First Citizens Portfolio and Investment Management Services Limited
(A Subsidiary of First Citizens Investment Services Limited)

Financial Statements

30 September 2024

(Expressed in Trinidad and Tobago Dollars)

First Citizens Portfolio and Investment Management Services Limited

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First Citizens Portfolio and Investment Management Services Limited

Statement of Management's Responsibilities

Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of First Citizens Portfolio and Investment Management Services Limited which comprise the statement of financial position as at 30 September 2024 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of material accounting policies and other explanatory information;
- Ensuring that the Company keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Company's assets, detection/prevention of fraud, and the achievement of Company operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations, including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

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

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

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

General Manager	Head of Finance
18 November 2024	18 November 2024

Independent auditor's report

To the shareholder of
First Citizens Portfolio and Investment Management Services Limited

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of First Citizens Portfolio and Investment Management Services Limited (the Company) as at 30 September 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 30 September 2024;
- the statement of income and other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

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

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other information

Management is responsible for the other information. The other information comprises the First Citizens Investment Services Limited (FCIS) Prospectus for the offer of Repurchase Agreements (but does not include the financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

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

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the FCIS Prospectus for the offer of Repurchase Agreements, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting 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.

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditor’s responsibilities for the audit of the financial statements (continued)

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

PricewaterhouseCoopers

Port of Spain
Trinidad, West Indies
20 November 2024

First Citizens Portfolio and Investment Management Services Limited

Statement of Financial Position

(Expressed in Trinidad and Tobago Dollars)

	Notes	As at 30 September 2024 $	2023 $
Assets			
Cash and due from banks	5	109,792,946	72,322,570
Intangible asset	6	2,987,112	2,742,113
Property and equipment	7	27	3,100
Other assets	8	14,745,049	37,862,366
Deferred tax asset	9	10,125	10,125
Tax recoverable		2,399,821	2,255,792
Total assets		129,935,080	115,196,066
Liabilities			
Creditors and accrued expenses	10	2,078,220	3,279,331
Tax payable		4,579,951	5,016,376
Deferred tax liability	9	3,478	4,225
Total liabilities		6,661,649	8,299,932
Capital and reserve attributable to the company's equity holders			
Share capital	11	5,594,000	5,594,000
Retained earnings		117,679,431	101,302,134
Total shareholder's equity		123,273,431	106,896,134
Total equity and liabilities		129,935,080	115,196,066

The notes on pages 9 to 36 are an integral part of these financial statements.

On 18 November 2024, the Board of Directors of First Citizens Portfolio and Investment Management Services Limited authorised these financial statements for issue.

Director

Director

First Citizens Portfolio and Investment Management Services Limited

Statement of Income and Other Comprehensive Income
(Expressed in Trinidad and Tobago Dollars)

	Notes	Year ended 30 September 2024 $	2023 $
Fee income	12	67,238,478	66,504,719
Interest income		1,140,090	758,664
Total net income		68,378,568	67,263,383
Impairment loss	13	--	(54,334)
Administrative expense	14	(3,717,421)	(4,076,670)
Other operating expense	15	(6,292,613)	(3,507,096)
Profit before taxation		58,368,534	59,625,283
Taxation	16	(17,396,669)	(18,246,324)
Profit for the year		40,971,865	41,378,959
Other comprehensive income			
Total other comprehensive income for the year		--	--
Total comprehensive income for the year		40,971,865	41,378,959

The notes on pages 9 to 36 are an integral part of these financial statements.

First Citizens Portfolio and Investment Management Services Limited

Statement of Changes in Equity

(Expressed in Trinidad and Tobago Dollars)

	Share capital $	Retained earnings $	Total equity $
Balance as at 1 October 2023	5,594,000	101,302,134	106,896,134
Comprehensive income			
Profit for the year	--	40,971,865	40,971,865
Other comprehensive income	--	--	--
Total comprehensive income	--	40,971,865	40,971,865
Transactions with owners			
Dividends paid (Note 17)	--	(24,594,568)	(24,594,568)
Balance at 30 September 2024	5,594,000	117,679,431	123,273,431
Balance as at 1 October 2022	5,594,000	94,172,990	99,766,990
Comprehensive income			
Profit for the year	--	41,378,959	41,378,959
Other comprehensive income	--	--	--
Total comprehensive income	--	41,378,959	41,378,959
Transactions with owners			
Dividends paid (Note 17)	--	(34,249,815)	(34,249,815)
Balance at 30 September 2023	5,594,000	101,302,134	106,896,134

The notes on pages 9 to 36 are an integral part of these financial statements.

First Citizens Portfolio and Investment Management Services Limited

Statement of Cash Flows
(Expressed in Trinidad and Tobago Dollars)

	Note	Year ended 30 September 2024 $	2023 $
Cash flows from operating activities			
Profit before taxation		58,368,534	59,625,283
Adjustments to reconcile profit to net cash provided by operating activities:			
Interest income		(1,140,090)	(758,664)
Loss on disposal of property and equipment		2	6
Depreciation expense		3,073	9,474
Impairment loss		--	54,334
Net cash flow from operating activities before changes in operating assets & liabilities		57,231,519	58,930,433
Net change in other assets		23,092,220	(26,262,050)
Net change in creditors and accrued expenses		(1,201,111)	1,319,474
Cash generated from operations		79,122,628	33,987,857
Interest received		1,165,187	841,517
Tax paid		(17,977,870)	(17,916,218)
Net cash inflow from operating activities		62,309,945	16,913,156
Investing activities			
Purchase of intangible assets		(244,999)	(399,826)
Purchase of property and equipment		(2)	(6)
Net cash outflow from investing activities		(245,001)	(399,832)
Financing activities			
Dividends paid		(24,594,568)	(34,249,815)
Net cash outflow from financing activities		(24,594,568)	(34,249,815)
Net increase/(decrease) in cash and due from banks		37,470,376	(17,736,491)
At beginning of year		72,322,570	90,059,061
At end of year		109,792,946	72,322,570
Represented by:			
Cash and due from banks	5	109,792,946	72,322,570

The notes on pages 9 to 36 are an integral part of these financial statements.

