

**ANNUAL
REPORT
2022**



CENTRAL BANK OF
TRINIDAD & TOBAGO

A graphic consisting of a blue circular border with a grey teardrop shape pointing to the right. The text 'OUR PURPOSE' is centered within the grey shape.

OUR
PURPOSE

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**.



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 continuously 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).



CENTRAL BANK OF
TRINIDAD & TOBAGO

LETTER OF TRANSMITTAL



CENTRAL BANK OF
TRINIDAD & TOBAGO

December 20, 2022

The Honourable Colm Imbert
Minister of Finance
Ministry of Finance
Eric Williams Finance Building
Independence Square
PORT OF SPAIN

REF: CB-G-96/2022

Dear Minister Imbert

In accordance with Section 53(1) of the Central Bank Act Chapter 79:02, I enclose herewith the Report of the Central Bank of Trinidad and Tobago for the year ended September 30, 2022.

Yours sincerely

Alvin Hilaire
Governor



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PART 1



Governor's Foreword

The financial year 2021/22 saw a steady revival of the Trinidad and Tobago economy as business activity continued to reopen following pandemic-induced lockdowns. At the same time, the global economic situation was complicated by the combination of geopolitical tensions, high inflation that led to widespread monetary tightening, and volatility in financial markets. The period also marked the first year of the Central Bank of Trinidad and Tobago's 2021/22-2025/26 Strategic Plan, a successor to an earlier Five-Year Plan. Good progress was made on all three of the Plan's pillars – monetary policy, financial stability and internal operations during the financial year and an ambitious set of objectives has been established for the year ahead.

Globally, there has been a rapid increase in food and fuel prices, driven by a mixture of supply shocks associated with the pandemic and the war between Russia and Ukraine. Many central banks have tightened monetary policy, resulting in higher interest rates and a slowdown in growth. This has led to some volatility in equity markets and depreciation pressures, as well as higher external borrowing costs in many emerging market and developing economies.

There are good signs of a measured broad-based recovery domestically. A revival of business credit has provided support to manufacturing, construction and distribution activities. The energy sector, as well as Government revenues, benefitted from the rise in global energy prices. The openness of the domestic economy also meant that the escalation in international commodity prices was passed on locally. Domestic inflation reached over six per cent in August and September and is likely to move higher in the final months of 2022. In balancing these considerations, the Central Bank kept the Repo rate at 3.50 per cent over the period. The Bank remains poised to calibrate monetary policy as appropriate, based on the evolution of the data and market intelligence.

With respect to internal operations at the Central Bank, good progress was made in fortifying the information technology (IT) systems, moving towards energy efficiency, and simplifying communication with the public on financial matters. Projects included the relocation of the IT hot site to a better-suited and secure facility and completing an independent report which assessed energy use



and provided recommendations for energy conservation. The Bank also conducted a Staff Opinion Survey in June 2022 as a follow-up to one administered in 2018. The results were shared with all staff, and were used to inform a practical action plan geared toward addressing identified areas. Health protocols due to the pandemic were adjusted during the year, while a hybrid arrangement – work from home alongside onsite presence – was instituted.

On the financial stability front, advances were made in strengthening intraregional supervisory collaboration and advancing the Fintech agenda. A Regional Financial Stability Report was finalised during the year, while insurance institutions received guidance in conforming to International Financial Reporting Standards (IFRS) standards. In addition, the new Payments and Market Infrastructure Department made significant strides in moving forward the regulatory apparatus for FinTech solutions. The Bank also collaborated closely with the Office of the Commissioner of Cooperative Development to bolster supervision of credit unions. Meanwhile, the Bank finalised preparations for its exit from emergency control of two insurance companies.

As regards monetary operations, steps were made towards implementing an Electronic Cheque Clearing System, while fees on the redemption of notes by commercial banks were

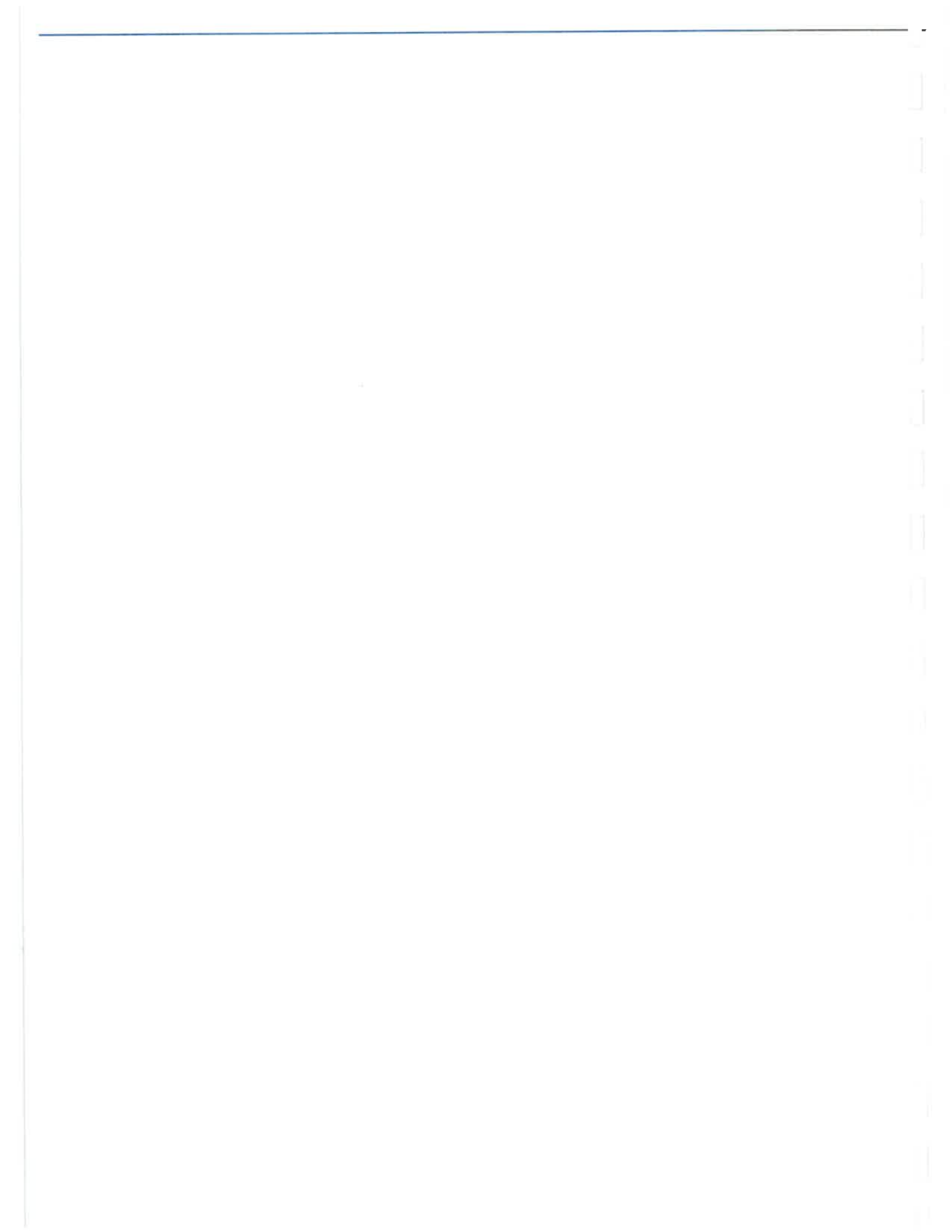
introduced to help streamline currency management. As one aspect of improving the operations of the foreign exchange market, the Foreign Exchange Liquidity Guarantee Facility was extended into 2023. The Bank also engaged in joint research with the Inter-American Development Bank and other agencies.

Looking forward, the Bank remains well poised to confront what promises to be another challenging year ahead. The global backdrop is expected to center around the likelihood of weak growth in many regions induced by policy responses to high inflation. Underlying risks associated with cybersecurity, climate change and an intensification of international competition also remain part of the equation. I am confident that the Central Bank staff, with its demonstrated track record of performance, will once again rise to the challenge.

Dr. Alvin Hilaire
Governor
Chairman of the Board



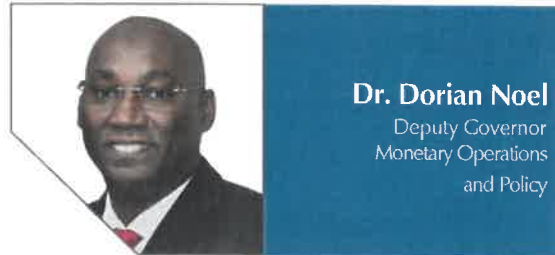
**LEADERSHIP AND
ORGANISATIONAL
STRUCTURE**



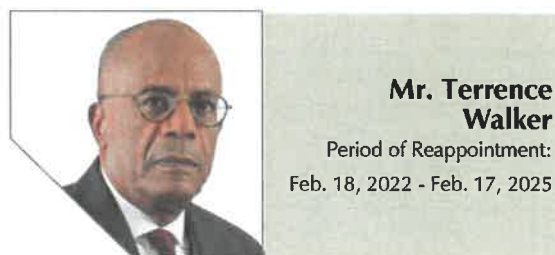
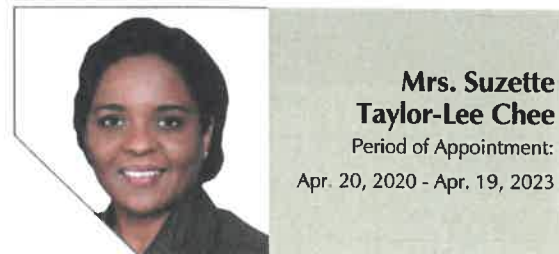
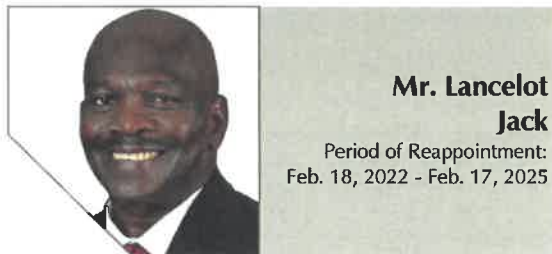
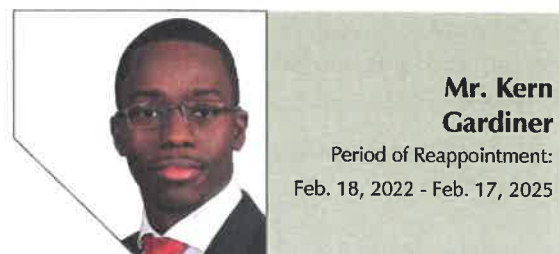
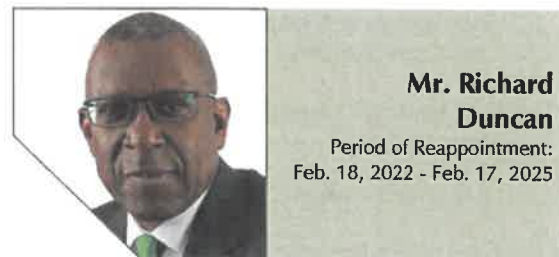
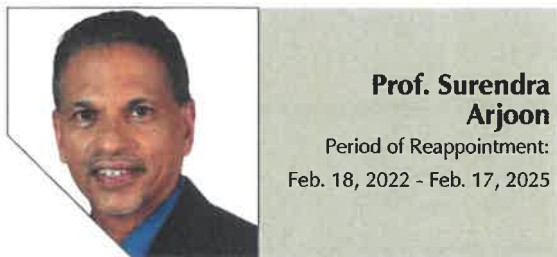


BOARD OF DIRECTORS

EXECUTIVE DIRECTORS



NON-EXECUTIVE DIRECTORS*



* All Directors served throughout the FY2021/22 period.



Board Governance

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 2021/22 financial year as follows:

- The terms of the following six Directors expired on February 17, 2022. They were re-appointed with effect from February 18, 2022 for a term of three years:
 - Ms. Lorraine Ferguson
 - Prof. Surendra Arjoon
 - Ms. Richard Duncan
 - Mr. Lancelot Jack
 - Mr. Terrence Walker
 - Mr. Kern Gardiner

- The following Director was appointed on March 14, 2022 and resigned from the Board effective March 18, 2022:
 - Mr. Martin Farinha

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 in calendar year 2021 and nine meetings in calendar year 2022.

The dates of the Meetings of the Board for the Financial Year (October 01, 2021 – September 30, 2022) are set out in **Table 1**.

Table 1 – Board Meetings for Financial Year 2021/22

DIRECTORS	2021			2022					
	Oct 29*	Nov 26*	Dec 17*	Jan 28*	Mar 25*	Apr 29**	May 27**	Jul 29**	Sep 30**
Dr. Alvin Hilaire	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr. Dorian Noel	✓	✓	✓	✓	✓	✓	✓	✓	✓
Prof. Surendra Arjoon	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ms. Richard Duncan	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Lancelot Jack	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Lorraine Ferguson	Abs	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Kern Gardiner	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Terrence Walker	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mrs. Suzette Taylor-Lee Chee	✓	✓	✓	Abs	✓	✓	✓	✓	✓

Source: Central Bank of Trinidad and Tobago

✓ Present	* Meeting held via video conference
Abs Absent	** Meeting held in hybrid format



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, 2021 – September 30, 2022)

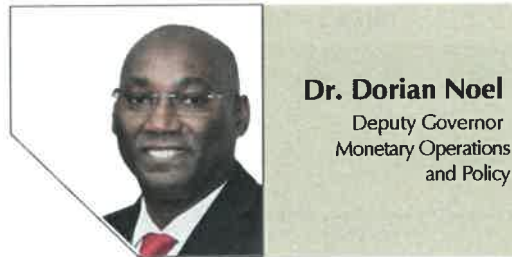
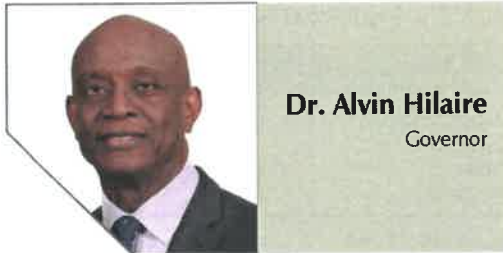
Committee	Members (Reappointed on March 25, 2022)
Audit Committee	Mr. Richard Duncan (Chair) Prof. Surendra Arjoon Mr. Kern Gardiner Ms. Lorraine Ferguson
Human Resource Committee	Prof. Surendra Arjoon (Chair) Mr. Lancelot Jack Mrs. Suzette Taylor Lee-Chee Mr. Terrence Walker
Information Technology Committee	Ms. Lorraine Ferguson (Chair) Mr. Lancelot Jack Mr. Kern Gardiner (Appointed on March 25, 2022)

Source: Central Bank of Trinidad and Tobago

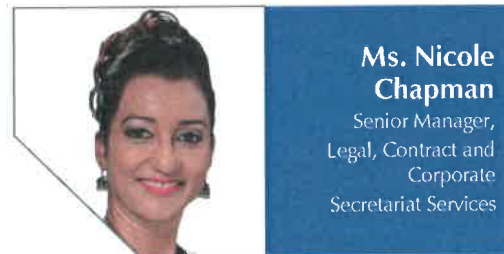


SENIOR MANAGEMENT

EXECUTIVES



SENIOR MANAGERS





SENIOR MANAGEMENT

SENIOR MANAGERS CONT'D



**Mr. Terrence
Clarke**
Senior Manager,
Macroeconomics/
Finance



**Mrs. Nicole
Crooks**
Senior Manager,
Human Resources,
Industrial and
External Relations



**Mrs. Michelle
Francis-Pantor**
Deputy Inspector of
Financial Institutions



Mr. Alister Noel
Senior Manager,
Operations



MANAGEMENT



**Ms. Sharon
Villafana**
Manager,
Banking Operations



**Ms. Leslie-Ann
Figaro**
Assistant Manager,
Banking Operations



**Mrs. Sonia
Raphael**
Assistant Manager,
Banking Operations



**Mrs. Christine
Nanton-Winter**
Assistant Manager,
External Relations
(Effective: Apr. 01, 2022)



**Mrs. Celina
Neptune**
Assistant Manager,
External Relations
(Date of Early Retirement:
Feb. 01, 2022)



**Mr. Christopher
Subryan**
Manager,
Finance and Accounting



**Ms. Isha
Marshall**
Assistant Manager,
Finance and Accounting



**Mrs. Sandra
Swan-Daniel**
Assistant Manager,
Finance and Accounting



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



**Mr. Kendall
Cuffy**
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



MANAGEMENT



**Mrs. Marlene Ming
Hon-Mackenzie**

Assistant Manager,
Insurance,
Financial Institutions
Supervision



**Mr. Dominic
Stoddard**

Financial Services
Ombudsman



**Ms. Louella-Anne
Edwards**

Manager,
Financial Technology and
Information Security



**Ms. Loren
Harrinauth**

Assistant Manager,
Applications,
Financial Technology and
Information Security



**Mrs. Lisa
Quintyne**

Assistant Manager,
Infrastructure,
Financial Technology and
Information Security



**Mrs. Heather
Huggins**

Manager,
Human Resources



**Mr. Randy
Marcano**

Chief Internal Auditor,
Internal Audit



Ms. Lenore Hodge

Assistant Manager,
Knowledge and
Information Management
(Date of Retirement:
Aug. 17, 2021)
(Retained on Contract
until Mar. 31, 2022)



**Ms. Leslie-Ann
Des Vignes**

Assistant Manager,
Payments and Financial
Markets Infrastructure
(Date of Early Retirement:
Sep. 01, 2022)



Dr. Kevin Finch

Manager,
Research



**Mrs. Susan
Ramirez**

Assistant Manager,
Research



**Dr. Reshma
Mahabir**

Assistant Manager,
Quantitative Research,
Research
(Assigned to the IMF)



MANAGEMENT



**Ms. Wendy
D'Arbasie**
Manager,
Reserves and Domestic
Market Management



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



**Mrs. Angela
Henry-Small**
Manager,
Statistics



**Mrs. Shanta
Dhoray-Baig**
Assistant Manager,
Statistics



**Mr. Vaughn
Halliday**
Manager,
Support Services
– Facilities



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



**Ms. Amrita
Gosine**
Assistant Manager,
Support Services
– Centralised



**Mr. Anson
Caliste**
Assistant Manager,
Support Services
– Facilities



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

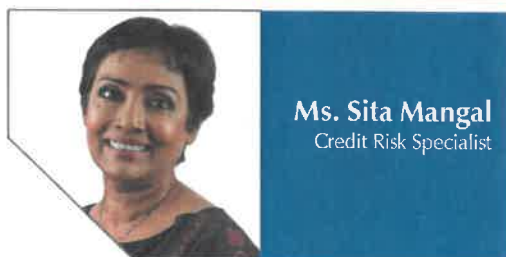
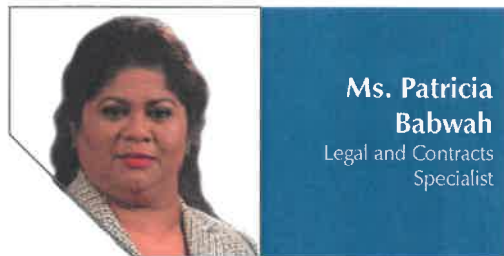


