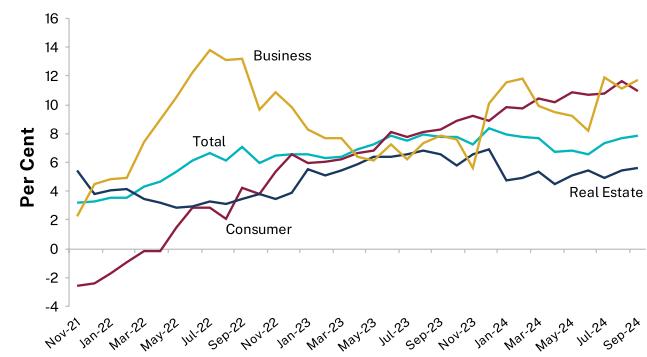
Economic activity weakened into the second quarter of 2024 due to the continued contraction of the energy sector.

Retail Price Index (Year-on-Year Per Cent Change)



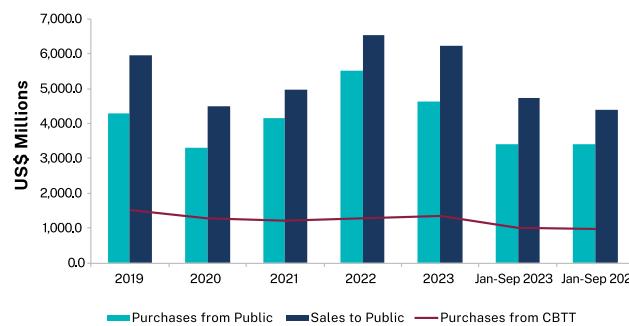
Headline inflation remained subdued throughout 2024. At the end of September 2024, headline inflation measured 0.4 per cent, with food and core inflation at 1.3 per cent and 0.1 per cent, respectively.

Private Sector Credit Overall and Type (Year-on-Year Per Cent Change)



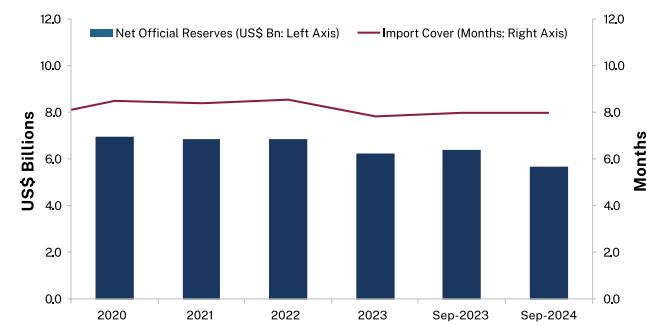
Ample system liquidity supported the growth momentum in private sector credit during the first nine months of 2024.

Authorised Dealers' Purchases and Sales of Foreign Currency



Conditions in the local market for foreign currency remained tight during the first nine months of 2024, as demand continued to outstrip supply.

Net Official Reserves and Import Cover



The external accounts registered an overall deficit in the first nine months of 2024, equivalent to eight months of prospective imports of goods and services.

Sources: International Monetary Fund, Central Statistical Office and Central Bank of Trinidad and Tobago

MONETARY POLICY AND OPERATIONS

“The Bank shall have as its purpose the promotion of such monetary, credit and exchange conditions as are most favourable to the development of the economy of Trinidad and Tobago...” (Central Bank Act Chapter 79:02). During FY2023/24, the Bank continued with several strategic projects to improve the efficiency of its monetary operations and services provided to key stakeholders. Key projects included modernising currency and cheque-clearing operations.

CHEQUE CLEARING SYSTEM

Clearings House Arrangements Update

In FY2023/24, the Central Bank closed the clearings house arrangements that facilitated the manual exchange and settlement of physical cheques in domestic currency. This facility was discontinued in February 2023 following the implementation of the Electronic Cheque Clearing System (ECCS) in February 2023.

Adoption of ISO 20022 Standards

The Bank continued migrating its Real-Time Gross Settlement (RTGS) operations, cross-border payments and reporting to ISO 20022. The primary objective of this migration is to enhance interoperability among various payment systems, thereby facilitating smoother communication and transaction processing across different financial institutions and jurisdictions. By adopting ISO 20022, the Bank aims to comply with the mandatory SWIFT standards by November 2025, to improve overall efficiency in its payment systems and to ensure that transaction processing remains secure and reliable. This standard offers richer data capabilities and greater flexibility than previous messaging formats, enabling more comprehensive information exchange in transaction instructions.

MONETARY OPERATIONS

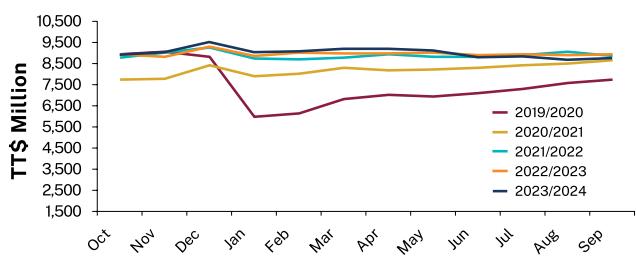
Currency in Circulation

In accordance with the Central Bank Act Chapter 79:02, the Central Bank continued to perform the role of sole issuer of Trinidad and Tobago currency notes and coins during FY2023/24. As at September 30, 2024, there was approximately \$8.8 billion in circulation, of which \$8.5 billion was held in banknotes and \$274.0 million was held in coins. This represented a decrease of 1.9 per cent from the \$8.9 billion in currency in circulation as at September 30, 2023 (Chart I). As a share of GDP, currency in circulation decreased marginally to 4.5 per cent at the end of September 2024 from 5.2 per cent in the year-earlier period.

Notwithstanding the slight decline at the end of September 2024, currency in circulation rose in most months from October 2023 to September 2024 when compared to the corresponding months of the previous year. Year-on-year increases in currency in circulation were most notable from November 2023 to May 2024, with the most significant increase occurring in November 2023 (2.6 per cent). An uptick in currency in circulation occurred in December 2023, keeping with normal seasonal conditions at year’s end.

In FY2023/24, the \$100 denomination was the largest value of all notes in circulation, accounting for 89.0 per cent of total value. On the other hand, the \$1

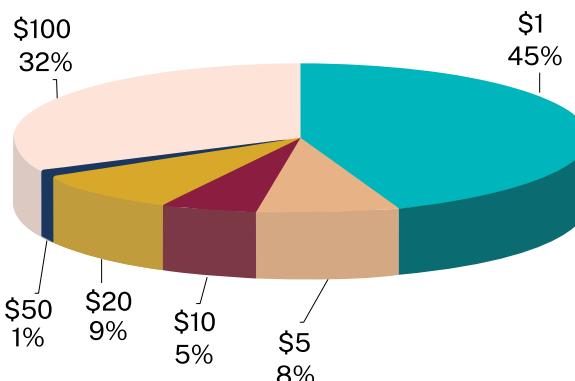
Chart I
Currency in Circulation
2019/20 – 2023/24



Source: Central Bank of Trinidad and Tobago

denomination accounted for the largest volume of notes in circulation at 45.0 per cent, while the \$100 denomination accounted for 32.0 per cent (Chart II). The volume of new notes issued by the Bank increased by 76.0 per cent to 11.7 million, up from 6.6 million new notes issued in the previous financial year. This was attributed to an increase in the issuance of new \$1, \$5, \$10 and \$50 denominations in FY2023/24 compared to the previous financial year. On the other hand, the issuance of new \$100 notes declined by 37.0 per cent as the commissioning of a high-speed note processing machine, the BPS M7 in February 2023, enabled the reissue of a high volume of fit \$100 notes back into circulation. Following the demonetization of the \$1, \$5, \$10, \$20 and \$50 notes bearing series dates before 2020, in January 2022, the Bank conducted 1,714 exchange transactions with a total value of \$1.3 million for the period October 2023 to September 2024, compared to 6,065 transactions with a total value of \$3.2 million in the corresponding period of the previous year. This represented a 71.7 per cent (year-on-year) decrease in the volume of exchange transactions and a 60.6 per cent decline in value. The Central Bank continues to redeem these demonetized notes indefinitely.

Chart II
Volume of Notes in Circulation by Denomination
as at September 30, 2024

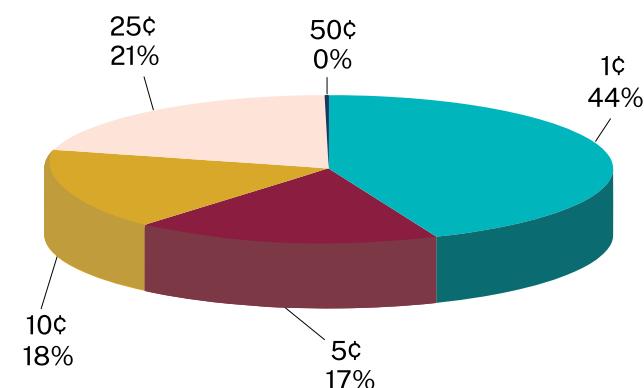


Source: Central Bank of Trinidad and Tobago

The 25-cent coin accounted for the largest volume of coins in circulation at 21.0 per cent (Chart III). Meanwhile, the number of unredeemed one-cent coins remained relatively unchanged from the previous financial year at 1.4 billion, despite being demonetized since July 2018. This represents 44.0 per cent of the total volume of coins in the hands of the public. These demonetized one-cent coins can be redeemed indefinitely at the Central Bank.

The first update of the \$100 polymer banknote is carded for 2025. In December 2019, the \$100 polymer banknote was issued, the first in the current suite of polymer banknotes. The new banknote will be very similar to the current 2019 Series and will incorporate state-of-the-art security features, including a larger security strip. The Bank anticipates that the 2025 Series \$100 banknote will be placed into circulation in the first half of 2025.

Chart III
Volume of Coins in Circulation by Denomination
as at September 30, 2024



Source: Central Bank of Trinidad and Tobago
 Note: Chart does not contain data for the \$1 coin



\$8.8 Bn
 in Circulation



11.7 Mn
 New Notes Issued



949 Thousand
 Cheques Cleared

CLEARING AND SETTLEMENTS SYSTEMS

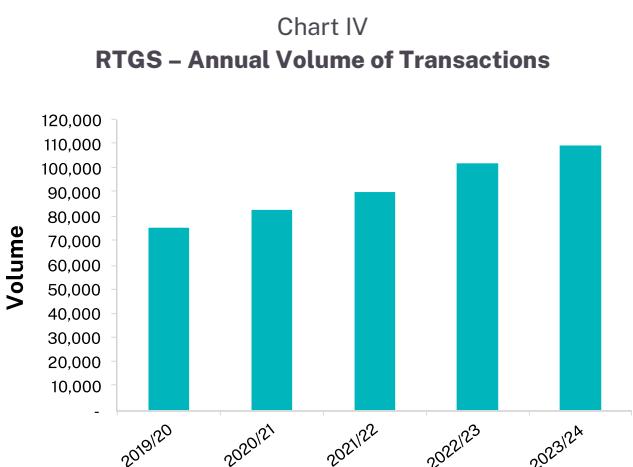
The Bank acts as the operator for two payment systems, namely the Cheque Clearinghouse Facility for domestic currency cheques and the Real Time Gross Settlement (RTGS) system – safe-tt.

Cheque Clearinghouse Facility

As a participant in the domestic currency cheques clearing arrangement, the Central Bank cleared a total volume of approximately 949,000 cheques for the 12 months to September 2024, a decline of 2.8 per cent from the previous year. However, the total value of cheques cleared increased by 0.8 per cent from \$52.3 billion to \$52.7 billion.

Real Time Gross Settlement

The Real Time Gross Settlement (RTGS) electronic system facilitates the clearance and settlement of large value (\$500,000 and over) and time-sensitive transactions among the system's eight direct participants (commercial banks). As the most significant payment system in the domestic economy, a total value of \$461.0 billion in transactions was settled over the RTGS for the year ended September 30, 2024. This represented an increase of 8.0 per cent in the value of the transactions over the prior year. The total volume of RTGS-settled transactions continued to increase steadily, by 7.0 per cent year-on-year in FY2023/24 (Chart IV).



Source: Central Bank of Trinidad and Tobago

Financial Institutions Reserve Monitoring

The required statutory cash reserve ratio for commercial banks moved from 14.0 per cent to 10.0 per cent of prescribed liabilities, effective from the reserve week, beginning July 24, 2024. The required statutory cash reserve ratio for non-bank financial institutions remained unchanged at 9.0 per cent of their prescribed liabilities from October 2023 to September 2024. Consequently, the weekly average cash balances of the commercial banks decreased by 4.3 per cent while the non-banks required reserves increased by 15.8 per cent over the financial year.

REGIONAL ARRANGEMENTS

Banco Latinamericano De Exportaciones S.A.

The Central Bank of Trinidad and Tobago holds a total of 160,626.50 Class A shares in the Banco Latinamericano De Exportaciones S.A. (BLADEX).

Dividends totalling US\$281,096.4 were received during the 2023/24 financial year, representing an increase of 75.0 per cent from the previous financial year.

Andean Development Corporation/Corporacion Andina De Formento

The Bank has a subscription of 7,590 Series "C" shares of Common Capital Stock in the Andean Development Corporation/Corporacion Andina De Formento (CAF) for US\$107,778,000.0. There were no dividend payments for the year ended September 2024.

DOMESTIC SETTLEMENTS

Registered Bonds

The Bank currently serves as a paying agent for several registered bonds issued under the Development Loans Act, Chap 71:04.

Public Sector (Arrears of Emoluments) Bonds

The Bank continues to encash bonds issued under the Public Sector Act 1995, and the Public Sector (Arrears of Emoluments) Amendment Act 1998. The final maturity date of these bond issues was January 31, 2001. Over the current financial year, bond encashments totalled \$16,000.0 compared with \$4,000.0 in the previous year.

Tax Free-Bonds

The final issue of Tax Free Bonds created under the Government Savings Bond Act Chap 71:41 (i.e. the 10-year, 8 per cent tax-free bond of December 1995) matured in December 2005. During the current fiscal year, principal and interest repayments amounted to \$732.0 compared with \$300.0 in the prior financial year.

Centralised Securities System Government of Trinidad and Tobago Bonds

The Bank continues as the Registrar and Paying Agent of all issues of Government and State Enterprise (Agency) bonds maintained under the Government Securities Auction System and Depository.

During FY2023/24, principal repayments and interest payments to State Agency bondholders amounted to \$500.0 million and \$104.0 million, respectively, compared with principal repayments of \$700.0 million and interest payments of \$185.7 million in the previous year.

The GOTT Zero Coupon bond (HCU bonds) payment for FY2023/24 amounted to \$18.4 million, the same amount as in the previous year.

The GOTT Zero Coupon bond (CLICO bonds) payment for FY2023/24 amounted to \$57.5 million compared to \$58.1 million in the previous year.

Total principal and interest paid to Central Government (inclusive of NIPDEC) bondholders amounted to \$1.5 billion and \$1.1 billion, respectively, compared with \$5.3 billion and \$1.3 billion in the previous financial year.

The Government of Trinidad and Tobago issued no bonds via the Central Bank Auction System during this period.

DOMESTIC MARKET OPERATIONS

Government Securities

Increased domestic financing by the Government contributed to a downward trend in commercial banks excess reserves, which declined to a daily average of \$4.2 billion in the first nine months of the financial year (October 2023 - June 2024) compared with \$6.2 billion in the corresponding period of the previous year. Moreover, interbank activity occurred more frequently while commercial banks resumed borrowing from the repo window, after not accessing that facility since January 2022. In response to this situation and to move to more market-determined monetary policy instruments, the Bank reduced the commercial banks' reserve requirement to 10.0 per cent from 14.0 per cent with effect from July 24, 2024. This policy action immediately injected \$4.0 billion into the financial system. Notwithstanding an increase in system liquidity during July-September 2024, commercial banks excess reserves balances decreased to a daily average of \$4.5 billion in FY2023/24, compared with an average of \$6.2 billion in the prior financial year.

During the financial year 2023/24, the Bank arranged three open market operations (OMO) auctions and issued \$1.7 billion in treasury bills and notes. This was significantly decreased from the \$8.3 billion in OMO securities issued in 19 auctions during the previous financial year. Meanwhile, the Bank maintained its almost bi-monthly schedule of publicly-auctioned debt management treasury bills issuing \$1.7 billion in 24 auctions.

Foreign Exchange Market

The domestic foreign exchange market tightened over the FY2023/24 due to relatively lower market inflows. During the year, total foreign exchange purchases by the authorised dealers from the public amounted to

US\$4,633.0 million, 5.8 per cent lower than the volume recorded in the previous financial year. Energy sector conversions, which remain the primary source of foreign currency inflows to the domestic market, fell to 64.1 per cent of the dealers' total purchases from the public, from 67.5 per cent in the prior year. Purchases from the Central Bank totalled US\$1,304.0 million for the year, with US\$1,200.0 million stemming from its regular interventions in the market. The authorised dealers sold US\$5,879.0 million to the public, 8.8 per cent less than the US\$6,444.0 million sold during FY2022/23.

The TT-dollar weighted average exchange rate against the U.S. dollar was relatively stable over the financial year. As at September 30, 2024, the weighted average selling rate stood at TT\$6.7797/US\$1.00 compared to TT\$6.7713/ US\$1.00 at the end of September 2023.

Foreign Currency Reserve Management

During FY2023/24, the foreign currency reserves were managed in an environment of high global interest rates which presented opportunities for the composite portfolio as financial markets anticipated a directional change in the monetary policy stance of most major central banks. These opportunities, however, had to be balanced against declining levels of reserves. To this end, the Board of Directors approved a slight modification to the investment framework which took effect from the beginning of the financial year, allowing for greater flexibility whilst adhering to the investment philosophy of capital preservation, ensuring adequate liquid assets, and generating modest returns within the Bank's risk parameters.

In the United States, the Federal Reserve Bank (the Fed) kept its benchmark interest rate unchanged at the range of 5.25 per cent to 5.50 per cent between July 2023 and mid-September 2024, spanning the majority of the financial year and marking the highest level for borrowing costs since January 2001. Maintaining this restrictive policy aimed to reduce inflation, but it brought about concerns regarding economic growth and labour market conditions. Towards the latter part of the financial year, the Fed's preferred measure of underlying inflation was firmly on a downward trajectory, despite some intra-year fluctuations, paving

the way for the Fed to commence its rate-cutting cycle. In September 2024, the Federal Funds Rate was reduced by 50 basis points. Monetary easing occurred even sooner in other major economies where greater progress was made on the inflation front.

In FY2023/24, the composite portfolio earned 6.19 per cent, well above the 3.99 per cent generated in the previous financial year. The portfolio benefitted from a decline in major sovereign bond yields and relatively high USD fixed deposit rates. Despite the improved performance, net official reserves fell to US\$5,664.5 million as of September 30, 2024, from US\$6,377.6 million one year prior. The largest outflows from the reserves portfolio included Central Bank foreign exchange sales, including interventions, of US\$1,304.0 million, disbursements under various foreign exchange facilities totalling US\$1,130.0 million and public sector foreign debt payments of US\$1,065.0 million.

Energy sector receipts, which traditionally have been the largest inflow into the portfolio, amounted to US\$1,044.0 million, down from US\$2,274.0 million in the previous financial year. Other receipts included US\$967.0 million from Government-issued securities/borrowings, and US\$370.0 million transferred from the Heritage and Stabilisation Fund (HSF).

The Bank continued to perform the agency function for the HSF, completing the quarterly and annual investment reports in accordance with the requirements of the HSF Act (2007).

CAPITAL MARKETS DEVELOPMENT

The Bank established a broad working group with other regulators and market participants to focus on key areas for development and created a working model of a platform that will enable the reinvestment of funds for bidding in t-bill auctions, representing the first part of the digitisation of the marketing process. Outreach seminars were conducted to various Chambers of Commerce and business groups on capital markets and its benefits, relative to standard banking products and services.



FINANCIAL STABILITY

The Central Bank's financial stability mandate continues to focus on promoting the stability of each of its licensees individually and controlling systemic risks in the financial system as a whole.

ADVANCING THE LEGAL FRAMEWORK

Amendments to the Financial Institutions Act, 2008

During the financial year, the Bank continued progressing amendments to the Financial Institutions Act, 2008 (FIA). The proposed amendments seek to address the recommendations of the 2019/20 joint International Monetary Fund (IMF)/World Bank Financial Sector Assessment Program (FSAP). Additionally, these amendments aim to:

- Address recommendations from the banking sector received post implementation of the FIA;
- Clarify errors and omissions in the FIA;
- Address areas to be harmonised with other legislation;
- Consider technological and other developments in the financial sector; and
- Address the updated 2024 Basel Core Principles.

The Committee has compiled a list of areas for amendment and has drafted the relevant policy recommendations, including background and rationale, which inform the proposals for amendment to the FIA. Industry consultation will take place next year.

Operationalisation of the Insurance Act 2018

The Bank continued to work with industry stakeholders to ensure full compliance with the Insurance Act, 2018 (IA).

One important area is the requirement for all general insurers to appoint an actuary by December 31, 2023, in accordance with section 78(2) of the IA. The requisite applications were submitted to the Central Bank and fit and proper assessments were conducted; resulting in all relevant persons being duly approved in accordance with the IA.

Another critical area of implementation pertained to the restructuring of financial groups. Insurers who are members of a mixed group, comprising two or more financial entities, are required to restructure to form a financial group. A necessary step to facilitate consolidated supervision of the financial entities within a financial group. The IA also requires the 'ring-fencing' of the financial entities in the group from the non-financial entities. The Bank continued to progress the necessary activities and the engagement with the relevant entities is ongoing.

The enhancements to the Bank's supervisory powers in the IA include the power to impose administrative fines for offences committed under the Act. Notably, the Bank initiated this form of regulatory action as a measure necessary to treat with offences committed.

Credit Union Legislation Implementation Project

As a member of a Cabinet-appointed Implementation Team, the Bank contributed to the finalisation of a Policy Proposal Document for the Development of a Co-operative Authority for the Co-operative Sector in Trinidad and Tobago (PPD), which was submitted to the Minister of Youth Development and National Service in August 2024. This followed consultation with all relevant sector stakeholders from August 2023 to January 2024.

This PPD sought to address two of the main recommendations of the 2019 Cabinet Sub Committee's report, namely "the creation of a new independent authority to manage both regulatory and administrative functions of financial and non-financial co-operatives" and "the implementation of a compulsory Deposit Insurance Scheme".

STRENGTHENING THE REGULATORY FRAMEWORK

Implementation of International Financial Reporting Standard 17 – Insurance Contracts

The Bank continued to work towards the effective implementation of International Financial Reporting Standard 17 (IFRS 17) in the Insurance Sector. In recognition of the challenges with implementing the IFRS 17 standard by the insurance sector, insurers were granted a three-month extension, followed by an additional one-month extension, for the submission of annual returns and audited financial statements. Further, IFRS 17-compliant regulatory quarterly returns are being drafted by the Central Bank and prepared for industry consultation.

The Bank continued to consult with all stakeholders on changes to regulations, reporting forms and instructions and established a Stakeholder Committee, which included representatives from the insurance sector, the CAA and the Institute of Chartered Accountants of Trinidad and Tobago (ICATT).