1 General information

First Citizens Portfolio and Investment Management Services Limited (the "Company") is incorporated in the Republic of Trinidad and Tobago and is engaged in the provision of financial management services as is authorised pursuant to its registration under Section 51 (1) of the Securities Act 2012 as a Broker Dealer. It was a wholly owned subsidiary of First Citizens Bank Limited (the Bank) until 31 August 2018. The Company is a wholly owned subsidiary of First Citizens Investment Services Limited (FCIS), which is a subsidiary of First Citizens Bank Limited (the Bank). The Bank is wholly owned by First Citizens Group Financial Holdings Limited (FCGFH) which is listed on the Trinidad and Tobago Stock Exchange. The Government of the Republic of Trinidad and Tobago (GORTT) owns 60.1% of FCGFH and the remaining shares are publicly traded.

As a part of the corporate restructuring of First Citizens Group, and in accordance with Legal Notice 102 dated June 06th 2024, with effect from October 01, 2024 all the shares owned by First Citizens Bank Limited in FCIS will become vested in First Citizens Group Financial Holdings Limited (FCGFH), whereupon FCIS will become a fully owned subsidiary of FCGFH.

The Company's registered office is 17 Wainwright Street, St. Clair, Port of Spain.

2 Summary of material accounting policies

These notes provide a list of the material accounting policies adopted in the preparation of these financial statements to the extent they have not already been disclosed in the other notes. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. *Basis of preparation*

These financial statements have been prepared in accordance with IFRS Accounting Standards (IFRS) and interpretations issued by the IFRS Interpretation Committee (IFRS IC) applicable to companies reporting under IFRS. These financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). The financial statements are prepared under the historical cost convention.

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

(i) *Standards, amendments and interpretations which are effective and have been adopted by the Company in the accounting period*

- Amendments IAS1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies (Effective 1 January 2023). The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.
- Amendments to IAS 8 - 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.

2 **Summary of material accounting policies (continued)**

a. *Basis of preparation (continued)*

(i) *Standards, amendments and interpretations which are effective and have been adopted by the Company in the accounting period (continued)*

- The amendments to IAS 12 Income Taxes require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations, and will require the recognition of additional deferred tax assets and liabilities. The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(ii) *IFRS Accounting Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company*

The following standards, amendments and interpretations to existing standards are not yet effective and have not been early adopted by the Company:

- Amendments to IAS 1 - Classification of Liabilities as Current or Non-Current (Effective 1 January 2024). The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.
- Amendments to IAS 1 - Non-current liabilities with covenants (Effective 1 January 2024). These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.
- Amendments to IFRS 16 - Leases on sales and Leaseback (Effective 1 January 2024). The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.
- IFRS 18, 'Presentation and Disclosure in Financial Statements' This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

  - the structure of the statement of profit or loss;
  - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management defined performance measures); and
  - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

2 Summary of material accounting policies (continued)

a. *Basis of preparation (continued)*

(ii) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company (continued)*

IFRS Sustainability Standards that are not yet effective and have not been early adopted by the Company:

- IFRS S1 - General requirements for disclosure of sustainability-related financial information (Effective 1 January 2024). This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain

- IFRS S2 - Climate-related disclosures information (Effective 1 January 2024). This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

The Company is in the process of assessing the impact of the new and revised standards not yet effective on the financial statements and does not anticipate any material impact.

b. *Foreign currency translation*

(i) *Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Trinidad and Tobago dollars, which is the Company's functional and presentation currency. The exchange rate between the TT dollar and the US dollar as at the date of these statements was TT$ 6.6926 = US$1.00 (Sept 2023: TT$6.6926=US$1.00). This rate represents the First Citizens Group mid-rate.

(ii) *Transactions and balances*

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

Changes in the fair value of monetary securities denominated in foreign currency classified as fair value through other comprehensive income are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of security. Translation differences related to changes in the amortised cost are recognised in profit or loss and other changes in carrying amount are recognised in other comprehensive income. Translation differences on non-monetary items such as equities classified as fair value through other comprehensive income financial assets are included in other comprehensive income.

2 **Summary of material accounting policies (continued)**

c. *Financial assets and financial liabilities*

(i) *Financial assets*

The Company classifies its financial assets in the following business model:

- Hold to collect

Based on these factors, the Company will classify its assets into the following measurement category:

Amortised cost

Assets held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI), and that are not designated at FVPL would be measured at amortised cost. The carrying amount of those assets would be adjusted by any expected credit loss allowance recognised and measured as described in note 3.a. Interest income from those financial assets – cash and due from banks are included in “Interest income” using the effective interest rate method.