ADVISORS AND SPECIALISTS

ADVISORS



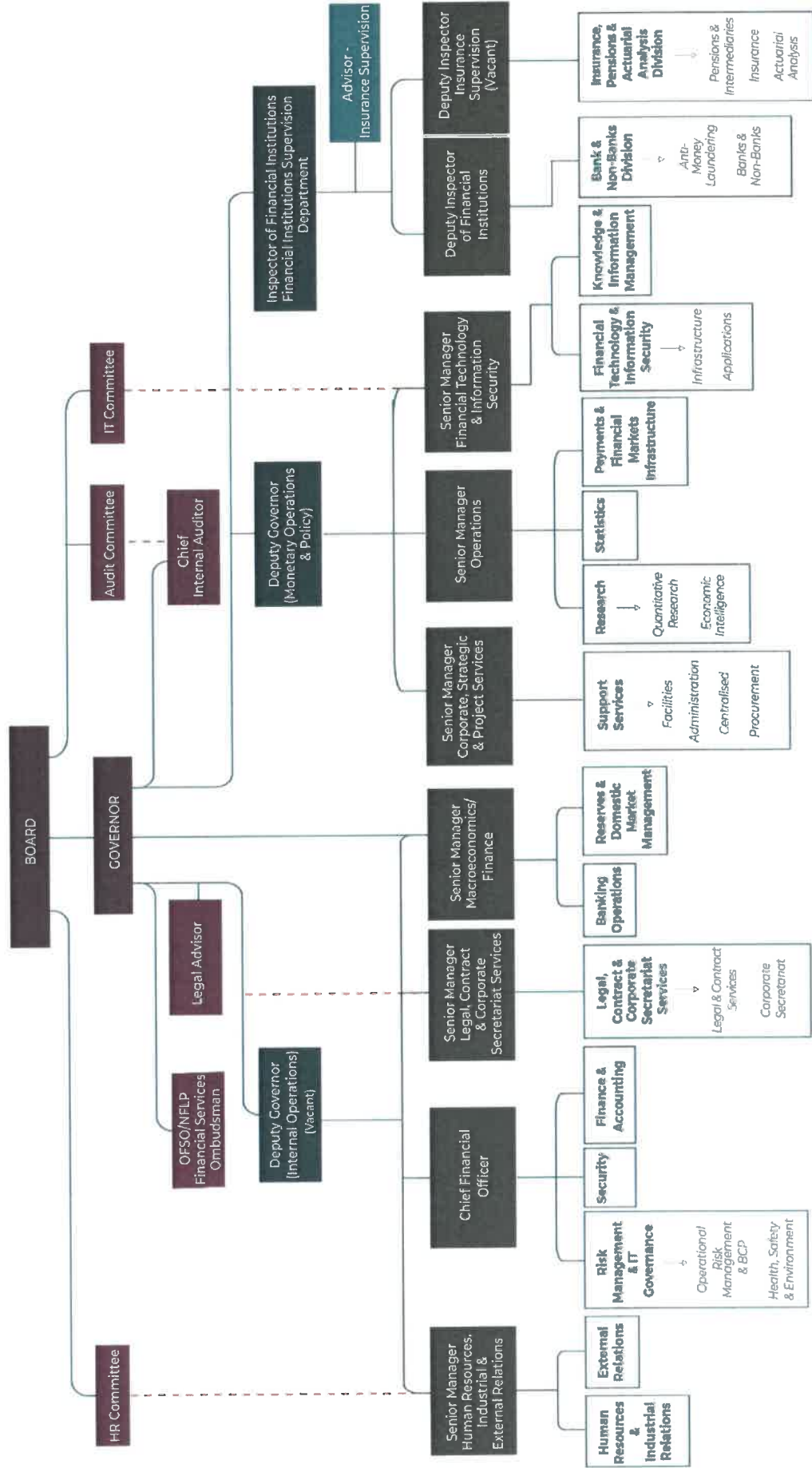
SPECIALISTS





ORGANISATIONAL STRUCTURE

AS AT SEPTEMBER 30, 2022





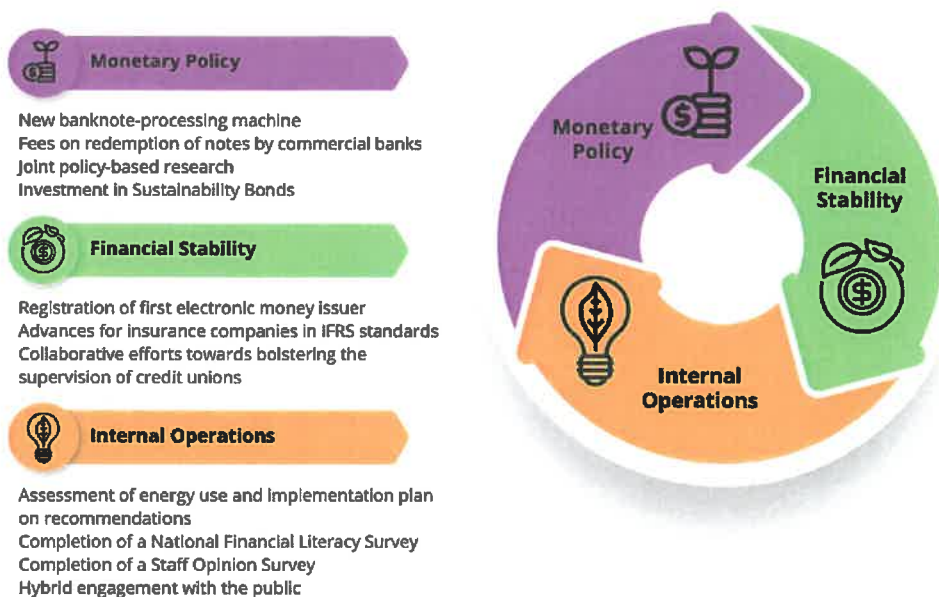
Central Bank of Trinidad and Tobago Strategic Plan 2021/22 – 2025/26 Highlights of Year 1: 2021/22*

The first year of the Bank's current Strategic Plan was marked by a number of significant achievements. The Plan focuses on the **modernisation** of monetary operations, constant **vigilance** over the financial system and the adoption of **simpler**, more direct approaches to meeting targets. The achievements were broad-based, spanning electronic payments, investment of international reserves, streamlining of currency management, surveys to fortify the basis of human resource management and financial literacy interventions, and much stronger public outreach.

In the monetary policy/operations sphere there were several important advances related to currency management, research, and foreign reserves intervention and investment. Specifically, a new banknote-processing machine is being commissioned and fees were introduced for redemption of notes by commercial banks to help streamline currency management. Joint research is underway with the Inter-American Development Bank and other agencies and high-frequency data series were further developed to strengthen the empirical basis for monetary policy. As an expression of the Bank's commitment to addressing climate change, an initial investment in 'Sustainability Bonds' issued by the World Bank was made.

On the financial stability front, the Bank made progress in advancing the Colonial Life Insurance Company/British American Trinidad Ltd. (CLICO/BAT) resolution, strengthening intraregional supervisory collaboration and advancing the Fintech agenda. In this regard, the Central Bank registered the first company (other than a bank or non-bank financial institution) allowed to issue electronic money in Trinidad and Tobago. Important advances were made in bringing insurance institutions in line with IFRS standards and collaboration among supervisory agencies continued.

For improving the Bank's internal operations, the focus was placed on IT operations, public outreach and assessing operations as it relates to climate change. An independent calculation of energy use was completed and a report provided recommendations for energy conservation. Synchronously, an internal cross-functional team began developing a climate change policy and measuring the Bank's carbon footprint. Two critical surveys were completed, providing empirical backing for the Bank's work on financial literacy and addressing staff concerns. A growing online following was boosted by the pandemic restrictions and the Museum was reopened in May 2022.



* <https://www.central-bank.org.tt/about/strategic-plan/strategic-plan-2021/2022-2025/2026>.



CENTRAL BANK OF
TRINIDAD & TOBAGO





REVIEW OF ACTIVITIES
2021 - 2022¹

¹ The Bank's financial year runs from October 01 to September 30.



MONETARY POLICY AND ECONOMIC DEVELOPMENTS

The world economy faced several challenges over the 2021/22 financial year. These challenges include rising global inflation rates exacerbated by the Russia-Ukraine crisis, increasingly aggressive monetary policy in response, a resultant tightening of financial conditions, and renewed COVID-19 lockdowns particularly in China. The International Monetary Fund (IMF), in its October 2022 World Economic Outlook (WEO), forecasts global growth to expand by 3.2 per cent in 2022, down from its January 2022 estimate of 4.4 per cent. Rapid increases in food and fuel prices were driven by a mixture of supply shocks associated with the pandemic and the ongoing Russia-Ukraine war. Persistently high inflationary pressures have negatively impacted living standards worldwide. In response, the United States Federal Reserve (the Fed), the Bank of England and the European Central Bank have upwardly adjusted benchmark interest rates. Similarly, Central Banks in the EMDEs such as Brazil and India, as well as in the Latin American and Caribbean region have pursued tighter monetary policy stances.

Locally, indicators suggest that strong growth in activity in the non-energy sector, particularly in the second quarter of 2022, led to overall growth of the economy in the first nine months of the year. Though overall energy activity was lower during the first half of the year, activity rebounded in the third quarter, resulting in a relatively muted outturn over the nine-month. However, estimates point to strong growth in the non-energy sector during the period, led by rebounding activity in sectors such as manufacturing, construction, transportation and retail services.

The domestic labour market has improved somewhat over the financial year. The unemployment rate dipped to an average of 4.8 per cent during the nine months to June 2022, down from 6.1 per cent during the same period the year before. Headline inflation gained momentum during the first nine months of 2022 on account of supply-side factors, most notably a surge in international food prices. This led to accelerating food inflation over the first nine months of the year while core inflation increased on the back of rising fuel prices and resultant increases in taxi and maxi taxi fares across several routes.

Higher energy receipts enabled an improvement in the Central Government fiscal accounts in FY2022. Central Government revenue grew significantly in FY2021/22 as higher energy commodity prices drove a more than three-fold increase in energy revenue. This outstripped moderate growth in aggregate expenditure over the period.

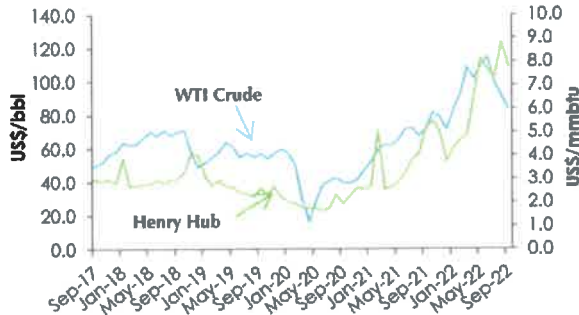
Over the financial year, monetary policy centred on managing externally generated inflation risks while supporting recovery of the domestic economy following the COVID-19 pandemic. The Bank kept the Repo rate fixed at 3.50 per cent throughout the period, while managing open market operations to ensure ample liquidity to meet the requirements of the domestic market. Average excess liquidity in the financial system declined to \$5.2 billion during the 2021/22 financial year from \$9.7 billion in the previous year. Ample liquidity, coupled with low interest rates, and a rebound in activity in the non-energy sector, saw strong growth in private sector credit over the financial year, particularly credit to the business sector.

The local market for foreign currency has remained tight for the first nine months of 2022. Purchases of foreign exchange by authorised dealers from the public increased 43.2 per cent over January to September 2022 relative to the same period a year earlier driven by increased conversions by energy companies. Sales of foreign exchange by authorised dealers to the public increased 36.3 per cent over the same period. The net sales gap reached US\$828.5 million during the period while the Central Bank sold US\$950.0 million to authorised dealers to support the market.

At the end of September 2022, gross official reserves amounted to US\$6,769.0 million, US\$110.6 million lower when compared to the end of December 2021. This suggests that the external accounts registered an overall deficit over the first nine months of 2022. The stock of reserves at the end of September 2022 represented 8.5 months of prospective imports of goods and services.

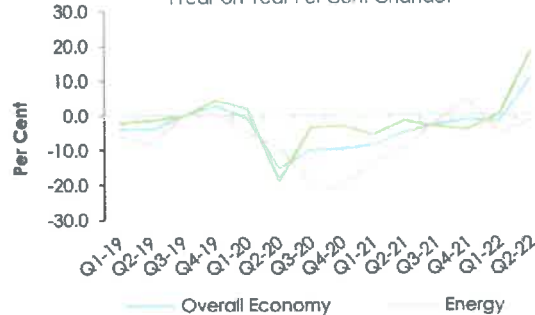


Crude Oil and Natural Gas Prices



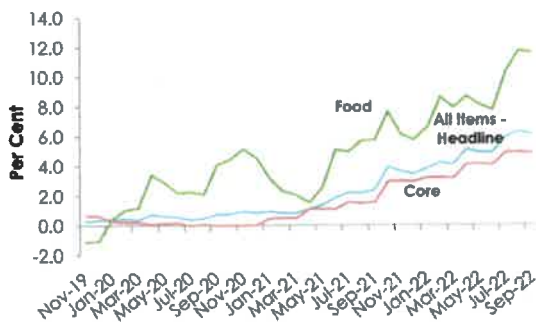
The price of crude oil and natural gas increased over the period.

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



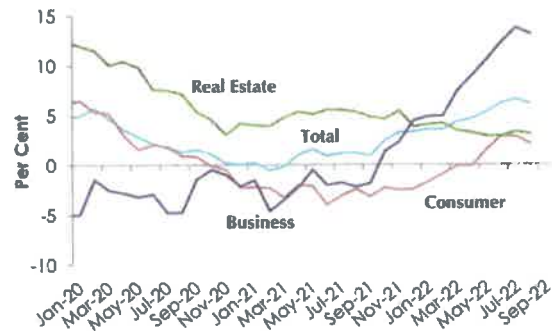
Indicators suggest that strong growth in activity in the non-energy sector, particularly in the second quarter of 2022, led to overall growth of the economy in the first nine months of 2022.

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



Inflationary pressures accelerated during the first nine months of 2022.

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



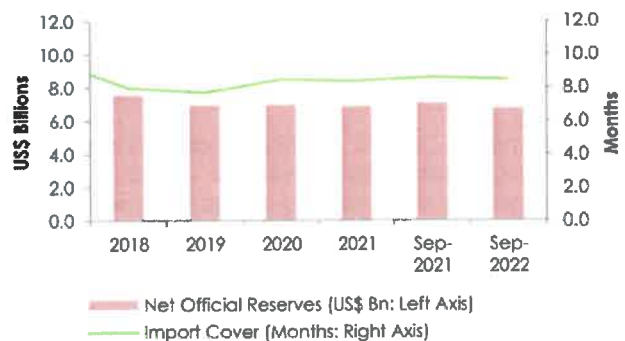
Private sector credit saw strong growth over the 2021/22 financial year.

Authorised Dealers' Purchases and Sales of Foreign Currency



The local market for foreign currency has remained tight in 2022.

Net Official Reserves and Import Cover



Net official reserves stood at 8.5 months of import cover.



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 FY2021/22, the Bank was engaged in ongoing strategic projects to improve the efficiency of its monetary operations and services. Key projects included modernising of the domestic cheque clearing arrangements and adopting of new messaging standards for financial transactions.

CHEQUE CLEARING SYSTEM

CLEARINGS HOUSE ARRANGEMENTS UPDATE

In FY2021/22, the Central Bank continued to work closely with its customers, including the Government and commercial banks, to modernise the domestic cheque clearing arrangements by ensuring their readiness to implement the Electronic Cheque Clearing System (ECCS). By September 2022, the Central Bank and commercial banks achieved compliance with the new cheque standard² for their customers, a key achievement of the project. Furthermore, all key stakeholders participated in ongoing industry testing of the ECCS during the year so that the system could go live by the first quarter of FY2022/23. The Central Bank also supported the Ministry of Finance (MOF) in proposing necessary amendments to the Bills of Exchange Act to legislate the electronic clearing and settlement of cheques. The Bills of Exchange Act (Amendment), 2022 was passed by an Act of Parliament and subsequently assented to on July 01, 2022.

ADOPTION OF ISO 2022 STANDARDS

During FY2021/22, the Bank commenced preparations for the worldwide migration to new financial transactions messaging standards — ISO 2022. Developed by the International Standards Organization (ISO), ISO 2022 is an international standard which has supported the

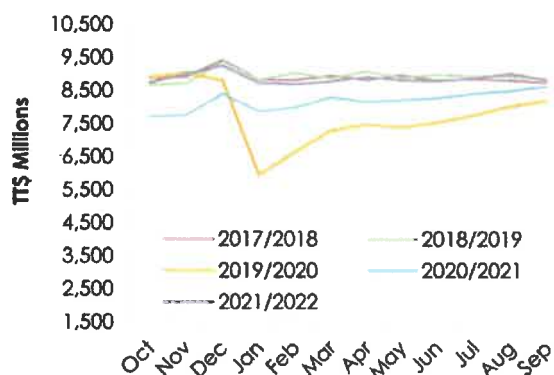
modernisation of the global payments industry over the past 18 years. ISO 2022 adoption will provide new services to improve the efficiency of system operations (faster processing, higher quality data and improved reconciliation); improve compliance with international regulatory requirements; lead to harmonisation of domestic payment message standards; and the facilitation of regional payment system integration. The Bank's preparation for the first phase of the SWIFT³ ISO 2022 migration process is to be completed by November 2022 with full adoption by 2024.

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 FY2021/22. As at September 30, 2022, there was approximately \$8.8 billion in circulation of which \$8.6 billion was in banknotes and a value of \$260 million was held in coins. This represented an increase of 2.2 per cent from the \$8.6 billion in currency in circulation as at September 30, 2021. In FY2020/21, currency in circulation increased by 5.0 per cent (Chart 1). As a share of GDP, currency in circulation decreased slightly over the twelve-month period to 4.9 per cent at the end of September 2022.

Chart 1
Currency in Circulation
2017/18-2021/22



Source: Central Bank of Trinidad and Tobago

² Canadian Payments Association (CPA) Banking Standards - Standard 006.

³ The Society for Worldwide Interbank Financial Telecommunication (SWIFT), legally S.W.I.F.T. SCRL, provides a network that enables financial institutions worldwide to send and receive information about financial transactions in a secure, standardised and reliable environment.



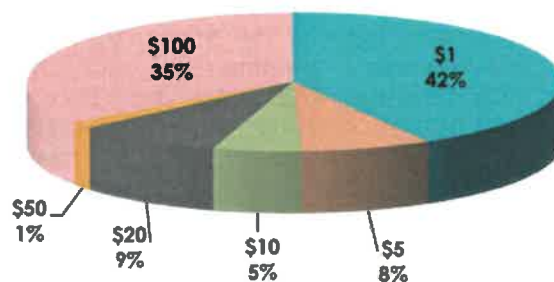
Currency in circulation accelerated between October and December 2021 because of the easing of pandemic-related restrictions in the latter part of 2021 and higher demand that usually occurs for the Christmas season. Significant increases (year-on-year) in currency in circulation occurred in October 2021 (13.3 per cent), November 2021 (16.1 per cent) and December 2021 (10.0 per cent).

The volume of new notes issued significantly decreased by 63 per cent to 37 million, compared with 100 million new notes issued in the previous financial year when the Bank completed the roll-out of polymer notes to replace demonetized paper-based notes. Beginning in December 2019, the Bank introduced its suite of polymer banknotes with the launch of the polymer \$100 note. This was followed by the commissioning of the polymer \$5, \$10 and \$20 denominations in November 2020 and the polymer \$1 and \$50 denominations in February 2021. With effect from January 01, 2022, all \$1, \$5, \$10, \$20 and \$50 denominations bearing series dates before 2020 were demonetized. These banknotes would be redeemed indefinitely at the teller counters of the Central Bank. For the nine-month period January 01 to September 30, 2022, the Central Bank exchanged a total value of \$4.23 million of the demonetized banknote series.

As at September 30, 2022, the \$100 denomination continued to represent the largest value of all notes in circulation, accounting for 90 per cent of total value. On the other hand, the \$1 denomination accounted for the largest volume of notes in circulation at 42 per cent, while the \$100 denomination accounted for 35 per cent (Chart II). To improve efficiency in the circulation of notes, the Bank implemented a fee for the processing of fit bank notes with effect from July 01, 2022. This fee is calculated based on the total volume of fit banknotes redeemed by each commercial bank in the respective quarter. The first fees were collected in October 2022 and totalled \$175,000.

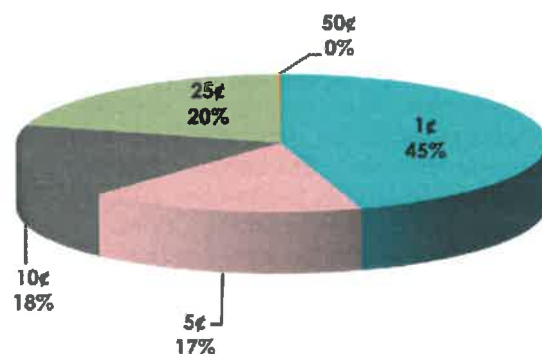
Despite the demonefization of the one-cent coin in July 2018, 1.4 billion one-cent coins were unredeemed as at September 2022, which was relatively unchanged from the previous financial year. The 25-cent coin accounted for the largest volume of coins in circulation at 20 per cent (Chart III).

Chart II
Volume of Notes in Circulation by Denomination as at September 30, 2022



Source: Central Bank of Trinidad and Tobago

Chart III
Volume of Coins in Circulation by Denomination as at September 30, 2022



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

CLEARING AND SETTLEMENTS SYSTEMS

The Bank continued to perform the roles of operator of the Cheque Clearinghouse Facility for domestic currency cheques, and the Real Time Gross Settlement (RTGS) system, safe-tt.

CHEQUES CLEARINGHOUSE FACILITY

As a participant in the domestic currency cheque clearing arrangement, the Central Bank cleared a total volume of approximately 1.3 million cheques during FY2021/22, which was relatively the same amount in the previous financial period. However, the value of cheques cleared increased by 14.4 per cent from \$42 billion to \$49 billion.