Basel II/III Implementation

In accordance with the Bank's Strategic Plan, the implementation of Basel III continued to progress during the year. Importantly, the Leverage Ratio, Capital Conservation Buffer (CCB) and D-SIB capital add-on requirements came into effect on January 01, 2024, following a publication of a Notice in the Gazette by the Minister of Finance in October 2023.

Concomitant with the publication of the Notice, the Central Bank issued the Leverage Ratio Guideline⁵ and the Framework for the Identification of a Domestic Systemically Important Bank and determination of the Higher Loss Absorbency Requirement (D-SIB Framework)⁶ on October 26, 2023. The Leverage Ratio Guideline was issued in accordance with Regulation 19 of the Financial Institutions (Capital Adequacy) Regulations, 2020 (Regulations) and provides guidance to licensees and financial holding companies under the FIA on calculating the leverage ratio. The D-SIB Framework was made pursuant to Regulation 20 of the Regulations and considers three criteria for assessing a D-SIB, namely size, interconnectedness and substitutability. A D-SIB is required to maintain a capital buffer ranging from 1.0 per cent to 2.5 per cent of risk-weighted assets consisting entirely of Common Equity Tier 1 Capital (CET 1).

The CCB requires licensees and financial holding companies to hold an additional capital buffer of 2.5 per cent of risk-weighted assets also in the form of CET 1. Failure to maintain this capital buffer can result in constraints being applied on an entity's distribution of capital.

Liquidity Coverage Ratio

The Central Bank conducted a second Quantitative Impact Study (QIS) in March 2024 on the Liquidity Coverage Ratio (LCR) to be introduced as part of Basel III implementation, for a one-month period. The LCR is a short-term quantitative prudential measure to ensure that banking institutions hold sufficient levels of High-Quality Liquid Assets to withstand net cash outflows over a 30-calendar day horizon in a period of acute liquidity stress. The LCR aims to promote the short-term soundness and resilience of banks.

The results of the second QIS informed the drafting of the Draft Financial Institutions (Liquidity) Regulations⁷ and a supporting Liquidity Coverage Ratio (LCR) Guideline, which were issued to the banking industry for consultation.

5 [leverage-ratio-guideline-october2023-20231025.pdf](https://www.cbbtt.org.tt/-/media/central-bank-of-trinidad-and-tobago/documents/2023/10/leverage-ratio-guideline-october2023-20231025.pdf)
 6 [framework-for- determining-a-domestic-systemically-important-bank-higher-loss-absorbency-requirement-october-2023-20231025.pdf](https://www.cbbtt.org.tt/-/media/central-bank-of-trinidad-and-tobago/documents/2023/10/framework-for- determining-a-domestic-systemically-important-bank-higher-loss-absorbency-requirement-october-2023-20231025.pdf)

7 [financial-institutions-liquidity-regulations-july-31-2024.pdf](https://www.cbbtt.org.tt/-/media/central-bank-of-trinidad-and-tobago/documents/2024/07/financial-institutions-liquidity-regulations-july-31-2024.pdf)

Supervisory Guidelines Issued

Guideline	Date of Issue	Description
Recovery Planning ⁸	October 2023	The Guideline outlines a framework for financial institutions to develop and maintain recovery plans, including the measures to be taken by the institution to restore financial viability following a stress event.
Approval of New or Significantly Amended Insurance Products under the Insurance Act, 2018 ⁹	March 2024	The Guideline seeks to enhance the transparency and efficiency of the product approval process for insurers by providing guidance on what constitutes a new product or significantly amended product.
Instructions for Appointed Actuaries ¹⁰	March 2024	The Guideline gives guidance on the required format and minimum contents of the actuarial report (AAR) and the requirements for the actuarial certificate that must accompany the audited returns.
Draft Approval for Insurers to Engage in Real Estate Investments ¹¹	June 2024	The Draft Guideline, issued to the industry for consultation, seeks to streamline the application process for approvals and to outline the Bank's principal considerations in its assessments. It is also intended to provide some guidance for insurers on the governance and risk management aspects of their real estate investments.

ANTI-MONEY LAUNDERING, COUNTER TERRORIST FINANCING, AND PROLIFERATION FINANCING

The Central Bank ramped up its preparations in 2024 for the Caribbean Financial Action Task Force (CFATF) Fifth Round Mutual Evaluation (MEV) of Trinidad and Tobago. The MEV is expected to commence in March 2025 with the submission of a questionnaire from the CFATF to be completed by the national authorities and concludes with the conduct of an on-site review by CFATF assessors scheduled for March 2026. National authorities, including the Central Bank, are engaged in ensuring that changes to the FATF Standards and Methodology are considered and that gaps identified during the National Anti-Money Laundering (AML)/ Counter Terrorist Financing (CFT) Risk Assessments are addressed. In this regard, legislative reform for introducing administrative fines and finalising the national AML/CFT risk assessment reports for publication are being prioritised.

Additionally, the Central Bank continued to execute its risk based AML on-site work-plan. Feedback letters with recommendations were issued to 30 institutions which were part of a thematic review of sanctions screening systems concluded in September 2023. In June 2024, the Central Bank also commenced a Customer Due Diligence (CDD) thematic review of the commercial banks with a focus on CDD processes pertaining to beneficial ownership.

Compliance with Declared Agreements

The Global Forum's Second Round Peer Review on Transparency and Exchange of Information on Request (EOIR) for Trinidad and Tobago was launched on June 28, 2024, with the on-site assessment scheduled for October 2024. A key deliverable for the Central Bank is the development of a guideline to assist reporting financial institutions with implementing compliance programmes to meet tax reporting and record-keeping obligations for the automatic exchange of information (AEOI).

The AEOI requirements aim to satisfy the international tax transparency standards and are expected to be implemented in 2025.

8 [recovery-plan-guideline-october2023_0.pdf](#)

9 [approval-of-new-or-significantly-amended-insurance-products-under-the-insurance-act-2018](#)

10 [instructions-for-aa-general-insurance-business-march2024.pdf](#)

11 [draft-guideline-on-approval-for-insurers-to-engage-in-real-estate-investments.pdf](#)

REGULATORY COOPERATION

Consolidated Supervision

The Bank continued its collaboration with regional regulators to discuss matters of mutual interests, including the restructuring/reorganisation of financial entities and/or financial groups, the financial performance of insurers and changes in controlling shareholders. The discussions include developing a harmonised supervisory approach for consolidated supervision, climate risk and risk based supervisory oversight of regional financial conglomerates and groups.

Work continued with the CGBS Technical Working Group (Regional WG) to advance the Guidelines for the Supervisory Review of Financial Conglomerates Liquidity Risk Management and with the development of guidance in other areas such as intra-group reporting and capital adequacy.

Climate Risk Supervision

The Bank continues to be a member of the NGFS, which is a group of central banks and supervisory authorities that meet regularly to share experiences and best practices, to contribute to the development of environment and climate risk management in the financial sector.

Additionally, the Bank commenced work with a CGBS Regional WG on Climate Change and Green Finance under the CGBS strategic objective, “Development of model supervisory guidance or approach for a financial institutions’ management of climate risks and green financing”.

Supervisory Colleges

Banking Supervisory Colleges

The Office of the Superintendent of Financial Institutions in Canada hosted two virtual supervisory colleges for two banking groups during June 2024. Discussions at both supervisory colleges centred on Operational Resilience (Cyber).

Insurance Supervisory Colleges

Two supervisory colleges on two separate insurance groups were conducted by the respective home regulators in the region. These insurance groups each had insurance operations in various Caribbean jurisdictions. The supervisory college for one of the insurance groups was conducted virtually in October, 2023. The college for the other insurance group was jointly hosted by two regional regulators and conducted in two parts via in-person attendance, also in October 2023, but due to adverse weather conditions, it was continued in January 2024. The colleges were attended by the Bank, along with insurance regulators from the respective territories in which the groups operate.

Capacity Development with Technical Assistance from IMF and CARTAC

Cybersecurity Supervision

In February 2024, IMF technical experts provided Cybersecurity Supervision training to financial sector supervisors and other staff of the Central Bank. The Training, Phase 2 of IMF technical assistance on cybersecurity, was critical to assist the Bank in developing an appropriate Cybersecurity Supervision Framework. A cross-departmental team comprising staff from various departments within the Central Bank was established to progress the cybersecurity supervision framework, where its training was Phase 2 of IMF technical assistance on cyber security. The Phase 1 technical assistance resulted in Central Bank's issuance of a Cybersecurity Best Practices Guideline¹² for Financial Institutions in September 2023. Self-assessments against the Guideline and action plans to address any identified gaps were submitted to the Central Bank by regulated institutions which have also commenced reporting of material cybersecurity incidents, in accordance with the Guideline.

Own Risk and Solvency Assessment Framework

The Central Bank received technical assistance from CARTAC on the Own Risk Solvency Assessment (ORSA) Framework, which included training on the ORSA process to be implemented by insurers/FHCs, as well as assistance with the drafting of an ORSA Guideline.

12 Circular for Issuance of a Cybersecurity Best Practices Guideline

Liquidity Risk Management Guideline for Insurers

The Central Bank received a first round technical assistance from CARTAC in early 2024 to assist with the development of this Guideline along with key liquidity metrics for insurers. Another CARTAC mission is scheduled for October 2024 to finalise the draft guideline.

Net Stable Funding Ratio

The Central Bank received training for the Net Stable Funding Ratio (NSFR) from CARTAC in June 2024. The Central Bank intends to develop an NSFR consultation paper in 2025.

Risk-Based Supervision

As part of the Bank's Strategic Plan, the Central Bank is required to update its 2001 Risk-Based Supervision Framework (RBSF) for its regulated financial institutions in line with international supervisory developments. The Central Bank also received CARTAC training on risk-based supervision for banking and insurance in September 2024, as well as feedback on the updated draft RBSF. The updated RBSF is expected to be finalised and operationalised in the next financial year.

STRENGTHENING GOVERNANCE AND RISK MANAGEMENT PRACTICES OF FINANCIAL INSTITUTIONS

Thematic Market/Liquidity Risk Review – Banking Sector

The thematic Liquidity and Market Risk onsite examinations of selected banking institutions was advanced with the completion of fieldwork for three of the five banks under review. The Bank also issued Liquidity and Market Risk self-assessments to the institutions under review.

Private Occupational Pension Plans: Governance and Communication Survey

The Bank issued a survey in May 2024 to assess the governance and communication practices implemented by pension plans based on guidelines previously issued in these areas.

The survey results showed that while there has been some adoption of the best practices outlined in the guidelines, pension plan trustees, management committees and plan sponsors need to continue reviewing and enhancing their activities to ensure compliance with the guidelines.

Gap Analysis-Market Conduct Guideline for Insurance Registrants

A Gap Analysis for the Market Conduct Guideline¹³ for Insurance Registrants, which was issued in July 2023, was conducted during the financial year.

The Gap Analysis assessed the compliance of insurers, brokerages and adjuster companies with the Guideline. The results of the analysis show that while there were some current practices which were in line with the Guideline, there were several areas that needed strengthening and overall adoption. As such, many of the registrants are in the process of developing tailored policies procedures and practices to attain full compliance with the Guideline.

PAYMENTS AND FINANCIAL MARKET INFRASTRUCTURES

During the financial year, the Bank has dedicated its efforts and resources towards finding the right balance between innovation and risks for the evolving Fintech and Payments space. In general, the payments industry saw increases in electronic payments, supporting a shift in the behaviours towards adopting Fintech options by citizens. Since 2021, efforts focused on engagements with international organisations such as the IMF, IDB, BIS, CARTAC and CEMLA. These collaborations have provided valuable insights and best practices, which have enhanced the strategic development and operations in this area. This has been instrumental

13 market-conduct-guideline-2023-20230728.pdf

in supporting the dynamic nature of Fintech and Payments, addressing its necessary development and mitigation of emerging risks. A draft legislative framework for payment systems and services was developed. Additionally, the legislative framework for the E-money Issuers (EMIs) was fortified. Policy recommendations were also developed for treating with Virtual Assets. In addition, the Bank is currently working with the Government on its initiative to implement a Fast Payment solution to allow widespread access by citizens to easy, reliable, and low-cost digital payments and transfers.

Developments in Payments Systems

Domestically, the volume and value of electronic wholesale and retail payments continued to increase after the declaration of the end of the COVID-19 pandemic in May 2023 by the World Health Organisation (WHO). Consumers continued to make greater use of online payment options in the form of internet credit transfers and other electronic payments, including bill payments, facilitated through the Automated Clearing House (ACH). In the first half of 2024, the use of Internet banking transfers peaked at an all-time high. The volume and value of these credit transfers increased by 20.0 per cent and 26.0 per cent, respectively, when compared to the same period in 2023. Likewise, ACH payment volume increased by 14.0 per cent and value by 11.0 per cent (refer to Charts V and VI).

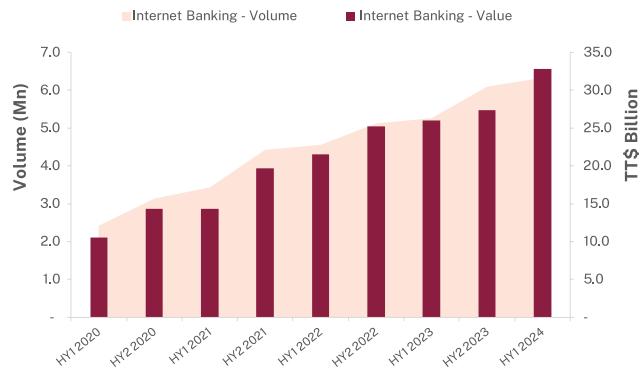
Growth of in-store shopping was also observed, supported by a notable increase in the volume and value of debit and credit card transactions made at physical Point of Sale (POS) machines from January to June 2024 when compared to the same period in 2023. The volume and value of debit card POS transactions increased by 15.0 per cent and 12.0 per cent, respectively, while credit card POS payment volumes increased by 21.0 per cent and values by 9.0 per cent (refer to Chart VI).

Commercial banks continued to upgrade to “Tap & Go” enabled machines. As at June 2024, approximately 90.0 per cent of all POS machines were “Tap & Go” enabled, a notable increase of 34.0 per cent since June 2023.

Though the volume and value of retail cheque payments continued to decline, it was observed that the value of cash withdrawals (Over the Counter (OTC) and at Automated Teller Machines (ATMs)) increased by 5.0 per cent and 3.0 per cent, respectively, between

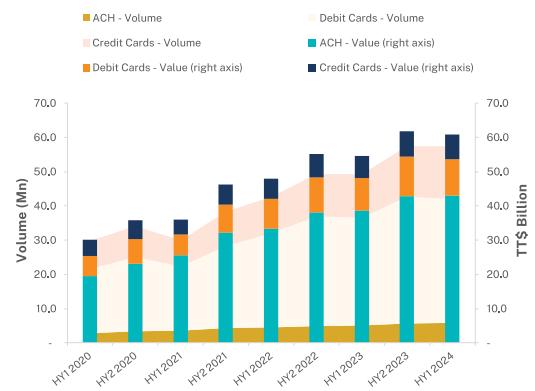
January to June 2024 when compared to the same period in 2023, indicating that cash remained an important payment method.

Chart V
Internet Banking Transfers – Volumes and Values



Source: Central Bank of Trinidad and Tobago

Chart VI
Electronic Retail Payments – Volumes and Values



Source: Central Bank of Trinidad and Tobago

In terms of the oversight function, the Bank continued to work with Payment System Operators (PSOs) toward addressing the gaps revealed under the Principles for Financial Market Infrastructure (PFMI). The Systemically Important Payment System, the RTGS and the Significant Retail Payment Systems i.e. ACH, ECCS, and Linx Debit Card Switch, all continue to progress in their implementation of the PFMI recommendations.

Adoption of the United Payments Interface

The United Payments Interface (UPI) was launched in 2016 by the National Payments Corporation of India (NPCI). On September 10, 2024, the Government of India, through NPCI International Payments Limited (NIPL), signed an agreement for a strategic partnership with the Ministry of Digital Transformation (MDT) of Trinidad and Tobago to develop a real-time payments platform similar to India's UPI. This agreement heralded a milestone for Trinidad and Tobago as the first Caribbean nation to adopt this real-time retail payment system.

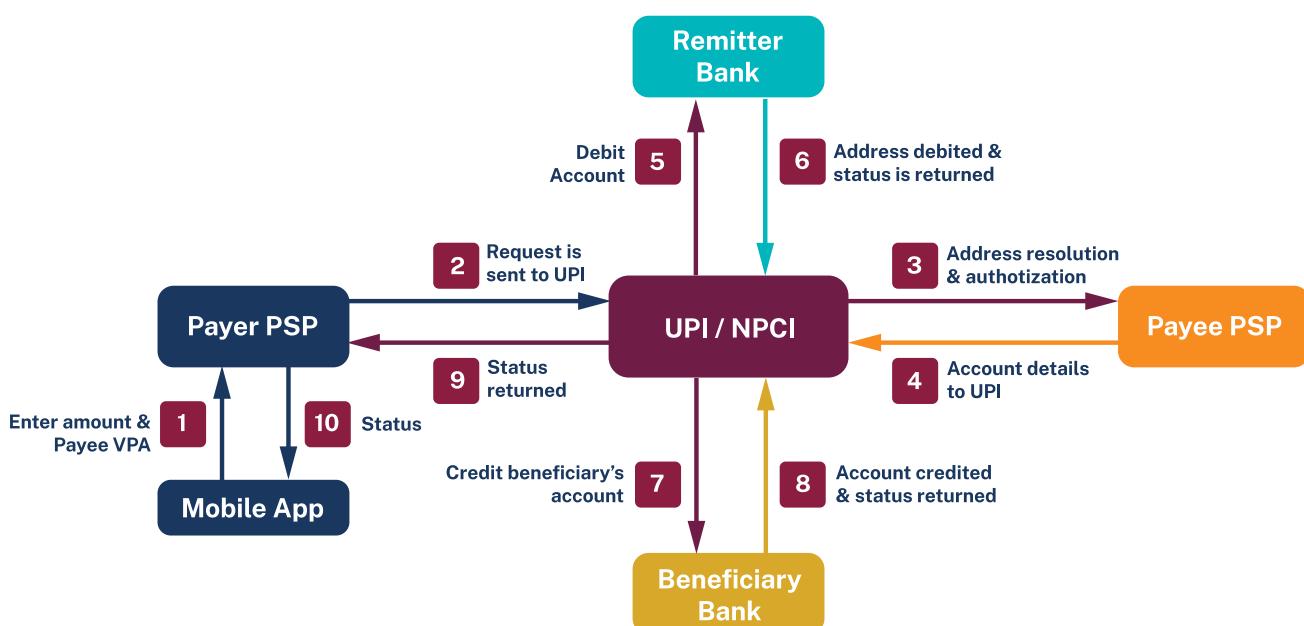
UPI is a fast payment system that powers multiple bank accounts into a single mobile application of any participating bank. Fast Payments, also referred to as “instant payments”, “real-time payments”, and “immediate payments”, are payments in which the transfer of payments and availability of final funds to the payee occur in real-time or near real-time and as near to a 24-hour and 7 days (24/7) basis as possible. UPI merges several banking features and provides seamless fund routing and merchant payments. It also caters to peer-to-peer (P2P) and collects requests that can be scheduled and paid as per requirement and convenience (Figure 1).

The Bank is collaborating with MDT and NIPL on the implementation of UPI and several meetings have been held on this project to date. Currently, four payment systems operate in Trinidad and Tobago. UPI, once licensed by the Bank, will be a fifth payment system

Payment Service Provider/ E-Money Issuers

In support of the development of the Fintech space, the Bank continued to actively engage with its licensed and PSPs and EMIs. Currently, the Bank supervises 11 PSPs, six of which were granted EMI licenses¹⁴. These PSPs are being closely monitored to ensure compliance with laws and regulations and adequately mitigated risks. Consistent with the Bank's overall approach to supervision, the supervisory framework for PSPs and EMIs was enhanced to include the implementation of a risk-based supervision framework, which is expected to be fully implemented in 2024/25.

Figure 1
How Unified Payments Interface (UPI) Works



14 Two EMIs are owned by mobile network operators, 3 Electronic Money Institutions are owned by other non-bank entities, and 1 Electronic Money Institution is owned by an existing licensed financial institution.

Payments System Legislation

In December 2023, the E-money Issuer Order, 2020¹⁵, was amended to increase wallet sizes and monthly transaction limits, following feedback from the Fintech industry. Significant progress was also made in advancing a comprehensive, modern and flexible legislative framework for payments, in close collaboration with international standard setting bodies. The draft Payment Systems and Services (PSS) Bill and Regulations, which was completed for public consultation aims to:

- Consolidate the legal framework and streamline the oversight of all payment systems and the regulation and supervision of payment service providers under a single law.
- Promote the safety and efficiency of the National Payment System.
- Give legal certainty to and protect users of payment, clearing, and settlement systems.
- Implement a modular and risk-based regulatory regime that is calibrated to the risks posed by different types of activities and entities.
- Facilitate e-commerce, cashless payments and financial inclusion.

Joint Regulatory Innovation Hub

The Central Bank of Trinidad and Tobago is the administrator of the Joint Regulatory Innovation Hub (Hub)¹⁶. The Hub is a platform used to engage individuals, Fintech entities, and Regulatory Authorities (the Bank, TTSEC, and the Financial Intelligence Unit of Trinidad and Tobago (FIUTT)). It plays a crucial role in the regulatory process and facilitates discussions on financial innovation and the applicable supervision regime, including all rules and policies. The Hub fosters open communication and understanding among stakeholders, thereby ensuring a transparent and collaborative regulatory process.

Since the Hub's launch in 2020, the Authorities have engaged with approximately 87 entities as at September 30, 2024, 14 of which have submitted applications for registration as E-Money Issuers

(11) and Payment Service Providers (3), and several have enquired about providing innovative products and services. These include the buying or selling of cryptocurrencies, operations of crypto exchanges, crowdfunding platforms and crypto ATMs. Entities have also enquired about the regulation pertaining to Virtual Assets (VAs) and Virtual Assets Service Providers (VASPs) and their related activities in Trinidad and Tobago.

To this end, the Joint Fintech Steering Committee (JFSC)¹⁷, comprising the Regulatory Authorities, have engaged its technical committee to develop a VA/VASP Policy recommending the way forward on Virtual Assets/Crypto currencies in Trinidad and Tobago. The recommendations of the JFSC, will be discussed and submitted to the respective authorities for further deliberation in FY2024/25, a crucial step in our policy development process.

Payments System Council

The Payments System Council (PSC), comprising representatives of the Central Bank, various Ministries, and other industry stakeholders, continues to support the development of the National Payments System by improving its efficiency and effectiveness. The Central Bank also acts as the Secretariat to the PSC. Since 2022, its strategic plan (2021/22 – 2025/26) was finalised, and work is ongoing in four areas:

1. Policy, Legislation and Regulation – Advocating and advancing the development of comprehensive national payments legislation;
2. Enhancing Efficiency in Payments – Supporting Fintechs entering the space;
3. Monitoring and evaluating global payment system trends; and
4. Communications – Enhance and drive public (consumer/business) awareness and education on payment system issues and developments.