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

Company’s business model

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

- The stated objective and policies of the portfolio and the operation of those in practice. More specifically whether the Company’s objective is solely to collect the contractual cash flows from the assets or it is to collect both the contractual cash flows and cash flows arising from the sale of the assets.
- Past experience on how the cash flows for these assets were collected.
- Determination of performance targets for the portfolio, how evaluated and reported to key management personnel.
- Management’s identification of and response to various risks, which includes but not limited to, liquidity risk, market risk, credit risk, interest rate risk. Management considers, in classifying its assets, the level of historical sales and forecasted liquidity requirements.

2 **Summary of material accounting policies (continued)**

c. *Financial assets and financial liabilities (continued)*

(i) *Financial assets (continued)*

Financial assets are classified on recognition based on the business model for managing the contractual cash flows.

Hold to collect

Where the business model is to hold assets to collect contractual cash flows, the Company assesses whether cash flows represent solely payment of principal and interest (SPPI). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement.

Impairment

The Company assesses on a forward-looking basis the expected credit losses (ECL) associated with its assets carried at amortised cost. The Company recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

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

(ii) *Financial liabilities*

(a) *Classification and subsequent measurement*

Financial liabilities are classified and measured at amortised cost.

(b) *Derecognition*

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

d. *Impairment of non-financial assets*

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2 Summary of material accounting policies (continued)

e. *Write-off*

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include:

(i) ceasing enforcement activity and

(ii) where the Company’s effort to dispose of repossessed collateral is such that there is no reasonable expectation of recovering in full.

f. *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

g. *Income tax*

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

h. *Cash and cash equivalents*

For purposes of the statement of cash flows, cash and cash equivalents comprise cash balances on hand, deposits with other banks and short-term highly liquid investments with maturities of three months or less when purchased that are readily redeemable to known amounts of cash and which are subject to an insignificant risk of changes in value.

2 **Summary of material accounting policies (continued)**

i. *Interest income and expense*

Interest income and interest expense are recognised in the statement of comprehensive income for all interest bearing instruments on an accrual basis using the effective interest method based on the actual purchase price. Interest income includes coupons earned on fixed income investments and accrued discount and premium on treasury bills and other discounted instruments.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument, or when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options), but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

j. *Dividend distribution*

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Company's Board of Directors. Dividends for the year, which are declared after the year end, are disclosed in the subsequent events note when applicable.

k. *Provisions*

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of the obligation as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

l. *Other debtors and prepayments*

Other debtors and prepayments consist of clients, staff advances, accrued interest, intangibles, prepayments and related parties. These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2 **Summary of material accounting policies (continued)**

m. *Property and equipment*

Property and equipment are stated at historical cost less depreciation.

Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Equipment is recorded at cost less accumulated depreciation.

Depreciation and amortisation are computed on all assets except land.

The provision for depreciation and amortisation is computed using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Equipment and furniture	4-5 years
Computer equipment and motor vehicles	3-5 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. The recoverable amount is the higher of the assets fair value less cost to sell and value in use. Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are recognised within the statement of comprehensive income. When revalued assets are sold, the amounts included in fair value reserves are transferred to retained earnings.

n. *Intangible assets*

(i) *Intangible assets*

Intangible assets are initially recognised when they are separable or arise from contractual or other legal rights, the cost can be measured reliably and in the case of intangible assets not acquired in a business combination, where it is probable that future economic benefits attributes to the assets with flow from their use. The value of intangible assets which are acquired in a business combination is generally determined using income approach methodologies such as the discounted cash flow method.

Intangible assets are stated at cost less amortisation and provisions for impairment, if any, plus reversals of impairment, if any. They are amortised over their useful lives in a manner that reflects the pattern to which they contribute to future cash flow.

2 **Summary of material accounting policies (continued)**

n. *Intangible assets (continued)*

(ii) *Computer software*

Costs associated with maintaining computer software programmes are recognised as an expense when incurred. However, expenditure that enhances or extends the benefits of computer software programmes beyond their original specifications and lives is recognised as a capital improvement and added to the original cost of the software. Computer software development costs recognised as assets when the following criteria are met:

- It is technically feasible to complete the software and use it.
- Management intends to complete the software and use it.
- There is an ability to use the software.
- Adequate technical, financial and other resources to complete the development and to use it.
- The expenditure attributable to the software during its development can be reliably measured.

The software development costs are amortised using the straight-line method over their useful lives but not exceeding a period of three years.

o. *Employee benefits*

(i) *Pension Plan - First Citizens Bank defined benefit pension plan*

First Citizens Bank Limited operates a defined benefit plan, which is a pension plan that defines an amount of pension benefits that an employee will receive on retirement, usually dependent on one or more factors, such as age, years of service and compensation. This pension plan is funded by payments from employees and by the Bank, taking account of the recommendations of independent qualified actuaries.

The Bank's defined benefit plan operates as a plan which shares risks among subsidiaries of the Group which are under common control. The Bank's policy is to recognise the net defined benefit cost of the plan in the separate financial statements of First Citizens Bank Limited, the entity which is legally considered the sponsoring employer of the plan. The Bank recognises a cost equal to its contribution payable for its employees in its separate financial statements.