37 Mn
New Notes Issued



1.4 Bn
1c Coins Unredeemed



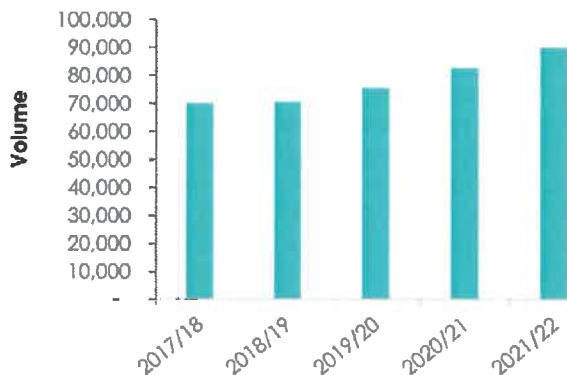
\$8.8 Bn in
Circulation



REAL TIME GROSS SETTLEMENT (RTGS)

The RTGS electronic system facilitates the clearance and settlement of large values (\$500,000 and over) and time-sensitive transactions among the system's eight direct participants (commercial banks). For the year ended September 30, 2022, a total value of \$377 billion in transactions was settled over the RTGS. This represented an increase of 15 per cent over the prior financial year. The total volume of RTGS-settled transactions increased by 8.7 per cent to 90,308 from 83,080 in the previous financial year (Chart IV).

Chart IV
RTGS - Annual Volume of Transactions
2017/18 – 2021/22



Source: Central Bank of Trinidad and Tobago

FINANCIAL INSTITUTIONS RESERVE MONITORING

As at September 30, 2022, the required statutory cash reserve ratios for commercial banks and non-bank financial institutions remained unchanged at 14 per cent and 9 per cent of their prescribed liabilities, respectively. Notwithstanding, over the period October 2021 to September 2022, the total daily average value of the commercial banks' required reserves decreased by 4.9 per cent, while non-banks' required reserves increased by about 39 per cent over the previous year.

REGIONAL ARRANGEMENTS

BANCO LATINAMERICANO DE EXPORTACIONES S.A. (BLADEX)

The Central Bank of Trinidad and Tobago holds a total of 160,626.50 Class A shares in BLADEX. During the current financial year, dividends totalling US\$160,626.52 were received.

ANDEAN DEVELOPMENT CORPORATION/ CORPORACION ANDINA DE FORMENTO (CAF)

The Bank has a subscription for 7,590 Series "C" shares of Common Capital Stock of CAF for US\$107,778,000. There were no dividend payments for the year ended September 2022.

DOMESTIC SETTLEMENTS

REGISTERED BONDS

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

Public Sector (Arrears of Emoluments) Bonds

The Bank continued to encash bonds issued under the Public Sector (Arrears of Emoluments) Act 1995 and the Public Sector (Arrears of Emoluments) Amendment Act 1998. The final maturity date of these bond issues was January 31, 2001. During the financial year, payments of \$4,500 were made compared with no payments 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. Total principal and interest repayments were \$881 this fiscal year compared to \$1,008 in the prior period.

CENTRALISED SECURITIES SYSTEM (CSS) GOVERNMENT OF TRINIDAD AND TOBAGO (GOTT) BONDS

The Bank continued 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 the FY2021/22 principal repayments and interest payments to State Agency bondholders amounted to \$475 million and \$205.9 million respectively, compared with principal repayments and interest payments of \$328 million and \$233.4 million in the prior year.

The GOTT Zero Coupon bond (HCU bonds) payment for FY2021/22 amounted to \$18.5 million compared to the previous year's payment of \$18.6 million.



The GOTT Zero Coupon bond (CLICO bonds) payment for FY2021/22 amounted to \$469.3 million compared to the payment of \$475.4 million in the previous year.

Total principal and interest paid to Central Government (inclusive of NIPDEC) bondholders amounted to \$691 million and \$1.3 billion respectively, compared with \$1 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

The Bank's management of system liquidity in FY2021/22 was broadly accommodative and geared towards supporting domestic economic activity following the effects of COVID-19 while considering the potential impact of externally-driven inflationary pressures. Over the financial year 2021/22, excess liquidity in the system declined from the high levels built-up in the previous year. Commercial banks excess reserves balances fell to a daily average of \$5.2 billion compared to an average of \$9.7 billion per day in the previous year.

During the year, the Bank arranged 23 open market operations (OMO) auctions and reissued upon maturity a total of \$12.9 billion in treasury bills and treasury notes. In the prior financial year, \$9.4 billion in OMO securities were issued in 10 auctions. The Bank also maintained its schedule (roughly every two weeks) of public auctions of debt management treasury bills, issuing a total of \$1,725 million via 24 auctions in tenors of 90 days, 182 days and 365 days.

FOREIGN EXCHANGE MARKET

During FY2021/22, foreign exchange market conditions remained tight, despite higher market supply. Though increased energy and petrochemical prices contributed to higher foreign currency inflows, the resumption of most business activities following the lifting of COVID-19 restrictions also heightened the demand for foreign exchange from the public. Over the 12 months ended September 30, 2022, total purchases of foreign exchange by authorised dealers from the public amounted to US\$5,356.5 million, which represented an increase of 52.1 per cent when compared with the previous financial year. Energy sector conversions, which remained the primary source of inflows to the

market, rose by 66.0 per cent and contributed 74.2 per cent of the dealers' total purchases from the public for the year. The Bank maintained its regular interventions in the market, selling a total of US\$1,250.0 million to the authorised dealers during the year. Sales of foreign exchange by authorised dealers to the public reached US\$6,257.2 million during FY2021/22, an increase of 35.1 per cent from the US\$4,631.2 million sold in the previous financial year.

The TTD/USD weighted average exchange rate depreciated slightly over the year with the selling rate standing at TT\$6.7803/US\$1.00 as at September 30, 2022, compared to TT\$6.7795/US\$1.00 at the end of September 2021.

FOREIGN CURRENCY RESERVE MANAGEMENT

Unrelenting high inflation, ongoing disruptions to trade stemming from Russia's invasion of Ukraine and worsening energy shocks in Europe resulted in significant financial market volatility during the FY2021/22. Moreover, global growth prospects were negatively impacted as most major developed central banks raised interest rates to curb inflation — the Fed raised rates five times over the year to bring its federal funds target range to between 3.00 to 3.25 per cent in September 2022.

Against the backdrop of expected market volatility, the Board approved a strategic asset allocation for the period 2021 to 2024, underpinned by the investment philosophy of capital preservation, maintaining adequate liquidity to meet obligations and an acceptable return within well-defined risk parameters. During FY2021/22, the Board also approved adjustments to the approved framework, to allow investments in ESG (environment, social, governance) securities, in keeping with the Bank's commitment to climate change (**Box 1**) and the introduction of exchange-traded funds (ETF's). The composite portfolio lost 1.57 per cent compared with a return of 0.20 per cent one year earlier. The portfolio losses were driven by the poor performance of the bond market as major central banks increased their policy rates to combat rising inflation and the resultant losses made on the portfolio's bond holdings more than outweighed the positive earnings on the fixed deposits.

Net official reserves decreased to US\$6.8 billion as at September 30, 2022 from US\$7.1 billion at the end of September 2021. Energy sector inflows totaling US\$2.6 billion were more than offset by interventions in the domestic foreign exchange market amounting to US\$1.3 billion, disbursements of US\$0.9 billion to various foreign exchange facilities, Central Government debt



payments of US\$0.5 billion and other Government payments totaling US\$0.2 billion. During the year, the Government of Trinidad and Tobago deposited US\$164.0 million into the Heritage and Stabilisation Fund (HSF), which also contributed to the overall decline in the reserve portfolio.

The Bank continued to execute the agency functions for the HSF. The Annual Investment Report for the year ended September 2021 and the Quarterly Investment Reports for the

periods ended September 2021, December 2021, March 2022 and June 2022 were completed and submitted to the Board of the HSF, per the Bank's obligations under the Act. Due to the heightened market volatility during the year and its impact on the performance of the Fund, the Bank provided additional support to the HSF Board and performed several assessments for consideration in the management of the fund and implementation of the approved strategies amidst changing market conditions.

**BOX 1:
ENVIRONMENT, SOCIAL AND GOVERNANCE SECURITIES**

ESG is an acronym for Environmental, Social, and Governance. Increasingly, ESG factors have become an important part of the investment process as socially responsible investing is more and more driving capital allocation decisions. Environmental factors refer to an organisation's environmental impact, for example, direct and indirect greenhouse gas emissions and management's stewardship over natural resources. The Social pillar refers to an organisation's relationships with stakeholders, as well as an organisation's impact on the communities in which it operates. Governance, refers to corporate governance and covers standards for operating a company and whether management's incentives are aligned with stakeholders' expectations.

The term ESG has had global prominence over the last two decades, but its sustainability ideologies are far older. Moreover, ESG analysis has become an increasingly important part of the investment process. It takes the holistic view of investing and incorporates sustainability factors as part of the analysis process to identify material risks and growth opportunities. The ESG framework has changed how capital allocation decisions are made, which has encouraged socially responsible investing.

 Environmental Conservation of the natural world	 Social Consideration of people and relationships	 Governance Standards for running a company
<ul style="list-style-type: none"> - Climate change and carbon emissions - Air and water pollution - Biodiversity - Deforestation - Energy efficiency - Waste management - Water scarcity 	<ul style="list-style-type: none"> - Customer satisfaction - Data protection - Gender and diversity - Employee engagement - Community relations - Human rights - Labour standards 	<ul style="list-style-type: none"> - Board composition - Audit committee structure - Bribery and corruption - Executive compensation - Lobbying - Political contributions - Whistleblower schemes

Source – CFA Institute



US\$6.8 Bn
net official reserves



US\$30.0 Mn
in ESG Securities



US\$164.0 Mn
HSF allocation



FINANCIAL STABILITY

During the financial year, the Bank continued maintaining financial stability and promoting confidence in the domestic financial system. Given the heightened risks and challenges, the Bank increased its supervisory vigilance and financial sector engagement. Regulatory efforts were directed at identifying emerging risks and promoting early action.

The Bank undertook several initiatives to promote financial stability and safeguard the financial system. These include ongoing activities related to legislative reforms, such as new reporting requirements for licensees; development of risk management guidelines; thematic reviews related to corporate governance and cyber risk; and legislative and regulatory advances in strengthening the AML/CFT framework. Notably, legislation to ensure an efficient payments system is ongoing.

STRENGTHENING THE REGULATORY FRAMEWORK

The Bank derives its authority and functions as it relates to the financial sector from a combination of legislation, regulations and guidelines. During the period, advancements in the operationalisation of the Insurance Act and improvements in risk-based supervision took priority.

OPERATIONALISATION OF THE INSURANCE ACT 2018

The operationalisation of the Insurance Act, 2018 (IA 2018) continued to be a key area of focus in 2022. Six specific achievements during the year included:

1. **Issuance of Procedures for Reporting Excess Credit Exposures** – Procedures for treating the credit exposures and calculating capital adequacy to ensure proper reporting and assessment of capital adequacy positions were rolled out to the industry in April 2022.
2. **Refinement of Regulatory Reporting Forms** – Amendments to the Regulatory Reporting Requirements issued in 2020 under the IA 2018 were issued to the industry in December 2021.
3. **Reorganisation of Foreign Insurers** – The IA 2018 required foreign insurers operating in Trinidad and Tobago via branch operations to reorganise their business by June 30, 2022 to form locally incorporated entities. However, the challenges with the COVID-19 pandemic, resulted in the timeline for the reorganisations becoming protracted and the IA 2018 was amended to extend the deadline to June 30, 2023. The process is currently ongoing for four foreign insurers.
4. **Restructuring of Financial Groups** – Insurers that are part of a group in which there are two or more financial entities, are required to restructure to form a financial group as defined in the IA 2018. The financial group of which the insurer will be a member, must be controlled by an entity licensed or registered under the Financial Institutions Act, 2008 (FIA) or IA 2018. Towards this end, consultations, reviews and assessments of restructuring plans for the respective insurance groups have been ongoing.
5. **Assessment of New Controllers/Acquirers** – The Bank assessed and approved applications for change in foreign controlling shareholders of two registered insurers; the reviews included assessments of fitness and propriety and financial soundness of all new controllers and the issuance of relevant permits for all direct and indirect controllers or significant controllers and acquirers.
6. **Implementation of IFRS 17** – Together with the insurance industry, the Bank has been preparing for the implementation of IFRS 17 Insurance Contracts, which must be complied with by all insurers with reporting periods commencing on or after January 01, 2023. Central Bank staff has attended training workshops facilitated by the Caribbean Regional Technical Assistance Centre (CARTAC), which has significantly advanced the Bank's implementation of the major tasks of the standard, including the determination of the legislative amendments required, regulatory reporting requirements and a quantitative impact study (QIS). Additionally, reporting forms are being amended and after that, will be submitted for industry consultation.



IMPROVING RISK-BASED SUPERVISION

The Bank uses a risk-based supervisory framework comprising of on-site examinations, off-site monitoring and ad-hoc analyses to assess the continued safety and soundness of regulated entities. During FY2021/22, the focus was on the implementation of Basel II/III in the banking sector and the issuance of risk management guidelines.

Basel II/III Implementation – Banking Sector

Supervisory Review and Evaluation Process

The Bank recommenced its implementation of Basel II/III capital requirements in 2022. Banking institutions were required to submit their first Internal Capital Adequacy Assessment Process (ICAAP)⁴ documents on January 31, 2022. The supervisory review of ICAAP submissions is ongoing and feedback on the first ICAAP submission will commence in the fourth quarter of 2022.

Leverage Ratio Guideline and Reporting Forms

A draft Leverage Ratio Guideline was issued for industry consultation on March 31, 2022⁵. The Leverage Ratio is a non-risk based measure aimed at restricting the build-up of excessive leverage at banking institutions and must be a minimum of three per cent. Additionally, a quantitative impact study (QIS) was completed in June 2022 to assess the readiness of the banking sector to adhere to this new requirement. Based on the QIS conducted, all licensed banks and non-bank financial institutions will meet the proposed leverage ratio. The Leverage Ratio Guideline is being finalised for issue under Regulation 19 of the Financial Institutions (Capital Adequacy) Regulations, 2020. It will come into effect upon publication of a Notice in the Gazette by the Minister of Finance.

The Bank also proposes to “switch on” additional capital elements contained in the Financial Institutions (Capital Adequacy)

Regulations, 2020, in 2023, namely the capital conservation buffer, the leverage ratio and the capital buffer for a domestic systemically important bank.

Private Occupational Pension Plans

The Bank continues to monitor pension plans by a risk-based supervisory framework. A risk-based review of the governance of one of the largest pension plans by asset size was conducted in 2022. Additional governance reviews are carded for 2023.

Issuance of Risk Management Guidelines

The Bank issued three Risk Management Guidelines to strengthen financial institutions' risk management framework.

1. Credit Risk Management Guideline – November 2021⁶
2. Guideline for Management of Outsourcing Risks – February 2022⁷
3. Guideline on the Management of Market Risk – July 2022⁸

Additionally, a draft Recovery Planning Guideline⁹ was developed and issued to the banking and insurance sectors, which outlines a framework for financial institutions to develop and maintain recovery plans, including the measures to be taken by the institution to restore it to financial viability following a stress event.

IMPROVING DISCLOSURE AND MARKET CONDUCT

Two guidelines were issued on market conduct and the publication of financial statements. The first¹⁰, still in the draft stage, aims to promote the existence of efficient and fair insurance markets by increasing registrants' awareness of the importance of the fair treatment of consumers and encouraging compliance with market conduct standards in the IA 2018. It is anticipated that the final

4 The ICAAP is an internal risk management process established by a bank to identify, measure, monitor and control all their key risks including ensuring adequate capital to deal with growth, expansion and periods of stress. <https://www.central-bank.org.tt/sites/default/files/page-file-uploads/internal-capital-adequacy-assessment-process-guideline-november-2020.pdf>

5 <https://www.central-bank.org.tt/sites/default/files/page-file-uploads/central-bank-leverage-ratio-guideline-20220104.pdf>.

6 <https://www.central-bank.org.tt/sites/default/files/page-file-uploads/credit-risk-management-guideline-20211201.pdf>.

7 <https://www.central-bank.org.tt/sites/default/files/page-file-uploads/guideline-for-management-of-outsourcing-risks-february2022-20220803.pdf>.

8 <https://www.central-bank.org.tt/sites/default/files/page-file-uploads/guideline-management-market-risk-20220705.pdf>.

9 <https://www.central-bank.org.tt/corefunctions/supervision/banking-sector-draft-consultation-papers>.

10 <https://www.central-bank.org.tt/sites/default/files/page-file-uploads/market-conduct-guideline-draft-july2022-20220908.pdf>



Guideline will be issued by year-end 2022. The second, developed in conjunction with the Institute of Chartered Accountants of Trinidad and Tobago (ICATT), specifies the requirements for publishing abridged financial statements¹¹.

FOSTERING COMPLIANCE

Supervisory Ladder of Intervention

The Bank published its Supervisory Ladder of Intervention Policy¹² in May 2022. The policy articulates the Central Bank's general approach to supervisory intervention where it has concerns with inter alia a regulated institution's financial performance, governance, risk management, compliance and internal controls. It seeks to formalise the Bank's supervisory approach to intervention. It, therefore, aids transparency in the Bank's supervisory process by documenting the typical and discretionary actions that the Bank would utilise to either:

- i. preserve or restore financial soundness; or
- ii. resolve/exit a financial institution where financial viability cannot be restored.

Revised Terms and Conditions for the Operation of a Bureau de Change ("Terms and Conditions")

On September 20, 2022, a revised Terms and Conditions¹³ was issued to the Bureau de Change sector. The substantive revisions include inter alia, rationalisation of the licensing process and the discontinuation of the three-year renewal requirement, and revisions to the fee structure.

ADVANCING THE LEGISLATION FOR SUPERVISION

During the financial year, work progressed on two areas relating to the Bank's legislative framework.

UPDATE OF THE FINANCIAL INSTITUTIONS ACT, 2008

The Central Bank established an internal committee to commence review of the

existing FIA and identify areas for amendment to ensure continued alignment with international, regional and domestic financial sector developments. The proposed amendments will seek to address inter alia recommendations emanating from the IMF/World Bank 2020 Financial Sector Assessment Programme (FSAP), new and enhanced international standards, areas of harmonisation with the IA 2018 and technological developments.

AML ADMINISTRATIVE FINES FRAMEWORK

In December 2021, the Bank, in collaboration with the Trinidad and Tobago Securities and Exchange Commission (TTSEC) and the Financial Intelligence Unit of Trinidad and Tobago (FIUTT), issued a policy paper for consultation, regarding the introduction of an administrative monetary framework for contraventions of anti-money laundering, combatting terrorist financing, and countering proliferation financing (collectively "AML") requirements. Legislation was also laid in Parliament in December 2021, which, inter alia, granted powers to the regulators to levy administrative fines in respect of AML contraventions.

IMPROVING RESILIENCE TO STRESS

Due to their central role in an economy, financial intermediaries are vulnerable to shocks from many different quarters. During the FY 2021/22, the Bank engaged in various activities to improve the resilience of financial institutions to withstand these potential shocks, including those related to the COVID-19 pandemic, cyber threats and corporate governance.

REGULATORY ACTIONS TO TREAT WITH COVID-19 IMPACTS

COVID-19 Relief Measures – Restructuring and Mortgage Market Rates

Following the onset of the COVID-19 pandemic, the Bank amended the regulatory treatment of deferred loan payments that ended on September 30, 2021. However, the

11 <https://www.central-bank.org.tt/sites/default/files/page-file-uploads/guideline-publication-abridged-financial-statements-20221410.pdf>;

12 <https://www.central-bank.org.tt/sites/default/files/page-file-uploads/supervisory-ladder-of-intervention-policy-20220606.pdf>

13 <https://www.central-bank.org.tt/sites/default/files/page-file-uploads/revised-terms-conditions-operations-bureau-dechange-2022609.pdf>.



Bank implemented two other measures effective October 01, 2021, to assist licensees' credit risk management during the pandemic. The first measure, covering one year, allowed commercial banks and relevant non-banks, to restructure commercial loans more than twice over the life of the original loan, and mortgages more than twice over a five-year period without a downgrade in their asset classification and subject to certain conditions. A second measure pertained to the suspension of calculating the mortgage market reference rate for two years to allow financial institutions greater flexibility in lowering their mortgage rates over a two-year period effective October 01, 2021.

Electronic Submission of Certain Documents

On account of restrictions posed by the pandemic, the Bank amended its process for physical onsite review of documents of financial entities. In this regard, a secure portal to facilitate electronic submission of documents was introduced to the industry, whereby both licensees and registrants under the FIA and IA, respectively, must upload documents into the portal for the Central Bank's review.

Enhanced Monitoring of Credit Risk

The dialogue between the Bank and banking institutions continued to assess the impact of the pandemic on their operations. Additionally, staff attended regional and international COVID-19 regulatory measures and developments webinars.

THEMATIC CYBER RISK REVIEWS

The increasing frequency and severity of cyber threats and the use of digitalisation of financial products and services led to the Bank's commencement of a Thematic Review of Cybersecurity Risk Management Practices in the banking sector in early 2020. The thematic review was conducted across seven of the eight commercial banks to gather information on their cybersecurity framework/practices and cyber resilience.

The thematic review was aligned with the Federal Financial Institutions Examination Council's (FFIEC) 2017 Cybersecurity Assessment Tool (CAT). They consist of two parts; (1) an Inherent Risk Profile, determined by each commercial bank's self-assessment of its inherent risk, and (2) a Cybersecurity Maturity Assessment.