From October 2023 to September 2024, the PSC, in conjunction with the MDT, completed a survey with Ministries Divisions and Agencies (MDAs) to determine the Government's payment needs. The survey results will be used to develop a statement of needs for the Government.

15 [Legal Notice No. 391, Vol. 62, No. 138, 29th December, 2023](#)

16 [Joint Regulatory Innovation Hub \(Hub\)](#)

17 The JFSC was established in 2020 by the three Authorities (the Central Bank, TTSEC and the FIUTT). It is a collaborative effort among the three Authorities to ensure the adequate regulation of firms engaging in Fintech activities spanning the remit of multiple agencies and to prevent regulatory arbitrage.

INTERNAL OPERATIONS

During the financial year, the Central Bank placed particular emphasis on consolidating operations, which involved streamlining work processes and enhancing teamwork among departments.

GOVERNANCE AND THE CONTROL ENVIRONMENT

In FY2023/24, the Bank's prioritised Information Technology (IT) Governance by exploring internationally recognised certifications that can be applied to the Bank's IT/Information Systems (IS) environment (e.g. ISO 27001) and providing recommendations for IS certification. Business continuity was also a large part of its responsibility to identify required changes to the existing business continuity and IT backup policies based on the results of the business impact analysis. Efforts to rationalise key processes, resources, contractual obligations, and relationships among internal and external stakeholders culminated in delivering a comprehensive Business Impact Analysis report, which will form the cornerstone of the Bank's business continuity actions in the coming year. Further, to advance the Bank's cybersecurity capacity, a suitable international standard that could be consistently applied to the Bank's technology environment was identified. While pursuing external certification against this standard was not deemed necessary, efforts to apply its requirements in maintaining a structured cybersecurity management system will be pursued diligently.

Maintaining the Bank's facilities, which includes its machinery and equipment, assets, hospitality, and other pertinent functions to ensure a safe and comfortable working environment remained a priority. Two significant accomplishments in this area were: firstly, the implementation of a Bank-wide Incident Management program, which now comprises a Framework, Policy and a scenario-based Incident Response Plan and secondly, the steam-cleaning and sealing of the concrete surfaces of both towers within the Financial Complex. The protection of the Bank's property, personnel and information, as well as providing a safe environment for the Bank's functions, was the main priority of the Bank's security team. Work continued on the Integrated Security Management

System (ISMS) with upgrading and replacing the servers to increase recording capacity and improve the quality of Close Circuit Television (CCTV) footage. The officers strengthened their relationship with the Trinidad and Tobago Police Service (TTPS) and other National Protection/Defense Agencies through various engagements for training. This included opportunities for joint operations and assistance for many of the Bank's activities. Having hosted attachments from the Central Banks of Barbados and Bahamas, the security team deepened relationships with regional counterparts.

During the year, the Bank's legal team provided vital operational support to the Bank's risk management function. Some accomplishments included progressing the interim arrangements relating to the conveyance of the Ministry of Finance Tower, assistance with several investigative and prosecutorial matters conducted by the TTPS, and support for the contractual arrangements to strengthen cybersecurity systems and the Bank's physical security.

The Bank's digitisation and automation thrust continued with the execution of multiple automation initiatives, including fleet management, hand delivery of mail, ground transport, contract administration and overtime/ compensatory time off processing.

A group of departments collaborated to attend the 25th Trade and Investment Convention (TIC) as an exhibitor for the first time. This strategic presence increased vendor registrations on the Bank's online registration platform and augmented the Bank's presence to the wider public in general.



A member of the Central Bank's team engages patrons at the 25th Trade and Investment Convention

The Bank's Internal Audit function also supported internal governance by completing one hundred per cent of its annual Internal Audit Plan, covering areas such as cybersecurity, procurement, currency management, OFSO operations, IT application licenses, and carbon footprint measurement. The Committee of Sponsoring Organisations (COSO) Internal Control Framework rollout also improved the Bank's governance, risk management and control processes. Maintaining conformance with audit standards by ensuring readiness for the upcoming new Global Internal Audit Standards, which become effective on January 9, 2025, was a focus this year. To achieve this, a gap assessment was conducted, identifying areas for improvement for alignment with the new Standards and the Department participated in a virtual regional discussion forum on the new Standards, along with participants from the Bank of Jamaica, the Eastern Caribbean Central Bank, the Bank of Guyana, and the Central Bank of the Bahamas.



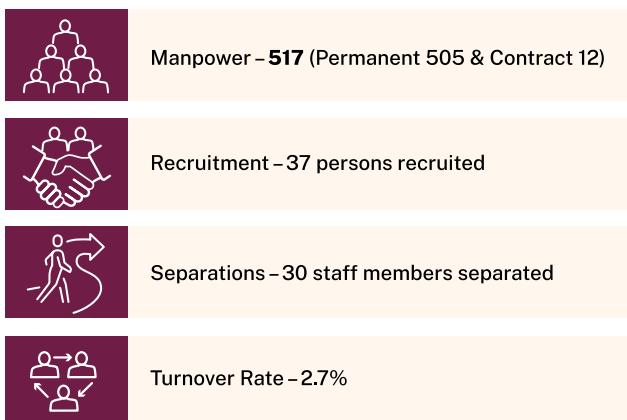
Members of the Internal Audit Department participate in the Virtual Regional Discussion Forum

HUMAN RESOURCES

Structure and Staffing

During the financial year, building human resource capacity and versatility remained a priority. This was done through internal career opportunities, career and succession planning, exposures across and outside the Bank, and via external recruitments to fill competency gaps. Given the age demographic of our staff population, this was especially important as a number of staff members left the Bank primarily due to mandatory and early retirements.

Figure 2
**Human Resource Highlights
as at September 30, 2024**



Staff Satisfaction and Engagement

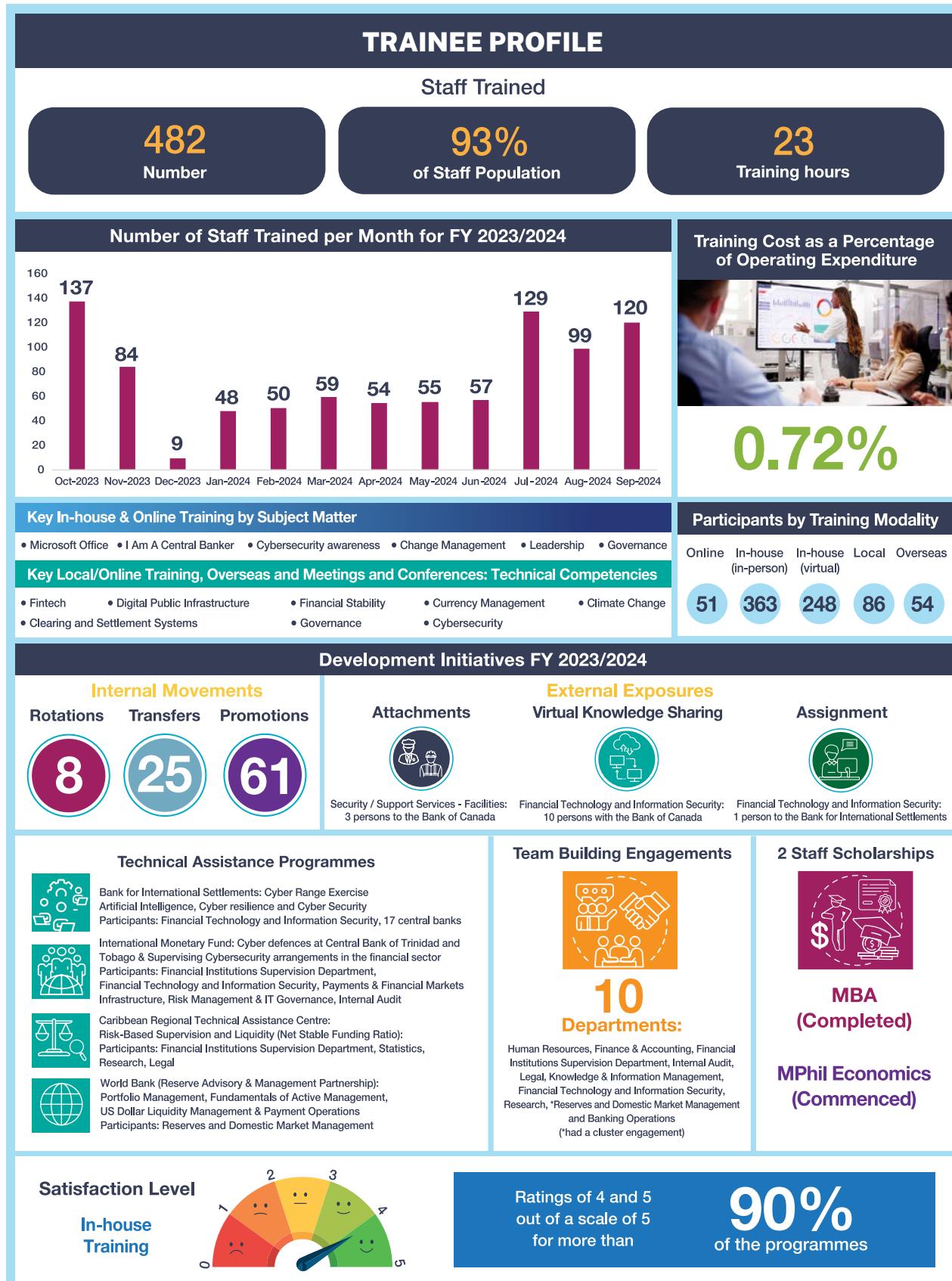
Implementing the approved 2022 Staff Opinion Survey Action Plan progressed with the support of a Staff Survey Track Team (SSTT) comprising staff volunteers across several Departments. This team worked directly with assigned departments to follow through on implementing the plan. The Plan is a very comprehensive one covering five categories as follows:

1. Leadership;
2. Management/Employee Relations;
3. Communication;
4. People Management Practices; and
5. Work Systems and Processes.

Pulse surveys were conducted in December 2023 and June 2024. Both surveys had good response rates and in June 2024, there were improvements in all survey categories. Management is committed to implementing the Plan and to positive culture change, improved morale and staff satisfaction.

Training and Development

HR worked closely with Management to implement the Staff Training Plan, which is considered imperative for building staff capacity. The following dashboard captures the key elements of the Plan.

Figure 3
 Training Plan Execution as at September 30, 2024


Employee and Industrial Relations

Negotiations for the 2021 to 2023 Collective Agreement between the Bank and Bank Insurance General Workers Union (BIGWU) commenced and is ongoing. Families in Action (FIA), the Bank's Employee Assistance Programme (EAP) provider, continued to provide consultative and clinical support to employees and retirees to assist with mental, physical, and emotional issues which arose during the year via online counselling services, psychological support for grief and loss, and Lunch and Learn sessions. Staff and Retiree Wellness (physical and mental) was a focus of the HR Department which organised various activities to reach staff and retirees.



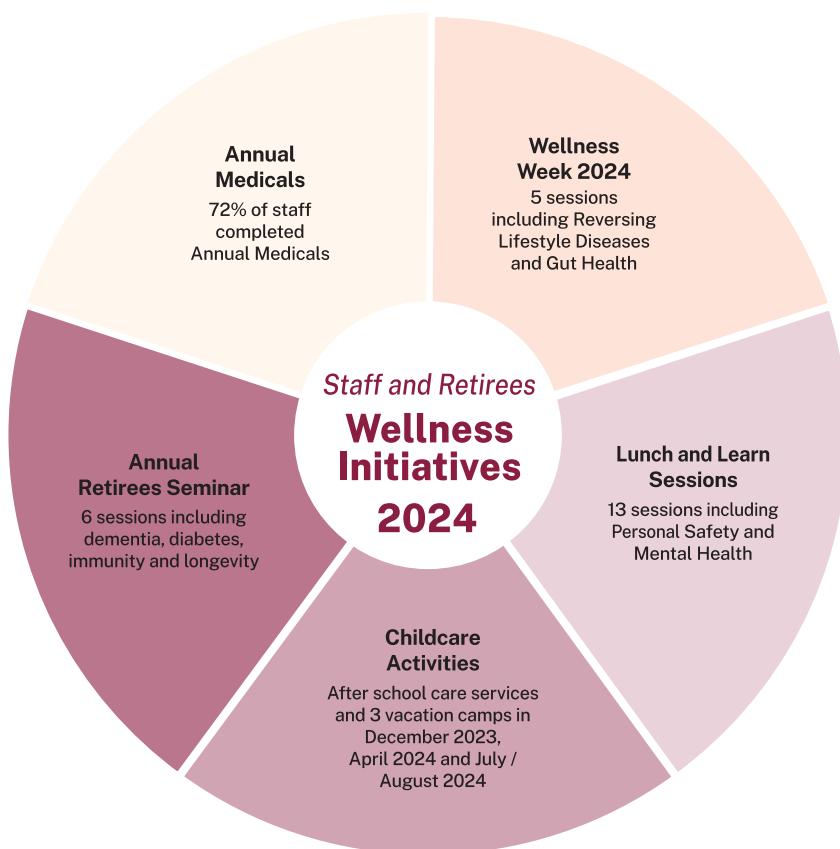
VIP Interns 2024 joined by Senior Manager Human Resources, Industrial & External Relations, Mrs. Nicole Crooks (second row, right end) and Manager, Human Resources, Mrs. Heather Huggins (first row, right end)

Outreach

Vacation Internship Programme

Thirty-four students were selected to be a part of the 2024 VIP. The Programme was successfully completed and well-received by the participants. As part of their community outreach project, the vacation interns contributed a total of \$23,000.00 towards three charities: Happy Growls, CARers Associates Nursing Home and the Trinidad & Tobago Society for the Prevention of Cruelty to Animals.

Figure 4
Wellness Initiatives 2024



De La Rue Currency Scholarship

This year, the Memorandum of Understanding (MOU) between the Bank and De La Rue (DLR) ended in December 2023. The MOU was reviewed and a few changes were made to it. For 2024 only, as part of the commemoration of the Bank's 60th Anniversary, one additional scholarship will be offered. From 2025 onwards, the scholarship award will return to two annually.



FY2023/24 De La Rue Scholars Ms. Mekeisha Thomas and Mr. Michael Corbin flanked on the left by the Country Director, De La Rue, Mr. Gareth Evans and to the right the Inspector of Financial Institutions, Mr. Patrick Solomon, and Professor Duraisamy Saravanakumar from the University of the West Indies (UWI)

EXTERNAL RELATIONS

Several strides were made to bolster the Bank's communications capacity. Firstly, an updated Editorial Style Guide was developed, aligning with modern communication best practices to ensure consistency and effectiveness in our communication efforts. The Bank also completed a review of its brand identity and worked with an external consultant to produce a Brand Identity Guide that establishes and reinforces set standards. This Guide is being finalised and will be introduced in early 2025.

As part of the Bank's accessibility initiatives, frontline staff members received training in Sign Language to enhance the Bank's ability to engage with and serve members of the public with speech disabilities or hearing impairments.

The quarterly Communication Dashboard continued to serve as a vital strategic tool for reporting in this area by providing valuable insights into the Bank's

interactions with external stakeholders across our website and social media platforms. Recent data from the dashboard (Figure 5) highlights the continued growth of our digital presence and the success of our targeted public education campaigns. A particularly noteworthy development has been the significant expansion of our younger audience on TikTok. Our following grew by an impressive 621.0 per cent, demonstrating successful engagement with a previously underserved demographic.

A project to modernise the Bank's website began this year, which will improve functionality and enhance stakeholders' experience on this platform.

ECONOMIC RESEARCH AND STATISTICAL SERVICES

During this period, economic research and statistics services focused on informing data-driven policy-making. This involved the collection, compilation and dissemination of the country's monetary, financial and external sectors, the development of a macroeconomic model for Trinidad and Tobago, and the production of quarterly medium-term projections of key macroeconomic variables for T&T using the financial programming framework. Additionally, these areas supported engagements between the MOF and credit rating agencies and the issuance of Government bonds on the international capital market.

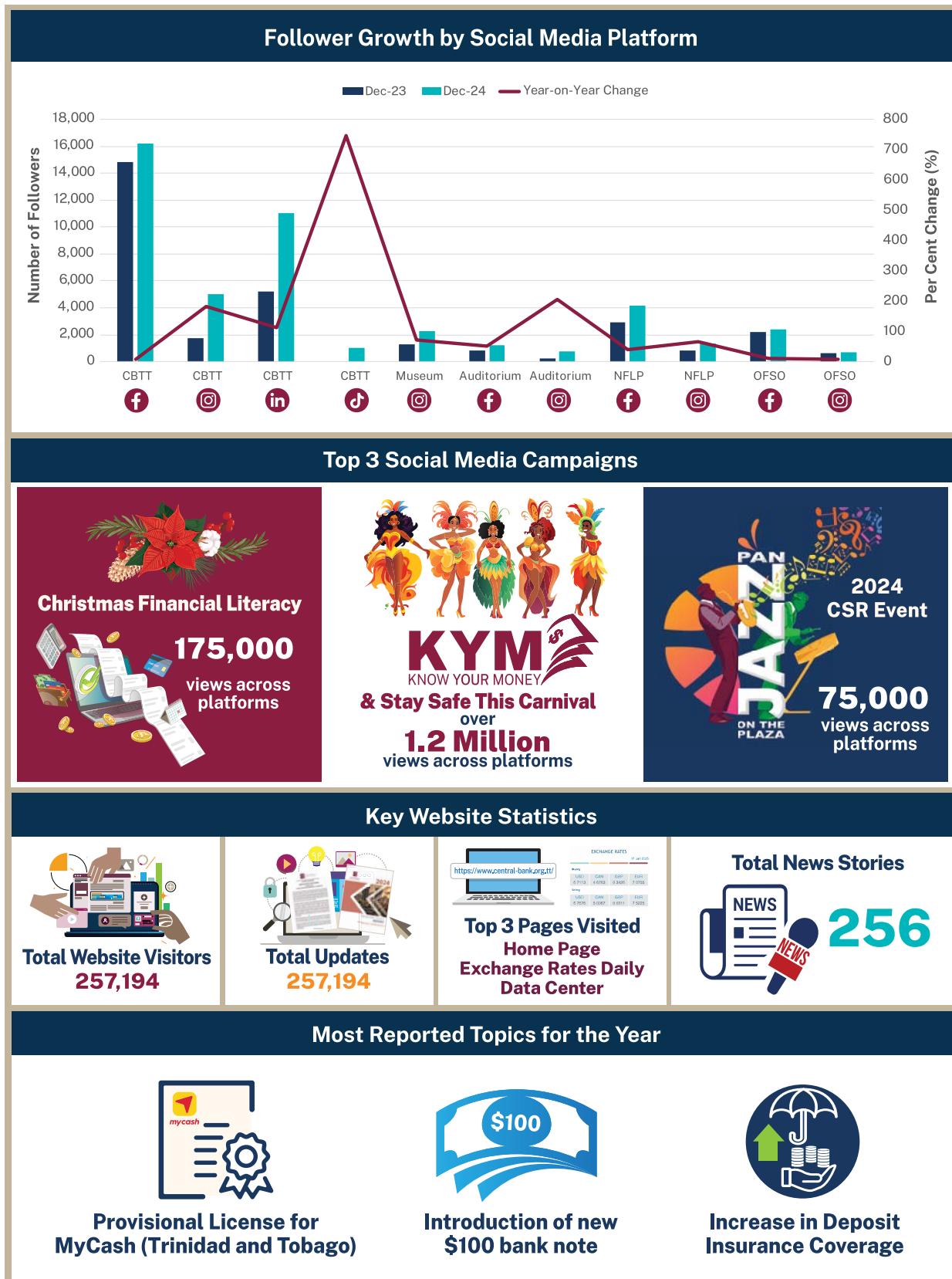
Under the auspices of CERT, the Bank persisted in leading a regional work stream on climate change and climate-related risks. The research paper entitled "Central Bank Data Strategies to Support Regional Climate Risk Assessment" was completed in November 2023 and focused on regional approaches to climate risk analysis. During the financial year, two working papers¹⁸ were published on the Bank's website.

Communication of economic analysis with the public remained a top priority via the Bank's flagship analytical reports (Economic Bulletin, Monetary Policy Report, Annual Economic Survey and Financial Stability Report) and the newly introduced Publication Education Note Series.

Support to internal stakeholders also continued. Enhanced reporting in the currency operations area was achieved using new reporting tools, including the De La Rue option available from the currency

18 [Working paper series - WP 01/2024 March 2024 and WP 02/2024 March 2024](#)

Figure 5
Communication Impact FY 2023/2024 as at September 30, 2024



vendor along with Microsoft applications. Similarly, analytical support was provided to improve efficiency, and enhance reporting toolkits on critical staffing data. Work also continued to determine the best data source for compiling a Residential Property Price Index (RPPI), and technical support to the payments function to streamline payment systems data collection progressed.

On the statistics front, a main achievement involved the implementation of an automated data intake and validation system called Forecasting Analysis and Modeling Environment (FAME) Enterprise Data Manager (FEDM), which allows regulated entities to submit their data reports using a web portal that automatically validates and uploads the data into the Bank's databases. It replaces the previous highly manual procedure that required the submission of encrypted emails and post-data loading validation.

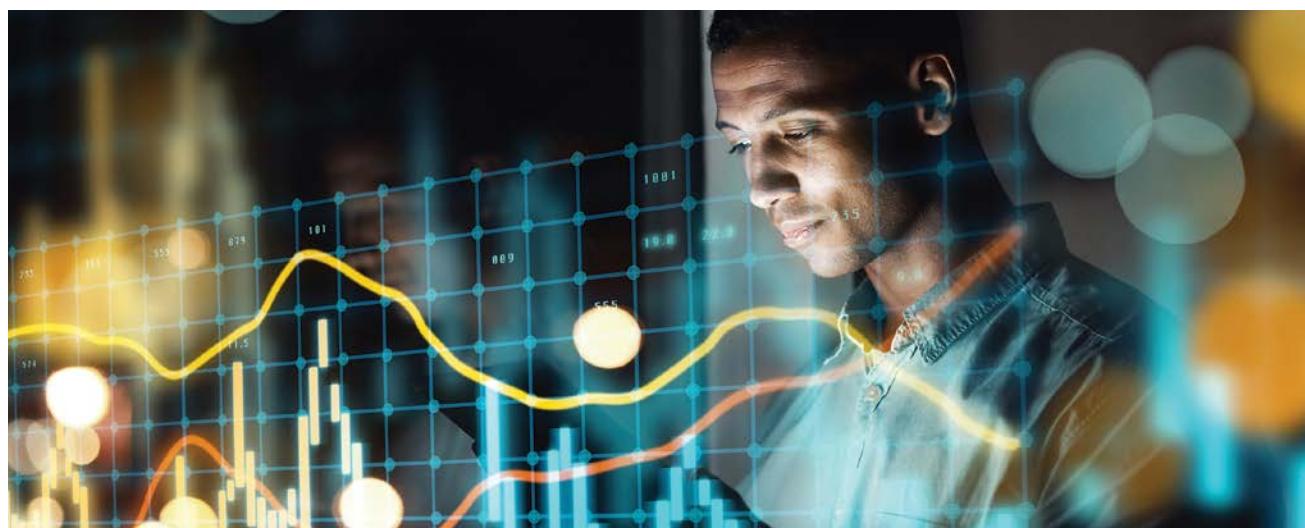
Regarding the external sector statistics where data capture covers more than the regulated financial entities, the Bank engaged in a series of meetings with selected chambers and associations, including the Trinidad and Tobago Manufactures Association (TTMA), the American Chamber of Commerce (AMCHAM), the Trinidad and Tobago Chamber of Commerce, the Energy Chamber of Trinidad and Tobago and the Shipping Association of Trinidad and Tobago (SATT). The aim was to build strategic partnerships, demonstrate the importance of the external sector statistics and international accounts and bolster data capture. To widen the reach, first-time participation in the TTMA's TIC raised further awareness of the required data capture for the external sector. Communication was enhanced with a semi-annual newsletter and a compilation of key economic statistics.