The liability or asset is recognised in the Bank’s statement of financial position. In respect of the defined benefit pension plan, as at September 2024, the defined benefit pension plan asset represented the fair value of the plan’s asset less the present value of the obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The Company’s contribution to the plan amounted to TT$346,238 (September 2023: TT$366,021) (Note 14). These contributions were recharged by the Bank and settled through the intercompany settlement monthly.

(ii) *Profit sharing and bonus plans*

The Company recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the Company’s profit before taxation. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation. Included in the bonuses and profit sharing is a contribution to the employee share ownership plan which is administered by the Bank and settled through an intercompany recharge.

2 **Summary of material accounting policies (continued)**

p. *Payables and other liabilities*

Payables and other liabilities represent short term obligations to brokers, clients, business related expenses and related parties. These are short term in nature and settlement is expected within one year. Payables and other liabilities are recognised initially at fair value net of transaction costs, and subsequently measured at amortised costs.

q. *Fee and commission income*

Fee and commission income is recognised on a single principle based five-step model to be applied to all contracts with customers. The five steps in the model are as follows:

- Identify the contract with the customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contracts
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Asset management fees related to investment funds are recognised rateably over the period the service is provided and accrued in accordance with pre-approved fee scales. The same principle is applied for wealth management, financial planning and custody services that are continuously provided over an extended period of time.

Fees and commissions related to the provision of investment management services are recognised monthly based on a fixed Service Level Agreement with its parent, First Citizens Investment Services Limited. The Service Level Agreement came into effect March 2018 for an initial period of two years. The Service Level Agreement has been since revised with an effective date 1 October 2022.

Revenue type	**Allocate the transaction price to separate performance obligations**	**Recognise revenue when (or as) each performance obligation is satisfied**	**Timing of revenue recognition**
Mutual Funds, Pension Fund & Client Portfolio	Revenue is recognised over time for the full completion of the scope of works to the contract	There is no separation of performance obligation	Completion of full service over time

r. *Fiduciary activities*

The Company acts as trustees and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. These assets and income arising thereon are excluded from these financial statements, as they are not assets of the Company (Note 19).

3 Financial risk management

The Company's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks for its funds under management. The Company's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects for its funds under management and the financial performance of the company. The Company regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

Risk management framework

The Board of Directors of First Citizens (the Group) has overall responsibility for the establishment and oversight of the Group's risk management framework. To assist the Board of Directors in fulfilling its duties, two Board Sub-Committees were established to monitor and report to the Board of Directors on the overall risks within the Group - the Board Enterprise Risk Committee and the Board Credit Committee; and two Senior Management Committees – the Senior Manager Risk Committee and the Asset Liability Committee.

The Enterprise Risk Unit, headed by the Chief Risk Officer, is responsible for the management, measurement, monitoring and control of operational, market and credit risk for the Company through the Operational Risk Unit, Credit and Risk Administration Unit, Market Risk Unit and Business Continuity Planning Unit. The Enterprise Risk Unit reports into the Senior Management Risk Committee to allow monitoring of the adherence to risk limits and the impact of developments in the aforementioned risk areas on strategy and how strategy should be varied in light of the developments.

The Asset Liability Committee (ALCO) was established to manage and monitor the policies and procedures that address financial risks associated with changing interest rates, foreign exchange rates and other factors that can affect the Group's liquidity. The ALCO seeks to limit risk to acceptable levels by monitoring and anticipating possible pricing differences between assets and liabilities across the Bank and the Group's various companies via the Treasury and International Trade Centre. The Treasury and International Trade Centre's primary role and responsibility is to actively manage the Group's liquidity and market risks. The ALCO is also supported in some specific areas of activity by the Group's Market Risk Committee.

As part of its mandate, the Board establishes written principles for overall risk management, as well as ensuring that policies are in place covering specific areas of risk, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments. In addition, the Company has an Investment Committee which provides oversight of the Committee's investment framework. The Internal Audit Department is responsible for the independent review of risk management and the control environment, and reports its findings and recommendation to the Board Audit Committee.

The Board of Directors of the FCIS Group has overall responsibility for the establishment and oversight of the FCIS Group's risk management framework. The Board of FCIS has also established a Risk Management Committee (RMC) which oversees the risk management function of the FCIS Group.

The most important types of risk are credit risk, market risk and liquidity risk. Market risk includes currency risk, interest rate and other price risk.

a. *Credit risk*

Credit risk is the risk of suffering financial loss, should any of the Company's customers, clients or market counterparties fail to fulfil their contractual obligations to the Company. Credit risk arises mainly from cash and due from banks and receivables from third parties and related parties, but can also arise from credit enhancement provided, financial guarantees, letters of credit, endorsements and acceptances.

3 **Financial risk management (continued)**

a. *Credit risk (continued)*

Credit risk exposure relating to financial assets on the statement of financial position are as follows:

	2024 **$**	**2023** **$**
Cash and due from banks	109,792,946	72,322,570
Other assets (Note 8)	8,450,863	27,562,864
	118,243,809	99,885,434

There were no credit risk exposures relating to off-statement of financial position items.

(i) *Risk limit control and mitigation policy*

The Company, as portfolio managers, structures the levels of credit risk for the funds under management by placing limits on the amount of risk accepted in relation to one client, or groups of clients. The Company monitors its concentration of credit exposure so that no single client default will have a material impact on the funds under management. These limits are implemented and monitored by the Credit Administration Department via the stipulations of the Group Credit Policy Manual.