The Bank completed its thematic review of cyber risk in the banking sector and reports were issued to individual banks and an industry report published¹⁴.

Following the receipt of technical assistance, the Bank in collaboration with other financial sector regulators, namely the TTSEC, FIUTT and the Commissioner of Cooperative Development, will be developing a Cybersecurity Guideline for Financial Institutions. The development of a supervisory manual to assist supervisors with reviewing cyber risk and cybersecurity frameworks is also planned for the upcoming financial year.

CORPORATE GOVERNANCE THEMATIC REVIEWS

Following the issuance of a new Corporate Governance Guideline in March 2021, the Bank completed its thematic review of corporate governance in the banking sector. All banking institutions responded to a survey that was issued in September 2021 and these responses were assessed and used to conduct the thematic review (**Figure 1**). A final thematic report was issued to the banking industry on August 17, 2022, which outlined key findings and recommendations for implementation by the banking sector¹⁵. Individual findings will also be shared with each bank.

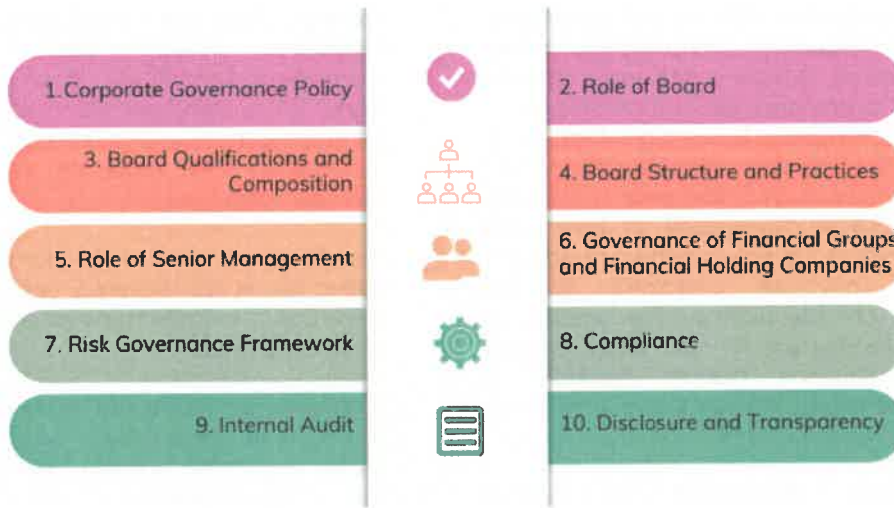
The main objectives of the thematic review were to assess the level of the industry's compliance with the Guideline, identify gaps, and provide appropriate recommendations where applicable.

14 <https://www.central-bank.org.tt/sites/default/files/page-file-uploads/thematic-report-on-cybersecurity-management-practices-at-commercial-banks%20-20220818.pdf>.

15 <https://www.central-bank.org.tt/sites/default/files/page-file-uploads/report-on-corporate-governance-survey-of-the-banking-sector-20220819.pdf>



Figure 1: Elements of the Thematic Review of Corporate Governance Guideline



PAYMENTS AND FINANCIAL MARKET INFRASTRUCTURE

Effective October 01, 2021, the Bank removed the Payments Systems function from under the ambit of the Financial Institutions Supervision Department to a new Department – Payments and Financial Markets Infrastructure Department to ensure the focus on FinTech solutions, cryptocurrency issues (including a possible Central Bank digital currency); emerging developments related to more electronic forms of payments and a comprehensive overhaul of payments legislation.

DEVELOPMENTS IN THE PAYMENTS SYSTEM

Following the ease of pandemic restrictions, the payments system regained momentum. The increase in consumer spending was reflected in an increase in the volume and value of electronic payment transactions via the Real Time Goss Settlement System (RTGS), Automated Clearing House (ACH) and card payments made in-store at physical Point of Sale (POS) machines. Consumers and businesses sustained their online presence in 2022, having migrated to online platforms to conduct business during the pandemic. This increased the volume and value of electronic internet transfers using online banking facilities to make routine bill payments and other transfers. Meanwhile, paper based cheque payments declined during the period.

REGULATORY INNOVATION HUB

In 2022, the Joint Fintech Steering Committee (JFSC¹⁶) continued to meet on Fintech matters. One of the responsibilities of the JFSC is the Joint Regulatory Innovation Hub (Hub). The Hub establishes a dedicated point of contact with the regulators for Fintech firms to be able to make enquiries and seek regulatory guidance on their financial innovation. It is the first point of contact for the Bank's registration desk and facilitates the electronic submission of applications and supporting documents by entities wishing to be registered:

- To offer a Fintech product and financial service, for example a Payment Service Provider (PSP), or
- as an E-Money Issuer (EMI).

As an information-rich space, the Hub¹⁷ is equipped with links to all the relevant legislation, regulation and guidelines for Fintech firms seeking to enter the financial space. It allows the regulators to better understand the innovative products and services being proposed by the entities, and whether such products and services are eligible for registration under existing legislative framework.

Since its launch in 2020, the Authorities have actively engaged with approximately 50 entities. For the period October 2021 to September 2022, the Bank received three E-

16 The JFSC was established in 2020 by the three Authorities (the Central Bank, the Trinidad and Tobago Securities and Exchange Commission (TTSEC) and the Financial Intelligence Unit of Trinidad and Tobago (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.

17 <https://www.central-bank.org.tt/fintech/innovation-hub>.



money Issuer applications, as well as, reviewed and provided responses to several queries on the issuance of E-Money, Crypto Currency and other payment system matters as summarised in the **Table 1**:

Table 1
Entities engaged via the Innovation Hub

Total Entities Engaged Via the Innovation Hub	19
Applications Received:	
▪ E-Money Issuer	3
Reponses Provided:	
▪ E-Money Issuer Queries	6
▪ Crypto Currency Queries	6
▪ Other	4

LICENSING AND REGISTRATION

The Bank continues to engage with entities wishing to offer E-Money products and services. From October 2021 to September 2022, one EMI was registered. The Bank issued a provisional registration to PayWise Limited¹⁸ to operate as an EMI in August 2022. PayWise was the first company, apart from banks and non-bank financial institutions, authorised to issue E-money domestically.

In December 2021, a Jamaican technology group acquired an existing Payment Service Provider (PSP) and was registered to operate as a PSP in Trinidad and Tobago.

A private Payment System Operator (PSO), Infolink Services Limited (ISL) was granted a licence to operate the upgraded Automated Clearing House and Electronic Funds Transfer (ACH/EFT). The Trinidad and Tobago Interbank Payments System Limited owned and operated the previous ACH system.

PAYMENTS SYSTEM ACT

In January 2021, the Bank engaged the IMF to provide Technical Assistance to strengthen the Legal Framework for the National Payments System. Further to meetings held with the IMF, the IMF submitted a draft Bill for the Bank's review in May 2022. This review by the Bank is currently underway, and the Bank intends to submit a payment systems reform package to the Minister of Finance in 2023.

PARTICIPATION IN INTERNAL AND REGIONAL WORKING GROUPS AS WELL AS EVENTS ON FINTECH

The Bank's participation in regional working groups is ongoing.

Central Bank CARICOM Fintech Working Group (CFWG)

The CARICOM Central Bank Governors established the Caribbean Fintech Working Group (CFWG) in November 2016 which functions as an advisory group to the Central Bank Governors on Fintech related matters. In May 2022, the CFWG finalised a report presented in November 2021 on the administration of the CFWG, the status of Digital Currency implementations, as well as Legal and Regulatory Framework updates across the region.

(a) Central Bank Working Group on Fintech

To facilitate the development of the Fintech space, the Governor commenced weekly meetings during this financial year, to discuss Fintech issues. The aim of these meetings are to keep abreast with developments in the Fintech space in Trinidad and Tobago, facilitate and respond to these changes in a timely and effective manner that would engender the orderly development of the local Fintech market. The team includes representatives from Senior Management, Financial Institutions Supervision Department, as well as the Payments and Financial Market Infrastructures Department.

(b) Cambridge Fintech and Regulatory Innovation (CFTRI) Programme

Members of staff attended the CFTRI programme from June to August 2022. The CFTRI programme was an eight-week executive education programme delivered by the Cambridge Centre for Alternative Finance (CCAF) in collaboration with Cambridge Judge Business School which enables financial regulators, supervisors, and policymakers to:

- Understand the mechanics and applications of key innovative technologies employed in FinTech firms;

¹⁸ PayWise is a company incorporated in Trinidad and Tobago in 2013, and was registered as a payment service provider since 2019 by the Central Bank.



- Evaluate FinTech business models and respective regulatory and policy implications and responses;
- Utilise analytical tools to assess FinTech business models according to national objectives and capabilities;
- Assess the viability and suitability of various regulatory innovation initiatives and responses.

OVERSIGHT OF THE PAYMENTS SYSTEM

The Bank continued working with the PSOs address the gaps revealed under the Principles for Financial Market Infrastructure (PFMI). The Systemically Important Payment System (the RTGS) and the Significant Retail Payment Systems (the Automated Clearing House (ACH)), the Cheque Clearing Arrangement (CCA) and the debit card switch (LINX) made some progress in implementing the PFMI recommendations. As the retail payments space continues to develop, the Bank continues to monitor the newly upgraded ACH/EFT system as part of its oversight function.

PAYMENTS SYSTEM COUNCIL

The Central Bank acts as the Secretariat to the Payments System Council (PSC). The subcommittees of the PSC are charged with the responsibility of executing the work under the PSC's Strategic Plan which ended in 2021. Therefore, in 2022, the PSC began work on charting its way forward for the next five years. To this end, the Central Bank reached out to the members with a questionnaire aimed at gathering information on the new areas of focus. The new PSC Strategic Plan for the period 2021/22–2025/26, considers international developments, including the efforts of the G20 and other domestic priorities which are aligned with the Central Bank's strategic objectives (Figure 2).

PUBLIC AWARENESS AND EDUCATION

On July 01, 2022, the Bank published a communique to the public on the key requirements for registration of Fintech companies in Trinidad and Tobago¹⁹.

The communique also addressed the key consideration of the Bank in registering Fintechs. These included:

1. The expected contribution of the activity to the financial innovation and development in Trinidad and Tobago.

2. Ease of use and interoperability of the proposed activity with other financial instruments.
3. Market conditions, including the number of firms offering similar products.

UPDATE ON THE COLONIAL LIFE INSURANCE COMPANY LIMITED (CLICO) AND BRITISH AMERICAN INSURANCE COMPANY (TRINIDAD) LIMITED (BAT) RESOLUTION PLAN

CLICO has repaid approximately \$16.9 billion (TTD) of the \$18 billion (TTD) advanced by the Government of Trinidad and Tobago. As at September 30, 2022, the debt stands at \$1.1 billion (TTD).

The funds repaid by British American Insurance Company (Trinidad) Limited (BAT) to the Government of Trinidad and Tobago increased to \$80 million (TTD) leaving an outstanding balance of \$1.6 billion (TTD) as of September 30, 2022.

The resolution plan including the sale of the traditional insurance portfolio for both CLICO and BAT is currently halted.

The threat posed by CLICO and BAT to the financial system has receded over the years. The Central Bank is preparing to exit its emergency control over these institutions.

Figure 2: PSC's Strategic Objectives 2021/22 – 2025/26



¹⁹ <https://www.central-bank.org.tt/sites/default/files/page-file-uploads/fintech-licensing-20220407.pdf>.



INTERNAL OPERATIONS

The key to a successful organisation is its talent, knowledge management, systems of work and communication. The best people, operating within an optimally efficient system drive strategic goals. In this light, during the financial year, the internal activities of the Bank centred on enhancing these processes.

GOVERNANCE AND THE CONTROL ENVIRONMENT

Accomplishments over the past year were tempered by the lingering effects of the pandemic. Despite this, departments continued to monitor the Bank's risk management practices to ensure alignment with standards, furthered thematic and departmental audits in selected areas and progressed the digitisation of key activities.

Some improvements to the enterprise risk management practices include:

- the integration of formal risk assessments into the Bank's capital budgeting and resource allocation;
- a Bank-wide risk analysis was performed, resulting in the recommendation to implement a Strategic Risk Register in the upcoming financial year;
- the establishment of frameworks for the execution of a Business Impact Analysis (re ISO 22301), as well as, a framework for Cyber Incident handling (re ISO 27035) to be followed by knowledge transfer to the appropriate areas in the Bank in the upcoming financial year;
- the adoption of improvements in managing reported incidents using available technologies to be further streamlined in the upcoming financial year;
- the completion of a Bank-wide policy and procedure framework that addresses various policy management challenges across the Bank; and
- engagement with the financial sector through the Financial Sector Working Committee, to share learnings from cybersecurity events and the pandemic.

Supporting these efforts to manage and mitigate risks to the Bank, the Internal Audit (IA) Department completed audits in the areas of

Records Management, Procurement to Pay, Policy Management, Anti-Money Laundering, Logical Access Management, Budget Processing, Corporate Culture, Banking Operations, SWIFT Payment Processing, Interim Financial Statements Reporting, Physical Security Access and Asset Verifications to further enhance the Department's processes, activities outlined in the Quality Assurance Improvement Programme (QAIP) Implementation Plan were conducted.

During the financial year the Security Services Department continued to support the Bank's governance, risk management and control processes. The Bank's Integrated Security Management System (ISMS) systems (Starwatch and the Reporting Application Core) were improved to enhance the reporting capability of the Bank's access control system.

Additionally, Security Services further strengthened its skill-sets by developing its relationship with the Trinidad and Tobago Police Service (TTPS) in several critical areas such as investigations, operational exercises, and training, amongst other activities; and engaged in several training programs ranging from leadership to counterfeit detection.

Supporting the Bank's internal operations, the Support Services Department (SSD) commenced the automation of many processes, including the processing of hand delivery mail, the purchase of the cafeteria meal benefit, management of the Bank's fleet of vehicles and inventory and an electronic tendering solution. Moreover, ongoing maintenance and improvement of the interior and exterior environs of the Bank occurred to promote a safe working environment as the Bank transitioned to increased on-site occupancy amidst the easing of COVID-19 restrictions, whilst transitioning the Bank to more energy efficient solutions.

Together with Support Services, the Finance and Accounting (F&A) Department implemented improvements to key processes including in the budgeting area related to the implementation of a Capital Expenditure Tracker. Also supporting the changes in the composition of the foreign reserves, the relevant adjustments to the Portfolio Management System were implemented.



Finally, a cross-departmental team led by the Deputy Governor, advanced work relating to the Bank's role in climate change. The team commenced measurement of the Bank's carbon footprint within the context of a newly developed governance framework in this area.

In partnership with the Knowledge and Information Management (KIM) Department, the Support Services – Centralised (SS-C) Unit of SSD commenced the Digital Transformation project, which seeks to transfer soft files and folders to the Electronic Records and Documents Management System (ERDMS). Implementation of the first step, which is sorting and organising documents on the shared servers based on approved Classification Categories was completed in 2021/22.

HUMAN RESOURCES

HYBRID WORKING ARRANGEMENTS

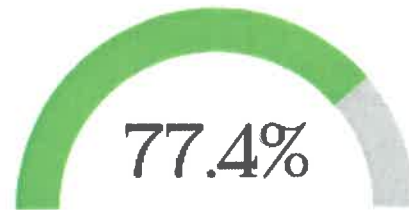
To ensure staff safety and wellness during the pandemic, the staff rostering system that began in 2020 continued into 2022 (Figure 3).

STAFF SATISFACTION AND ENGAGEMENT

The HR Department championed the 2022 Staff Opinion Survey during this financial year. A fresh and exciting internal campaign reaped the benefit of a relatively high response rate of 77.4 per cent (Figure 4). The overall satisfaction score remained the same as in 2018, which was an achievement given that the pandemic was

a major disruption. The results were presented to management and staff in August 2022. Staff and Managers have demonstrated a keen interest in working on the findings, building on our strengths and addressing areas that were assessed as somewhat weak.

Figure 4: Staff Opinion Survey 2022: Response Rate



BUILDING STAFF VERSATILITY

The HR Department advanced the objective of building staff versatility through 12 staff rotations, 13 transfers, and two secondments to the Trinidad and Tobago Securities and Exchange Commission. Staff continued to work on projects in cross-functional teams to ensure that the views of all key constituents were considered and addressed.

STRUCTURE AND STAFFING

The Bank continued its approach of ensuring that the Organisational Structure was fit for purpose and the need for additional resources was carefully considered and a blend of internal and external recruitment was used to address gaps (Figure 5).

Figure 3: Hybrid Work Arrangements Timeline

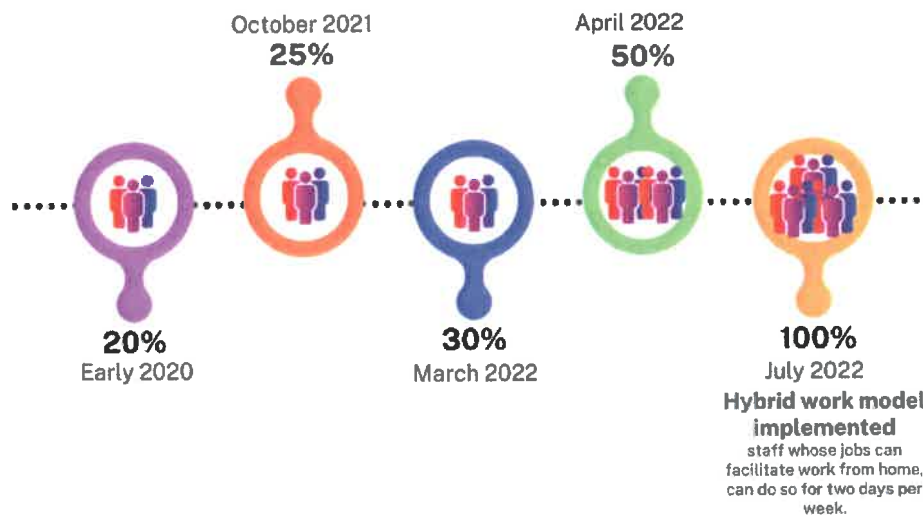




Figure 5: Human Resource Highlights



TRAINING AND DEVELOPMENT

During the period, training – including overseas programmes – continued to be conducted virtually. The Bank was also able to complete most of its training and development plans that were set for this financial year. HR continued its efforts at assessing the effectiveness of training by ascertaining its value and impact to inform future programmes and engagements with training providers.

EMPLOYEE AND INDUSTRIAL RELATIONS

The contract for the Group Health Plan was renewed in May 2022 without any change in premiums and a few enhancements to benefits. Negotiations for the 2015 to 2017 Collective Agreement for the Estate Police Association (EPA) remained unsettled and the matter was heard at the Industrial Court in November 2021. The Bank is awaiting the Court's judgement. Negotiations for the 2018 to 2020 Collective Agreement between the Bank and Bank Insurance General Workers Union (BIGWU) continued with an Industrial Court appointed Judge as Conciliator.

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 arising during the year via online counselling services, Lunch and Learn sessions, and grief counselling

for staff. Annual Medicals have resumed with attendance by Doctors at least two days per week, while both the Childcare Facility and Maternal Unit have resumed services.

OUTREACH

Vacation Internship Programme

In 2020 and 2021, the hosting of the Bank's annual Vacation Internship Programme (VIP) which began in 2004 was stymied by the pandemic. However, given the slow return to "normalcy", the Bank hosted a smaller scale version of the programme for employees' children. Twenty-four students participated in a very successful programme this year. The students raised the most funds towards charitable causes in the history of the VIP, contributing \$12,000 towards two causes.



VIP Interns 2022



De La Rue

In keeping with the Bank's commitment to assist in developing the country's human capital, students pursuing Post Graduate degrees at The University of the West Indies (UWI), St. Augustine Campus were invited to apply for the annual De La Rue Currency Scholarships. The Scholarships are jointly awarded by the Central Bank of Trinidad and Tobago and De La Rue, United Kingdom and include an award of US\$8,500.00 plus a two-month internship at the Central Bank. For the 2021/22 scholarships, two candidates were selected.



De La Rue Scholars 2022

HR REGIONAL CONFERENCE

The Central Bank of Trinidad and Tobago hosted the 24th Annual Conference of Human Resource Managers of Central Banks over two days – September 15-16, 2022. The Conference theme was **Celebrate! Rebirth.... Re-engage... Rejuvenate.** A hybrid format was used and 11 central banks were represented with 24 in-person attendees and 72 virtual participants.

For the first time, the opening of the Conference was live streamed for the Bank's staff and the general public. Employees were also invited to participate in the sessions. The feature address 'Managing Through a Pandemic – An HR Perspective' was done by Dr. Maryam Abdool-Richards, Principal Medical Officer, Ministry of Health, Trinidad & Tobago. This session focused on HR practitioners' role during the pandemic and the value of HR to organisations. It was well received by the participants and the viewing public.