INFORMATION TECHNOLOGY

Financial Technology and Information Security (FTIS) efforts focused on keeping the Bank's information secure and optimising its IT systems to meet the needs and expectations of users and key stakeholders.

During the year, cybersecurity and technology capacity was advanced to ensure it could provide a high-quality service. An enhanced incident response testing and the execution of a CARICOM cyber-range exercise and webinar occurred. The Bank's cybersecurity profile has matured as required, to continue to protect the confidentiality, integrity, and availability of its IT systems, data, and networks. Support was provided for the business systems analysis and design, and web applications. Close collaboration was maintained with business users to improve the efficiency of current services.

Collaboration with the Bank's facilities experts enhanced the electrical infrastructure that supports the primary Data Centre (DC), including implementing a new Uninterrupted Power System (UPS) to improve overall resilience. Additionally, an upgrade of the Private Automatic Branch Exchange (PABX) system was completed and support was provided on key business projects, including upgrades to the Integrated Security Management System (ISMS) and Portfolio Management System (PMS). The Business Continuity programme was also upgraded through testing and improvement of the communication to the Disaster Recovery (DR) site.



KNOWLEDGE AND INFORMATION MANAGEMENT

During the period, efforts were focused on the preparatory work towards introducing a comprehensive DMS in the next financial year. This involved mitigating risks associated with records management by developing a Records Information Management (RIM) compliance programme in line with current policies, practices, legislation, and regulations.

Foundational RIM policies were strengthened by updating and drafting policies on:

- RIM Policy and Guideline;
- Transfer of Records;
- Separated Employees and Staff Changes; and
- Information Management Policies, procedures and standards, such as the Data Protection Policy, and Digitisation Guideline.

Work continued with the External Relations (ER) Department on a sustained internal campaign to promote information management during RIM and Information Governance (IG) months. These were very successful, with a number of staff members participating in activities.

The digitisation programme also advanced by migrating historical audio-visual material to different media, developing digitisation requirements and procedures, and digitising legislation for inclusion in a corporate repository.



COMMUNITY ENGAGEMENT AND OUTREACH

The Bank maintained a multi-pronged approach to advance its communication objectives, deepening its impact through public education, financial services, corporate social responsibility and outreach.

PUBLIC EDUCATION

National Financial Literacy Programme

This year, the National Financial Literacy Programme's (NFLP's) mandate aligned perfectly with the 60th Anniversary activities, which focused on education, outreach, and community. These activities reflected the programme's unrelenting commitment to producing a citizenry of financially informed individuals who possess the skills and knowledge needed to make sensible decisions with their money.

The NFLP's first initiative for the financial year was its online series for Entrepreneurship Week, "The Wealthy Entrepreneur – The Entrepreneur's Money Journey." This virtual event, held from November 20-24, 2023, featured various speakers who discussed critical areas such as financial goal setting, cash flow management,



The Wealthy Entrepreneur Online Series – Social Media Promo

pricing for profit, record keeping, and marketing and sales strategies. There were 195 registrants, comprised of potential and existing business owners.

Once again, April was deemed Financial Literacy Month (FLM), with the strategic purpose of being a national awareness campaign focused on the importance of financial literacy to all citizens of Trinidad and Tobago. Due to the ever-changing landscape of the financial sector and the increasing complexity of financial products and services now available, consumers are required to possess knowledge on how to use them efficiently and safely.

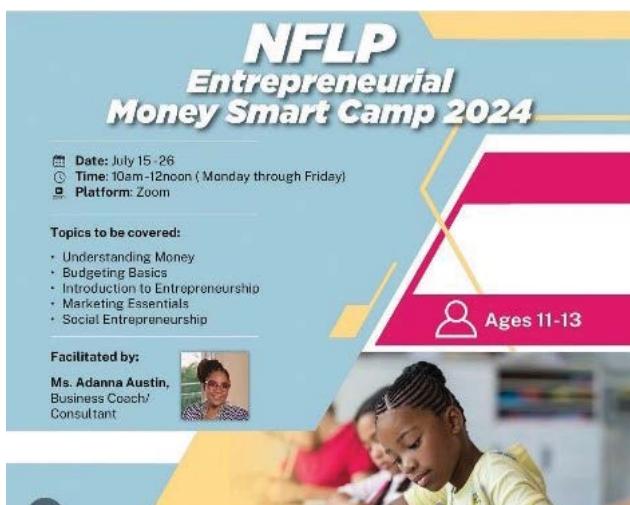


Ms. Arlene Popplewell, speaker at the "Be Smart With Money" Hybrid Event

Therefore, the NFLP celebrated FLM with its second installment of a free two-day hybrid programme entitled the "Be Smart with Money Series". This year's theme of "Empowerment through Financial Education and Consumer Protection" aimed to sensitise the public on this trending topic. With the fast-paced growth of digital products and services, consumers are now exposed to additional financial risks such as scams and identity theft. Therefore, informative sessions from key stakeholders from the financial industry such as BATT, TTSEC, TTSE, OFSO, as well as the Bank, were conducted. Topics such as the importance of financial literacy, wise debt management, investing demystified, cyber intelligence, investor protection guidelines, safe banking tips and consumer redress services via the OFSO were discussed. The two-day event, streamed live on the NFLP's YouTube channel, attracted over 1,100 viewers.

During the July and August months, the NFLP switched its focus to the nation's youth and the importance of

entrepreneurship. Two virtual camps aimed at fostering fundamental financial literacy skills amongst this particular age group and equipping participants with the fundamentals of entrepreneurship so that it can be seen as a viable option in the future, were successfully conducted.



NFLP Money Smart Camp 2024 (Ages 11-13)

The first camp, which ran from July 15-26, specifically targeted the 11-13 age group, whereas the second was conducted from August 5-16 for teens aged 14-17.

A total of 71 attendees completed the Entrepreneurship Money Smart Camp 2024 with certificates of participation. At the presentation of the business ideas camp competition, thirty campers received prizes of book vouchers and promotional items for their performances.

Later on in August, the NFLP engaged the wider public with its fifth annual NFLP Back to School Word Scramble Puzzle Challenge, which was run on both Facebook and Instagram.

Entrants were required to solve two financial literacy focused scrambled phrases weekly for a chance to win NFLP branded promotional items, as well as book vouchers to assist with their back to school purchases. Twenty-five winners emerged from the competition which ran for three weeks.

As one of the programme's core pillars and methods of educating and empowering the citizenry, the NFLP

continued its outreach throughout various communities, workplaces and schools.

These financial literacy sessions were conducted with new and returning clients such as the Civilian Conservation Corps (CCC), MIC/HYPE, Ministry of Works, The West Indian Tobacco Company Limited (WITCO), iQor, San Fernando Methodist School, Agape Bible Ministries, La Brea Association for Innovation, Cotton Tree Foundation, as well as the Borough Corporations of San Juan/Laventille, Siparia, Chaguanas, Sangre Grande, Tunapuna and Point Fortin.

The topics requested by these clients ranged from retirement planning, money management, debt management and homeownership to entrepreneurship and credit card management.

Notably, specific "Lunch and Learn" sessions were also held with the Bank's staff on the subjects of savings, budgeting and risk management. The NFLP also maintained its social media and website engagement with its followers on Facebook and Instagram. Both platforms disseminated key financial tips, event updates and an online competition to keep the public knowledgeable and up-to-date on money matters.

Education Campaigns

Public Education campaigns are a mainstay of the Bank's efforts to engage with the public and share information on Central Bank initiatives.

The Bank's Know Your Money (KYM) campaign, an essential feature of its currency education drive, employed domestic social media influencers to augment its reach and penetrate the under-35 age group. The campaign's success was evident in its impressive reach and engagement metrics. It garnered over 1.2 million views across all platforms, with Instagram reels exceeding 500,000 views, Facebook posts receiving more than 15,000 likes, 2,000 comments, and 3,500 shares, and TikTok videos accumulating over 700,000 views. Beyond quantitative metrics, the campaign generated positive public sentiment, with numerous comments praising its informative and engaging approach to financial education. The campaign itself marked a new phase in the Bank's public outreach strategy.

Recognising its role in cyber security awareness, the Bank also unveiled a strategic push branded Cyber Safe

in August 2024 to promote education and awareness in this area, launching a new landing page on the website, <https://www.central-bank.org.tt/cybersafe>. Through internal and external adverts in the newspaper and on social media, the initiative urged citizens to be vigilant against cybercrimes such as phishing, identity theft, internet fraud and banking fraud. It provided useful tips with information and advice to help the general public be more secure while browsing or conducting transactions online.

The Bank also launched a Public Education Note Series in August 2024. The series aims to explain important economic concepts and monetary policy actions to a broad public audience in non-technical terms. Three notes were published during the period and shared on the Bank's website and across its social media platforms. The notes were also repurposed in traditional media.

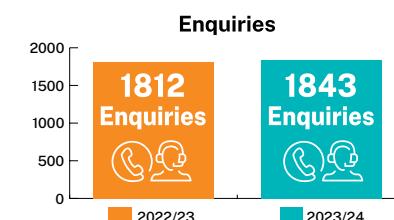
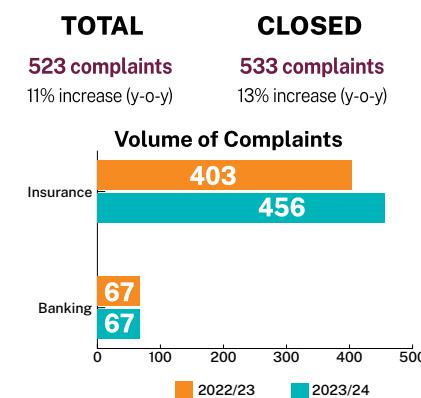
FINANCIAL SERVICES

Office of the Financial Services Ombudsman (OFSO) – Redress and Supervision

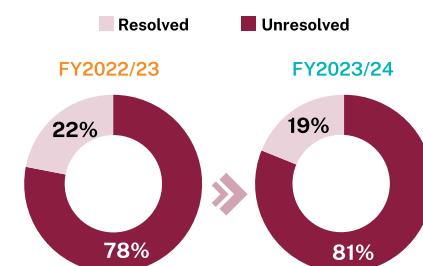
The OFSO continues to uphold its mandate to provide fair, sound assistance to customers unsatisfied with their financial services provider. In addition to engaging directly with customers, the OFSO participates in outreach activities. In March, the OFSO collaborated with the Consumer Affairs Division in the Ministry of Trade and Industry to celebrate World Consumer Rights Day. An exposition was held on the Brian Lara Promenade with various Agencies, including the Telecommunications Authority of Trinidad and Tobago, the Regulated Industries Commission, and the Legal Aid Authority. The OFSO interfaced with 350 members of the public at the event.

In May, the first Audit of the OFSO's Operations by Internal Audit commenced with the overarching objective being to assess whether the OFSO's operations effectively fulfil its mandate. The Audit was a combination of desk work and field work. It encompassed an examination of the OFSO's policies, procedures, and guidelines in supporting the achievement of its mandate, as well as an evaluation of the accuracy, completeness and timeliness of key internal and external reports.

Figure 6
OFSO Highlights



COMPLAINTS RESOLUTION RATE



Average Time to Close Complaints



Following the reopening of the Tobago Office in September 2023 at the Victor E. Bruce Complex, office days are held on the second and fourth Wednesday of each month. The data in relation to the number of visitors was reviewed and while the number of visitors exceeded 120, a high percentage of these persons had issues falling outside of the mandate of the OFSO, including national insurance and senior citizens' pension grants. The decision was therefore taken to conduct several open house sessions in Tobago to reach persons who are experiencing unresolved matters with their banks and insurance companies.

The first session was held at the Scarborough Library on September 18, 2024, from 3:00 p.m. to 6:00 p.m., where the Financial Services Ombudsman and Resolution Officers shared details of the operations of the Office. Most persons were not aware of the OFSO and was receptive to the general information provided, while others with complaints against their banks and insurance companies were able to submit formal complaints and enquiries. The OFSO plans to hold similar sessions in the more far-reaching parts of Tobago. Based on the feedback received, consideration may also be given to hosting similar open houses in Trinidad.

In September, the Financial Services Ombudsman attended the International Network of Financial Services Ombudsman Schemes (INFO Network) Conference in Kuala Lumpur, Malaysia where he presented on "Cross-Cultural Disputes – How Ombudsmen/ ADRs handle the Challenges of Dealing with Disputes from Consumers of Diverse Cultural Backgrounds".



Artist Talk on the "Repatriation – A New Beginning" Exhibition

OUTREACH

Commitment to the Arts

The Museum experienced a notable increase in visitors, with over 14,000 persons engaging with the Bank through our Museum activities, almost doubling its figures from the previous year, in which 8,000 visitors were recorded. During this period, the Museum collaborated to host nine exhibitions, as well as broaden its scope to feature new categories of works. These activities included the 60th Anniversary exhibition titled "Repatriation – A New Beginning", which paid tribute to the late local artist Glenn Roopchand, unique showings of kinetic art entitled "Symphonic Synchrony", a performance-installation exhibition "Parthenogenesis" and a doll exhibition displaying works from a staff member's private collection "The World of Dolls". The Museum also hosted "Social Art & Design: Public Space & Community Transformation", an exhibition and three-day Symposium in collaboration with NGO DA.DA (Developing Art and Design Awareness) and Projects. The exhibition featured five public play space projects and ideas that encouraged Social Justice, Indigeneity, Creativity, Community, and Connection. The Museum also participated in the International Museum Day "Museum Hop" in May 2024, serving as one of five key cultural institutions in Port of Spain and enhancing its visibility within the community.

The Museum revamped its two-day Art in August Workshop, now dubbed "Arts In August", to incorporate the performing arts alongside the visual, as well as encourage creativity and self-expression in our youth. The Museum also reopened its gift shop in November 2023 and offers an array of souvenirs that are popular among visitors.

The Auditorium, the Bank's performing arts space, continued to promote and enhance our local performing talents. In celebration of Calypso History Month, the Auditorium launched a new initiative "Calypso Stories" in October 2023, which was free to the public and featured the screening of two films, "I Dream of Calypso," a short feature film, and "Calypso Dreams," a full-length documentary which were well received by members of the public and attracted solid media coverage.



Entertainer Black Sage at the "Calypso Stories" Event

The Bank's Creative Residency Programme (CRP) also continued, exposing both residents to training in several disciplines. They also had the opportunity to partner with staff for internal celebrations. In January 2024, the Residents hosted a Lunch and Learn session for staff, in collaboration with HR, to share more about their artistic disciplines. The CRP concluded in July 2024, with both residents successfully completing their final projects – a theatre production and an art exhibition. Looking ahead, the next call for applicants is scheduled for 2025, ensuring the programme's sustainability and continued support for emerging talent.



Creative Resident's Lunch and Learn Session

Corporate Social Responsibility (CSR)

The Bank extended its support to over 60 institutions, spanning education, health and culture, aligning with its CSR policy. Additionally, its flagship CSR event for 2024, "Pan Jazz on the Plaza", in September 2024 benefitted two charities: The National Centre for Persons with Disabilities and the Alzheimer's Association of Trinidad and Tobago – which each received \$60,000 representing proceeds from ticket sales from the event and in honour of the Bank's 60th Anniversary. The wine and cheese inclusive event featured performances by Vaughnette Bigford and Band, Dane Gulston and Sweet Bread the Band, Kay Alleyne-Meloney and EFX the Band, Stacey Sobers, Freetown Collective and Massy Trinidad All Stars.



"Pan Jazz on the Plaza" CSR Event

Sports and Cultural Club

The Central Bank Sports and Cultural Club (CBSCC) remained committed to fostering teamwork, fitness, and cultural engagement among staff through various events and initiatives. On the cultural front, the Club hosted "Soca Under the Stars", which was attended by staff, retirees and their friends and family. The Club led the Bank's preparation and participation in the Intra-Regional Central Bank Games held in the

Bahamas during March-April 2024 – the first since its postponement in 2020 due to the COVID-19 pandemic. The Club also championed the Bank's successful participation in the Carifin Games, with several standout performances across various disciplines with the Bank regaining the coveted Ms. Carifin crown. The Central Bank's participation in the Interbank Football League also culminated in an outstanding victory.



CBTTs Team - Intra-Regional Central Bank Games 2024

During the year, the Club successfully hosted an evening of fun and games; an Inter-Department Board Games Championship was introduced, with staff competing in a variety of games such as dominoes, all fours and Doh Say Dat and the first ever Department Fitness Challenge, which saw six teams competing, including a senior management team. In addition, the Security Shooting Team represented the Bank in the first Intra-Regional Central Banks Shoot competition in Barbados.

We Care

The Bank's charitable fund, We Care, continued its work during the year. Its flagship Annual Hamper Donation Drive brought cheer to over 250 households for the yuletide season. The Back to School Initiative was also a great success. Twenty students from each of the schools nominated throughout Trinidad and Tobago, received book bags packed with basic school supplies. The Committee also donated school supplies to community organisations which assist needy children in their communities. The We Care Committee was successful in providing financial assistance to several needy cases for medical expenses and fire victims, as well as extending help to our Caribbean neighbours in the wake of Hurricane Beryl.



We Care Contributions

60TH ANNIVERSARY CELEBRATIONS

The Bank embarked on a year-long celebration of its 60th Anniversary in 2024, honouring its rich history, whilst reinforcing its commitment to financial education, environmental sustainability and community engagement. A dynamic cross-departmental team orchestrated a vibrant series of events designed to foster staff awareness, engage the public, strengthen collaborations with local, regional and international institutions, and cultivate a sense of family spirit among staff, retirees and their families.

The celebrations commenced with an Interfaith Service in January, setting a reflective tone for the year ahead. February saw the return of "Plaza Riddims", the Bank's annual Carnival Friday free concert, whilst March and April introduced Movie Nights, further enhancing the celebratory atmosphere.

In a demonstration of environmental stewardship, the Bank launched its "60 Years, 60 Trees" initiative. This involved planting 60 poui trees on Lady Chancellor Hill in Port of Spain in May, and an additional 60 trees of various species in Richmond, Tobago in September. Collaboration with the National Reforestation and Watershed Rehabilitation Programme amplified the initiative's impact, showcasing the Bank's dedication to sustainability.

June and September saw the implementation of a comprehensive Schools Outreach programme in Trinidad and Tobago. Over 100 students from 16 schools in Tobago and more than 1,500 students from 24 schools in Trinidad participated in interactive sessions. These sessions focused on financial literacy and

currency education. Students creatively engaged with essential financial concepts through a unique “chant out” segment.

June also witnessed a significant health-and-wellness initiative with the inaugural staff and family road race, “6K for 60”, featuring a scenic route through Port of Spain. July brought a staff and retirees Road Trip, taking attendees on the Mayaro Loop for a day of fun and games. August saw a special edition of Night in the Museum, dedicated to local film and folklore, whilst September’s annual Research Review Seminar included a panel discussion featuring representatives from prominent development financial institutions, highlighting the Bank’s role in regional economic development.

To document these activities and share them with a broader audience, the Bank produced an internal video series titled “12 Months – 12 Experiences”, featuring staff interviews and event recaps. This multimedia engagement was complemented by extensive coverage of the Anniversary celebrations on the Bank’s website and social media platforms.

Several exciting events are planned from October to December 2024. These include the Dr. Eric Williams Memorial Lecture, with featured speaker Professor Avinash Persaud, and a 1964 Dress for Workday and Back-in-Times event in October. A Candlelight Tribute and Regional Banking Operations Conference are scheduled for November, followed by a Spoken Word and Long Service Awards Ceremonies one month later. To coincide with the anniversary, a grand 60th Anniversary Gala is planned for December 14, 2024.



Intra Regional Games Games 2024 (Bahamas) send off celebration



CENTRAL BANK OF
TRINIDAD & TOBAGO



OUR COMMITMENT
TO EXCELLENCE



Tree Planting Ceremonies



Pan Jazz on the Plaza



Schools Outreach Week



Research Review Seminar





Intra Regional Games Games 2024 (Bahamas)



Plaza Rhythms



6K for 60 Road Race



Energy Sector



diverse Industries

Food and Industry

Trinidad and Tobago's food and beverage industry is the largest manufacturing sector and a major contributor to a diverse economy.

Companies, such as the major importers of food and drink in Trinidad and Tobago, are major contributors to the economy. The food and beverage industry is a significant part of the country's economy, especially in the tourism sector, and while food and drink costs are relatively high, traditional food and drink products with local branding are popular in the Caribbean.

PART .2



From Cotton to Paper

Substrates in Transition

From 1964 to 2014, our banknotes were printed on a cotton-based paper. In 2014, the Central Bank began the transition to banknotes that use a polymer paper base. Polymer paper is designed to be more durable, less susceptible to damage and thus less likely to be forged or counterfeited. Its greatest value is the capacity to hold complex security features that are easily recognizable but very difficult to replicate.

transition

The Journey to Polymer Banknotes



FINANCIAL STATEMENTS

2023-2024

JBDO

Central Bank of Trinidad and Tobago
Audited Financial Statements
For the year ended September 30, 2024

Central Bank of Trinidad and Tobago

Audited Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

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Central Bank of Trinidad and Tobago

For the year ended September 30, 2024

Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of Central Bank of Trinidad and Tobago (the "Bank"), which comprise the statement of financial position as at September 30, 2024; the statements of comprehensive income, changes in equity and cash flows for the year ended September 30, 2024, and a summary of material accounting policy information and other explanatory information;
- Ensuring that the Bank keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Bank's assets, detection/prevention of fraud, and the achievement of the Bank's operational efficiencies;
- Ensuring that the system of internal control is operating effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations; and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these financial statements, management utilised the Bank's own accounting policies and the requirements of the Central Bank Act, Chapter 79:02, as amended (the "Central Bank Act").

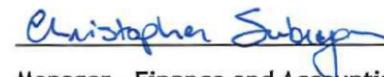
Nothing has come to the attention of management to indicate that the Bank will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorized for issue, if later.