(a) *Industry exposure limits*

These limits have been established based on a ranking of the riskiness of various industries. The ranking is guided within the Investment Policy Statement (IPS) for each of the Funds Under Management.

(b) *Country exposure limits*

Exposure limits have been established for selected countries, which are considered to be within the Company’s offshore catchment area and/or target market.

(ii) *Definition of default and credit-impaired assets*

The Company defines a financial instrument as in default, or credit- impaired, when it meets one or more of the following criteria:

Quantitative criteria

The receivable is more than 90 days past due on its contractual payments.

Qualitative criteria

The client meets unlikeliness to pay criteria, which indicates the client is in significant financial difficulty. These are instances where:

- The client formally files for bankruptcy or there is a start of foreclosure proceedings.
- The obligation is classified doubtful or worse as per the Company’s classification process.
- A modification to the terms and conditions of the original agreement that would not normally be considered is executed.

3 **Financial risk management (continued)**

a. *Credit risk (continued)*

(ii) *Definition of default and credit-impaired assets (continued)*

The criteria above have been applied to all financial instruments held by the Company and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD), throughout the Company's expected loss calculations. An instrument is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of six months. This period of six months has been determined based on an analysis which considers the likelihood of a financial instrument returning to default status after cure using different possible cure definitions.

(iii) *Concentration of risks of financial assets with credit risk exposure- Geographical sectors*

The following tables breaks down the Company's main credit exposure at their carrying amounts, as categorised by geographical region as of 30 September 2024 and 30 September 2023. For this table, the Company has allocated exposures to regions based on the country of domicile of its counterparties. The Company's portfolio comprises cash and due from banks and other assets. Limits are reviewed on an annual or more frequent basis and the exposures are monitored on a daily basis. The country exposures are categorised within the portfolio as follows:

	North America $	Caribbean $	Total $
At 30 September 2024			
Cash and due from banks	21,573,103	88,219,843	109,792,946
Other assets	--	8,450,863	8,450,863
	21,573,103	96,670,706	118,243,809
At 30 September 2023			
Cash and due from banks	531,076	71,791,494	72,322,570
Other assets	20,102,897	7,459,967	27,562,864
	20,633,973	79,251,461	99,885,434

The above tables represents a worst case scenario of credit risk exposure to the Company as at 30 September 2024 and 30 September 2023. The exposures set out above are based on gross carrying amounts before impairment. There are no credit risk exposures relating to off-statement of financial position items.

3 **Financial risk management (continued)**

b. *Market risk*

The Company takes on exposure to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices. The Company own book is significantly cash, due from banks and other assets as at September 2024, which experiences limited market risk.

The Company as a Broker Dealer manages the market risk for its funds under management by separating the exposures to market risk into either trading or non-trading portfolios. The market risks arising from trading and non-trading activities are measured separately by the Company's Market Risk Department who submit reports to the Senior Management Enterprise Risk Committee on a regular basis. On a monthly basis, the Group's Market Risk Committee reviews and approves the yield curves used to value all investment securities and reports on this into the Group ALCO. In addition, the funds under management have their individual sale policy. As at 30 September 2024, there is no direct impact on the Company for market risk exposure for the funds under management.

Trading portfolios include those portfolios arising from market-making transactions where the Company acts as a principal with clients or with the market. Trading portfolios are those positions entered into primarily to take advantage of market movements to generate capital gains.

Non-trading portfolios also consist of interest rate, foreign exchange and equity risks arising from the Company's financial assets.

The Company's main exposure to market risk is interest rate and FX risk. As at 30 September 2024, the total value of assets to which the Company faced market risk represented 91% of capital (September 2023: 89%).

(i) *Currency risk*

The Company takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. It is the policy of the Company not to engage in speculative foreign exchange activities. The Board sets limits on the level of exposure by currency and in aggregate for all positions, which are monitored periodically. The Company does not currently engage in any hedging activities to mitigate currency risk.

3 **Financial risk management (continued)**

b. *Market risk (continued)*

(i) *Currency risk (continued)*

The table below summarises the Company's exposure to foreign currency exchange rate risk at 30 September 2024. Included in the table are the Company's financial assets and liabilities at carrying amounts, categorised by currency.

	TT $	US $	Total $
At 30 September 2024			
Assets			
Cash and due from banks	71,457,105	38,335,841	109,792,946
Other assets	7,604,778	846,085	8,450,863
Total assets	79,061,883	39,181,926	118,243,809
Liabilities			
Creditors and accrued expenses	1,328,200	750,020	2,078,220
Total liabilities	1,328,200	750,020	2,078,220
Net on statement of financial position	77,733,683	38,431,906	116,165,589

	TT $	US $	Total $
At 30 September 2023			
Assets			
Cash and due from banks	64,536,095	7,786,475	72,322,570
Other assets	6,466,154	21,096,710	27,562,864
Total assets	71,002,249	28,883,185	99,885,434
Liabilities			
Creditors and accrued expenses	2,342,678	936,653	3,279,331
Total liabilities	2,342,678	936,653	3,279,331
Net on statement of financial position	68,659,571	27,946,532	96,606,103

If the Trinidad and Tobago dollar depreciates by 100 basis points against the United States dollar, the profits would increase by $380,513 (September 2023: $228,890).

3 Financial risk management (continued)

b. *Market risk (continued)*

(ii) *Interest rate risk*

The Company takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and future cash flows. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of the changes in market interest rates. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of the changes in market interest rate.