Panel at HR Regional Conference 2022

ECONOMIC RESEARCH AND STATISTICAL SERVICES

In keeping with the new strategic objectives of strengthening economic analyses and technical research, the Research Department commenced work on several strategic projects including: the development of a Real Estate Price Index, alongside the Statistics Department, the construction of a macroeconomic model for Trinidad and Tobago and the development of non-traditional indicators of economic activity to aid more timely assessments of economic conditions. The Department successfully completed respective project plans and background/stocktaking papers to inform project development and management.

The Bank's flagship analytical reports – Economic Bulletin, Monetary Policy Report (MPR), Annual Economic Survey and Financial Stability Report (FSR) – were prepared per the relevant publication timelines. In addition, the full suite of publications was given an aesthetic uplift, while the MPR and FSR were restructured and redesigned to improve focus and analytical content in keeping with international standards. The monthly Fiscal and Debt Monitor, the quarterly Macroeprudential Surveillance Reports and the bi-annual International Relations Monitor were also produced and disseminated to internal stakeholders.



Redesign of Flagship Publications



The Research Internal Staff Paper Series continued over the financial year, while four working papers were published on the Bank's website in the Working Paper Series. In addition, work on a project entitled, "Financial Intermediation for Structural Transformation" with the Inter-American Development Bank (IDB) continued. After a two-year hiatus, the Research Review Seminar was hosted in a hybrid format and included a new session targeting emerging economists.



Research Review Seminar 2022- Panel Discussion

The Research Department's outreach activities continued during the year with the hosting of a Stakeholders Forum on "The Macroeconomic Implications of Digitalisation for Trinidad and Tobago" and the commencement of Quarterly meetings with the Ministry of Energy and Energy Industries.

The Research Department led engagements with credit rating agencies, the International Monetary Fund and the Caribbean Development Bank (Box 2). Support was also rendered for hosting the bi-annual meetings of the CARICOM Central Bank Governors. The Bank also continued to development of the Regional Financial Stability Report 2021.

The Bank produced quarterly projections and a Mid-Year Update of key macroeconomic variables for Trinidad and Tobago under several potential scenarios. These were used as a basis for policy setting as well as to support engagements between the Ministry of Finance and the credit rating agencies.

In support of the Research agenda coupled with the Bank's regulatory role, the Statistics Department continued the production of crucial statistics and reports to inform economic analysis and policymaking. During the financial year, the Department made significant progress using newer technologies, including web scraping via Python and Tableau, to enhance data compilation and reporting. These new methods have provided richer, more detailed data in a fraction of the time typically expended in manual data collection. With time, as the Statistics team combines granular datasets extracted from multiple sources, the quality of the Bank's statistics will continuously improve, as

well as the team's ability to conduct more effective data analytics and provide helpful information and insights to the decision-makers.

Work continued with an external vendor to implement a new Data Intake and Reporting System. At the end of the financial year, the project was well advanced into the User Acceptance (UA) phase. The system's internal 'go live' is expected before the end of the calendar year, after which engagement will commence with reporting entities to integrate the new system into the standard reporting requirements for the licensed financial institutions. In conjunction with this exercise, an effort is ongoing to review routine processes for greater efficiency.

Collaboration with the Banking Operations Department commenced on a strategic project relating to Streamlining of Currency Operations. In this light, work is ongoing to update the De La Rue currency tool to improve reporting on currency operations.

Ongoing enhancement continued on external sector statistics reporting. The Balance of Payments Unit of the Statistics Department participated in a CARTAC Technical Assistance Mission in January-February 2022 and is implementing the relevant recommendations. During this period, the Department remained committed to increasing its skill set by engaging in online data science and analytics training to enhance its data collection, compilation and reporting capability.

INFORMATION TECHNOLOGY AND KNOWLEDGE MANAGEMENT

The Information Technology (IT) team continued to focus on its core objectives of keeping the Bank's information secure and IT systems relevant to its needs. Despite the ongoing impact of the pandemic, which affected resource capacity, the team delivered on its objectives, and improved efficiency. The deployment and enhancement of communications and collaboration solutions for employees and the Bank's customers working remotely continued. Efforts progressed in ensuring that the Bank's IT systems are housed in data centres that adhere to standardised international best practice. Focus was also placed on refining and strengthening the Bank's network and security infrastructure. The Department made significant headway in testing the resiliency of the disaster recovery site by conducting various BCP tests with internal and external parties.

The Bank's information security maturity profile, continues to improve through initiatives such as the ongoing implementation of the Enterprise Architecture roadmap with a focus on security operations, technology architecture, and governance. This, coupled with an

enhancement of our endpoint protection using behavioural analysis and machine learning tools provided for sound cybersecurity intelligence.

Key priorities for the new financial year are highlighted in **Figure 6**.

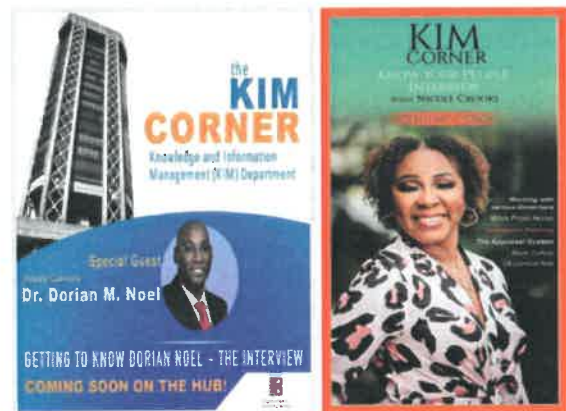
Figure 6: Key Information Technology Priorities for FY2022/23



With the return of a higher percentage of staff onsite the Electronic Document and Records Management System (EDRMS) by the Knowledge and Information Management (KIM) Department was rolled out to several departments. The roll-out (including awareness sessions) which will be completed in the new financial year will see the Bank benefit from a proper functioning electronic records management system.

During the first half of 2022, six Library Corner posters were completed and featured in CB Hub and two Know Your People interviews were conducted with Deputy Governor, Dr. Dorian Noel, in the last quarter of 2021 and Mrs. Nicole Crooks, Senior Manager HR, Industrial and External Relations, in the first quarter of 2022.

KIM continued to disseminate policies and procedures to the Bank's staff via the MetaCompliance system and identified measures to improve staff acceptance of the policies and procedures. One key policy, the Information Governance Policy, was developed within the Information Governance Framework which was rolled out to all staff. An Electronic Signatures Policy was also completed. In conjunction with the External Relations Department, an awareness campaign will be developed to enforce these policies



KIM Corner Know Your People Interviewees





BOX 2:

CENTRAL BANK OF TRINIDAD AND TOBAGO ENGAGEMENTS WITH INTERNATIONAL AND REGIONAL ENTITIES

The Central Bank of Trinidad and Tobago's Strategic Plan 2021-2026, objective 7 – "Bolster the Central Bank's interface with international institutions" – requires the strengthening and expansion of the Bank's engagement and involvement with various international and regional institutions. These activities include, inter alia, capacity building, supervisory collaboration and representation in international and regional working groups. Over the financial year 2021/22, interactions with foreign institutions, such as the International Monetary Fund (IMF), the World Bank Group (WB), Network for Greening the Financial Systems (NGFS), Association of Supervisors of Banks of the Americas (ASBA), Caribbean Regional Technical Assistance Centre (CARTAC), and the Centre for Latin American Monetary Studies (CEMLA), have assisted in the advancement of the Bank's work agenda. This box summarises some of the main external interactions that took place over the period.

On the international front, Central Bank officials were part of Trinidad and Tobago's delegation to the IMF/WB Annual and Spring Meetings in October 2021 and April 2022, respectively. Also in October, Governor Hilaire, in the Caribbean Ministerial Meeting with the IMF Managing Director, Kristalina Georgieva, discussed the unprecedented fiscal and monetary policy measures undertaken to mitigate the impact of the COVID-19 pandemic on the Caribbean region. The effects of the pandemic, coupled with lower international energy prices and a reduction in domestic energy production, adversely affected the economy and was reflected in the ensuing 2021 IMF Article IV staff report for Trinidad and Tobago. The report also highlighted the successful implementation of the Enhanced General Data Dissemination System (e-GDDS)¹ in October 2021. Other routine engagements continued with the international credit rating agencies, such as Moody's Investor Services, and Standard and Poor's, to discuss recent economic developments and the economic outlook.

The Bank deepened its involvement with the NGFS after joining this group in February 2021. Over the financial year, the Bank responded to surveys to inform the NGFS work plan priorities, attended update meetings, and participated in training on enhancing transparency in green and transition finance. Additionally, the WB guided staff on identifying bonds with environmental, social and corporate governance (ESG) goals as part of their mandate. These initiatives were consistent with the Bank's strategic objective to integrate environmental issues and climate change into policy considerations. Subsequently, the Bank invested a small portion of the reserves portfolio in ESG bonds. The Bank also secured a new advisory and investment management agreement with the WB to continuously improve internal reserve management capabilities. The WB also provided technical assistance to bolster effective supervision and risk management during the year. On the research front, collaboration with the IADB continued on two projects investigating; (i) Alternative financing for micro, small and medium enterprises (MSMEs) in Trinidad and Tobago, and (ii) The role of the Trinidad and Tobago's Government in facilitating financial market development and financial inclusion.

Interactions at the regional level mainly involved technical assistance and training on a wide array of topics, all relevant to the Bank's strategic objectives. Technical assistance provided by CARTAC included, bank solvency stress testing, preparedness of International Financial Reporting Standards (IFRS) 17 and Pillar 2 of the Basel II/III capital framework implementation, as well as training in external sector statistics. Bank staff also benefitted from CEMLA's online training in areas such as national accounts, big data and science applications, and advanced analytical tools to monitor climate risk and financial stability. Complementing these topics, ASBA provided capacity development for adaption to increased technology in the supervisory, regulatory and financial environment, and cybersecurity and operation resilience. Representatives from the Bank also attended the Caribbean Group of Banking Supervisors (CGBS) strategic planning meeting and annual conference, as well as plenary meetings and workshops hosted by the Financial Stability Board (FSB) Regional Consultative Group (RCG) Americas. Given the heightened focus on climate change, cybersecurity and financial technology (FinTech) operations, it is anticipated that Central Bank's interactions with foreign entities, particularly for technical assistance, in these areas will continue into the next financial year.

¹ Trinidad and Tobago fully implemented the IMF e-GDDS framework, an important data transparency initiative, by launching a National Summary Data Page (NSDP). The NSDP is a national "data portal" that serves as a one-stop publication vehicle for publishing essential macroeconomic data.



COMMUNITY ENGAGEMENT AND OUTREACH

Public engagement and outreach remain a crucial priority for the Bank. With the easing of pandemic-related restrictions, in-person engagements recommenced auguring well for a hybrid approach to the Bank's communication.

FINANCIAL SERVICES

NATIONAL FINANCIAL LITERACY PROGRAMME (NFLP)

During the FY2021/22, the third National Financial Literacy Survey was completed. The survey findings were made available to members of the public via a webinar, and for the first time, summary findings were published on the NFLP's website (Figure 8). The survey results will be used as a blueprint to inform future programme interventions.

The annual Global Money Week event was celebrated with the launch of the inaugural NFLP Money World Web App Portal (Portal), which is currently accessible via the NFLP's website. The Portal comprises seven interactive games for children ages (7-11) and introduced topics and concepts relative to financial literacy. The Portal and games recorded 5,458 visits from March to May 2022.



NFLP Money World Web App Portal

Entrepreneurship is a critical area of focus, and the NFLP undertook several novel initiatives addressing the subject during the financial year. In November 2021, an eight-part online series called – Entrepreneur's Money Journey was held for adults and attracted approximately

369 registrants, with an average of 120 participants in attendance at each session. This series covered several core areas on the subject matter. Additionally, in July/August 2022, two inaugural camps, called the NFLP Entrepreneurial Money Smart Camps, were held for young persons between the ages of (11-17) years. One hundred and ten students attended the July camp for ages (11-13), while 80 students ages (14-17) participated in the August session.

For the FY2021/22, NFLP conducted 141 sessions through which 6,357 recipients were exposed to financial literacy. Outreach sessions for several key stakeholders spanning the private and public sectors were conducted virtually and in person. The NFLP website and social media platforms remained active, gaining followers over the period. To leverage the digital landscape, a PDF downloadable file brochure on the NFLP website called '**Consumer Protection Tips for Electronic Transactions**' was made available during the year.

Figure 7: NFLP Highlights



The National Financial Education Committee (NFEC) expanded its membership to include the Deposit Insurance Corporation (DIC) as the NFEC continued its work on the formulation of the National Financial Literacy Strategy (NFLS). In FY2022/23, implementation is planned for a session management system to increase the efficiency of monitoring and control of NFLP activities. In addition, implementing a system for collecting and aggregating data on financial literacy sessions from all key stakeholders and establishing a financial literacy month comprising various activities for Trinidad and Tobago will be an important objective.



Figure 8: NFLP Survey Results



The 2022 National Financial Literacy Survey Results

Introduction

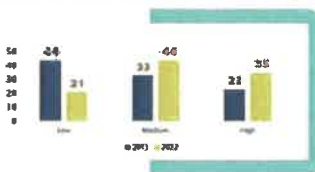
Since the inception in 2007 of the Central Bank of Trinidad and Tobago's National Financial Literacy Programme (NFLP), financial literacy surveys were conducted in the years 2007 and 2013. In 2021, the department commissioned its third national financial literacy survey intended to assess the impact of NFLP's interventions and evaluate the current state of financial literacy in Trinidad and Tobago. Three core groups, students, the general public, and micro, small and medium enterprises, were surveyed. The survey was also intended to inform the strategic direction of the NFLP, gauge public attitudes to digital financial services and make an initial assessment of the public's experience with financial fraud.

The survey covered: Financial Knowledge, Attitudes and Behaviour and was conducted by Market Facts and Opinion (2000) Ltd.

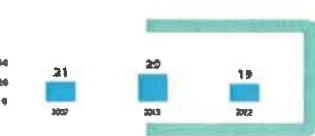
HIGHLIGHTS OF THE SURVEY RESULTS

Key Findings- General Public

Level of Financial Literacy Percentage (%)



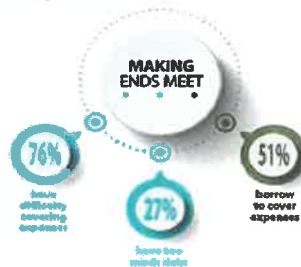
Unbanked Adults (%)



Pandemic Impact on Households

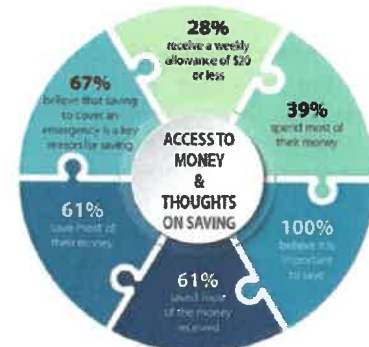


Making Ends Meet



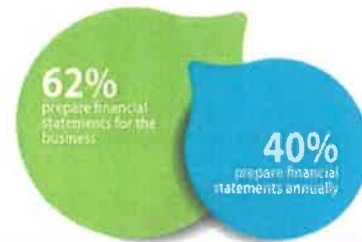
Key Findings: Students 10-17 Years Old

Access to Money & Thoughts on Saving



Key Findings: SMEs

Business Performance & Financial Planning



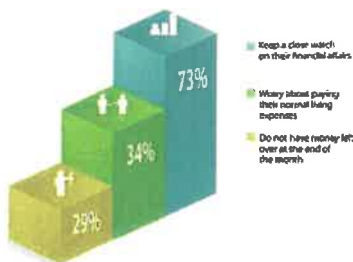
Financial Literacy Scores

Lowest Financial Literacy Score 18-24 years old



Highest Financial Literacy Score 45-54 years old

Financial Behaviour



Financial Fraud



Use of Digital Products



Retirement Plans



Use of Financial Products & Services





OFFICE OF THE FINANCIAL SERVICES OMBUDSMAN (OFSO)

During the financial year, the total number of complaints lodged at the OFSO increased by 37 per cent and 57 per cent compared to the previous period for insurance and banking complaints, respectively. Customers lodged 315 insurance and 74 banking complaints with the Office in the current financial year. During FY2021/22, the OFSO resolved 373 complaints as opposed to 274 in the previous period.

Over the review period, the effectiveness of the OFSO, as measured by the resolution rate, was 74 per cent. This was virtually unchanged from the preceding financial year. The outcome from the 2021/22 financial year resulted from a resolution rate for insurance complaints of 75 per cent and 72 per cent for banking complaints.

Another measure of operational effectiveness is the average number of days taken to resolve complaints. This registered a movement in the right direction for both banking complaints and insurance complaints. In the financial year under review, the average number of days to close insurance complaints declined to 77 and for banking complaints, 86 days.

During this same period, Enquiries (the stage before lodging a formal complaint) showed a sharp increase to reach 1,838 for the year, up

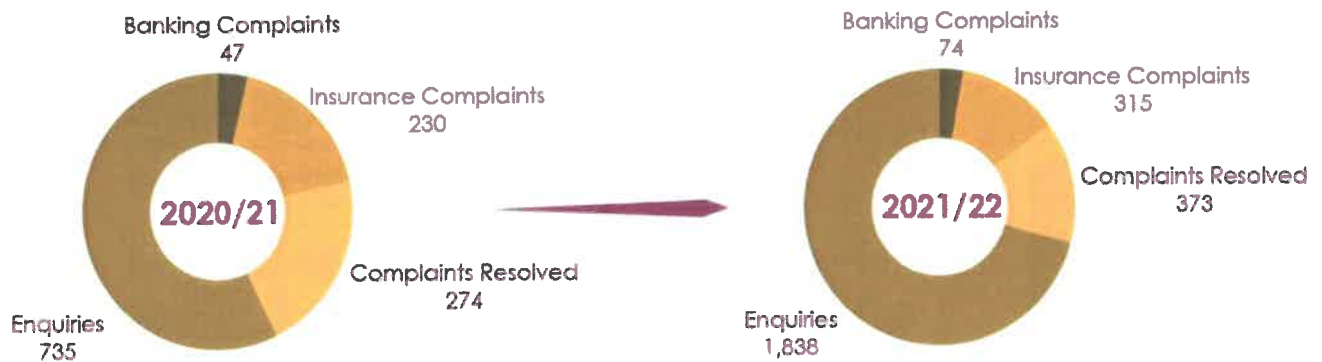
from 735. This was largely due to the radio advertising campaign that ran from May to August 2022 across 11 stations and included 25 interviews with the Financial Services Ombudsman. In addition to these enquiries, the OFSO received 49 insurance and 100 banking matters that were fast-tracked and resolved with the respective financial institutions.

At the end of the financial year, the digital transformation project was completed. Digitisation has now become a routine function of the OFSO's operation, with all new files being scanned.

External Office Days recommenced in August 2022 with visits to Sangre Grande on the first Thursday of each month and San Fernando on the first and second Friday. Complete services are available at both locations. The dialogue continues for the resumption of visits to Tobago.

The Financial Services Ombudsman attended the virtual International Network of Financial Services Ombudsman Schemes (INFO Network) Conference in September 2022. Discussions included emerging issues that Schemes are facing globally in banking, insurance, credit and investments. The Office manages its social media platforms in-house and maintains an active presence.

Figure 9: OFSO Highlights





COMMUNICATIONS

While the COVID-19 pandemic continued to impact communication and engagement with the public, the Bank was successful in enhancing its overarching communication and outreach strategy: a pilot digital billboard campaign for the commuting public was launched in six strategic locations across Trinidad and Tobago; baseline recommendations were compiled for the Bank's use of Mobile Apps; and the Central Bank Arts website <https://centralbankarts.org.tt> was launched as the new online home of the Auditorium and Museum, dedicated to the enhancement and promotion of both the local visual and performing arts.

In a bid to improve the reporting of its communications output, close collaboration continued between ER and the External Interface Project (EIP) and a Quarterly Communications Dashboard was launched. The dashboard presented insights and streamlined metrics, and gives a more meaningful picture of the Bank's performance across Social Media, Website, and Media reach for the Bank (including the Museum and Auditorium), as well as the National Financial Literacy Programme (NFLP) and the Office of the Financial Services Ombudsman (OFSO). The information/insights will inform the Bank's communication strategy and tactics moving forward.

PUBLIC EDUCATION

The Bank hosted four seminars during the period, using a combination of in-person and virtual methods of communication. There was continued emphasis on public education, particularly on security and other features of our new currency. This was done through avenues like the release of the 2nd episode of the "What Yuh Know about Your Money" with Daniel Loveless and the Know Your Money competitions; awareness of scams/fraud and information in collaboration with the Financial Intelligence Unit (FIU); and about the history and definition of money through our latest public education video, "What is Money?"²⁰.

The 2022 staging of the **Know Your Money** seminars, included two updates to ensure that the visually and hearing impaired communities could benefit from the content of these sessions. Firstly, a recording of one of the

sessions outfitted with sign language translation is now available via the Bank's YouTube channel. This is the first time the content has been translated for the hearing-impaired community. One of the seminars was also facilitated in collaboration with the Blind Welfare Association.