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



Governor

December 13, 2024



Christopher Subray

Manager - Finance and Accounting

December 13, 2024



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 122-124 Frederick Street
 Port of Spain, 100825
 Trinidad and Tobago

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
 Central Bank of Trinidad and Tobago

Opinion

We have audited the financial statements of the Central Bank of Trinidad and Tobago (the "Bank"), which comprise the statement of financial position as at September 30, 2024, and the statement of comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the financial statements of the Bank for the year ended September 30, 2024 are prepared, in all material respects, in accordance with the basis of accounting described in Note 2 to the financial statements and the requirements of the Central Bank Act, Chapter 79:02, as amended (the "Central Bank Act").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") and we have fulfilled our ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - Basis of accounting

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the Bank's own accounting policies and the requirements of the Central Bank Act to satisfy the financial information needs of the Bank's Directors. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other matter

The financial statements of the Bank for the year ended September 30, 2023, were audited by another auditor who expressed an unmodified opinion on those statements on December 15, 2023.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

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

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

Management is responsible for the preparation of the financial statements in accordance with the basis of accounting described in Note 2 to the financial statements and the requirements of the Central Bank Act, for determining that the basis of preparation is acceptable in the circumstances 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.



INDEPENDENT AUDITORS' REPORT (continued)

Responsibilities of management and those charged with governance for the financial statements (cont'd)

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



December 18, 2024
Port-of-Spain
Trinidad and Tobago

Central Bank of Trinidad and Tobago

Statement of Financial Position

As at September 30, 2024

(Expressed in Trinidad and Tobago Dollars)

	Notes	2024 '000	2023 '000
Assets			
Foreign currency financial assets			
Cash and cash equivalents	4	14,611,226	16,243,467
Investment securities	5,7	16,520,184	19,145,392
Other receivables and prepaid expenses	9	1,853,286	4,735,549
Subscriptions to international financial institutions	10	904,289	892,013
International Monetary Fund related assets	11	11,445,379	11,204,245
		45,334,364	52,220,666
Local currency financial assets			
Cash and cash equivalents	4	6,882	182,202
Investment securities	5,6,7	3,524	3,527
Advances to government	12	5,918,093	6,880,429
Other receivables and prepaid expenses	9	2,290,908	2,292,794
Lease receivable	13	-	14,237
Retirement benefit asset – pension plan	8 (a)	86,515	144,678
		8,305,922	9,517,867
Non-financial assets			
Inventories	14	109,171	109,594
Property, plant and equipment	15	106,374	109,585
Intangible assets	16	6,866	7,345
Non-current assets held for sale	17	-	20
		222,411	226,544
Total Assets		\$53,862,697	\$61,965,077

The accompanying notes form an integral part of these financial statements.

Central Bank of Trinidad and Tobago

Statement of Financial Position (continued)

As at September 30, 2024

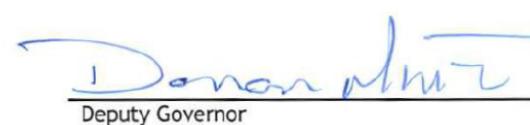
(Expressed in Trinidad and Tobago Dollars)

	Notes	2024 '000	2023 '000
Liabilities			
Foreign currency liabilities			
Accounts payable	20	1,978,739	4,295,923
Financial liabilities	18,7	309,659	101,017
Demand liabilities	19	1,078,787	942,437
International Monetary Fund – SDR Allocation	11	7,063,095	6,941,636
		10,430,280	12,281,013
Local currency liabilities			
Currency in circulation	21	8,757,747	8,929,473
Provision for transfer of net profit to Consolidated Fund		2,019,816	1,587,477
Demand liabilities	19	17,821,753	22,967,444
International Monetary Fund related liabilities	11	3,097,911	3,054,974
Accounts payable	20	3,530,561	5,818,313
Accumulated unrealised gains	22	6,557,494	5,675,761
Retirement benefit liability – post-retirement medical plan	8 (b)	47,135	50,622
		41,832,417	48,084,064
Total Liabilities		52,262,697	60,365,077
Capital and Reserves			
Capital	30	800,000	800,000
General reserve		800,000	800,000
		1,600,000	1,600,000
Total Liabilities, Capital and Reserves		\$53,862,697	\$61,965,077

The accompanying notes form an integral part of these financial statements.

Approved for issue by the Board of Directors on December 13, 2024 and signed on its behalf by:


Governor


Deputy Governor

Central Bank of Trinidad and Tobago

Statement of Comprehensive Income

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

	Notes	2024 '000	2023 '000
Income from foreign currency assets			
Investment income	23	1,563,293	1,528,089
Investment expense		(22,633)	(26,457)
		1,540,660	1,501,632
Realised losses from currency translations		(8,775)	(13,707)
Net gain/(loss) realised on disposal and amortisation of investments	23	143,714	(160,662)
		1,675,599	1,327,263
Income from local currency assets			
Interest income	24	1,075,526	950,437
Rental income		2,613	2,524
Other income	24	70,074	70,505
		1,148,213	1,023,466
Net movement in retirement benefit	8	54,676	60,321
Total income		2,878,488	2,411,050
Operating expenses			
Printing of notes and minting of coins	25	16,233	12,082
Salaries and related expenses	26	319,190	350,552
Interest expense	32	372,628	324,527
Directors' fees		1,868	2,107
Depreciation	15	27,720	26,357
Amortisation of intangible assets	16	1,404	1,369
Other operating expenses	27	119,315	104,133
Increase in provisions		314	2,446
Total operating expenses		858,672	823,573
Net profit for the year		2,019,816	1,587,477
Total comprehensive income for the year		\$2,019,816	\$1,587,477

The accompanying notes form an integral part of these financial statements.

Central Bank of Trinidad and Tobago

Statement of Changes in Equity

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

	Paid Up Capital '000	General Reserve fund '000	Retained Earnings '000	Total '000
Balance as at October 1, 2022	800,000	800,000	-	1,600,000
Net profit for the year	-	-	1,587,477	1,587,477
Transfer of net profit to Consolidated Fund	-	-	(1,587,477)	(1,587,477)
Balance as at September 30, 2023	\$800,000	\$800,000	\$-	\$1,600,000
Balance as at October 1, 2023	800,000	800,000	-	1,600,000
Net profit for the year	-	-	2,019,816	2,019,816
Transfer of net profit to Consolidated Fund	-	-	(2,019,816)	(2,019,816)
Balance as at September 30, 2024	\$800,000	\$800,000	\$-	\$1,600,000

The accompanying notes form an integral part of these financial statements.

Central Bank of Trinidad and Tobago

Statement of Cash Flows

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

	Notes	2024 '000	2023 '000
Cash flows from operating activities			
Net profit for the year		2,019,816	1,587,477
Adjustments for:			
Depreciation		27,720	26,357
Amortisation of intangible assets		1,404	1,369
Net gain on disposal of fixed assets		(152)	(661)
Interest income		(2,583,084)	(2,429,514)
Interest expense		372,628	324,527
Dividend income		(3,224)	(2,194)
Net movement in retirement benefit		(54,362)	(57,875)
Cash outflows before changes in operating assets and liabilities		(219,254)	(550,514)
Changes in operating assets and liabilities			
Decrease/(increase) in other receivables and prepaid expenses		2,806,181	(1,303,755)
Decrease/(increase) in advances to government		962,336	(3,610,144)
Decrease in inventories		422	3,436
Decrease in retirement benefit		54,676	60,321
Decrease in accounts payable and other liabilities		(9,782,822)	(2,651,030)
Net cash used in operations		(6,178,461)	(8,051,686)
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(25,975)	(26,496)
Proceeds from sale of property, plant and equipment		476	685
Net proceeds from sale of investments		3,757,852	793,683
Net repayment of loans and advances		1,206	(6,590)
Interest received		2,659,798	2,381,968
Dividends received		3,224	2,194
Interest paid		(375,836)	(296,456)
Net increase in International Monetary Fund balances		(76,738)	(52,393)
Net cash flows from investing activities		5,944,007	2,796,595
Cash flows from financing activities			
Transfer of net profit to Consolidated Fund		(1,587,477)	(550,668)
Lease payment		14,237	13,958
Net cash used in financing activities		(1,573,240)	(536,710)
Net decrease in cash and cash equivalents		(1,807,694)	(5,791,801)
Foreign currency differences in monetary assets & liabilities		134	106
Cash and equivalents, beginning of year	4	16,425,668	22,217,364
Cash and cash equivalents, end of year	4	\$14,618,108	\$16,425,669

The accompanying notes form an integral part of these financial statements.

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

1. Incorporation & principal activities

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

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

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

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

2. Material accounting policies

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

a. Basis of preparation

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

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

The financial statements have been prepared in accordance with the requirements of the Central Bank Act (Chapter 79:02) as amended and the accounting policies set out below.

The Central Bank Act is not prescriptive regarding the accounting framework that the Bank should adopt, except for section 35, which deals with the determination of the Bank's net profits. The Bank has therefore chosen to use IFRS Accounting Standards, including IFRS Accounting Standards Interpretations Committee interpretations, as a guide in deciding on the most appropriate accounting policies to adopt, and as a model for the presentation and disclosure framework followed in its financial statements.

The Central Bank Act takes precedence over IFRS Accounting Standards in the determination of the Bank's profits, as a result, the recognition and measurement criteria as set out in IFRS Accounting Standards have not been followed in these circumstances. In addition, the Bank considers certain recognition and measurement principles as well as disclosures inappropriate to its functions. The Bank's financial statements therefore disclose less detail than would be required under IFRS Accounting Standards. The significant departures from IFRS Accounting Standards as a consequence of the above are summarised as follows:

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

2. Material accounting policies (continued)

a. Basis of preparation (continued)

- IAS 21 – The Effect of Changes in Foreign Exchange Rates requires that all unrealised gains and losses be accounted for through the Statement of Comprehensive Income. The Central Bank Act requires that the profit for the year be transferred to the Consolidated Fund but does not distinguish between realised and unrealised profits. As such the Bank accounts for all unrealised gains and losses on Changes in Exchange Rates through the unrealised gains account. (see Note 22).
- IFRS 9 - Financial Instruments: Classification and Measurement, requires that where an asset is classified as fair value through profit and loss, the unrealised gains or losses on fair value movements should be recognised through the Statement of Comprehensive Income. The Central Bank Act requires the net profit for the year be transferred to the Consolidated Fund but does not distinguish between realised and unrealised profits. Therefore, the Bank recognises its unrealised gains or losses on its investments through the unrealised gains account. (see Note 22).
- IAS 19 – Employee Benefits, requires actuarial gains and losses to be recognised in the Statement of Comprehensive Income in the period in which they occur. The Central Bank Act requires the net profit for the year be transferred to the Consolidated Fund but does not distinguish between realised and unrealised profits. Therefore, the Bank recognises the actuarial gains or losses through the unrealised gains account. (see Note 22).

The accounting treatment adopted for each of these departures are identified in Note 22. The impact of this is reflected in the improved stability in the operations of the Bank. Management considers that these Financial Statements fairly represent the Bank's financial position, financial performance and cash flows.

b. Changes in accounting policies and disclosures

- i) New standards, amendments and interpretations that are effective and have been adopted by the Bank in the accounting period.
 - Amendment to IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates (effective January 1, 2023).

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

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

2. Material accounting policies (continued)

b. Changes in accounting policies and disclosures (continued)

i) New standards, amendments and interpretations that are effective and have been adopted by the Bank in the accounting period (continued).

- Amendments IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies (effective January 1, 2023).

The amendments require that an entity discloses its material accounting policy information instead of its significant accounting policies. Several paragraphs were added to explain how an entity can identify a material accounting policy information and examples given of when an accounting policy is likely to be material. Additionally, amendments were made to the IFRS Practice Statement by adding guidance and examples to explain and demonstrate the application of the 'four-step materiality process'. This amendment does not affect disclosure requirements of other IFRS.

Management has assessed the impact of all of the above-mentioned amendments and has determined that there is no material impact on the Bank.

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

There are new standards, amendments and interpretations to existing standards that are not yet effective for accounting periods beginning on or after January 1, 2023 and have not been early adopted by the Bank. The Bank intends to adopt these standards and interpretations, if applicable, when they become effective.

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

These standards and amendments include:

- Amendments to IAS 1 – Presentation of Financial Statements- Classification of Liabilities as Current or Non-Current (effective January 1, 2024).

The amendments clarify the requirements for classifying liabilities as current or non-current, it specifies that the conditions which exist at the end of the reporting period are those which will be used to determine if a right to defer settlement of a liability exists. Management expectations about events after the balance sheet date, for example on whether a covenant will be breached, or whether early settlement will take place, are not relevant. Additionally, the amendments clarify the situations that are considered settlement of a liability.

- Amendments to IFRS 16 – Leases – Lease liability in a sale and leaseback (effective January 1, 2024).

The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15- Revenue from Contracts with Customers to be accounted for as a sale. This amendment is not expected to have a significant impact on the Bank.

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

2. Material accounting policies (continued)

b. Changes in accounting policies and disclosures (continued)

ii) *New standards, amendments and interpretations that are not yet effective and have not been early adopted by the Bank (continued)*

- IFRS 18 – Presentation and Disclosures in Financial Statements (effective January 1, 2027)

IFRS 18 was issued in April 2024 and replaces IAS 1- Presentation of Financial Statements. The objective of this standard is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. This standard is currently being assessed by the Bank.

c. Consolidation

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

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

d. Foreign currency translation

i) *Functional and presentation currency*

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

ii) *Transactions and balances*

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

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

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

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

2. Material accounting policies (continued)

d. Foreign currency translation (continued)

iii) Special Drawing Rights

Transactions with the International Monetary Fund (IMF) are recorded at the local currency equivalent of Special Drawing Rights using rates notified by the IMF. Special Drawing Rights (SDR) are defined in terms of a basket of currencies. To revalue the Bank's holdings of SDRs, the value of the SDR was calculated as a weighted sum of the exchange rates of five major currencies (the US dollar, euro, Japanese yen, pound sterling and the Chinese renminbi) against the Trinidad and Tobago dollar. The TT: SDR rate as at September 30, 2024 was 0.109218 (2023 - 0.111129). See Note 11.

e. Critical accounting estimates and judgments

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

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

i) Estimated pension and post-employment medical plan

The estimate of the pension and post-employment medical plan obligations, in relation to the defined benefit plans operated by the Bank on behalf of its employees, are primarily based on the estimation of the present value of the benefit obligations are determined using actuarial valuations. independent qualified actuaries. The value of the obligations is affected by the actuarial assumptions used in deriving the estimate. An actuarial valuation involves using various assumptions determined by management and reviewed annually by the actuary that may differ from future developments.

These assumptions include:

- discount rates;
- inflation rates;
- rates of compensation increases;
- rates of pension increases;
- medical cost trends

ii) Provision for bad and doubtful debts

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

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

2. Material accounting policies (continued)

e. Critical accounting estimates and judgments (continued)

iii) Fair value of financial instruments

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

iv) Measurement of the expected credit loss allowance

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

v) Business Model Assessment

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

vi) Estimated replacement value of artwork

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

vii) As a financial institution, the Bank presents its assets and liabilities on the statement of financial position in order of liquidity. This provides information that is reliable and more relevant than a current or non-current presentation, because the Bank does not supply goods or services within a clearly identifiable operating cycle. The order of liquidity requires judgement, particularly considering the nature of the Banks's operations and mandate as the Central Bank of Trinidad and Tobago.

f. Cash and cash equivalents

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

g. Investment securities

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

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

2. Material accounting policies (continued)

g. Investment securities (continued)

The Bank classifies all of its financial assets based on the Bank's business model for managing the assets and the instruments' contractual cash flow characteristics, measured at either:

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

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

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

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

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

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

Financial assets held at amortised cost include:

- Local Government bonds
- Local treasury bills
- Loans to staff

Business model assessment

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

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

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

2. Material accounting policies (continued)

g. Investment securities (continued)

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

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

Solely Payments of Principal and Interest (SPPI) Test

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

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

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

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

h. Recognition and derecognition of financial instruments

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

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

2. Material accounting policies (continued)

i. Impairment of financial assets

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

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

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

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

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

Stage 1: 12 months ECL

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

Stage 2: Lifetime ECL – not credit impaired

When a financial asset has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECLs (i.e. reflecting the remaining lifetime of the financial asset).

Stage 3: Lifetime ECL – credit impaired

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

The Bank writes off financial assets when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. Indicators thereof include ceasing enforcement activities or where the collateral value indicates that there is no reasonable expectation of recovery.

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

2. Material accounting policies (continued)

i. Impairment of financial assets (continued)

Modifications

When the contractual cash flows of a financial instrument are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial instrument, the gross carrying amount is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial instrument's original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). A modification gain or loss is recognised in profit or loss for the change in the gross carrying amount. Any costs or fees incurred adjust the carrying amount of the modified financial instrument and are amortised over the remaining term of the modified financial instrument.

Measurement of expected credit losses (ECL)

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

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

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

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

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

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

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

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

2. Material accounting policies (continued)

i. Impairment of financial assets (continued)

Measurement of expected credit losses (ECL) (continued)

The mechanics of the ECL method are summarised below:

Stage 1

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

Stage 2

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

Stage 3

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

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

- GDP growth
- Inflation rates
- Unemployment rates

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

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

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

2. Material accounting policies (continued)

j. Fair value measurement

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

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

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

Fair value is based on quoted prices (unadjusted) in active markets for identical assets or liabilities. These are readily available in the market and are normally obtainable from multiple sources.

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

Fair value is based on input other than quoted prices included within Level 1 that is observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

Fair value is based on input for the asset or liability that is not based on observable market data (i.e. unobservable inputs)

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

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

2. Material accounting policies (continued)

k. Offsetting financial instruments

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

l. Employee benefits

i) Pension benefits

The Bank operates a Defined Benefit Plan (Plan) for all its eligible employees. The assets of the Plan are held in a separate trustee administered plan, which is governed by Trust Deed and Rules under the Laws of Trinidad and Tobago.

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

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

The Plan's accounting costs are assessed on the basis of the Projected Unit Credit Method. A valuation is done every three years by independent actuaries. The last triennial valuation was performed as at September 30, 2023 and the next valuation would be performed as at September 30, 2026.

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

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the profit and loss in the period in which they arise. Remeasurements are not classified to profit or loss in subsequent periods. Past-service costs are recognised in profit or loss at the earlier of the following dates:

(i) when the plan amendment or curtailment occurs or, (ii) when the Bank recognises related restructuring costs or termination benefits.

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

ii) Post-employment medical benefits

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

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

2. Material accounting policies (continued)

m. Notes and coins

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

n. Leases

i) Leases (as lessee)

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

The Bank assesses whether a contract is, or contains a lease, at the inception of the contract. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In certain circumstances the determination of whether the contract is or contains a lease requires significant judgement.

ii) Finance leases (as lessor)

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

o. Intangible Assets

Intangible assets are identifiable non-monetary assets without physical substance which the Bank holds for its own use, and which are expected to be used for more than one year. This includes internally generated assets and purchased computer software. Where the Bank purchases software that does not relate directly to the operation of related hardware, it will be classified as an Intangible Asset in accordance with IAS 38. Following initial recognition intangible assets are carried at cost less any accumulated amortisation and impairment losses. The useful life of intangible assets is assessed as finite and are amortised over the useful economic life, but generally not exceeding ten years. The amortisation expense on intangible assets is recognised in the Statement of Comprehensive Income.

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

2. Material accounting policies (continued)

p. Property, plant & equipment

Property, plant and equipment are tangible items that are held by the Bank for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and are expected to be used during more than one period.

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

Artwork, which is classified under Fixtures and Fittings, is initially carried at cost. The Bank's Artwork is independently and professionally valued and is carried at its revalued amount, being its fair value at the date of revaluation. Any increase in the carrying amount as a result of the revaluation is recognised as a provision for revaluation of artwork except to the extent that the increase reverses a revaluation deficit of the Artwork previously recognised in the Statement of Comprehensive Income. The Bank conducts valuations every five years, with the most recent being performed at September 2021. The next valuation is therefore due September 2026.

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

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

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

q. Taxation

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

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

2. Material accounting policies (continued)

r. Provisions

Provisions are liabilities of uncertain timing or amount and are recognised when the Bank has a present legal or constructive obligation as a result of past events for which it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at management's estimate of the expenditure required to settle that obligation at the end of each reporting period, and are discounted (at a rate that reflects current market assessments of the time value of money and the risks specific to the liability) to present value where the effect is material. Provisions are not recognised for future operating losses.

s. Gold holdings

Gold is valued at the market price prevailing at the year end. No distinction is made between the price and currency revaluation differences for gold. Instead, a single gold valuation is accounted for on the basis of the price in Trinidad and Tobago dollars per troy ounce of gold. Gains or losses on gold, held by the Bank, are recognised within the Bank's net profit only when realised.

t. Subscriptions to international financial institutions

The Bank acts as financial agent for the Government of the Republic of Trinidad and Tobago (GORTT) with international financial institutions (See Note 10), consistent with Sections 33 and 36 of the Central Bank Act. In order to provide a more appropriate presentation, these amounts include the portion of the GORTT's contributions issued to these organisations in the form of Promissory Notes where applicable. These balances are stated at cost once there is no quoted market price in an active market and the fair value cannot be reliably determined. For those that are quoted in an active market, the instrument is carried at fair value based on the closing price at year end.

u. Capital

The entire capital of the Bank is held by the GORTT. Provision is made in Section 34(5) of the Central Bank Act for the Paid-up portion of the authorised capital of the Bank to be increased each year by an amount of not less than fifteen percent (15%) of the amount to be paid into the Consolidated Fund, until the Paid-up portion of the Authorised Capital is equal to the Authorised Capital. Currently the Paid up portion of the Authorised Capital of the Bank is equal to the Authorised Capital (see Note 30).

v. Reserves

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

w. Transfer of net profit

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

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

2. Material accounting policies (continued)

x. Revenue recognition

i) Interest income and interest expense

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

Interest income is recognised using the effective interest method, taking into account the principal outstanding and the effective interest rate over the period to maturity. Interest income is recognised in profit or loss for all financial assets measured at amortised cost and debt instruments measured at FVOCI. Where financial assets have been impaired, interest income continues to be recognised on the impaired value, based on the original effective interest rate. Interest income includes the amortisation of any discount or premium, or other differences between the initial carrying amount of an interest-bearing instrument and its amount at maturity calculated on an effective interest basis.

Interest income for all financial assets measured at FVPL is presented separately from interest income from financial assets measured at amortised cost and debt instruments measured at FVOCI

ii) Dividend income

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

iii) Other income and expenses

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

y. Comparatives

Where necessary comparative figures have been adjusted to conform to changes in presentation in the current year.

z. Related parties

Related parties include, but are not limited to subsidiaries and members of management who hold positions of responsibility within the Bank including those charged with governance in accordance with legislation, and members of management that are responsible for the strategic direction and operational management of the Bank and are entrusted with significant authority. Their responsibilities may enable them to influence the benefits of office that flow to them, their related parties or parties that they represent on the governing body.

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

3. Financial risk management

a. Operational risk

This is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. Operational risk management includes bank-wide corporate policies which describe the standard of conduct required of staff and specific internal control systems designed around the particular characteristics of various Bank activities.