Interest earnings are immaterial and the Company does not have any long-term borrowings. Hence, interest rate risk does not have a significant impact on its operations.

The table below summarises the Company's exposure to interest rate risk. The assets and liabilities are categorised by the contractual date.

As at 30 September 2024 **Assets**	**Up to 1 month $**	**Non-interest bearing $**	**Total $**
Cash and due from banks	54,158,231	55,634,715	109,792,946
Other assets	--	8,450,863	8,450,863
Total assets	54,158,231	64,085,578	118,243,809
Liabilities			
Creditors and accrued expenses	--	2,078,220	2,078,220
Total liabilities	--	2,078,220	2,078,220
Interest sensitivity gap	54,158,231	62,007,358	116,165,589

As at 30 September 2023 **Assets**	**Up to 1 month $**	**Non-interest bearing $**	**Total $**
Cash and due from banks	22,889,020	49,433,550	72,322,570
Other assets	--	27,562,864	27,562,864
Total assets	22,889,020	76,996,414	99,885,434
Liabilities			
Creditors and accrued expenses	--	3,279,331	3,279,331
Total liabilities	--	3,279,331	3,279,331
Interest sensitivity gap	22,889,020	73,717,083	96,606,103

3 **Financial risk management (continued)**

b. *Market risk (continued)*

(ii) *Interest rate risk (continued)*

If interest rates were to move by 2.5% the impact on fees & commission and interest income will be $1,353,956 (September 2023: $572,225).

c. *Liquidity risk*

The liquidity risk is the risk that the Company will be unable to generate or obtain sufficient cash or its equivalent in a timely and cost-effective manner to meet its commitments when they fall due under normal and stress circumstances and arises from fluctuation in cash flows. The undiscounted receivables and payables liquidity exposure is mitigated because these cash flows are generally settled within three to thirty days.

Liquidity risk management process

The Company's liquidity management process is carried out by the Treasury and International Trade Centre and monitored by the Group's Asset and Liability Committee (ALCO).

The Company's liquidity management framework is designed to ensure that there are adequate reserves of cash and other liquid securities to satisfy current and prospective commitments arising from either on-statement of financial position or off-statement of financial position liabilities.

The Company relies on a broad range of funding sources and applies prudent limits to avoid undue concentration. Current and projected cash flows are monitored, together with diversification of funding and contingency planning, and ensuring that funding disturbances are minimised.

Compliance with liquidity policies and risk limits is tracked by Group Market Risk Unit and reported into the Senior Risk Management Committee via the Enterprise Risk Unit to the Board Enterprise Risk Committee.

As at 30 September 2024

	Up to 1 month $	**Total $**
Assets		
Cash and due from banks	109,890,115	109,890,115
Other assets	8,450,863	8,450,863
Total assets	118,340,978	118,340,978
Liabilities		
Creditors and accrued expenses	2,078,220	2,078,220
Total liabilities	2,078,220	2,078,220
Liquidity gap	116,262,758	116,262,758

3 **Financial risk management (continued)**

c. *Liquidity risk (continued)*

As at 30 September 2023

	Up to 1 month $	**Total $**
Assets		
Cash and due from banks	72,339,120	72,339,120
Other assets	27,562,864	27,562,864
Total assets	99,901,984	99,901,984
Liabilities		
Creditors and accrued expenses	3,279,331	3,279,331
Total liabilities	3,279,331	3,279,331
Liquidity gap	96,622,653	96,622,653

d. *Price risk*

Price risk arises due to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to other price risk as it holds no equity instruments.

e. *Off-statement of financial position items*

(i) *Financial guarantees and other financial facilities*

As of 30 September 2024, the Company had no financial guarantees or other financial facilities that result in a commitment to meet financial obligations (September 2023: nil).

(ii) *Capital commitments*

The Company had capital commitments of $3,092,478 (September 2023: $2,815,006).

3 **Financial risk management (continued)**

f. *Fair value of financial assets and liabilities*

(i) *Financial instruments not measured at fair value*

Fair value hierarchy

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to these valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Company's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). This level includes debt instruments.
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components.

The following table summarises the carrying amounts and fair values of those financial assets and liabilities presented on the Company's statement of financial position at an amount other than their fair value.

	Carrying Value		Fair Value	
	2024	2023	2024	2023
	$	$	$	$
Financial Assets				
Cash and due from banks	109,792,946	72,322,570	109,792,946	72,322,570
Other assets	8,450,863	27,562,864	8,450,863	27,562,864
Financial Liabilities				
Creditors and accrued expense	2,078,220	3,279,331	2,078,220	3,279,331

The fair values of the Company's financial instruments are determined in accordance with International Accounting Standard (IFRS) 9 "Financial instruments: Recognition and Measurement".

(ii) *Financial instruments where carrying value is equal to fair value*

Due to their liquidity and short-term maturity, the carrying values of certain financial instruments approximate their fair values. Financial instruments where carrying value is equal to fair value include cash and due from banks and other assets.

3 Financial risk management (continued)

g. *Capital management*

The Company's objectives when managing capital, which is a broader concept than the 'equity' on the face of the statement of financial position are:

- To comply with the capital requirements set by the regulators of the securities markets where the Company operates;
- To safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are monitored daily by the Company's management, employing techniques based on the requirements of the Trinidad and Tobago Securities and Exchange Commission (the Authority), for supervisory purposes. The required information is filed with the Authority on a regular basis as required.