Know Your Money Seminar

SOCIAL MEDIA

The Bank enhanced its efforts across its social media networks (Facebook, LinkedIn, Instagram and YouTube) to increase engagement and reach. These channels were used strategically to promote key policy messages, profile our publications, make other important announcements and also for key events (such as the Know Your Money annual seminars) and our wider engagement through live cultural events (such as the Plaza Riddims on D Inside and the TUCO Mini Vintage Concert).



Plaza Riddims on D Inside Performers



Overall, all these networks saw a sizeable increase in posts and followers. The number of interactions between the institution and the public also rose. Overall, the Bank's following across these platforms increased by 58 per cent and the number of followers for our Arts pages (Museum and Auditorium) on Instagram increased by 52 per cent over the year. Our highest per cent growth and engagement was recorded on the LinkedIn platform – which has proven to be a key outlet for sharing the Bank's professional outreaches like conferences and participation in events by external entities.

Figure 10: Social Media Highlights



OUTREACH

CENTRAL BANK ARTS

At the beginning of the financial year, the doors to the Bank's Arts spaces – the Museum and Auditorium – remained closed due to the COVID-19 pandemic. However, programming remained active online and physically while the spaces were being enhanced in preparation for their respective opening dates.

CENTRAL BANK MUSEUM AND ART COLLECTION

The virtual exhibition entitled "Transition: The Journey to Polymer Banknotes"²⁰ was among the main virtual engagement tools. International Museum Day on May 18, 2022 saw the re-opening of the space to the public, with the physical version of the exhibition showcasing the Bank's journey from cotton to polymer banknotes. The public met the re-opening with enthusiasm, and the event received the Bank's highest media coverage for that quarter.



Reopening of the Central Bank Museum

To celebrate Trinidad and Tobago's 60th Anniversary, the Museum had an exhibition entitled "60 Years | 60 Objects", and showcased some of the Bank's Art Collection on the ground floor. The Museum also participated in "PatriARTism", a three-part national exhibition by the Office of the Prime Minister, which saw 25 pieces from the Bank's collection being shown at Whitehall.

The Museum embarked on an annual art grant initiative, where 12 secondary schools across Trinidad and Tobago were granted vouchers to assist with the purchase of art supplies for their visual art students.



"PatriARTism" 60th Anniversary Exhibition at Whitehall



CENTRAL BANK AUDITORIUM

The Auditorium continued to promote and recognise local talent and hosted "Hats Off — A Virtual Vintage Mini Concert" in celebration of Trinidad and Tobago's calypso icons for Calypso History Month in October 2021. The show was held virtually in memory of Lutalo Masimba, Singing Sandra, Lord Superior, Ken "Professor" Philmore and Sprangalang. The Auditorium reopened its doors to the performing arts fraternity on August 01, 2022.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In keeping with the Bank's CSR Policy, twenty institutions were assisted. A Back to School Uniform initiative was undertaken where packages consisting of vouchers were given to deserving students to assist them with the purchase of school uniforms and accessories.

The Bank also provided support in the form of sneakers and embroidered travel bags for the athletes to the National Under-23 Netball Team which was heading to Guadeloupe in June of this past year to represent Trinidad and Tobago at the inaugural Caribbean Games. This tournament brought together over 800 athletes from 29 countries across seven sporting disciplines.

In addition to these projects, the Bank supported the United Way Trinidad and Tobago's "Buy One, Give One" initiative, aimed at helping to provide a safe option for children to return to primary school.

Lastly, the Bank supported and contributed to the successful hosting of the CariFin Games 2022 – 30th Anniversary, which helped to foster closer relationships among the staff of the financial services sector and encourage a more active lifestyle.



Presentation to the National Under-23 Netball Team



Performers at "Hats Off" A TUCO Mini Concert

SPORTS AND CULTURAL CLUB

At the beginning of the financial year, due to pandemic restrictions, the Central Bank Sports and Cultural Club hosted its first Virtual Sip and Paint event on Saturday, November 20, 2021.

Finally, the restrictions were lifted in 2022 and the Dominoes team participated in two competitions in July and August 2022, where they were victorious. Thereafter, the "Scragglers Club" was able to host its games day in September 2022. The football team participated in the Inter Bank Football League (IBFL) which began in August 2022.

WE CARE

The Bank's charitable initiative, We Care, embarked on several activities over the last financial year. The committee could not host its annual charity event, the Christmas Hamper Drive, because of the restrictions brought about by the COVID-19 pandemic. Despite these limitations, We Care was able to distribute Massy gift cards to 150 deserving persons. Individuals in urgent need of assistance, as recommended by committee members, were supported on a case-by-case basis and the annual Back to School Drive was conducted.

EVENTS

Despite the restrictions imposed by the COVID-19 pandemic, the Bank managed to host several virtual events which were well received and appreciated by staff. We hosted a virtual Children's Christmas Party and an End of Year Staff Event. In 2022, as restrictions were gradually lifted, we transitioned into hybrid events. Our annual carnival Friday event Plaza Riddims on De Inside, was quite a hit.



EVENT PHOTOS



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1 De La Rue Awards Ceremony 2022
4 60th Anniversary Art Exhibit Paintings
7 Opening Ceremony - CBTT Museum
10 "Hats Off" - A TUCO Mini Concert

2 Art in August 2022
5 HR Regional Conference Cocktails
8 60th Anniversary Art Exhibition at Whitehall
11 VIP 2022 Museum Tour

3 60th Independence Art Exhibit at CBTT
6 Plaza Riddims on D Inside
9 National Under-23 Netball Team Presentation
12 Calypsonian at TUCO Mini Concert



13



16



18



19



14



15



17



20



21

13 Knowledge and Information Dep't Exhibition
16 Internal Audit Dep't Meet and Greet
19 MOU Signing Ceremony with Ministry of Youth Development and National Service

14 Speaker at Know Your Money Seminar 2022
17 Dancer at "Hats Off" - A TUCO Mini Concert
20 Signing Ceremony: OFSO and the Republic Life Insurance Company Limited

15 Reopening of the CBTT Museum
18 Art in August 2022
21 Visit by the Chief Secretary and other officials of the Tobago House of Assembly



PART 2



FINANCIAL STATEMENTS
2021 - 2022



CENTRAL BANK OF
TRINIDAD & TOBAGO



**REPUBLIC OF TRINIDAD AND TOBAGO
AUDITOR GENERAL'S DEPARTMENT**

**REPORT
OF THE
AUDITOR GENERAL**

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

FOR THE YEAR ENDED

30 September, 2022



REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE FINANCIAL STATEMENTS OF THE CENTRAL BANK OF TRINIDAD AND TOBAGO FOR THE YEAR ENDED 30 SEPTEMBER 2022

OPINION

The financial statements of the Central Bank of Trinidad and Tobago (the Bank) for the year ended 30 September 2022 have been audited. The statements as set out on pages 1 to 49 comprise a Statement of Financial Position as at 30 September 2022, a Statement of Comprehensive Income, a Statement of Changes in Equity and a Statement of Cash Flows for the year ended 30 September 2022 and Notes to the Financial Statements numbered 1 to 31, including a summary of significant accounting policies.

2. In my opinion, the financial statements as outlined at paragraph one above, present fairly, in all material respects, the financial position of the Central Bank of Trinidad and Tobago as at 30 September 2022 and the related financial performance and its cash flows for the year ended 30 September 2022 in accordance with International Financial Reporting Standards except as stated at Note 2 a to the Financial Statements.

BASIS FOR OPINION

3. The audit was conducted in accordance with the principles and concepts of International Standards of Supreme Audit Institutions (ISSAIs). The Auditor General's responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the financial statements section of this report. The Auditor General is independent of the Bank in accordance with the ethical requirements that are relevant to the audit of the financial statements and other ethical responsibilities have been fulfilled in accordance with these requirements. It is my view that the audit evidence obtained is sufficient and appropriate to provide a basis for the above audit opinion.

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

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



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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

7. The Auditor General's responsibility is to express an opinion on these financial statements based on the audit and to report thereon in accordance with section 116 of the Constitution of the Republic of Trinidad and Tobago and section 52 (1) and (2) of the Central Bank Act No. 23 of 1964 provide for the Accounts of the Bank to be audited by auditors who shall be appointed by the Board with the approval of the Minister of Finance. The Board on 25th March, 2022 agreed to the appointment of the Auditor General as Auditor of the Accounts of the Central Bank of Trinidad and Tobago. The Minister of Finance on 14th April, 2022, conveyed his approval of the appointment of the Auditor General as Auditor of the Accounts.

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

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

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for an opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the Bank.

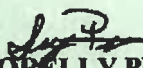


- Concludes on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Bank to continue as a going concern. If the Auditor General concludes that a material uncertainty exists, the Auditor General is required to draw attention in her audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify her opinion. The Auditor General's conclusions are based on the audit evidence obtained up to the date of her audit report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluates the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the financial statements. The Auditor General is responsible for the direction, supervision and performance of the audit of the Bank. The Auditor General remains solely responsible for her audit opinion.

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



15TH DECEMBER, 2022
PORT OF SPAIN


LORELLY PUJADAS
AUDITOR GENERAL



CENTRAL BANK OF TRINIDAD AND TOBAGO
STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022
(Expressed in Trinidad & Tobago Dollars)

	Notes	Sep-22 \$'000	Sep-21 \$'000
ASSETS			
Foreign currency assets			
Foreign currency cash and cash equivalents	4	20,361,303	17,131,741
Foreign currency investment securities	5,7	19,276,059	22,719,836
Foreign receivables	9	3,315,666	4,015,863
Subscriptions to international financial institutions	10	5,117,508	5,437,124
International Monetary Fund - Holdings of Special Drawing Rights	11	6,953,969	7,467,548
		<u>55,024,505</u>	<u>56,772,112</u>
Local currency assets			
Local currency cash and cash equivalents	4	1,856,061	778,801
Local currency investment securities	5, 6, 7	285,923	119,365
Retirement benefit asset	8	154,377	67,347
Accounts receivable and prepaid expenses	9	2,257,408	2,184,412
Other assets	12	143,116	176,851
Property, plant and equipment	13	109,470	122,740
Intangible assets	14	8,714	10,053
Non current assets held for sale	15	20	20
		<u>4,815,089</u>	<u>3,459,589</u>
TOTAL ASSETS		<u>59,839,594</u>	<u>60,231,701</u>
LIABILITIES			
Foreign currency liabilities			
Financial Liabilities	16,7	16,866	-
Demand liabilities - foreign	17	821,308	743,530
International Monetary Fund - Allocation of Special Drawing Rights	11	6,951,019	7,467,519
Accounts payable	18	4,364,619	4,032,773
		<u>12,153,812</u>	<u>12,243,822</u>
Local currency liabilities			
Demand liabilities - local	17	30,626,406	28,337,518
Accounts payable	18	9,574,844	11,238,909
Provision for transfer of surplus to government		550,668	756,480
Provisions	19	5,333,864	6,054,972
		<u>46,085,782</u>	<u>46,387,879</u>
CAPITAL AND RESERVES			
Capital	27	800,000	800,000
General reserve		800,000	800,000
		<u>1,600,000</u>	<u>1,600,000</u>
TOTAL LIABILITIES, CAPITAL AND RESERVES		<u>59,839,594</u>	<u>60,231,701</u>




Governor


Deputy Governor



CENTRAL BANK OF TRINIDAD AND TOBAGO
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2022
(Expressed in Trinidad & Tobago Dollars)

	Notes	Sep-22 \$'000	Sep-21 \$'000
Income from foreign currency assets			
Investment income	20	457,125	368,470
Investment expense		<u>(23,092)</u>	<u>(30,082)</u>
		434,033	338,388
Realised (loss) from currency translations		<u>(55,603)</u>	<u>(28,506)</u>
Net (loss)/ gain realised on disposal and amortisation of investments	20	<u>(247,610)</u>	<u>6,596</u>
		130,820	316,478
Income from local currency assets			
Interest income	21	882,125	918,020
Rental income		2,115	2,245
Other income	21	<u>67,472</u>	<u>68,755</u>
		951,712	989,020
Decrease in provisions		-	7,330
Total income		1,082,532	1,312,828
Operating expenses			
Printing of notes and minting of coins	22	32,774	111,606
Salaries and related expenses	23	167,350	254,842
Interest paid		113,603	70,656
Directors' fees		1,491	1,727
Depreciation	13	27,251	28,229
Amortization of intangible assets	14	1,363	1,345
Other operating expenses	24	100,116	87,943
Increase in provisions		<u>87,916</u>	<u>-</u>
Total operating expenses		531,864	556,348
Net surplus for the period		550,668	756,480
Total comprehensive income for the period		550,668	756,480



CENTRAL BANK OF TRINIDAD AND TOBAGO
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2022
(Expressed in Trinidad & Tobago Dollars)

	Issued and Fully Paid Up Capital \$'000	General Reserves \$'000	Retained Earnings \$'000	Total \$'000
Balance as at 1st October 2020	800,000	800,000	-	1,600,000
Net surplus for the period	-	-	756,480	756,480
Transfer of surplus to Consolidated Fund	-	-	(756,480)	(756,480)
Balance as at 30 September 2021	<u>800,000</u>	<u>800,000</u>	<u>-</u>	<u>1,600,000</u>
Balance as at 1st October 2021	800,000	800,000	-	1,600,000
Net surplus for the period	-	-	550,668	550,668
Transfer of surplus to Consolidated Fund	-	-	(550,668)	(550,668)
Balance as at 30th September 2022	<u>800,000</u>	<u>800,000</u>	<u>-</u>	<u>1,600,000</u>

CENTRAL BANK OF TRINIDAD AND TOBAGO
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2022
(Expressed in Trinidad & Tobago Dollars)

	Notes	Sep-22 \$'000	Sep-21 \$'000
Cash flows from operating activities			
Net surplus for the year before taxation		550,668	756,480
Adjustments for:			
Depreciation		27,251	28,229
Amortisation of intangible assets		1,363	1,345
Net loss/(gain) on disposal of fixed assets		9	(686)
Interest income		(1,322,909)	(1,252,521)
Interest expense		113,603	70,656
Dividend income		(1,149)	(1,135)
Provisions		87,916	(7,330)
Revaluation of Artwork		-	59
Cash outflows before changes in operating assets and liabilities		(543,248)	(404,903)
Changes in operating assets and liabilities			
Decrease in accounts receivable & prepaid expenses		761,304	310,023
Decrease/(increase) in other assets		20,050	(24,254)
(Increase)/decrease in retirement benefit asset		(87,030)	7,371
Increase/(decrease) in accounts payable and other liabilities		1,015,675	(5,148,434)
Net cash flows from/(used in) operations		1,166,751	(5,260,197)
Cash flows from investing activities			
Purchase of property, plant, equipment and Intangible assets		(14,020)	(18,016)
Proceeds from sale of property, plant and equipment		6	705
Net proceeds from sale/(purchase) of investments		2,787,826	(1,326,658)
Net repayment of loans and advances		17,866	24,398
Interest received		1,187,952	1,259,130
Dividends received		1,149	1,135
Interest paid		(94,859)	(70,498)
Net (increase) in International Monetary Fund Holding of Special Drawing Rights and Allocation account		(2,921)	(726,846)
Payment to Consolidated Fund		(756,480)	(1,377,582)
Net cash flows from/(used in) investing activities		3,126,519	(2,234,232)
Cash flows from financing activities			
Lease payment		13,685	13,416
Net cash flows from financing activities		13,685	13,416
Net increase/(decrease) in cash and cash equivalents		4,306,955	(7,481,013)
Foreign currency differences in monetary assets & liabilities		(133)	21
Cash and cash equivalents, beginning of period	4	17,910,542	25,391,534
Cash and cash equivalents, end of period	4	22,217,364	17,910,542

CENTRAL BANK OF TRINIDAD AND TOBAGO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022
(Expressed in Trinidad & Tobago Dollars)

1. Incorporation & principal activities

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

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

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

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



CENTRAL BANK OF TRINIDAD AND TOBAGO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022
(Expressed in Trinidad & Tobago Dollars)

2. Significant accounting policies

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

a. Basis of preparation

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

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

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

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

- o *IAS 21 – The Effect of Changes in Foreign Exchange Rates*, requires that all unrealised gains and losses be accounted for through the Income Statement. The Central Bank Act requires that the profit for the year be transferred to the Consolidated Fund but does not distinguish between realised and unrealised profits. As such the Bank accounts for all unrealised gains and losses on Changes in Exchange Rates through a Provision for Foreign Currency Exchange Rate Reserves.
- o *IAS 37 – Provisions, Contingent Liabilities and Contingent Assets*, defines Provisions as liabilities of uncertain timing or amount. The Central Bank Act imposes specific limitations on the scope of the Bank to create reserves and so prepare for certain unforeseen events. The Bank has therefore established Provisions for specific types of transactions and obligations, which would more typically be reflected as various types of reserves under the IFRS. See Note 19.



CENTRAL BANK OF TRINIDAD AND TOBAGO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022
(Expressed in Trinidad & Tobago Dollars)

2. Significant accounting policies cont'd

a. Basis of preparation cont'd

- *IFRS 7 – Financial Instruments Disclosures*, requires that an entity discloses very detailed information on its investments including information on concentration of risk on investments; geographical information on investments and sensitivity analysis for each type of market risk. The Bank's investment of the country's reserves is managed under strict governance procedures and the Central Bank Act requires that the Bank maintain a prudential level of confidentiality.
- *IFRS 9 - Financial Instruments: Classification and Measurement*, requires that where an asset is classified as fair value through profit and loss, the unrealised gains or losses on fair value movements should be recognised through the Statement of Comprehensive Income. The Central Bank Act requires the net profit for the year be transferred to the Consolidated Fund but does not distinguish between realised and unrealised profits. Therefore, the Bank recognises its unrealized gains or losses on these investments under "Provisions" (see Note 19).

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

b. Changes in accounting policies and disclosures

i. New standards and interpretations adopted by the Bank

There were no new standards and interpretations adopted by the Bank during the financial year.

ii. New standards 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, 2021 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.

CENTRAL BANK OF TRINIDAD AND TOBAGO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022
(Expressed in Trinidad & Tobago Dollars)

2. Significant accounting policies cont'd

b Changes in accounting policies and disclosures cont'd

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

These standards and amendments include:

- Amendments to IAS 37 – Provisions, Contingent Liabilities and Contingent Assets-Onerous Contracts-Cost of fulfilling a contract (*effective 1 January 2022*).

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

- Amendments to IAS 16 – Property, Plant and Equipment – Proceeds before intended use (*effective 1 January 2022*).

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

- Amendment to IFRS 3 – Business Combinations- Reference to the Conceptual Framework (*effective January 1, 2022*).

The amendments update an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard.

- Amendments to IFRS 9 –Financial Instruments –Fees included in the 10 percent test for derecognition of financial liabilities (*effective January 1, 2022*).

This amendment seeks to clarify the fees a company includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. The standard specifies that the terms are substantially different if the discounted present value of the cash flows under the new terms using the original effective interest rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability.

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2. Significant accounting policies cont'd

b Changes in accounting policies and disclosures cont'd

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

- o Amendment to IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors -Definition of Accounting Estimates (*effective 1 January 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.

- o Amendment to IAS 12 – Income Taxes- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (*effective January 1, 2023*)

The amendments introduce an exception to the initial recognition exemption in IAS 12. Applying this exception, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. This standard is not relevant to the Bank.

- o Amendments to IAS 1 – Presentation of Financial Statements- Classification of Liabilities as Current or Non-Current (*effective 1 January 2023*).

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.

- o Amendments IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies (*effective 1 January 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'.



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2. Significant accounting policies cont'd

b Changes in accounting policies and disclosures cont'd

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

o IFRS 17 – Insurance Contracts (*effective January 1, 2023*)

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

o Amendments to IFRS 16 – Leases – Lease liability in a sale and leaseback (*effective 1 January 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.

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.

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2. Significant accounting policies cont'd

d. Foreign currency translation

i. Functional and presentation currency

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

ii. Transactions and balances

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

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

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

iii. Special Drawing Rights

Transactions with the International Monetary Fund (IMF) are recorded at the local currency equivalent of Special Drawing Rights using rates notified by the IMF. Special Drawing Rights (SDR) are defined in terms of a basket of currencies. To revalue the Bank's holdings of SDRs, the value of the SDR was calculated as a weighted sum of the exchange rates of five major currencies (the US dollar, euro, Japanese yen, pound sterling and the Chinese renminbi) against the Trinidad and Tobago dollar. The TT: SDR rate as at 30 September 2022 was 0.110979 (September 2021 - 0.103303).



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2. Significant accounting policies cont'd

e. Critical accounting estimates and judgments

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

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

i. *Estimated pension and post-employment medical plan*

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

ii. *Provision for bad and doubtful debts*

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

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).