In addition to operational risk, the Bank is exposed to various financial risks arising from its responsibility for the management of the official foreign currency reserves of the country. These risks and the measures taken to mitigate them in the Reserves Portfolio are explained below.

b. Credit risk

The Reserves Portfolio invests mainly in fixed income and cash equivalent securities which exposes it to credit risk. This is the risk that a counterparty will be unable to pay amounts in full when due.

Credit risk is mitigated by the establishment of minimum rating standards and counterparty exposure limits.

Money market counterparts must have a minimum credit rating of either A-1 from S&P Global Ratings or P-1 from Moody's Investors Service Inc. or F1 from Fitch Ratings Inc. An exception applies for specialised financial institutions approved by the Reserves Oversight Committee. Issuers of debt securities must be rated at least AA- by S&P Global Ratings or Aa3 by Moody's Investors Service Inc. or AA- by Fitch Ratings Inc. In the case of U.S. Asset Backed Securities, issuers must have a minimum rating of AAA from S&P Global Ratings or Aaa from Moody's Investors Services Inc. or AAA from Fitch Ratings Inc. In the event of a split rating, the higher credit rating applies. Should a debt security be downgraded below the minimum credit rating requirement, it must be sold within five business days or within an agreed upon timeframe.

The table below summarises the credit quality of the Reserves Portfolio's positions as at September 30, 2024:

S&P Credit Rating	Sep-24	Sep-23
A-1+	0.0%	1.3%
A-1	35.0%	39.0%
A-2	0.5%	0.4%
AAA	18.7%	14.6%
AA+	36.5%	38.6%
AA	2.3%	2.0%
AA-	4.8%	3.4%
Not Rated*	2.2%	0.8%

* Not Rated securities refer to securities issued by government related financial institutions that carry an implicit high-quality credit rating.

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

3. Financial risk management (continued)

c. Credit risk (continued)

The table below illustrates the investment grade credit quality categories, for the respective rating agencies:

Rating Category	S&P	Moody's	Fitch
High-Quality Grade	AAA	Aaa	AAA
	AA+	Aa1	AA+
	AA	Aa2	AA
	AA-	Aa3	AA-
Upper-Medium Grade	A+	A1	A+
	A	A2	A
	A-	A3	A-
Lower-Medium Grade	BBB+	Baa1	BBB+
	BBB	Baa2	BBB
	BBB-	Baa3	BBB-

Exposure to any one counterparty within the money market portfolios is limited to established limits based on the portfolio's market value.

The Bank is also exposed to counterparty risk through its investment in over-the-counter (OTC) foreign exchange derivatives. Exposure to any given counterpart is limited to established limits based on the market value of the portfolio per currency.

d. Concentration Risk

Concentration risk is the risk of loss attributable to holding investments in a single security or sector.

Concentration risk is managed at the overall portfolio level by ensuring diversification across asset classes within the risk tolerance approved by the Board of Directors. The portfolio is invested in two broad asset classes: Cash Equivalents including time deposits, treasury bills and agency discount notes; and Fixed Income including treasuries, government-related debt and securitised bonds.

Concentration risk is also managed at the sub-portfolio level. In the fixed income portfolios, money market issuers, other than the governments of the United States of America, Eurozone, United Kingdom and Japan, are limited to 5% of the portfolio. Fixed income issuer limits range between 5% and 25% depending on the credit rating and sector. There is no limit for fixed income securities issued by the Government of the United States of America and other AAA rated governments.

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
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3. Financial risk management (continued)

e. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises: currency risk, interest rate risk, credit spreads and price risk.

i. Currency Risk

This is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Bank is exposed to foreign currency risk due to fluctuations in exchange rates on transactions and balances that are denominated in currencies other than the Trinidad and Tobago dollar.

The eligible currencies for the Reserves Portfolio include the United States dollar, Canadian dollar, Australian dollar, New Zealand dollar, Euro, British pound, Swedish krona, Norwegian krone, Swiss francs, Japanese yen, and the Chinese renminbi. Currency risk is managed at the portfolio level. Each individual currency exposure is restricted to +/- 5% relative to the currency composition of the benchmark.

The Bank has significant exposure to the US dollar.

At the reporting date, the Bank's Net exposure to foreign exchange rate fluctuations, in Trinidad and Tobago dollar equivalent, was as follows:

	2024							
	US TT\$'000	GBP TT\$'000	CAD TT\$'000	EUR TT\$'000	YEN TT\$'000	SDR TT\$'000	OTHER TT\$'000	TOTAL TT\$'000
Foreign currency assets								
Cash and cash equivalents	14,588,539	7,103	3,003	5,252	6,673	-	656	14,611,226
Foreign currency investment securities	14,732,848	158,312	126,233	334,591	-	-	1,168,201	16,520,184
Other receivables and prepayments	1,758,127	757	1,012	52,538	11,757	-	29,096	1,853,286
Subscriptions to international financial institutions	890,474	-	-	-	-	-	13,815	904,289
IMF related assets	-	-	-	-	-	11,445,379	-	11,445,379
	\$31,969,987	\$166,172	\$130,247	\$392,380	\$18,430	\$11,445,379	\$1,211,768	\$45,334,364
Foreign currency liabilities								
Accounts payable	1,158,909	160,274	143,097	416,894		99,565	1,978,739	
Financial Liabilities	309,395	-	-	-	263	-	-	309,659
Demand liabilities	1,065,160	-	-	-	13,627	-	-	1,078,787
IMF - SDR Allocation	-	-	-	-	-	7,063,095	-	7,063,095
	2,533,464	160,274	143,097	416,894	13,890	7,063,095	99,565	10,430,280
Net foreign currency assets/(liabilities)	\$29,436,523	\$5,898	\$12,850	\$24,514	4,539	4,382,284	1,112,203	34,904,084

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

3. Financial risk management (continued)

e. Market Risk (continued)

i. Currency Risk (continued)

	2023							
	US TT\$'000	GBP TT\$'000	CAD TT\$'000	EUR TT\$'000	YEN TT\$'000	SDR TT\$'000	OTHER TT\$'000	TOTAL TT\$'000
Foreign currency assets								
Cash and cash equivalents	16,020,293	6,817	5,349	4,456	206,042		509	16,243,467
Foreign currency investment securities	17,560,855	186,008	101,885	464,524	826		831,293	19,145,392
Other receivables and prepayments	4,205,807	450	386	4,201	474,425		50,280	4,735,549
Subscriptions to international financial institutions	878,178					4,227,519	13,835	892,013
International Monetary Fund related assets						6,976,725		11,204,245
	\$38,665,134	\$193,275	\$107,620	\$473,181	\$681,294	\$11,204,245	\$895,917	\$52,220,665
Foreign currency liabilities								
Accounts payable	2,833,404	189,241	103,163	465,182	634,166		70,767	4,295,923
Financial Liabilities	101,017							101,017
Demand liabilities	936,612		111		5,714			942,436
International Monetary Fund - SDR Allocation						6,941,636		6,941,636
	3,871,033	189,241	103,274	465,182	639,880	6,941,636	70,767	12,281,013
Net foreign currency assets	\$34,794,101	\$4,034	\$4,347	\$7,999	\$41,414	\$4,262,608	\$825,150	\$39,939,653

NB. "Other" consists of Australian and New Zealand Dollars, and Swiss francs.

A 1% change in each currency in foreign exchange rates relative to the TT dollar would have changed the net asset as at September 30, 2024 and September 30, 2023 **as follows:**

	2024 '000	2023 '000
Change in net assets	\$349,041	\$399,397

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
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3. Financial risk management (continued)

e. Market risk(continued)

ii. Interest rate risk

This is the risk that the value of a financial instrument will fluctuate, due to changes in market interest rates.

Interest Rate Risk is managed at the portfolio level whereby the portfolio's duration must not vary from the benchmark's duration by more than plus or minus six (6) months.

	2024		2023	
	Portfolio	Index	Portfolio	Index
Fixed Income Mandate	1.61	1.44	1.65	1.40

iii. Price risk

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instruments or issuer, or factors affecting all similar financial instruments traded in the market.

Price risk is managed through asset class diversification and selection of securities within the limits approved by the Board of Directors.

The table below summarises the fixed income sector concentration within the Reserves Portfolio:

Fixed Income Sector Concentrations

	2024		2023	
	Fixed Income Mandate	Benchmark	Fixed Income Mandate	Benchmark
US Treasuries	44.35%	100.00%	45.70%	100.00%
Government Related	19.81%		18.33%	
CMO	0.17%		0.16%	
MBS	7.68%		8.34%	
ABS	17.89%		16.97%	
Covered	3.06%		2.03%	
Corporates	7.04%		8.47%	
Total	100.00%	100.00%	100.00%	100.00%

Note: Methodology based on Bloomberg Global Sector Classification Scheme (BCCLASS).

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
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3. Financial risk management (continued)

e. Market risk (continued)

iii. Price risk (continued)

The table below summarises the sensitivity of the Reserve Portfolio's net assets attributable to fixed income securities to fixed income price movements as at September 30. The analysis is based on the assumption that interest rates increased by 25 basis points and decreased by 25 basis points, with all other variables held constant, and that the fair value of the Fund's portfolio of fixed income securities moved according to their historic correlation with the price.

	2024 '000	2023 '000
Effect on net assets attributable to fixed income securities of a 25 basis points increase/decrease in interest rates	<u>\$38,506</u>	<u>\$45,525</u>

f. Liquidity risk

This is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

One of the core investment objectives of the Reserves Portfolio is the maintenance of sufficient liquid assets to support the national currency, service public sector debt and satisfy foreign currency obligations on behalf of the central government and the Central Bank. In order to meet this stated objective, the Reserves Portfolio is grouped into several tranches according to liquidity requirements. Furthermore, within each tranche, a combination of cash and short term assets such as treasury bills, agency discount notes, certificates of deposits and time deposits are maintained in accordance with the investment policy.

The table below analyses the Bank's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date:

	On Demand \$'000	Sep-24			Total \$'000
		Less than 1 month \$'000	1 - 12 months \$'000	> 12 months \$'000	
Non-Derivative Financial Liabilities					
Foreign currency liabilities					
Accounts payable	(775)	(1,977,938)	(25)	-	(1,978,739)
Demand liabilities - foreign	(1,078,787)	-	-	-	(1,078,787)
International Monetary Fund	(7,063,095)	-	-	-	(7,063,095)
Local currency liabilities					
Currency in circulation	(8,757,747)	-	-	-	(8,757,747)
Demand liabilities	(17,821,753)	-	-	-	(17,821,753)
International Monetary Fund related liabilities	(3,097,911)	-	-	-	(3,097,911)
Accounts payable	-	(3,530,561)	-	-	(3,530,561)
	<u>\$(37,820,068)</u>	<u>\$(5,508,499)</u>	<u>\$(25)</u>	<u>\$-</u>	<u>\$(43,328,593)</u>

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

3. Financial risk management (continued)

f. Liquidity risk (continued)

	On Demand	Sep-23				Total		
		Less than 1 month	1 - 12 months	> 12 months				
		\$'000	\$'000	\$'000	\$'000			
Non-Derivative Financial Liabilities								
Foreign currency liabilities								
Accounts payable	-	(4,295,921)	(2)	-	(4,295,923)			
Demand liabilities - foreign	(942,436)	-	-	-	(942,437)			
International Monetary Fund	(6,941,636)	-	-	-	(6,941,636)			
Local currency liabilities								
Currency in circulation	(8,929,473)	-	-	-	(8,929,473)			
Demand liabilities	(22,967,444)	-	-	-	(22,967,444)			
International Monetary Fund related liabilities	(3,054,974)	-	-	-	(3,054,974)			
Accounts payable	-	(5,818,313)	-	-	(5,818,313)			
	<u>\$(35,955,535)</u>	<u>\$(10,114,233)</u>	<u>\$(2)</u>	<u>\$-</u>	<u>\$(46,069,770)</u>			

The table below analyses the Bank's derivative financial instruments in a payable position:

	On Demand	Sep-24				Total		
		Less than 1 month	1 - 12 months	> 12 months				
		\$'000	\$'000	\$'000	\$'000			
Derivative Financial Liabilities								
- Mortgage-backed Securities								
Futures	-	-	-	(309,358)	(309,358)			
	<u>-</u>	<u>-</u>	<u>(300)</u>	<u>-</u>	<u>(300)</u>			
	<u>-</u>	<u>-</u>	<u>(300)</u>	<u>(309,358)</u>	<u>(309,659)</u>			
	On Demand	Sep-23				Total		
		Less than 1 month	1 - 12 months	> 12 months				
		\$'000	\$'000	\$'000	\$'000			
Derivative Financial Liabilities								
Mortgage-backed Securities								
Futures	-	-	-	(101,017)	(101,017)			
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(101,017)</u>	<u>(101,017)</u>			

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

4. Cash and cash equivalents

	2024 '000	2023 '000
Currency on hand	95,851	93,734
Balances held with banks	1,349,962	1,646,376
Repurchase agreements	3,534,149	1,823,925
Fixed deposits	8,806,552	11,726,642
Treasury bills	737,340	907,948
Short-term investments	94,254	227,044
	\$14,618,108	\$16,425,669

Represented by:

Foreign currency – cash and cash equivalents

Currency on hand	89,037	88,087
Balances held with banks	1,349,894	1,469,821
Repurchase agreements	3,534,149	1,823,925
Fixed deposits	8,806,552	11,726,642
Treasury Bills	737,340	907,948
Short-term investments	94,254	227,044
	14,611,226	16,243,467

Local currency – cash and cash equivalents

Cash on hand	6,815	5,647
Balances held with banks	67	176,555
	6,882	182,202
	\$14,618,108	\$16,425,669

Foreign currency – balances held with banks

This balance includes restricted cash in US dollars, related to Escrow accounts totaling \$732,559,570 (2023: \$670,471,577). This balance comprises of deposits received from Energy Companies licensed under the Petroleum Agreement to cover any remediation of pollution. The funds are maintained separate and apart from the Bank's reserve balances.

Local currency – balances held with banks

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

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Notes to the Financial Statements

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5. Investment securities

	2024 '000	2023 '000
Foreign currency investment securities		
Fair value through profit or loss	16,520,184	19,145,392
	16,520,184	19,145,392
Local currency investment securities		
Bonds - amortised cost	24	27
Fair value through profit or loss	3,500	3,500
	3,524	3,527
Total investment securities	\$16,523,708	\$19,148,919
Fair value through profit or loss:		
(i) Foreign currency		
Investment securities at cost	16,435,236	19,536,683
Appreciation/(diminution) in market value	84,948	(391,291)
	16,520,184	19,145,392
(ii) Local currency		
Investments in related enterprises (Note 6)	3,500	3,500
	3,500	3,500
Total fair value through profit or loss	16,523,684	19,148,892
Amortised cost:		
(i) Local currency		
Bonds	23	27
	23	27
Total amortised cost	23	27
Total investment securities	\$16,523,708	\$19,148,919

6. Investment in related enterprises

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

	2024 '000	2023 '000
Trinidad and Tobago Unit Trust Corporation	2,500	2,500
Deposit Insurance Corporation	1,000	1,000
	\$3,500	\$3,500

Central Bank of Trinidad and Tobago

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For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

6. Investment in related enterprises (continued)

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

7. Fair value of assets and liabilities

a. Fair value hierarchy

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

Recurring fair value measurement of assets and liabilities

Quantitative disclosures fair value measurement hierarchy for assets as at September 30, 2024

	Level 1 '000	Level 2 '000	Level 3 '000	Total '000
Financial assets				
Asset-backed securities:				
Auto loan receivable	-	1,440,095	-	1,440,095
Credit card receivable	-	953,768	-	953,768
Other asset-backed securities	-	254,749	-	254,749
Corporate Bonds	-	1,838,989	-	1,838,989
Mortgage-backed securities:				
Federal Home Loan Mortgage Corp. (MULTICLASS)	-	2,569	-	2,569
Federal Home Loan Mortgage Corp. (POOLS)	-	407,068	-	407,068
Federal National Mortgage Association (POOLS)	-	722,518	-	722,518
Federal National Mortgage Association (REMIC)	-	19,057	-	19,057
Gov't National Mortgage Association (MULTIFAMILY POOLS)	-	282,164	-	282,164
Gov't National Mortgage Association (REMIC)	-	4,225	-	4,225
Supranational issues	-	283,834	-	283,834
Government Issues	6,624,244	2,568,927	-	9,193,171
Gold	1,115,210	-	-	1,115,210
Investments in related enterprises	-	-	3,500	3,500
Derivatives	-	-	-	-
Futures contracts	2,767	-	-	2,767
Artwork	-	16,407	-	16,407
Total Financial assets	\$7,742,221	\$8,794,370	\$3,500	\$16,540,091

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

7. Fair value of assets and liabilities (continued)

a. Fair value hierarchy (continued)

Recurring fair value measurement of assets and liabilities (continued)

Quantitative disclosures fair value measurement hierarchy for assets as at September 30, 2024

	Level 1 '000	Level 2 '000	Level 3 '000	Total '000
Financial liabilities				
Derivatives				
Mortgage-backed securities	-	309,359	-	309,359
Futures	300	-	-	300
Total Financial liabilities	\$300	\$309,359	-	\$309,659
Quantitative disclosures fair value measurement hierarchy for assets as at September 30, 2023				
	Level 1 '000	Level 2 '000	Level 3 '000	Total '000
Financial assets				
Asset-backed securities:				
Auto loan receivable	-	1,399,984	-	1,399,984
Credit card receivable	-	897,018	-	897,018
Other asset-backed securities	-	646,238	-	646,238
Corporate Bonds	-	2,163,154	-	2,163,154
Mortgage-backed Securities:				
Federal Home Loan Mortgage Corp. (MULTICLASS)	-	3,740	-	3,740
Federal Home Loan Mortgage Corp. (POOLS)	-	303,263	-	303,263
Federal National Mortgage Association (POOLS)	-	723,171	-	723,171
Federal National Mortgage Association (REMIC)	-	19,127	-	19,127
Gov't National Mortgage Association (MULTIFAMILY POOLS)	-	219,258	-	219,258
Gov't National Mortgage Association (REMIC)	-	4,537	-	4,537
Supranational issues	-	359,650	-	359,650
Government Issues	1,676,829	9,793,851	-	11,470,680
Gold	780,895	-	-	780,895
Investments in related enterprises	-	-	3,500	3,500
Derivatives				
Mortgage-backed securities	-	144,840	-	144,840
Futures contracts	9,837	-	-	9,837
Artwork	-	15,939	-	15,939
Total Financial assets	\$2,467,561	\$16,693,770	\$3,500	\$19,164,831

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

7. Fair value of assets and liabilities (continued)

a. Fair value hierarchy (continued)

Recurring fair value measurement of assets and liabilities (continued)

	Level 1 '000	Level 2 '000	Level 3 '000	Total '000
Financial liabilities				
Derivatives				
Mortgage-backed securities	-	101,017	-	101,017
Total Financial liabilities	\$-	\$101,017	\$-	\$101,017

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

b. Transfers between fair value hierarchy levels

There were no transfers between the hierarchy levels during the period October 1, 2023 and September 30, 2024.

c. Level 1 fair values

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

d. Level 2 fair values

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

e. Level 3 fair values

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

Valuation techniques used to derive Level 1 fair values

The fair value of financial instruments traded in active markets are based on quoted market prices as obtained from the custodians at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer broker or pricing services, and those prices represent actual and regularly occurring market transactions on an arm's-length basis. The quoted market price used for financial assets held by the Bank is the current price as per the custodian's pricing hierarchy. These instruments are included in Level 1.

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
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7. Fair value of assets and liabilities (continued)

e. Level 3 fair values

Valuation techniques used to derive Level 2 fair values

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

Specific valuation techniques used to value financial instruments include the following:

- quoted market prices or dealer quotes for similar instruments are used for gold and foreign exchange and investments;
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- the fair value of FECs is determined using forward exchange rates at the statement of financial position date, with the resulting value discounted back to present value; and
- the fair value of all other instruments are derived with reference to yields.

8. Retirement benefit

	2024 '000	2023 '000
a) Retirement benefit asset-pension plan		
Net Liability in Statement of Financial Position		
Present Value of Defined benefit obligation	(890,346)	(871,937)
Fair value of assets	976,861	1,016,615
Net Defined Benefit Asset	\$86,515	\$144,678

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

8. Retirement benefit (continued)

	2024 '000	2023 '000
a) Retirement benefit asset-pension plan (continued)		
Movement in Present Value of Defined Benefit Obligation		
Defined benefit obligation at start of year		
Defined benefit obligation at start of year	(871,937)	(835,403)
Current service cost	(20,562)	(21,731)
Interest cost	(55,178)	(52,981)
Members' contributions	(6,898)	(7,646)
Past service cost/(credit)	(8,504)	-
Re-measurements		
- Experience adjustments	25,918	4,548
- Actuarial (gains)/losses from changes in demographic assumptions	-	-
- Actuarial (gains)/losses from changes in financial assumptions	-	-
Benefits Paid	46,815	41,276
Defined Benefit Obligation at end of year	<u>$\$(890,346)$</u>	<u>$\$(871,937)$</u>

The defined benefit obligation (which is calculated using the prior year assumptions) is allocated between the Scheme's members as follows:

- Actives	55%	58%
- Deferred pensioners	2%	2%
- Pensioners	43%	40%

The weighted average duration of the defined benefit obligation at year end 12.9 years (2023 12.8 years).

Ninety-eight percent (98%) of the value of benefits for active members is vested.

Twenty-four percent (24%) of the defined benefit obligation for active member is contingent on future salary increases.

	2024 '000	2023 '000
Movement in Fair Value of Scheme Assets		
Fair Value of Scheme Assets at start of year		
Fair Value of Scheme Assets at start of year	1,016,615	1,032,284
Interest Income	65,332	66,564
Return on Scheme assets, excluding interest income	(81,713)	(65,537)
Bank Contributions	17,241	17,674
Members' Contributions	6,898	7,646
Benefits Paid	(46,815)	(41,276)
Expense Allowance	(697)	(740)
Fair Value of Scheme Assets at end of year	<u>$\$(976,861)$</u>	<u>$\$(1,016,615)$</u>

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

8. Retirement benefit (continued)

	2024 '000	2023 '000
a) Retirement benefit asset-pension plan (continued)		
Actual return on Scheme assets	(16,381)	1,027
Asset Allocation		
Regionally listed equities (prices quoted on regional exchanges)	240,854	289,315
Overseas equities (developed markets outside of CARICOM)	9,776	6,877
TT\$ Gov't and Gov't guaranteed bonds (no quoted market prices)	510,729	495,371
Other TT\$ bonds (no quoted market prices)	17,123	32,370
Local equity/income mutual fund	99,939	98,989
Cash and cash equivalents	98,440	93,693
Fair Value of Scheme Assets at end of year	\$976,861	\$1,016,615

All asset values as at June 30, 2024 were provided by the Bank, which were used to estimate the value as at September 30, 2024. Overseas equities have quoted prices in active markets. Local equities also have quoted prices but the market is relatively illiquid.

The majority of the Scheme's government bonds were issued by the Government of Trinidad & Tobago, which also guarantees many of the corporate bonds held by the Scheme.