The Authority requires each securities company to hold the minimum level of regulatory capital of five million Trinidad and Tobago dollars. During those two periods, the Company complied with all of the externally imposed capital requirements to which they are subject.

4 Critical accounting estimates and judgements in applying accounting policies

The Company makes estimates and assumptions about the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. No estimates and assumptions were made which would have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

a. *Income taxes*

Management judgment is required in determining provisions for income taxes and there are many transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. When appropriate, particularly where the ultimate tax determination is uncertain, management also obtains opinions or advice from leading tax advisors and regularly reassesses its strategy in relation to such exposures.

Tax is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Substantive enactment is considered to be achieved when further steps in the enactment process will not change the outcome of a proposed change in tax law. Management considers the legislative process applicable in each jurisdiction in which it operates in determining at what point a proposed change in tax law will be considered substantively enacted by identifying the point after which further steps in the enactment process will not affect the outcome of the proposed change.

5 **Cash and due from banks**

	2024 $	2023 $
Cash and bank balances	109,792,946	72,322,570
	109,792,946	72,322,570

Cash and due from banks include the above for the purposes of the Statement of Cashflows.

The average effective interest rate on bank deposits was 2.118% (2023: 0.851%).

6 **Intangible asset**

This is a computer software project that is currently in work in progress.

	2024	2023
Movements are as follows:		
At beginning of year	2,742,113	2,342,287
Additions- work in progress	244,999	399,826
At end of year	2,987,112	2,742,113
Cost	2,987,112	2,742,113
Net book amount	2,987,112	2,742,113

7 **Property and equipment**

	Computer equipment $	Office furniture, fittings & equipment $	Total $
Year ended 30 September 2024			
Opening net book amount	3,094	6	3,100
Additions	2	--	2
Disposals	(2)	--	(2)
Depreciation charge	(3,073)	--	(3,073)
Closing net book amount	21	6	27
At 30 September 2024			
Cost/revaluation	36,787	6	36,793
Accumulated depreciation	(36,766)	--	(36,766)
Net book amount	21	6	27

7 Property and equipment (continued)

	Computer equipment $	Office furniture, fittings & equipment $	Total $
Year ended 30 September 2023			
Opening net book amount	12,569	5	12,574
Additions	5	1	6
Disposals	(6)	--	(6)
Depreciation charge	(9,474)	--	(9,474)
Closing net book amount	3,094	6	3,100
At 30 September 2023			
Cost/revaluation	54,672	6	54,678
Accumulated depreciation	(51,578)	--	(51,578)
Net book amount	3,094	6	3,100
At 30 September 2022			
Cost/revaluation	54,673	5	54,678
Accumulated depreciation	(42,104)	--	(42,104)
Net book amount	12,569	5	12,574

8 Other assets

	2024 $	2023 $
Fee income receivable	8,413,960	7,425,975
Due from related party	34,282	33,456
Prepayments	921,523	4,927,764
Other receivables	5,375,284	25,475,171
	14,745,049	37,862,366

Prepayments include IT expenses of $0.7M (September 2023: $4.8M) for annual license and maintenance expenses.

Other receivables include a non-current balance of $5.4M which relates to prepaid IT expenses (September 2023: $5.4M). Other receivables for September 2023 included $20.1M of principal and coupon from a short term financial asset which matured on 30 September 2023; the cash was received in October 2023.

8 **Other assets (continued)**

The following table shows the aging for Fee income receivable and Due from related party as at the statement of financial position date. Balances over ninety (90) days are considered past due.

Fee income receivable in the amount of $309,298 (September 2023: $78,795) is past due as at the statement of financial position date. An ECL assessment on these amounts was carried out on 30 September 2024 which resulted in an ECL provision of $10,949 (September 2023: $16,784). However, no adjustment was made to the financial statements.

Fee income receivable & due from related party As at 30 September 2024

	Up to 1 month $	1 to 3 months $	3 to 12 months $	1 to 5 years $	Total $
Pension plan fees	2,884,475	685,549	278,576	--	3,848,600
Mutual fund fees	4,047,281	--	--	--	4,047,281
Other fund fees	442,906	44,452	12,277	18,445	518,080
Due from related party	34,282	--	--	--	34,282
	7,408,944	730,001	290,853	18,445	8,448,243

Fee income receivable & due from related party As at 30 September 2023

	Up to 1 month $	1 to 3 months $	3 to 12 months $	1 to 5 years $	Total $
Pension plan fees	2,773,539	107,364	58,589	--	2,939,492
Mutual fund fees	4,064,751	--	--	--	4,064,751
Other fund fees	365,111	36,415	20,206	--	421,732
Due from related party	33,456	--	--	--	33,456
	7,236,857	143,779	78,795	--	7,459,431

9 **Deferred income tax asset**

Deferred taxes are calculated on all temporary differences under the liability method using a tax rate of 30% (September 2023: 30%).