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2. Significant accounting policies cont'd

e. Critical accounting estimates and judgments cont'd

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.

f. Cash and cash equivalents

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

g. Investment securities

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

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

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



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2. Significant accounting policies cont'd

g. Investment securities cont'd

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

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

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

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

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

Business model assessment

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

- Hold to collect: it is intended to hold the asset to maturity to earn interest, collecting repayments of principal and interest 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.

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.



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2. Significant accounting policies cont'd

g. Investment securities cont'd

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

Solely Payments of Principal and Interest (SPPI) Test

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

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

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

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



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2. Significant accounting policies cont'd

h. Recognition and derecognition of financial instruments

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

i. Impairment of financial assets

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

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

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

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

Stage 1: 12 months ECL

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

Stage 2: Lifetime ECL – not credit impaired

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

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2. Significant accounting policies cont'd

i. Impairment of financial assets cont'd

Stage 3: Lifetime ECL – credit impaired

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

Measurement of expected credit losses (ECL)

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

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls over the expected life of the financial asset discounted by the 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.



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2. Significant accounting policies cont'd

i. Impairment of financial assets cont'd

The mechanics of the ECL method are summarised below:

Stage 1

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

Stage 2

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

Stage 3

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

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

- GDP growth
- Inflation rates
- Unemployment rates

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

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

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2. Significant accounting policies cont'd

j. Fair value measurement

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

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

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

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price. For all other financial instruments not traded in an active market, the fair value is determined by using valuation techniques considered to be appropriate in the circumstances for which sufficient data is available and for which the use of relevant observable inputs 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 categorized within the 3 levels of the fair value hierarchy based on the lowest level input that is significant to the entire fair value measurement. The levels of the fair value hierarchy are:

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

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

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

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



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2. Significant accounting policies cont'd

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.

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

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

The Plan's accounting costs are assessed on the basis of the Projected Unit Credit Method. A valuation is done every three years by independent actuaries. The last triennial valuation was performed as at 30 September, 2020 and the next valuation would be performed as at 30 September 2023.

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

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

ii. Post-employment medical benefits

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

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2. Significant accounting policies cont'd

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.

ii. Finance leases (as lessor)

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

o. Intangible Assets

Where the Bank purchases software that does not relate directly to the operation of related hardware, it will be classified as an Intangible Asset in accordance with IAS 38. Following initial recognition intangible assets are carried at cost less any accumulated amortisation and impairment losses. The useful life of intangible assets 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.



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2. Significant accounting policies cont'd

p. Property, plant & equipment

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

Artwork, which is classified under Fixtures and Fittings, is initially carried at cost. The Bank's Artwork is independently and professionally 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 in reserves as a provision for revaluation of artwork except to the extent that the increase reverses a revaluation deficit of the Artwork previously recognised in the Statement of Comprehensive Income. The Bank will conduct valuations every five years, with the most recent being performed at September 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.

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2. Significant accounting policies cont'd

q. Taxation

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

r. Provisions

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

s. Gold reserve

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

t. Subscriptions to international financial institutions

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

u. Capital

The entire capital of the Bank is held by the GORTT. Provision is made in Section 34(5) of the Central Bank Act for the Paid-up portion of the authorised capital of the Bank to be increased each year by an amount of not less than fifteen percent (15%) of the amount to be paid into the Consolidated Fund, until the Paid-up portion of the Authorised Capital is equal to the Authorised Capital. Currently the Paid up portion of the Authorised Capital of the Bank is equal to the Authorised Capital (see Note 27).



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2. Significant accounting policies cont'd

v. Reserves

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

w. Transfer of surplus

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

x. Revenue recognition

i. Interest income and interest expense

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

ii. Dividend income

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

iii. Other income and expenses

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

y. Comparatives

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

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3. Financial risk management

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

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

Credit risk

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

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

Currency risk

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

Interest rate risk

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

Liquidity risk

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

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

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4. Cash and cash equivalents

	Sep-22	Sep-21
	\$'000	\$'000
Currency on hand	81,217	100,115
Balances held with banks	3,154,065	2,245,306
Repurchase agreements	3,044,339	2,409,857
Fixed deposits	14,984,373	12,164,422
Short-term investments	953,370	990,842
	22,217,364	17,910,542

Represented by:

Foreign currency - cash and cash equivalents

Currency on hand	78,043	91,488
Balances held with banks	1,319,183	1,475,132
Repurchase agreements	3,044,339	2,409,857
Fixed deposits	14,984,373	12,164,422
Short-term investments	935,365	990,842
	20,361,303	17,131,741

Local currency - cash and cash equivalents

Cash on hand	3,174	8,627
Balances held with banks	1,834,882	770,174
Short-term investments	18,005	-
	1,856,061	778,801
	22,217,364	17,910,542

Local currency - balances with banks

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

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5. Investment securities

	Sep-22 \$'000	Sep-21 \$'000
Foreign currency investment securities		
Fair value through profit or loss	19,276,059	22,719,836
	19,276,059	22,719,836
Local currency investment securities		
Bonds - amortised cost	26	26
Treasury Bills - amortised cost	184,492	65
Fair value through profit or loss	3,500	3,500
Loans and advances - amortised cost	97,905	115,774
	285,923	119,365
Total investment securities	19,561,982	22,839,201
Fair value through profit and loss		
Foreign currency		
Investment securities	19,968,043	22,731,959
Appreciation in market value	(691,984)	(12,123)
	19,276,059	22,719,836
Local currency		
Investments in related enterprises (Note 6)	3,500	3,500
	3,500	3,500
Total fair value through profit and loss	19,279,559	22,723,336
Amortised cost		
Local currency		
Bonds	26	26
Treasury Bills	184,492	65
Loans and advances	97,905	115,774
	282,423	115,865
Total amortised cost	282,423	115,865
Total investment securities	19,561,982	22,839,201



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6. Investment in related enterprises

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

	Sep-22	Sep-21
	\$'000	\$'000
Trinidad and Tobago Unit Trust Corporation	2,500	2,500
Deposit Insurance Corporation	1,000	1,000
	<u>3,500</u>	<u>3,500</u>

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

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7. Fair value of assets and liabilities

a. Fair value hierarchy

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

Recurring fair value measurement of assets and liabilities

Quantitative disclosures fair value measurement hierarchy for assets as at 30 September 2022

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial Assets				
Asset-backed Securities:				
Auto Loan Receivable	-	1,458,779	-	1,458,779
Credit Card Receivable	-	657,170	-	657,170
Other Asset-backed Securities	-	400,642	-	400,642
Corporate Bonds	-	3,009,776	-	3,009,776
Mortgage-backed Securities:				-
Federal Home Loan Mortgage Corp. (MULTICLASS)	-	5,612	-	5,612
Federal Home Loan Mortgage Corp. (POOLS)	-	123,242	-	123,242
Federal National Mortgage Association (POOLS)	-	375,603	-	375,603
Federal National Mortgage Association (REMIC)	-	21,668	-	21,668
Gov't National Mortgage Association (MULTI FAMILY POOLS)	-	116,688	-	116,688
Gov't National Mortgage Association (REMIC)	-	5,244	-	5,244
Gov't National Mortgage Association (SINGLE FAMILY POOLS)	-	3,530	-	3,530
Government Issues	1,349,673	10,663,648	-	12,013,321
Gold	700,164	-	-	700,164
Investments in related enterprises	-	-	3,500	3,500
Derivatives				-
Mortgage-Backed Securities		376,859		376,859
Futures Contracts	7,762			7,762
Artwork	-	15,615	-	15,615
Total Financial Assets	2,057,599	17,234,075	3,500	19,295,174
Financial Liabilities				
Derivatives				
Futures Contracts	16,866	-	-	16,866
Total Financial Liabilities	16,866	-	-	16,866

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7. Fair value of assets and liabilities cont'd

a. Fair value hierarchy cont'd

Recurring fair value measurement of assets and liabilities cont'd

Quantitative disclosures fair value measurement hierarchy for assets as at 30 September 2021

Financial Assets	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Asset-backed Securities:				
Auto Loan Receivable	-	1,226,294	-	1,226,294
Credit Card Receivable	-	495,932	-	495,932
Other Asset-backed Securities	-	414,707	-	414,707
Corporate Bonds	-	3,580,963	-	3,580,963
Mortgage-backed Securities:				
Federal Home Loan Mortgage Corp. (MULTICLASS)	-	9,142	-	9,142
Federal Home Loan Mortgage Corp. (POOLS)	-	142,611	-	142,611
Federal National Mortgage Association (POOLS)	-	325,634	-	325,634
Federal National Mortgage Association (REMIC)	-	33,143	-	33,143
Gov't National Mortgage Association (MULTI FAMILY POOLS)	-	192,969	-	192,969
Gov't National Mortgage Association (REMIC)	-	7,675	-	7,675
Gov't National Mortgage Association (SINGLE FAMILY POOLS)	-	4,927	-	4,927
Government Issues	4,654,602	10,884,156	-	15,538,758
Gold	740,582	-	-	740,582
Investments in related enterprises	-	-	3,500	3,500
Derivatives	3,377	3,122	-	6,499
Artwork	-	15,416	-	15,416
Total	5,398,561	17,336,691	3,500	22,738,752

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



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7. Fair value of assets and liabilities cont'd

b. Transfers between fair value hierarchy levels

There were no transfers between the hierarchy levels during the period 1 October 2021 and 30 September 2022.

c. Level 1 fair values

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

d. Level 2 fair values

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

e. Level 3 fair values

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



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8. Retirement benefit asset

	Sep-22 \$'000	Sep-21 \$'000
Consolidated statement of financial position obligations for:		
- Pension plan	196,881	114,943
- Post-retirement medical plan	(42,504)	(47,596)
	154,377	67,347
	Sep-22 \$'000	Sep-21 \$'000
a) Pension plan		
Defined benefit obligation	(835,403)	(873,180)
Fair value of assets	1,032,284	988,123
IAS 19 net defined asset	196,881	114,943
Reconciliation of opening and closing defined benefit assets:		
Defined benefit asset at prior year end	114,943	111,168
Decrease in pension asset:		
Net pension cost	(17,233)	(24,453)
Re-measurements of net defined benefit asset/liability	82,484	14,681
Bank contribution paid	16,687	13,547
	81,938	3,775
Closing defined benefit asset	196,881	114,943
Amounts recognised in the earnings statement:		
Current service cost	(24,094)	(24,327)
Net interest on net defined benefit asset	7,567	7,250
Past service cost	-	(6,663)
Expense Allowance	(706)	(713)
Net pension cost	(17,233)	(24,453)
Re-measurements of net defined benefit asset/liability		
Experience gains/(losses)	82,484	14,681
Actual return on plan assets	82,484	14,681
	Sep-22	Sep-21
Actuarial assumptions		
Discount rate	6.50%	6.00%
Expected return on plan assets	n/a	n/a
Projected future rate of salary increase	5.61%	5.12%

Value of Pension Scheme Asset

Based on Fair Value at
Balance Sheet Date

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8. Retirement benefit asset cont'd

b) Post-Employment Medical Plan	Sep-22	Sep-21
	\$'000	\$'000
IAS 19 net defined obligation	(42,504)	(47,596)
Reconciliation of opening and closing defined benefit liability:		
Defined benefit liability at prior year end	(47,596)	(36,450)
Decrease in plan:		
Net benefit cost	(5,051)	(3,807)
Re-measurements of net defined benefit asset/liability	9,265	(8,160)
Bank contribution paid	878	821
	<u>5,092</u>	<u>(11,146)</u>
Closing defined benefit liability	(42,504)	(47,596)
Amounts recognised in the earnings statement		
Current service cost	(2,232)	(1,646)
Interest on defined benefit obligation	(2,819)	(2,161)
Net benefit cost	(5,051)	(3,807)
Return on plan assets: The plan holds no assets		
Actuarial assumptions		
Premium rate increases	5.00%	5.00%



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9. Accounts receivable and prepaid expenses

	Sep-22 \$'000	Sep-21 \$'000
Foreign receivables		
Pending trades - investments sold	3,182,517	3,940,155
Foreign interest receivable	129,783	67,152
Other receivables	3,366	8,556
	3,315,666	4,015,863
Local receivables		
Interest receivable on domestic investments	72,326	1
Amounts recoverable from CLF/GORTT (Note 29)	2,169,575	2,169,187
Other receivables	1,034	669
Prepayments	12,724	12,658
Suspense accounts- pending transfers	221	44
Value added tax	1,528	1,853
	2,257,408	2,184,412

10. Subscriptions to international financial institutions

	Sep-22 \$'000	Sep-21 \$'000
Banco Latino Americano De Exportaciones	14,157	19,018
Caribbean Development Bank	8,194	8,194
Caribbean Information and Credit Rating Services Ltd	1,771	1,771
Corporacion Andina de Formento	727,361	727,534
Inter-American Development Bank	6,695	6,695
International Bank for Reconstruction & Development	119,022	119,050
International Development Association	6,742	6,742
International Finance Corporation	333	333
International Monetary Fund	4,233,233	4,547,787
	5,117,508	5,437,124

The holdings in Banco Latino Americano De Exportaciones (Bladex) are based on a quoted market price off the New York Stock Exchange of US\$ 13.06/share as at 30 September 2022 (2021 US\$ 17.54/share).

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11. International Monetary Fund – Holdings and Allocations of Special Drawing Rights

	Sep-22			Sep-21		
	SDRs '000	SDR rate	\$'000	SDRs '000	SDR rate	\$'000
Holdings	771,445	0.110979	6,953,969	771,420	0.103303	7,467,548
Allocations	771,417	0.110979	6,951,019	771,417	0.103303	7,467,519

12. Other assets

	Sep-22 \$'000	Sep-21 \$'000
Leased asset	28,196	41,880
Stock of notes and coins	113,011	133,169
Consumables	1,909	1,801
	143,116	176,851

Leased asset

In 1995 the Bank entered into a thirty-year finance lease agreement with the GORTT for the purchase of the Ministry of Finance Building with a rate of interest of 2%. This lease agreement matures in 2024.

	Sep-22 \$'000	Sep-21 \$'000
Gross receivable due	29,044	43,566
Present value of minimum lease payments	(28,196)	(41,880)
Total unearned finance income	848	1,686
Gross receivables due		
Not later than one year	14,522	14,522
Later than one year but within five years	14,522	29,044
	29,044	43,566
Less: unearned finance income	(848)	(1,686)
Net investment in finance lease	28,196	41,880

The net investment in finance lease is analysed as follows:

	Sep-22 \$'000	Sep-21 \$'000
Not later than one year	13,959	14,237
Later than one year but within five years	14,237	27,643
	28,196	41,880



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12. Other assets cont'd

Inventory of notes and coins

	Sep-22	Sep-21
	\$'000	\$'000
Notes	99,797	116,466
Coins	13,214	16,703
	113,011	133,169

Inventory of notes

	Sep-22	Sep-21
	\$'000	\$'000
Opening balance	116,466	100,692
Cost of notes issued	(27,872)	(69,131)
Purchase of notes	11,203	116,446
Demonetisation of notes	-	(31,541)
Closing balance	99,797	116,466

Inventory of coins

	Sep-22	Sep-21
	\$'000	\$'000
Opening balance	16,703	8,302
Cost of coins issued	(3,489)	(5,109)
Accruals	-	(1,342)
Purchase of coins	-	14,852
Closing balance	13,214	16,703

On June 1, 2021, a Notice was issued to the public advising of the withdrawal from circulation with effect from July 1, 2021, of the \$1, \$5, \$10, \$20 and \$50 notes, bearing series dates prior to 2020. Additionally, with effect from January 1, 2022 the said notes ceased to be legal tender and the Bank shall indefinitely redeem them for face value. Consequently, the cost of unissued stock of these notes held, both at the Bank and at De La Rue, valued at \$31,541,242.17 was written off in FY 2021.

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13. Property, plant and equipment

	Land & Building	Leasehold Property	Machinery & Equipment	Computer Equipment	Furniture, Fixture & Fittings, Artwork	Capital Work in Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 30th September 2022							
Net book value							
Balance b/fwd 1st Oct 2021	51,238	10,626	16,027	14,563	24,265	6,021	122,740
Transfers	2,004	-	3,807	1,915	367	(8,093)	-
Additions	149	-	59	1,882	287	11,619	13,996
Disposals	-	-	-	(9)	(6)	-	(15)
Depreciation for the period	(11,416)	-	(6,985)	(6,888)	(1,962)	-	(27,251)
	41,975	10,626	12,908	11,463	22,951	9,547	109,470
Represented by:							
Cost	436,876	10,923	115,786	99,141	56,843	9,547	729,116
Accumulated depreciation	(394,901)	(297)	(102,878)	(87,678)	(33,892)	-	(619,646)
	41,975	10,626	12,908	11,463	22,951	9,547	109,470

	Land & Building	Leasehold Property	Machinery & Equipment	Computer Equipment	Furniture, Fixture & Fittings, Artwork	Capital Work in Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 30th September 2021							
Net book value							
Balance b/fwd 1st Oct 2020	60,914	10,635	15,602	11,640	25,880	8,578	133,249
Transfers	2,071	-	2,278	9,012	268	(13,629)	-
Additions	280	-	4,420	1,474	552	11,072	17,798
Disposals	-	-	-	-	(19)	-	(19)
Revaluation adjustment	-	-	-	-	(59)	-	(59)
Depreciation for the period	(12,027)	(9)	(6,273)	(7,563)	(2,357)	-	(28,229)
Balance c/fwd	51,238	10,626	16,027	14,563	24,265	6,021	122,740
Represented by:							
Cost	434,723	10,923	112,426	95,357	56,304	6,021	715,754
Accumulated depreciation	(383,485)	(297)	(96,399)	(80,794)	(32,039)	-	(593,014)
	51,238	10,626	16,027	14,563	24,265	6,021	122,740

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14. Intangible Assets

	Intangible Assets \$'000	Total \$'000
<u>As at 30th September 2022</u>		
Net book value		
Balance b/fwd 1st Oct 2021	10,053	10,053
Additions	24	24
Amortization for the period	(1,363)	(1,363)
	8,714	8,714
Represented by:		
Cost	13,689	13,689
Accumulated amortization	(4,975)	(4,975)
	8,714	8,714
 <u>As at 30th September 2021</u>		
Net book value		
Balance b/fwd 1st Oct 2020	11,180	11,180
Additions	218	218
Amortization for the period	(1,345)	(1,345)
	10,053	10,053
Represented by:		
Cost	13,665	13,665
Accumulated amortization	(3,613)	(3,613)
	10,053	10,053

15. Non-current assets held for sale

	Sep-22 \$'000	Sep-21 \$'000
Freehold land	20	20
	20	20

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 remains available for immediate sale and continues to be actively marketed. It is classified as Non-Current assets held for sale and it continues to be reflected in the Financial Statements at the lower of the carrying value and fair value less costs to sell.

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16. Financial Liabilities

	Sep-22 \$'000	Sep-21 \$'000
Financial Liabilities at Fair Value through Profit and Loss		
Unrealized Losses on Fair Value of Derivatives-Futures	16,866	-
	16,866	-

17. Demand liabilities

	Sep-22 \$'000	Sep-21 \$'000
Demand liabilities - foreign		
Foreign deposits	7,401	6,150
Government special accounts	813,907	737,380
	821,308	743,530
Demand liabilities - local		
Notes in circulation	8,570,352	8,386,758
Coins in circulation	261,029	257,043
Deposits by commercial banks	18,884,973	20,666,999
Deposits by non-banking financial institutions	369,972	380,256
Statutory deposits - insurance companies	12,894	12,397
Deposits by government and government agencies	(3,199,611)	(8,338,095)
Deposits by other current accounts	2,501,535	3,422,537
Deposits by regional and international institutions	45,224	157,800
Promissory Notes due to international financial institutions	3,180,038	3,391,823
	30,626,406	28,337,518

a. Deposits by financial institutions

At the Monetary Policy Announcement on September 30, 2022, both the required statutory cash reserve ratios for commercial banks and non-bank financial institutions remained unchanged at 14% and 9% respectively. Notwithstanding, over the period October 2021 to September 2022 the average value of the commercial banks' required reserves decreased by about 4.9 percent over the prior period, while non-banks' required reserves increased by about 39 percent over that of the corresponding period for 2020-2021.

b. 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.