The Scheme's assets are invested in a strategy adopted by the Scheme's Trustees. This strategy is largely dictated by statutory constraints (at least 70% of the assets must be invested in Trinidad and Tobago and no more than 50% in equities) and the availability of suitable investments. There are no asset-liability matching strategies used by the Scheme.

Expense recognised in the earnings statement:

	2024 '000	2023 '000
Current service cost	(20,562)	(21,731)
Net interest on net defined benefit asset	10,154	13,583
Past service cost	(8,504)	-
Expense allowance	(697)	(740)
Net pension cost	\$19,609	\$8,888

Re-measurements of net defined benefit asset

Experience losses	(55,795)	(60,989)
Actual return on plan assets	\$(55,795)	\$(60,989)

Reconciliation of opening and closing defined benefit assets:

Defined benefit asset at prior year end	144,678	196,881
Net pension cost	(19,609)	(8,888)
Re-measurements of net defined benefit asset	(55,795)	(60,989)
Bank contribution paid	17,241	17,674
Closing defined benefit asset	\$86,515	\$144,678

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
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8. Retirement benefit (continued)

a) Retirement benefit asset-pension plan (continued)

Summary of Principal assumptions as at September 30	2024	2023
Discount rate	6.50%	6.50%
Expected return on plan assets	n/a	n/a
Projected future rate of salary increase	5.47%	5.61%
Value of Pension Scheme Asset	Based on Fair Value at Statement of Financial Position Date	

Assumptions regarding future mortality are based on published mortality tables with an allowance for the mortality rates to improve by 0.5% pa each year in the future. The life expectancies underlying the value of the Defined Benefit Obligation as at September 30, 2024 and 2023 are as follows:

	2024	2023
Life expectancy at age 60 for current pensioner in years		
Male	22.0	21.9
Female	26.2	26.2
Life expectancy at age 60 for current members age 40 in years		
Male	22.8	22.8
Female	27.1	27.1

Sensitivity Analysis

The calculation of the Defined Benefit Obligation is sensitive to the assumptions used. The following table summarises how the Defined Benefit Obligation as at September 30, 2024 would have changed as a result of a change in the assumptions used.

	1% pa higher '000	1% pa lower '000
Discount rate	\$(79,759)	\$139,121
Future salary increases	\$35,802	\$(32,802)

An increase of 1 year in the assumed life expectancies shown above would increase the defined benefit obligation at September 30, 2024 by \$13.7 million. These sensitivities were calculated by re-calculating the defined benefit obligations using the revised assumptions.

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
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8. Retirement benefit (continued)

a) Retirement benefit asset-pension plan (continued)

Funding

The Bank meets the balance of the cost of funding the defined benefit Pension Scheme as determined by the Actuary subject to the Bank contributing at least as much as members. Member's contributions are fixed at 5% of pensionable salary. The funding requirements are based on regular (at least every 3 years) actuarial valuations of the Scheme and the assumptions used to determine the funding required may differ from those set out above. The Bank expects to pay contributions of \$17.9 million to the Pension Scheme in 2024/2025.

b) Retirement benefit liability: Post-Employment Medical Plan

	2024 '000	2023 '000
Net Liability in Statement of Financial Position		
Present Value of Defined benefit obligation	(47,135)	(50,622)
Fair value of assets	-	-
Net Defined Benefit Liability	<u><u>\$47,135</u></u>	<u><u>\$50,622</u></u>

	2024 '000	2023 '000
Movement in Present Value of Defined Benefit Obligation		
Defined Benefit Obligation at start of year	(50,622)	(42,504)
Current Service Cost	(2,064)	(1,814)
Interest Cost	(3,241)	(2,722)
Retirees' Premiums	(1,450)	(1,310)
Past Service Cost/(Credit)	-	-
Re-measurements		
- Experience adjustments	7,764	(4,539)
- Actuarial (gains)/losses from changes in demographic assumptions	-	-
- Actuarial (gains)/losses from changes in financial assumptions	-	-
Total Premiums Paid	2,478	2,267
Defined Benefit Obligation at end of year	<u><u>\$47,135</u></u>	<u><u>\$50,622</u></u>

The defined benefit obligation (which is calculated using the prior year assumptions) is allocated between the Plan's members as follows:

	2024	2023
- Actives	57%	56%
- Pensioners	43%	44%

The weighted average duration of the defined benefit obligation at year end is 15.7 years. Fifty-seven percent (57%) of the value of benefits for active members is vested.

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
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8. Retirement benefit (continued)

b) Retirement benefit liability: Post-Employment Medical Plan (continued)

Movement in Fair Value of Plan Assets	2024	2023
	'000	'000

The plan has no assets.

Expense recognised in the earnings statement:		
Current service cost	(2,064)	(1,814)
Net interest on net defined benefit liability	(3,241)	(2,722)
Past service cost/(credit)	-	-
Net Benefit Cost	<u>$\\$(5,305)$</u>	<u>$\\$(4,536)$</u>
	2024	2023
	'000	'000

Re-measurements of net defined benefit obligation

Experience gains/(losses)	7,764	(4,539)
Effects of Asset Ceiling	-	-
	<u>$\\$7,764$</u>	<u>$\\$(4,539)$</u>

Reconciliation of opening and closing defined benefit liability

Opening defined benefit liability	(50,622)	(42,504)
Net benefit cost	(5,305)	(4,536)
Re-measurements of net benefit obligation	7,764	(4,539)
Premiums paid by the Bank	1,028	957
Closing defined benefit liability	<u>$\\$(47,135)$</u>	<u>$\\$(50,622)$</u>

Summary of Principal assumptions as at September 30	2024	2023
Discount rate	6.50%	6.50%
Premium rate increases	5.00%	5.00%

Assumptions regarding future mortality are based on published mortality tables with an allowance for mortality rates to improve in future at 0.5% pa. The life expectancies underlying the value of the Defined Benefit Obligation as at September 30 2024 and 2023 are as follows:

	2024	2023
Life expectancy at age 60 for current pensioner in years		
Male	22.0	21.9
Female	26.2	26.2

Life expectancy at age 60 for current members age 40 in years

Male	22.8	22.8
Female	27.1	27.1

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For the year ended September 30, 2024
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8. Retirement benefit (continued)

b) Retirement benefit liability: Post-Employment Medical Plan

Sensitivity Analysis

The calculation of the Defined Benefit Obligation is sensitive to the assumptions used. The following table summarises how the Defined Benefit Obligation as at September 30, 2024 would have changed as a result of a change in the assumptions used.

	1% pa higher '000	1% pa lower '000
Discount rate	\$(6,220)	\$7,795
Future rate of medical cost inflation	\$7,672	\$(6,233)

An increase of 1 year in the assumed life expectancies shown above would increase the defined benefit obligation at September 30, 2024 by \$1.6 million.

These sensitivities were calculated by re-calculating the defined benefit obligations using the revised assumptions.

Funding

The Bank's Post-Retirement Medical Plan is now fully insured. The Bank expects to pay \$1.078 million in retiree medical benefit premiums in 2024/2025 (net of retiree contributions).

9. Other receivables and prepaid expenses

	2024 '000	2023 '000
Foreign currency other receivables and prepaid expenses		
Pending trades – investments sold	1,677,218	4,483,014
Foreign interest receivable	172,942	249,655
Other receivables	3,126	2,880
	<u>\$1,853,286</u>	<u>\$4,735,549</u>
Local currency other receivables and prepaid expenses		
Interest receivable on domestic investments	-	1
Amounts recoverable from GORTT (Note 33)	2,171,015	2,171,787
Loans to staff	103,467	104,724
Other receivables	289	1,240
Prepayments	14,261	12,856
Suspense accounts – pending transfers	51	261
Value added tax	1,825	1,925
	<u>\$2,290,908</u>	<u>\$2,292,794</u>

Central Bank of Trinidad and Tobago

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9. Other receivables and prepaid expenses (continued)

a). Loans to staff

	2024 '000	2023 '000
Mortgages	56,281	56,403
Motor vehicles	11,403	8,834
General purpose	32,588	33,353
Bridging	2,927	5,514
Medical	253	500
Other	611	664
Provisions and Expected Credit Loss	<u>(596)</u>	<u>(544)</u>
Total loans to staff	\$103,467	\$104,724

Loans to staff represents mortgages, motor vehicles, medical and other loans advanced to staff.

10. Subscriptions to international financial institutions

	2024 '000	2023 '000
Banco Latino Americano De Exportaciones	35,178	22,953
Caribbean Development Bank	8,194	8,194
Caribbean Information and Credit Rating Services Ltd	1,768	1,768
Corporation Andina de Fomento	726,499	726,456
Inter-American Development Bank	6,695	6,694
International Bank for Reconstruction & Development	118,881	118,874
International Development Association	6,741	6,741
International Finance Corporation	<u>333</u>	<u>333</u>
Total	\$904,289	\$892,013

The holdings in Banco Latino Americano De Exportaciones (Bladex) are based on a quoted market price off the New York Stock Exchange of US\$ 32.49 per share as at September 30, 2024 (2023 US\$ 21.20 per share).

11. International Monetary Fund- related assets and liabilities

	2024 '000	2023 '000
Foreign currency financial assets		
IMF Subscriptions (quota)	4,301,489	4,227,520
Holdings	<u>7,143,890</u>	<u>6,976,725</u>
Total claims on the IMF	\$11,445,379	\$11,204,245

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

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11. International Monetary Fund- related assets and liabilities (continued)

	2024 '000	2023 '000
Local currency financial liabilities		
IMF No. 1	126,970	20,328
IMF No. 2	13	13
Securities A/C Gov't Promissory Note (IMF)	2,970,928	3,034,633
IMF related liabilities	\$3,097,911	\$3,054,974
SDR allocations	\$7,063,095	\$6,941,636
Total liabilities to the IMF	\$10,161,006	\$9,996,610
Net position with the IMF	\$1,284,373	\$1,207,635

a. Promissory Notes due to international financial institutions

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

b. Holdings and Allocations of Special Drawing Rights

	2024	2023			
	SDRs '000	SDR rate	SDRs '000	SDR rate	'000
Holdings	780,241	0.109218	\$7,143,890	775,317	0.111129
Allocations	771,417	0.109218	\$7,063,095	771,417	0.111129

12. Advances to government

	2024 '000	2023 '000
Advances	5,918,093	6,880,429
	\$5,918,093	\$6,880,429

The advances made by the Bank to the GORTT are within the authorised statutory limit and are in accordance with the terms and conditions as outlined under Section 46 of the Central Bank's Act (as amended by the Finance Act, 2017).

13. Lease receivables

In 1995, the Bank entered into a thirty-year finance lease agreement with the GORTT for the purchase of the Ministry of Finance Building with a rate of interest of 2%. This lease agreement matured in January 2024; the Bank is currently in consultation with the Ministry of Finance to finalise the transfer of the legal title of the building.

	2024 '000	2023 '000
Gross receivable due	-	14,522
Present value of minimum lease payments	-	(14,237)
Total unearned finance income	\$-	\$285

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Notes to the Financial Statements

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13. Lease receivables (continued)

	2024 '000	2023 '000
Gross receivables due		
Not later than one year	-	14,522
Later than one year but within five years	-	-
	-	14,522
Less: unearned finance income	-	(285)
Net investment in finance lease	\$-	\$14,237

The net investment in finance lease is analysed as follows:

	2024 '000	2023 '000
Not later than one year	-	14,237
Later than one year but within five years	-	-
	\$-	\$14,237

14. Inventories

	2024 '000	2023 '000
Notes	100,130	94,621
Coins	9,041	14,973
	\$109,171	\$109,594

(i) Inventory of notes

	2024 '000	2023 '000
Opening balance	94,621	99,797
Cost of notes issued (Note 25)	(9,032)	(5,176)
Purchase of notes	14,541	-
Closing balance	\$100,130	\$94,621

(ii) Inventory of coins

	2024 '000	2023 '000
Opening balance	14,973	13,214
Cost of coins issued (note 25)	(6,902)	(5,730)
Purchase of coins	972	7,494
Sale of commemorative coins	-	(5)
Write-off (destruction)	(2)	-
Closing balance	\$9,041	\$14,973

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Notes to the Financial Statements

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15. Property, plant and equipment

	Land & Building '000	Leasehold Property '000	Machinery & Equipment '000	Computer Equipment '000	Furniture, Fixture & Fittings, Artwork '000	Capital Work in Progress '000	Total '000
As at September 30, 2024							
Net book value							
Balance as at October 1, 2023	31,249	10,626	28,607	9,726	21,778	7,599	109,585
Transfers	368	-	4,735	8,020	258	(13,618)	(237)
Reclassification (Note 17)	61	-	(41)	-	-	-	20
Additions	131	-	8,552	1,826	225	14,316	25,050
Disposals	-	-	(324)	-	-	-	(324)
Depreciation for the period	(10,539)	-	(10,047)	(5,672)	(1,462)	-	(27,720)
	21,270	10,626	31,482	13,900	20,799	8,297	106,374
Represented by:							
Cost	436,725	10,924	143,622	102,452	55,787	8,297	757,807
Accumulated depreciation	(415,455)	(298)	(112,140)	(88,552)	(34,988)	-	(651,433)
	\$21,270	\$10,626	\$31,482	\$13,900	\$20,799	\$8,297	\$106,374
As at September 30, 2023							
Net book value							
Balance as at October 1, 2022	41,975	10,626	12,908	11,463	22,951	9,547	109,470
Transfers	62	-	21,951	2,199	183	(24,395)	-
Additions	103	-	1,622	1,859	465	22,447	26,496
Disposals	-	-	(23)	-	(1)	-	(24)
Depreciation for the period	(10,891)	-	(7,851)	(5,795)	(1,820)	-	(26,357)
	31,249	10,626	28,607	9,726	21,778	7,599	109,585
Represented by:							
Cost	437,042	10,924	135,354	99,493	57,475	7,599	747,887
Accumulated depreciation	(405,793)	(298)	(106,747)	(89,767)	(35,697)	-	(638,302)
	\$31,249	\$10,626	\$28,607	\$9,726	\$21,778	\$7,599	\$109,585

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16. Intangible Assets

	Intangible assets '000
As at September 30, 2024	
Net book value	
Balance as at October 1, 2023	7,345
Additions	925
Amortisation for the period	<u>(1,404)</u>
	<u>6,866</u>
Represented by:	
Cost	14,614
Accumulated amortisation	<u>(7,748)</u>
	<u>\$6,866</u>
As at September 30, 2023	
Net book value	
Balance as at October 1, 2022	8,714
Amortisation for the period	<u>(1,369)</u>
	<u>7,345</u>
Represented by:	
Cost	13,690
Accumulated amortisation	<u>(6,345)</u>
	<u>\$7,345</u>

17. Non-current assets held for sale

	2024 '000	2023 '000
Freehold land	-	20
	<u>\$-</u>	<u>\$20</u>

The Bank owns a parcel of land located at Toco which the Board made a decision to dispose of in the financial year September 30, 2018. The land was therefore previously classified as Non-Current assets held for sale and was reflected in the Financial Statements at the lower of the carrying value and fair value less costs to sell. As of September 30, 2024, the land, despite being available for immediate sale, remains unsold. The bank is uncertain if a sale is highly probable within this financial year, hence it has been reclassified as property, plant, and equipment. See Note 15.

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Notes to the Financial Statements

For the year ended September 30, 2024
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18. Financial liabilities

	2024 '000	2023 '000
Financial Liabilities at Fair Value through Profit or Loss		
Derivatives		
Mortgage - Backed Securities	309,359	101,017
Future Contracts	300	-
	\$309,659	\$101,017

19. Demand liabilities

	2024 '000	2023 '000
(i) Demand liabilities – foreign currency		
Foreign deposits	7,991	6,358
Government special accounts	1,070,796	936,079
	\$1,078,787	\$942,437
(ii) Demand liabilities – local currency		
Commercial bank balances	15,357,200	17,925,549
Deposits by non-banking financial institutions	404,476	408,298
Statutory deposits - insurance companies	7,315	7,500
Deposits by government and government agencies	1,158,967	3,463,682
Deposits by other current accounts	765,808	1,013,784
Deposits by regional and international institutions	127,987	148,631
	\$17,821,753	\$22,967,444

Deposits by financial institutions

The Monetary Policy Committee (MPC) of the Central Bank of Trinidad and Tobago reduced the required statutory cash reserve ratios for financial institutions from 14 percent to 10 percent, as announced in the latest Monetary Policy Announcement on July 19, 2024. The daily average of excess reserves decreased from \$3,914 million in June 2024 to \$2,766 million between July 1 and July 18, 2024. The required reserve ratios for non-bank financial institutions remained unchanged at 9 percent of their prescribed liabilities.

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For the year ended September 30, 2024
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20. Accounts payable

	2024 '000	2023 '000
(i) Foreign currency accounts payable		
Bilateral accounts	775	-
Pending trades – investments purchased	1,975,782	4,295,748
Other payables	2,182	175
	\$1,978,739	\$4,295,923
(ii) Local currency accounts payable		
Trade payables and accrued charges	95,776	93,650
Interest payable	44,294	47,502
Unclaimed monies	113,138	94,328
Blocked accounts	2,713,427	4,971,241
Other payables	563,926	611,592
	\$3,530,561	\$5,818,313

Blocked accounts

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

21. Currency in circulation

	2024 '000	2023 '000
Notes in circulation	8,483,835	8,662,593
Coins in circulation	273,912	266,880
	\$8,757,747	\$8,929,473

The currency in circulation represents the value of physical banknotes and coins in circulation, held by the general public and financial institutions, recorded at the face value.

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22. Accumulated unrealised gains

The Central Bank Act specifies the income and expenses that are to be included in the determination of the Bank's net profit for the financial year which must be transferred to the GORTT's Consolidated Fund. The guidance provided in Section 35 of the Act does not recognise the concept of unrealised gains/losses that arise on the remeasurement of assets and liabilities.

In adopting the requirements of IFRS Accounting Standards as a guide for the preparation of the Banks financial statements, unrealised gains/losses arise on the remeasurement of certain assets and liabilities. Given that unrealised gains or losses are not distributable until the asset or liability is derecognised, the Bank is limited in its ability to transfer such unrealised gains or losses to the Consolidated Fund. The Bank has therefore utilised an unrealised gains/losses account on its statement of financial position to record the unrealised gains/losses that arise on the remeasurement of its assets and liabilities. Subsequently, when the said assets or liabilities are derecognised, the resulting realised gain or loss is recognised in the net profit for the year.

The accumulated unrealised gains/losses on the Banks assets and liabilities are summarised as follows:

	2024 '000	2023 '000
Gold holdings	886,452	555,005
Foreign currency exchange rate	5,533,250	5,379,334
Retirement benefit	39,380	94,056
Revaluation on investments	98,412	(352,634)
	\$6,557,494	\$5,675,761

	Gold Holdings '000	Foreign currency exchange rate '000	Retirement benefit '000	Revaluation on investments '000	Total '000
Balance as at October 30, 2023					
Net gain in fair value of investments	555,005	5,379,334	94,056	(352,634)	5,675,761
Net decrease in retirement benefit asset (note 8)	331,447	-	-	451,046	782,493
	-	-	(54,676)	-	(54,676)
Gains on changes in foreign currency exchange rates	-	153,916	-	-	153,916
Balance as at September 30, 2024					
	\$886,452	\$5,533,250	\$39,380	\$98,412	\$6,557,494
Balance as at October 1, 2022					
Net gain in fair value of investments	476,826	5,381,564	154,377	(678,903)	5,333,864
Net decrease in retirement benefit asset (note 8)	78,179	-	-	326,269	404,448
	-	-	(60,321)	-	(60,321)
Losses on changes in foreign currency exchange rates	-	(2,230)	-	-	(2,230)
Balance as at September 30, 2023					
	\$555,005	\$5,379,334	\$94,056	\$(352,634)	\$5,675,761

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23. Income from foreign currency assets

	2024 '000	2023 '000
Investment income		
Interest on United States dollar balances & securities	1,222,342	1,238,514
Interest on other foreign currency balances & securities	285,216	240,563
Other income	55,735	49,012
	1,563,293	1,528,089
Investment expenses		
Realised losses from currency translation	(22,633)	(26,457)
	(8,775)	(13,707)
Net (loss)/gain realised on disposal and amortisation of investment		
Net loss realised on disposal of investments	(35,254)	(287,267)
Amortisation of premium and discounts	178,968	126,605
	143,714	(160,662)
Total income from foreign assets	\$1,675,599	\$1,327,263

24. Income from local currency assets

	2024 '000	2023 '000
Interest income		
Advances to government and staff loans	1,072,016	947,378
Other investments	3,510	3,059
	\$1,075,526	\$950,437
Other income		
General earnings	1,157	1,525
Dividends	125	120
Fees charged to financial institutions	66,574	66,517
Profit on sale of assets	153	676
Other	2,065	1,667
	\$70,074	\$70,505

25. Printing of notes and minting of coins

	2024 '000	2023 '000
Cost of new notes issued (Note 14)	9,032	5,176
Cost of new coins issued (Note 14)	6,902	5,730
Other printing and minting expenses	299	1,176
	\$16,233	\$12,082

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26. Salaries and related expenses

	2024 '000	2023 '000
Salaries and allowances	209,621	239,792
National insurance	7,357	7,278
Employee benefits – pension and post-retirement medical plan (Note 8)	54,676	60,321
Other staff costs	47,536	43,161
	\$319,190	\$350,552

27. Other operating expenses

	2024 '000	2023 '000
Advertising and public relations	5,025	3,328
CL Financial expenses (Note 33)	488	1,759
Computer expenses	35,429	32,580
Conferences and meetings	2,731	1,914
Contribution to other organisations	2,119	2,235
Electricity	3,681	3,763
Insurance	6,004	4,091
Library expenses	4,258	3,695
Loss on disposal of assets	-	14
Maintenance cost	32,356	27,758
Printing and stationery	2,244	1,937
Professional fees	6,441	5,258
Rent	5,378	4,936
Telephone	6,500	5,906
Other expenses	6,661	4,959
	\$119,315	\$104,133

28. Capital commitments

There was \$5.1 million in outstanding commitments for capital expenditure as at September 30, 2024 (2023: \$3.8 million).

29. Leasehold obligations – operating leases

Operating leases where the Bank is the lessor

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

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30. Capital

	2024 '000	2023 '000
Authorised and paid up capital	\$800,000	\$800,000

31. Related party transactions

a. Government of the Republic of Trinidad and Tobago

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

	2024 '000	2023 '000
Interest income earned from local currency assets	1,071,091	946,221
Interest expense	91,887	85,861
Assets		
Local currency investment securities	23	27
Advances	5,918,093	6,880,429
Lease receivable	-	14,237
Interest receivable	-	1
Liabilities		
Demand liabilities – foreign	1,070,797	936,079
Demand liabilities - local	1,158,967	3,463,682
Accounts payable	2,713,427	4,971,241

b. Related enterprises

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

	2024 '000	2023 '000
Income		
Dividend income	125	120
Rental income	243	243
Other income	42	42
	\$410	\$405
Expenditure		
Salaries and related expenditure	2,126	2,011
	\$2,126	\$2,011
Ending period balances		
Investments in related enterprises	3,500	3,500
Payables to related enterprises	751,613	999,857

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
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31. Related party transactions (continued)

c. Key management compensation

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

	2024 '000	2023 '000
Short-term employee benefits	69,540	68,504
Employer pension contributions	3,289	2,861
*Directors' fees	1,886	2,128

* This includes the costs incurred for Group medical contributions.