9 Deferred income tax asset (continued)

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

	2024 $	2023 $
At beginning of year	5,900	7,648
Charge/(credit) to income statement (Note 16)	747	(1,748)
At end of year	6,647	5,900

	Balance at 1 October 2023 $	Charge to income statement $	Balance at 30 September 2024 $
Deferred income tax			
Unrealised exchange losses	10,125	--	10,125
Deferred tax asset	10,125	--	10,125
Accelerated tax depreciation	(4,225)	747	(3,478)
Deferred tax liability	(4,225)	747	(3,478)
Net deferred income tax	5,900	747	6,647

	Balance at 1 October 2022 $	Charge to income statement $	Balance at 30 September 2023 $
Deferred income tax			
Unrealised exchange losses	10,125	--	10,125
Deferred tax asset	10,125	--	10,125
Accelerated tax depreciation	(2,477)	(1,748)	(4,225)
Deferred tax liability	(2,477)	(1,748)	(4,225)
Net deferred income tax	7,648	(1,748)	5,900

9 Deferred income tax asset (continued)

The Company does not have any unrecognised losses. The net deferred tax is expected to be recovered as follows:

	2024 $	2023 $
Within 12 months	10,125	10,125
After 12 months	(3,478)	(4,225)
	6,647	5,900

10 Creditors and accrued expenses

Due to related parties	263,495	2,283,715
Accrued expenses	1,814,725	995,616
	2,078,220	3,279,331

11 Share capital

Authorised 5,000,000 shares of no par value		
Issued and fully paid 4,999,999 ordinary shares of no par value	5,594,000	5,594,000

12 Fee income

Pension fund & client portfolio fees	11,841,942	11,223,972
Mutual funds fees	53,084,980	53,282,719
Other fund fees	2,311,556	1,998,028
	67,238,478	66,504,719

13 Impairment loss

Write offs/Provision for impairment	--	(54,334)
	--	(54,334)

14 Administrative expenses

Staff cost (Note 14.1)	3,498,333	3,851,181
Directors' fees and expenses	216,015	216,015
Depreciation expense	3,073	9,474
	3,717,421	4,076,670

14 **Administrative expenses (continued)**	**2024** **$**	**2023** **$**
14.1 **Staff costs**		
Wages and salaries	2,417,697	2,576,999
Pension plan expense	346,238	366,021
National insurance	80,923	80,725
Other benefits	653,475	827,436
	3,498,333	3,851,181

The number of permanently employed staff as at the 30 September 2024 was 6 (September 2023: 6).

15 Other operating expenses

Travel expenses	95,000	95,000
Consultancy & outside services	268,063	315,873
IT expenses	5,204,613	5,562,858
Office expenses	387,304	305,952
Marketing costs	1,512	--
Other expenses	336,121	(2,772,587)
	6,292,613	3,507,096

Other expenses in 2023 include a write back of $5.4M for IT expenses for the software platform between 2021-2022.

16 Taxation

Current tax	17,566,864	18,226,553
Prior year (over)/under provision	(169,448)	18,023
Deferred tax (note 9)	(747)	1,748
	17,396,669	18,246,324

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

Profit before tax	58,368,535	59,625,283
Tax calculated at 30% (2023: 30%)	17,510,560	17,887,585
Income exempt from tax	(210,448)	(56,078)
Expenses not deductible for tax purposes	267,499	394,677
Net effect of other charges and allowances	(1,494)	2,117
Prior year (over)/under provision	(169,448)	18,023
	17,396,669	18,246,324

17 Dividends

	2024 $	2023 $
Ordinary dividend paid	24,594,568	34,249,815

Dividend payment comprises the last quarter payment for 2023 of $6.2M and interim dividends for 2024 of $18.5M. Dividend payment for 2023 totaled $34.2M.

18 Related party balances and transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. A number of transactions are entered into with related parties in the normal course of business.

a. *Directors*

	2024 $	2023 $
Directors Salaries	216,015	216,015

b. *Parent and Related companies*

	Parent		Related companies	
	September 2024 $	September 2023 $	September 2024 $	September 2023 $
Statement of Income				
Interest income	--	4,335	200,960	198,155
Statement of Financial Position amounts due from/(to)				
Cash and due from other banks	--	--	88,219,844	71,791,495
Other assets	--	--	34,282	33,456
Creditors and accrued expenses	(263,495)	(2,283,715)	--	--
	(263,495)	(2,283,715)	88,254,126	71,824,951

19 Assets under management

Assets under management, which are not beneficially owned by the Company, but which are managed by the Company on behalf of investors are listed below at carrying amount.

	2024 $	2023 $
Pension and savings plans	9,804,131,238	9,508,991,938
Mutual funds	7,078,729,050	7,028,417,843
Other funds	998,918,523	718,034,730
	17,881,778,811	17,255,444,511

20 Subsequent events

The first phase of the First Citizens Group's corporate legal restructure exercise was completed on 15 October 2021, with the amalgamation of the Bank with a special purpose vehicle to facilitate the formation of a new Financial Holding company, First Citizens Group Financial Holdings Limited (FCGFH). This led to the cancellation and delisting of the Bank's shares and the issuance and listing of FCGFH shares on the Trinidad and Tobago Stock Exchange. Trading in FCGFH shares commenced on 18 October 2021.

With effect from 1 October 2024, First Citizens Bank Limited (Bank) transferred the shares of First Citizens Investment Services Limited (FCIS) to FCGFH, marking the end of the second and final phase of the First Citizens Group's corporate restructuring exercise. The Bank remains a subsidiary of FCGFH. The shares of FCIS were transferred by vesting order to FCGFH by virtue of Legal Notice No. 102 of 2024.

There were no other events after the reporting period that were material to the financial statements which required adjustments to the financial statements or disclosures when the financial statements were authorised for issue.