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18. Accounts payable

	Sep-22 \$'000	Sep-21 \$'000
Accounts payable - Foreign		
Bilateral accounts	7,993	35,422
Pending trades - investments purchased	4,352,246	3,997,056
Other payables	4,380	295
	4,364,619	4,032,773
Accounts payable - Local		
Trade payables and accrued charges	127,305	83,760
Interest payable	19,432	688
Unclaimed monies	68,312	31,883
Blocked accounts	8,791,891	10,528,574
Other payables	567,904	594,004
	9,574,844	11,238,909

Blocked accounts

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

19. Provisions

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

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19. Provisions cont'd

	Sep-22	Sep-21
	\$'000	\$'000
Provisions		
Gold reserve	476,826	517,438
Foreign currency exchange rate reserves	5,381,564	5,470,515
Pension reserve	154,377	67,347
Revaluation reserve on investments	(678,903)	(328)
	5,333,864	6,054,972

20. Income from foreign currency assets

	Sep-22	Sep-21
	\$'000	\$'000
Investment income		
Interest on United States dollar balances & securities	400,408	332,119
Interest on other foreign balances & securities	40,376	2,381
Other income	16,341	33,970
	457,125	368,470
Investment expenses	(23,092)	(30,082)
Realised (loss) from currency translation	(55,603)	(28,506)
Net (loss)/gain realised on disposal and amortisation of investment		
Gains realised on disposal of investments	1,348	114,498
Losses realised on disposal of investments	(248,958)	(107,902)
	(247,610)	6,596
Total income from foreign assets	130,820	316,478



CENTRAL BANK OF TRINIDAD AND TOBAGO
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21. Income from local currency assets

	Sep-22	Sep-21
	\$'000	\$'000
Interest income		
Loans	879,377	915,405
Other investments	2,748	2,615
	882,125	918,020
Other income		
General earnings	2,247	309
Dividends	65	50
Fees charged to financial institutions	64,376	64,173
Profit on sale of assets	1	705
Profit on sale of investments in related entities	-	2,213
Other	783	1,305
	67,472	68,755

22. Printing of notes and minting of coins

	Sep-22	Sep-21
	\$'000	\$'000
Cost of new notes issued	27,872	69,134
Cost of new coins issued	3,489	5,109
Other printing and minting expenses	1,413	5,386
Demonetisation of notes	-	31,977
	32,774	111,606

23. Salaries and related expenses

	Sep-22	Sep-21
	\$'000	\$'000
Salaries and allowances	212,911	209,199
National insurance	7,469	7,740
Employee benefits- pension and post retirement medical plan (Note 8)	(87,030)	7,371
Other staff costs	34,000	30,532
	167,350	254,842



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24. Other operating expenses

	Sep-22	Sep-21
	\$'000	\$'000
Other operating expenses include:		
Advertising and public relations	2,279	1,997
CL Financial expenses (Note 29)	6,304	1,624
Computer expenses	29,213	28,587
Conferences and meetings	636	74
Contribution to other organizations	2,220	2,800
Electricity	3,551	4,065
Insurance	3,998	3,750
Library expenses	3,498	3,541
Loss on disposal of assets	10	18
Maintenance cost	27,617	24,369
Printing and stationery	2,369	2,018
Professional fees	4,141	3,060
Rent	4,489	4,502
Telephone	6,464	5,093
Other expenses	3,328	2,446
	100,116	87,943

25. Capital commitments

There was \$2.5 million in outstanding commitments for capital expenditure as at 30 September 2022 (30 September 2021 - \$3.2 million).

26. 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.



CENTRAL BANK OF TRINIDAD AND TOBAGO
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27. Capital

	Sep-22 \$'000	Sep-21 \$'000
Authorised capital	800,000	800,000
Paid-up capital	800,000	800,000

28. Related party transactions

a. Government of the Republic of Trinidad and Tobago

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

	Sep-22 \$'000	Sep-21 \$'000
Interest income from local currency assets	877,757	914,065
Interest expense	72,366	66,438
Assets		
Local currency investment securities	184,518	91
Other Assets	28,196	41,880
Interest Receivable	72,326	1
Liabilities		
Demand liabilities - foreign	813,907	737,380
Demand liabilities - local	(2,025,843)	(7,141,367)
Accounts payable	8,791,891	10,528,574

CENTRAL BANK OF TRINIDAD AND TOBAGO
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28. Related party transactions cont'd

b. Related enterprises

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

	Sep-22	Sep-21
	\$'000	\$'000
Income		
Dividend Income	65	50
Rental income	243	243
Other income	42	42
	350	335
Expenditure		
Salaries and related expenditure	1,159	1,120
	1,159	1,120
Ending period balances		
Investments in related enterprises	3,500	3,500
Payables to related enterprises	1,310,842	2,208,392

c. Key management compensation

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

	Sep-22	Sep-21
	\$'000	\$'000
Short-term employee benefits	68,135	67,632
Directors' fees	1,512	1,753



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29. CL Financial group matter

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

On 31 January 2009 the Bank assumed control of CIB, under Section 44D of the Central Bank Act (the Act) and consequent to an amendment to the Act, it also assumed control of CLICO and BAT on 13 February 2009. By Order of the Court, CIB was placed into Liquidation in October 2011 and the Deposit Insurance Corporation appointed 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 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 portfolio of CLICO and BAT has been impacted by court proceedings in the context of a challenge by one of the bidders for the portfolios. The repayment of the Government debt has progressed steadily from 2015 with CLICO significantly reducing its liabilities to the Government. By way of a notification published in the Gazette, Vol. 61, No. 210, Item No. 1752 dated December 1, 2022, 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 ("the Effective Date"). All powers of control over the affairs, property and undertakings of CLICO vested in the Bank by or in consequence of the notification published in Legal Notice No. 32 of 2009 (dated February 13, 2009) have been transferred to CLICO from the Effective Date.

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:

<u>Assets</u>	Sep-22 \$'000	Sep-21 \$'000
Amounts recoverable from CLF/GORTT	2,169,575	2,169,187

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

Legal, consultancy and other costs incurred in relation to all CLF matters have been disclosed in Note 24.



CENTRAL BANK OF TRINIDAD AND TOBAGO
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30. 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.

CENTRAL BANK OF TRINIDAD AND TOBAGO
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31. Statement of Financial Position – Current/Non-Current distinction

	----- Current \$'000	Sep-22 Non-Current \$'000	----- Total \$'000
ASSETS			
Foreign currency assets			
Foreign currency cash and cash equivalents	20,361,303	-	20,361,303
Foreign currency investment securities	4,034,240	15,241,819	19,276,059
Foreign receivables	3,315,666	0	3,315,666
Subscriptions to international financial institutions	289	5,117,219	5,117,508
International Monetary Fund - Holdings of Special Drawing Rights	-	6,953,969	6,953,969
	27,711,498	27,313,007	55,024,505
Local currency assets			
Local currency cash and cash equivalents	1,856,061	-	1,856,061
Local currency investment securities	207,511	78,413	285,923
Retirement benefit asset	-	154,377	154,377
Accounts receivable and prepaid expenses	2,257,283	125	2,257,408
Other assets	128,878	14,237	143,116
Property, plant and equipment	-	109,470	109,470
Intangible assets	-	8,714	8,714
Non current assets held for sale	20	-	20
	4,449,753	365,336	4,815,089
TOTAL ASSETS	32,161,251	27,678,343	59,839,594
LIABILITIES			
Foreign currency liabilities			
Financial Liabilities	16,866	-	16,866
Demand liabilities - foreign	821,258	50	821,308
International Monetary Fund - Allocation of Special Drawing Rights	-	6,951,019	6,951,019
Accounts payable	4,364,619	-	4,364,619
	5,202,743	6,951,069	12,153,812
Local currency liabilities			
Demand liabilities - local	30,619,858	6,548	30,626,406
Accounts payable	8,396,558	1,178,286	9,574,844
Provision for transfer of surplus to government	550,668	-	550,668
Provisions	5,131,535	202,329	5,333,864
	44,698,620	1,387,162	46,085,782
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	49,901,363	9,938,231	59,839,594

CENTRAL BANK OF TRINIDAD AND TOBAGO
NOTES TO FINANCIAL STATEMENTS
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(Expressed in Trinidad & Tobago Dollars)

31. Statement of Financial Position – Current/Non-Current distinction cont'd

	----- Current \$'000	Sep-21 Non-Current \$'000	----- Total \$'000
ASSETS			
Foreign currency assets			
Foreign currency cash and cash equivalents	17,131,741	-	17,131,741
Foreign currency investment securities	6,315,293	16,404,543	22,719,836
Foreign receivables	4,015,863	-	4,015,863
Subscriptions to international financial institutions	-	5,437,124	5,437,124
International Monetary Fund - Holdings of Special Drawing Rights	-	7,467,548	7,467,548
	27,462,897	29,309,215	56,772,112
Local currency assets			
Local currency cash and cash equivalents	778,801	-	778,801
Local currency investment securities	30,996	88,369	119,365
Retirement benefit asset	-	67,347	67,347
Accounts receivable and prepaid expenses	2,183,372	1,041	2,184,412
Other assets	148,655	28,196	176,851
Property, plant and equipment	-	122,740	122,740
Intangible assets	-	10,053	10,053
Non current assets held for sale	20	-	20
	3,141,844	317,745	3,459,589
TOTAL ASSETS	30,604,741	29,626,960	60,231,701
LIABILITIES			
Foreign currency liabilities			
Demand liabilities - foreign	743,530	-	743,530
International Monetary Fund - Allocation of Special Drawing Rights	-	7,467,519	7,467,519
Accounts payable	4,032,773	-	4,032,773
	4,776,302	7,467,519	12,243,822
Local currency liabilities			
Demand liabilities - local	28,330,970	6,547	28,337,517
Accounts payable	9,836,799	1,402,110	11,238,909
Provision for transfer of surplus to government	756,480	-	756,480
Provisions	783,488	5,271,484	6,054,972
	39,707,738	6,680,141	46,387,879
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	44,484,040	15,747,660	60,231,701



APPENDICES
2021 – 2022





TABLE A.1
CURRENCY IN CIRCULATION
2017 – 2022
(TT\$ '000s)

End of Month	Notes (Old TT)	Notes (Republic)	Total Notes in Circulation	Coins	Total Currency in Circulation
Sep-17	19,044	8,634,825	8,653,869	234,480	8,888,349
Sep-18	19,044	8,495,199	8,514,243	238,088	8,752,331
Sep-19	19,044	8,606,726	8,625,770	244,951	8,870,721
Oct-19	19,044	8,651,394	8,670,438	245,802	8,916,240
Nov-19	19,044	8,771,510	8,790,554	246,623	9,037,177
Dec-19	19,044	8,554,958	8,574,002	247,112	8,821,114
Jan-20	19,044	5,692,615	5,711,659	247,807	5,959,466
Feb-20	19,044	6,382,172	6,401,216	248,105	6,649,321
Mar-20	19,044	7,037,001	7,056,045	248,688	7,304,733
Apr-20	19,044	7,217,858	7,236,902	249,201	7,486,103
May-20	19,044	7,127,382	7,146,426	249,700	7,396,126
Jun-20	19,044	7,281,798	7,300,842	250,273	7,551,115
Jul-20	19,044	7,493,443	7,512,487	250,793	7,763,280
Aug-20	19,044	7,769,793	7,788,837	251,451	8,040,288
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

Source: Central Bank of Trinidad and Tobago



TABLE A.3
COMMERCIAL BANKS:
AVERAGE DEPOSIT LIABILITIES AND REQUIRED AND ACTUAL CASH RESERVES
for Period Ending September 2022
(TT\$ '000s)

Reserve Period Ending	Average Deposit Liabilities	Required Cash Reserves	Average Cash Reserves
06-Oct-21	121,852,506	12,959,087	20,714,926
13-Oct-21	121,306,994	12,966,849	20,622,189
20-Oct-21	120,131,712	12,957,680	20,422,391
27-Oct-21	122,050,388	12,953,366	20,748,566
03-Nov-21	127,674,024	12,925,989	21,704,584
10-Nov-21	122,970,347	12,964,505	20,904,959
17-Nov-21	125,283,476	12,991,211	21,298,191
24-Nov-21	116,933,600	12,991,650	19,878,712
01-Dec-21	124,311,394	13,007,424	21,132,937
08-Dec-21	120,483,288	13,000,663	20,482,159
15-Dec-21	119,062,724	13,037,209	20,240,663
22-Dec-21	113,891,024	13,111,744	19,361,474
29-Dec-21	105,715,824	13,197,409	17,971,690
05-Jan-22	103,034,206	13,281,565	17,515,815
12-Jan-22	102,767,712	13,307,481	17,470,511
19-Jan-22	103,859,612	13,288,520	17,656,134
26-Jan-22	109,954,906	13,232,122	18,692,334
02-Feb-22	108,814,671	13,167,075	18,498,494
09-Feb-22	105,234,929	13,116,463	17,889,938
16-Feb-22	102,203,818	13,074,063	17,374,649
23-Feb-22	106,052,906	13,032,401	18,028,994
02-Mar-22	112,719,594	12,958,004	19,162,331
09-Mar-22	111,188,176	12,926,163	18,901,990
16-Mar-22	109,183,259	12,941,347	18,561,154
23-Mar-22	111,553,365	12,963,849	18,964,072
30-Mar-22	104,756,847	12,963,849	17,808,664
06-Apr-22	101,922,388	13,056,465	17,326,806
13-Apr-22	99,685,282	13,043,825	16,946,498
20-Apr-22	97,823,700	13,000,850	16,630,029
27-Apr-22	96,328,835	12,958,620	16,375,902
04-May-22	100,616,424	12,883,054	17,104,792
11-May-22	101,169,671	12,866,126	17,198,844
18-May-22	98,729,641	12,863,895	16,784,039
25-May-22	103,037,953	12,875,889	17,516,452
01-Jun-22	104,039,959	12,897,882	17,686,793
08-Jun-22	108,636,388	12,904,820	18,468,186
15-Jun-22	105,959,976	12,917,622	18,013,196
22-Jun-22	104,222,753	12,966,101	17,717,868
29-Jun-22	88,872,147	12,998,082	15,108,265
06-Jul-22	93,109,588	13,046,605	15,828,630
13-Jul-22	93,628,182	13,021,072	15,916,791
20-Jul-22	88,687,876	12,953,247	15,076,939
27-Jul-22	90,311,441	12,905,520	15,352,945
03-Aug-22	96,730,988	12,785,707	16,444,268
10-Aug-22	99,523,865	12,769,069	16,919,057
17-Aug-22	98,845,394	12,764,836	16,803,717
24-Aug-22	103,389,429	12,773,203	17,576,203
31-Aug-22	102,296,659	12,773,203	17,390,432
07-Sep-22	98,037,994	12,848,285	16,666,459
14-Sep-22	100,709,347	12,894,547	17,120,589
21-Sep-22	110,454,588	12,887,839	18,777,280
28-Sep-22	108,376,341	12,894,615	18,423,978

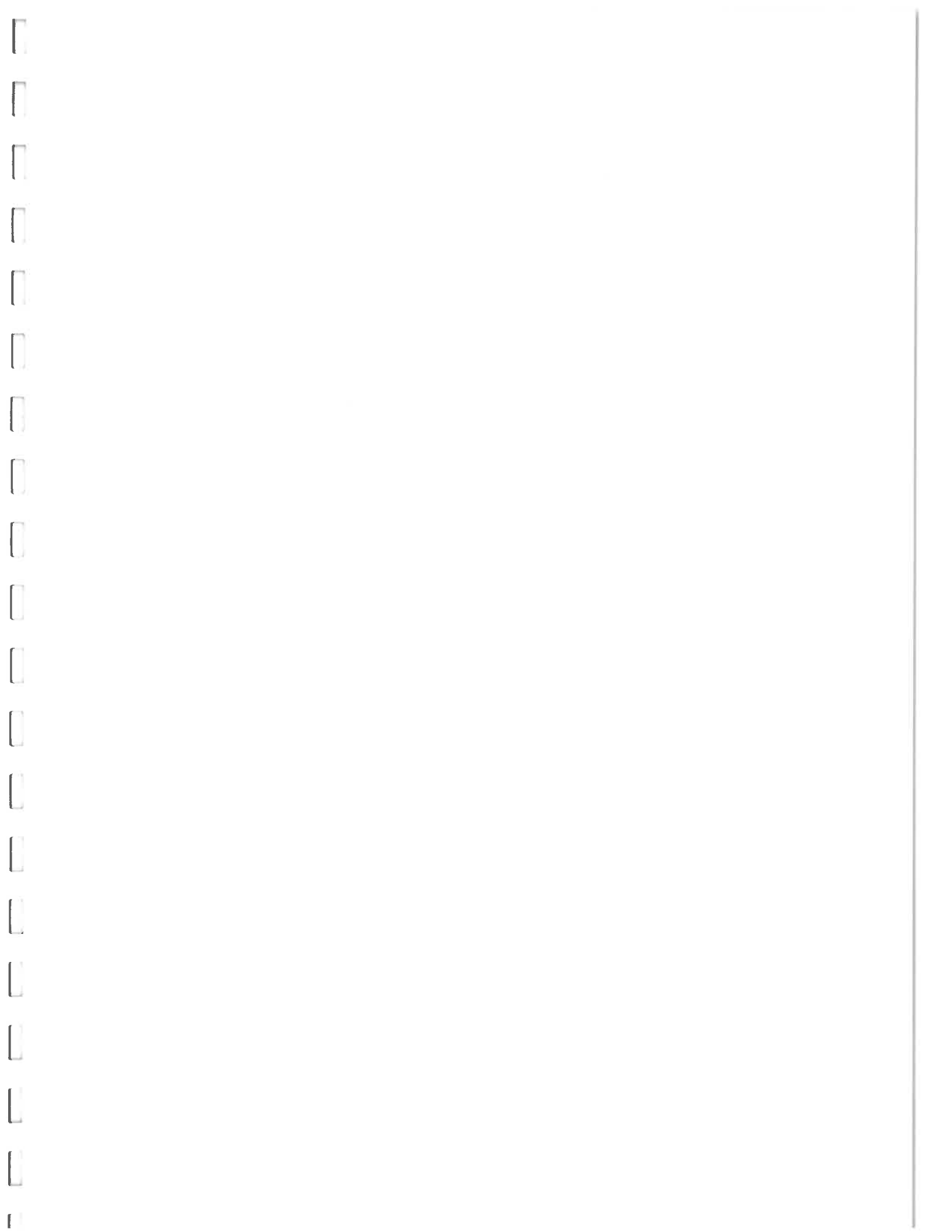
Source: Central Bank of Trinidad and Tobago



TABLE A.4
NON-BANK FINANCIAL INSTITUTIONS:
AVERAGE DEPOSIT LIABILITIES AND REQUIRED AND ACTUAL CASH RESERVES
for Period Ending September 2022
(TT\$ '000s)

Reserve Period Ending	Average Deposit Liabilities	Required Cash Reserves	Average Cash Reserves
06-Oct-21	3,104,089	279,368	384,504
13-Oct-21	3,150,511	283,546	388,850
20-Oct-21	3,187,289	286,856	391,937
27-Oct-21	3,295,933	296,634	352,830
03-Nov-21	3,365,356	302,882	359,173
10-Nov-21	3,416,689	307,502	363,762
17-Nov-21	3,480,100	313,209	369,559
24-Nov-21	3,443,944	309,955	366,244
02-Dec-21	3,443,389	309,905	365,620
09-Dec-21	3,437,956	309,416	365,223
15-Dec-21	3,417,278	307,555	364,363
22-Dec-21	3,428,756	308,588	365,240
29-Dec-21	3,427,800	308,502	364,851
05-Jan-22	3,434,889	309,140	365,277
12-Jan-22	3,452,933	310,764	365,913
19-Jan-22	3,468,522	312,167	319,123
26-Jan-22	3,434,878	309,139	316,180
02-Feb-22	3,401,289	306,116	312,902
09-Feb-22	3,358,656	302,279	309,152
16-Feb-22	3,303,033	297,273	303,990
23-Feb-22	3,289,867	296,088	337,903
02-Mar-22	3,277,089	294,938	336,845
09-Mar-22	3,277,422	294,968	336,920
16-Mar-22	3,303,767	297,339	339,650
23-Mar-22	3,334,311	300,088	362,182
30-Mar-22	3,334,311	300,088	363,236
06-Apr-22	3,385,556	304,700	332,334
13-Apr-22	3,400,089	306,008	333,088
20-Apr-22	3,392,122	305,291	331,708
27-Apr-22	3,378,322	304,049	318,556
04-May-22	3,362,533	302,628	317,164
11-May-22	3,338,933	300,504	371,140
18-May-22	3,352,456	301,721	372,284
25-May-22	3,352,989	301,769	372,830
01-Jun-22	3,353,767	301,839	372,939
08-Jun-22	3,356,556	302,090	373,330
15-Jun-22	3,348,278	301,345	372,220
22-Jun-22	3,350,233	301,521	372,251
29-Jun-22	3,357,822	302,204	372,728
06-Jul-22	3,326,167	299,355	370,688
13-Jul-22	3,311,133	298,002	369,611
20-Jul-22	3,287,556	295,880	392,467
27-Jul-22	3,264,989	293,849	349,791
03-Aug-22	3,289,211	296,029	351,716
10-Aug-22	3,336,022	300,242	356,200
17-Aug-22	3,396,478	305,683	362,408
24-Aug-22	3,452,411	310,717	370,435
31-Aug-22	3,452,400	310,716	371,113
07-Sep-22	3,489,833	314,085	371,088
14-Sep-22	3,486,022	313,742	370,831
21-Sep-22	3,481,078	313,297	370,271
28-Sep-22	3,478,156	313,034	369,972

Source: Central Bank of Trinidad and Tobago





CENTRAL BANK OF
TRINIDAD & TOBAGO