32. Interest expense

	2024 '000	2023 '000
IMF – SDR allocation	279,994	237,611
Customer deposits	92,634	86,916
	\$372,628	\$324,527

33. Amounts recoverable from GORTT

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

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

A resolution strategy with a number of phases was developed to stabilise the activities of CLICO and BAT. The resolution strategy included the sale of the traditional insurance portfolios of these institutions to a suitable purchaser at prices consistent with independent valuations, and the repayment of the debt owed to the Government arising from bail out funding. Progress of the sale of the traditional insurance portfolios of CLICO and BAT while the Bank was in emergency control was impacted by court proceedings (which are ongoing) in the context of a challenge by one of the bidders for the portfolios.

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33. Amounts recoverable from GORTT (continued)

The repayment of the Government debt progressed steadily from 2015 with CLICO significantly reducing its liabilities to the Government during the period of Central Bank's emergency control. By way of a notification published in the Trinidad and Tobago Gazette, Vol. 61, No. 210, Item No. 1752 dated December 1, 2022, issued pursuant to section 44G of the Central Bank Act Chap. 79:02, the Bank has ceased to be in special emergency control of CLICO with effect from December 1, 2022. By way of a notification published in the Trinidad and Tobago Gazette, Vol. 61, No. 224, Item No. 1880 dated December 22, 2022, issued pursuant to section 44G of the Act, the Bank ceased to be in special emergency control of BAT with effect from December 22, 2022. All powers of control over the affairs, property and undertakings of CLICO and BAT vested in the Bank by or in consequence of the notification published in Legal Notice No. 32 of 2009 (dated February 13, 2009) in respect of CLICO and in Legal Notice No. 33 of 2009 (dated February 13, 2009) in respect of BAT, have been transferred to CLICO and BAT from December 1 and December 22, 2022, respectively.

By way of a notification published in the Trinidad and Tobago Gazette, Vol. 62, No. 52, Item No. 485 dated April 6, 2023, issued pursuant to section 44G of the Act, the Bank ceased to be in special emergency control of CIB (in compulsory liquidation) with effect from April 6, 2023.

This resulted in subsequent payments by the Bank on behalf of the GORTT totaling approximately \$2.2 billion (principal and interest inclusive), which is refundable to the Bank by the GORTT.

The Bank and CLICO continue to pursue civil proceedings initiated against former executives of CLICO. As a result of these actions the Bank currently has in its Financial Statements the following assets:

	2024 '000	2023 '000
Assets		
Amounts recoverable from GORTT	<u>\$2,171,015</u>	<u>\$2,171,787</u>

Legal, consultancy and other costs incurred in relation to all CLF matters have been disclosed in Note 27.

34. Contingent liabilities

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

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35. Reclassification of items listed on the Statement of Financial Position

To facilitate improved reporting in accordance with the International Accounting Standards, loans to staff were reclassified to Other receivables and prepaid expenses from Investment securities, advances to Government were reclassified to local assets (see Note 12) from demand liabilities-Local; Currency in circulation and International Monetary Fund related liabilities were reclassified from demand liabilities-Local and individually shown under Local currency liabilities (see Notes 21 and 19); a new category Non-financial assets were included; and the Retirement benefit liability on the post-retirement medical plan was reclassified from Retirement benefit asset to Retirement benefit liability. These changes neither impacted the Net Asset position previously reported nor the net profit reported in the Statement of Comprehensive Income.

	Previously Reported 2023 '000	Reclassification 2023 '000	Adjustment 2023 '000
Assets			
Foreign currency financial assets			
Subscriptions to International Financial Institutions	5,119,533	(4,227,520)	892,013
International Monetary Fund related assets	6,976,725	4,227,520	11,204,245
	12,096,258	-	12,096,258
Local currency financial assets			
Investment securities	108,251	(104,724)	3,527
Advances to government	-	6,880,429	6,880,429
Other receivables and prepaid expenses	2,188,070	104,724	2,292,795
Lease receivables	-	14,237	14,237
Retirement benefit asset	94,056	50,622	144,678
Other assets	123,831	(123,831)	-
Property, plant and equipment	109,585	(109,585)	-
Intangible assets	7,345	(7,345)	-
Non-current assets held for sale	20	(20)	-
	2,631,158	6,704,507	9,335,666
Non-financial assets			
Inventories	-	109,594	109,594
Property, plant and equipment	-	109,585	109,585
Intangible assets	-	7,345	7,345
Non-current assets held for sale	-	20	20
	-	226,544	226,544
Total Reclassified Assets	\$14,727,416	\$6,931,051	\$21,658,467
Liabilities			
Local currency liabilities			
Currency in circulation	-	8,929,473	8,929,473
Demand liabilities	28,071,462	(5,104,017)	22,967,444
International Monetary Fund related liabilities	-	3,054,974	3,054,974
Retirement benefit liability	-	50,622	50,622
Total Reclassified Liabilities	\$28,071,462	\$6,931,051	\$35,002,512

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36. Statement of Financial Position – Current / Non-Current distinction (continued)

	2024		
	Current '000	Non-Current '000	Total '000
Assets			
Foreign currency assets			
Cash and cash equivalents	14,611,226	-	14,611,226
Investment securities	1,514,531	15,005,653	16,520,184
Other receivables and prepaid expenses	1,853,286	-	1,853,286
Subscriptions to international financial institutions	-	904,289	904,289
International Monetary Fund related assets	-	11,445,379	11,445,379
	17,979,043	27,355,321	45,334,364
Local currency assets			
Cash and cash equivalents	6,882	-	6,882
Investment securities	-	3,523	3,523
Advances to government	5,918,093	-	5,918,093
Other receivables and prepaid expenses	2,204,279	86,630	2,290,909
Retirement benefit asset – pension plan	-	86,515	86,515
	8,129,254	176,668	8,305,922
Non-Financial assets			
Inventories	109,171	-	109,171
Property, plant and equipment	-	106,374	106,374
Intangible assets	-	6,866	6,866
	109,171	113,240	222,411
Total Assets	\$26,217,470	\$27,645,228	\$53,862,697

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36. Statement of Financial Position – Current / Non-Current distinction (continued)

	2024		
	Current '000	Non-Current '000	Total '000
Liabilities			
Foreign currency liabilities			
Accounts payable	1,978,739	-	1,978,739
Financial liabilities	300	309,359	309,659
Demand liabilities	1,078,787	-	1,078,787
International Monetary Fund - Allocation of Special Drawing Rights	-	7,063,095	7,063,095
	3,057,826	7,372,454	10,430,280
Local currency liabilities			
Currency in circulation	8,757,747	-	8,757,747
Provision for transfer of net profit to Consolidated Fund	2,019,816	-	2,019,816
Demand liabilities	17,821,753	-	17,821,753
International Monetary Fund related liabilities	126,983	2,970,928	3,097,911
Accounts payable	2,307,876	1,222,685	3,530,561
Accumulated unrealised gains	5,599,624	957,870	6,557,494
Retirement benefit liability – post-retirement medical plan	-	47,135	47,135
	36,633,798	5,198,619	41,832,417
Capital and reserves			
Capital	-	800,000	800,000
General reserve	-	800,000	800,000
	-	1,600,000	1,600,000
Total liabilities, capital and reserves	\$39,691,625	\$14,171,073	\$53,862,697
	2023		
	Current '000	Non-Current '000	Total '000
Assets			
Foreign currency assets			
Cash and cash equivalents	16,243,467	-	16,243,467
Investment securities	2,117,471	17,027,921	19,145,392
Other receivables and prepaid expenses	4,735,549	-	4,735,549
Subscriptions to international financial institutions	-	892,013	892,013
International Monetary Fund related assets	-	11,204,245	11,204,245
	\$23,096,487	29,124,179	\$52,220,666
Local currency assets			
Cash and cash equivalents	182,202	-	182,202
Investment securities	-	3,527	3,527
Advances to government	6,880,429	-	6,880,429
Other receivables and prepaid expenses	2,208,391	84,403	2,292,794
Lease receivables	14,237	-	14,237
Retirement benefit asset – pension plan	-	144,678	144,678
	\$9,285,259	\$232,608	\$9,517,867

Central Bank of Trinidad and Tobago

Notes to the Financial Statements

For the year ended September 30, 2024
(Expressed in Trinidad and Tobago Dollars)

36. Statement of Financial Position – Current / Non-Current distinction (continued)

	Current '000	Non-Current '000	Total '000
Non-Financial assets			
Inventories	109,594	-	109,594
Property, plant and equipment	-	109,585	109,585
Intangible assets	-	7,345	7,345
Non-current assets held for sale	20	-	20
	109,614	116,930	226,544
Total Assets	\$32,491,359	\$29,473,717	\$61,965,077
Liabilities			
Foreign currency liabilities			
Accounts payable	4,295,923	-	4,295,923
Financial liabilities	-	101,017	101,017
Demand liabilities	942,437	-	942,437
International Monetary Fund - Allocation of Special Drawing Rights	-	6,941,636	6,941,636
	5,238,360	7,042,653	12,281,013
Local currency liabilities			
Currency in circulation	8,929,473	-	8,929,473
Provision for transfer of net profit to Consolidated Fund	1,587,477	-	1,587,477
Demand liabilities	22,967,444	-	22,967,444
International Monetary Fund related liabilities	3,054,974	-	3,054,974
Accounts payable	5,104,026	714,287	5,818,313
Accumulated unrealised gains	5,234,819	440,942	5,675,761
Retirement benefit liability – post-retirement medical plan	-	50,622	50,622
	46,878,213	1,205,851	48,084,064
Capital and reserves			
Capital	-	800,000	800,000
General reserve	-	800,000	800,000
	-	1,600,000	1,600,000
Total liabilities, capital and reserves	\$52,116,572	\$9,848,504	\$61,965,077

37. Subsequent events

The Bank has evaluated subsequent events from October 1, 2024 through to December 18, 2024, the date the financial statements were available to be issued. The Bank did not have any subsequent events requiring recognition or disclosure in the financial statements.



B Family



B Family



A photograph of a man and a woman smiling. They are wearing uniforms from the Central Bank of Trinidad & Tobago. The man on the left is wearing a maroon polo shirt with a logo that includes the text 'CENTRAL BANK OF TRINIDAD & TOBAGO' and '60 1968-2028'. The woman on the right is wearing a maroon and blue striped polo shirt with a similar logo. They are outdoors, with green trees in the background.

APPENDICES 2023-2024

TABLE A.1
CURRENCY IN CIRCULATION
2019 – 2024
(TT\$ '000s)

End of Month	Notes (Old TT)	Notes (Republic)	Total Notes in Circulation	Coins	Total Currency in Circulation
Sep-19	19,044	8,606,726	8,625,770	244,951	8,870,721
Sep-20	19,044	7,930,631	7,949,675	252,096	8,201,771
Oct-19	19,043	8,839,561	8,858,604	257,043	9,115,647
Nov-19	19,085	8,551,309	8,570,394	261,029	8,831,423
Dec-19	19,085	8,643,551	8,662,636	266,880	8,929,516
Jan-20	19,085	8,464,794	8,483,879	273,912	8,757,791
Feb-20	19,044	8,606,726	8,625,770	244,951	8,870,721
Mar-20	19,044	7,930,631	7,949,675	252,096	8,201,771
Apr-20	19,043	8,839,561	8,858,604	257,043	9,115,647
May-20	19,085	8,551,309	8,570,394	261,029	8,831,423
Jun-20	19,085	8,643,551	8,662,636	266,880	8,929,516
Jul-20	19,085	8,464,794	8,483,879	273,912	8,757,791
Aug-20	19,044	8,606,726	8,625,770	244,951	8,870,721
Sep-20	19,044	7,930,631	7,949,675	252,096	8,201,771
Sep-21	19,043	8,839,561	8,858,604	257,043	9,115,647
Sep-22	19,085	8,551,309	8,570,394	261,029	8,831,423
Sep-23	19,085	8,643,551	8,662,636	266,880	8,929,516
Sep-24	19,085	8,464,794	8,483,879	273,912	8,757,791

Source: Central Bank of Trinidad and Tobago

TABLE A.2
CENTRAL BANK STATEMENT OF LIABILITIES AND ASSETS, 2023 – 2024
(TT\$ '000s)

End of Month	Currency in Circulation Total	LIABILITIES				ASSETS			
		DEPOSITS		EXTERNAL ASSETS		Advances to Government	TT Dollar Securities	Other Assets Including Fixed Asset	Total Assets
		1 Government & Government-Organisations	2 Other Liabilities	Subscription to International Monetary Fund	Subscription to International Organisations				
2022/23									
OCTOBER	8,909,273	19,295,940	511,798	2,047,494	10,173,800	19,940,299	1,600,000	62,478,604	19,520,111
NOVEMBER	8,806,471	19,999,603	467,616	2,509,986	10,174,137	20,112,923	1,600,000	63,570,736	17,935,754
DECEMBER	9,305,294	20,039,109	360,673	2,257,625	20,451,605	1,600,000	64,073,270	18,068,700	4,233,233
JANUARY	8,846,952	20,681,890	355,066	2,176,636	10,063,068	17,161,716	1,600,000	60,855,328	18,467,533
FEBRUARY	9,019,076	19,120,281	348,421	2,174,582	10,061,769	18,356,692	1,600,000	60,680,820	18,197,857
MARCH	8,946,316	18,328,370	376,547	4,999,159	10,059,063	17,676,331	1,600,000	61,985,786	18,863,087
APRIL	8,957,928	18,203,405	381,224	3,675,858	10,182,233	18,902,942	1,600,000	61,903,609	19,008,662
MAY	8,999,830	20,755,112	384,659	5,991,869	10,174,523	13,716,246	1,600,000	61,622,240	16,503,925
JUNE	8,885,085	18,487,603	399,049	4,092,236	10,145,988	15,768,284	1,600,000	59,385,246	20,449,757
JULY	8,940,742	20,443,976	392,513	6,372,646	10,145,745	12,926,585	1,600,000	60,822,207	19,557,270
AUGUST	8,883,798	19,347,980	416,655	7,456,116	10,145,115	12,676,461	1,600,000	60,546,126	4,227,519
SEPTEMBER	8,929,473	17,925,549	403,298	6,880,429	10,145,241	16,076,088	1,600,000	61,965,077	16,243,467
2023/24									
OCTOBER	8,899,303	18,946,779	402,788	2,224,699	10,145,557	19,797,251	1,600,000	62,016,376	14,911,700
NOVEMBER	9,037,022	17,894,719	422,209	1,811,904	10,136,799	19,433,346	1,600,000	60,336,019	13,867,836
DECEMBER	9,503,027	16,243,930	416,916	2,293,494	10,169,756	20,776,938	1,600,000	61,004,311	15,206,799
JANUARY	9,030,616	17,079,713	437,122	2,222,429	10,137,251	16,442,784	1,600,000	56,949,915	12,554,805
FEBRUARY	9,061,880	17,786,550	447,594	2,139,550	10,137,478	15,837,436	1,600,000	57,010,488	10,971,075
MARCH	9,178,860	17,930,342	449,085	2,279,284	10,128,604	15,380,159	1,600,000	56,944,334	12,489,073
APRIL	9,173,419	18,108,717	444,932	2,369,128	10,074,618	13,797,616	1,600,000	55,568,430	16,263,434
MAY	9,103,746	17,675,864	421,759	2,224,374	10,073,277	13,479,535	1,600,000	54,578,555	12,349,464
JUNE	8,774,464	16,622,491	419,803	2,236,650	10,009,829	16,350,312	1,600,000	56,013,548	17,958,345
JULY	8,825,773	15,892,388	415,517	2,148,064	10,125,570	14,734,138	1,600,000	53,741,449	15,277,030
AUGUST	8,679,842	16,057,162	405,313	2,277,734	10,123,342	14,979,074	1,600,000	54,122,467	13,797,414
SEPTEMBER	8,757,747	15,357,200	404,476	2,229,784	10,288,993	15,224,517	1,800,000	53,882,697	14,611,226

Source: Central Bank of Trinidad and Tobago

1 Includes Exchequer and Other Deposits by Public Sector Corporations.

2 Includes Foreign Currencies on hand

TABLE A.3
COMMERCIAL BANKS:
AVERAGE DEPOSIT LIABILITIES AND REQUIRED AND ACTUAL CASH RESERVES
for Period Ending September 2024
(TT\$ '000s)

Reserve Period Ending	Average Deposit Liabilities	Required Cash Reserves	Average Cash Reserves
04-Oct-23	96,775,400	13,548,556	18,291,225
11-Oct-23	97,151,200	13,601,168	18,504,782
18-Oct-23	96,633,521	13,528,693	18,258,109
25-Oct-23	96,588,229	13,522,352	18,271,873
01-Nov-23	96,114,529	13,456,034	18,903,341
08-Nov-23	95,890,757	13,424,706	19,079,507
15-Nov-23	95,977,686	13,436,876	17,876,375
22-Nov-23	95,974,964	13,436,495	18,262,090
29-Nov-23	95,856,536	13,419,915	14,016,255
06-Dec-23	95,781,771	13,409,448	18,766,517
13-Dec-23	95,801,057	13,412,148	18,217,348
20-Dec-23	95,955,321	13,433,745	18,134,048
27-Dec-23	96,334,179	13,486,785	16,855,604
03-Jan-24	96,828,293	13,555,961	16,555,573
10-Jan-24	97,038,729	13,585,422	16,582,380
17-Jan-24	97,006,036	13,580,845	16,287,273
24-Jan-24	96,775,157	13,548,522	17,224,971
31-Jan-24	96,400,179	13,496,025	17,026,083
07-Feb-24	96,431,514	13,500,412	17,476,774
14-Feb-24	96,570,286	13,519,840	17,055,509
21-Feb-24	96,804,693	13,552,657	17,426,573
28-Feb-24	96,893,286	13,565,060	17,288,329
06-Mar-24	97,027,014	13,583,782	17,838,376
13-Mar-24	97,286,607	13,620,125	17,716,268
20-Mar-24	97,508,871	13,651,242	18,091,339
27-Mar-24	97,685,571	13,675,980	17,677,501
03-Apr-24	97,672,250	13,674,115	17,752,825
10-Apr-24	97,672,250	13,674,115	17,849,619
17-Apr-24	97,217,271	13,610,418	17,672,777
24-Apr-24	97,114,529	13,596,034	17,290,552
01-May-24	96,917,014	13,568,382	18,001,902
08-May-24	96,980,429	13,577,260	18,422,866
15-May-24	97,367,007	13,631,381	17,987,590
22-May-24	97,658,229	13,672,152	17,277,073
29-May-24	97,913,614	13,707,906	17,356,443
05-Jun-24	97,899,250	13,705,895	17,746,385
12-Jun-24	97,742,129	13,683,898	17,994,989
19-Jun-24	97,533,329	13,654,666	17,849,107
26-Jun-24	97,458,250	13,644,155	17,412,941
03-Jul-24	97,443,986	13,642,158	16,640,784
10-Jul-24	97,452,471	13,643,346	16,523,420
17-Jul-24	97,121,879	13,597,063	16,256,425
24-Jul-24	68,990,057	9,658,608	15,561,182
31-Jul-24	68,730,857	9,622,320	15,645,284
07-Aug-24	68,536,364	9,595,091	15,831,164
14-Aug-24	68,622,886	9,607,204	15,287,154
21-Aug-24	68,825,907	9,635,627	15,475,968
28-Aug-24	68,919,500	9,648,730	15,294,798
04-Sep-24	69,078,357	9,670,970	15,964,695
11-Sep-24	69,242,336	9,693,927	15,953,258
18-Sep-24	69,382,793	9,713,591	16,002,317
25-Sep-24	69,544,100	9,736,174	16,829,214

Source: Central Bank of Trinidad and Tobago

TABLE A.4
NON-BANK FINANCIAL INSTITUTIONS:
AVERAGE DEPOSIT LIABILITIES AND REQUIRED AND ACTUAL CASH RESERVES
for Period Ending September 2024
 (TT\$ '000s)

Reserve Period Ending	Average Deposit Liabilities	Required Cash Reserves	Average Cash Reserves
04-Oct-23	4,344,889	391,040	402,269
11-Oct-23	4,330,622	389,756	401,101
18-Oct-23	4,317,411	388,567	399,953
25-Oct-23	4,348,289	391,346	403,879
01-Nov-23	4,394,211	395,479	406,906
08-Nov-23	4,441,222	399,710	411,067
15-Nov-23	4,510,767	405,969	416,998
22-Nov-23	4,550,078	409,507	419,768
29-Nov-23	4,570,822	411,374	422,210
06-Dec-23	4,556,300	410,067	420,968
13-Dec-23	4,548,856	409,397	414,852
20-Dec-23	4,554,922	409,943	415,147
27-Dec-23	4,570,644	411,358	416,916
03-Jan-24	4,634,778	417,130	422,090
10-Jan-24	4,673,111	420,580	425,636
17-Jan-24	4,702,522	423,227	428,432
24-Jan-24	4,766,067	428,946	437,941
31-Jan-24	4,766,067	428,946	437,941
07-Feb-24	4,825,511	434,296	443,676
14-Feb-24	4,871,589	438,443	444,257
21-Feb-24	4,890,800	440,172	445,911
28-Feb-24	4,910,078	441,907	447,594
06-Mar-24	4,930,489	443,744	449,317
13-Mar-24	4,935,633	444,207	449,626
20-Mar-24	4,945,722	445,115	450,602
27-Mar-24	4,928,311	443,548	449,085
03-Apr-24	4,898,411	440,857	446,169
10-Apr-24	4,898,411	440,857	446,995
17-Apr-24	4,863,800	437,742	444,612
24-Apr-24	4,874,033	438,663	443,540
01-May-24	4,885,433	439,689	444,427
08-May-24	4,819,733	433,776	440,338
15-May-24	4,770,456	429,341	435,144
22-May-24	4,693,233	422,391	434,269
29-May-24	4,620,800	415,872	421,759
05-Jun-24	4,612,289	415,106	421,198
12-Jun-24	4,591,433	413,229	419,888
19-Jun-24	4,588,656	412,979	421,220
26-Jun-24	4,578,111	412,030	419,803
03-Jul-24	4,565,178	410,866	418,935
10-Jul-24	4,550,178	409,516	417,584
17-Jul-24	4,539,700	408,573	416,580
24-Jul-24	4,532,178	407,896	419,394
31-Jul-24	4,523,944	407,155	415,517
07-Aug-24	4,495,578	404,602	413,829
14-Aug-24	4,452,722	400,745	410,482
21-Aug-24	4,409,589	396,863	407,130
28-Aug-24	4,383,711	394,534	405,313
04-Sep-24	4,383,711	394,534	405,645
11-Sep-24	4,378,800	394,092	404,808
18-Sep-24	4,381,900	394,371	404,936
25-Sep-24	4,377,256	393,953	404,476

Source: Central Bank of Trinidad and Tobago

NOTES



CENTRAL BANK OF
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