



Trinidad & Tobago
Mortgage Finance
Company Limited

From here... to Home.

Pride in Enduring Success



ANNUAL REPORT 2019



Trinidad & Tobago
Mortgage Finance
Company Limited

From here... to Home.



OUR VISION

We are the lender of first choice for residential mortgages in Trinidad and Tobago.

We are passionate and proud about what we do, with a reputation for exceptional, friendly and professional service.

We focus on fulfilling our potential with the most skilled and knowledgeable team in the industry.

OUR MISSION

In partnering, we make home ownership an easy and rewarding experience.

OUR CORE VALUES

REsults oriented
Customer focused
Integrity
Teamwork
Empowerment



Trinidad & Tobago
Mortgage Finance
Company Limited

From here... to Home.

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BRANCHES

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Upper Scarborough
Tobago W.I.
Tel: (868) 639-1540
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BANKERS

REPUBLIC BANK LIMITED

9-17 Park Street
Port of Spain
Trinidad W.I.

CITIBANK (TRINIDAD & TOBAGO) LIMITED

12 Queen's Park East
Port of Spain
Trinidad W.I.

CORPORATE ATTORNEYS

ASHMEAD ALI & COMPANY

36 Edward Street
Port of Spain
Trinidad W.I.

M.G. DALY & PARTNERS

115a Abercromby Street
Port of Spain
Trinidad W.I.

AUDITORS

EY TRINIDAD & TOBAGO

5-7 Sweet Briar Road,
Port of Spain
Trinidad W.I.

BOARD OF DIRECTORS

CHAIRMAN

Douglas Camacho

DEPUTY CHAIRMAN

Jennifer Lutchman

MANAGING DIRECTOR/ CHIEF EXECUTIVE OFFICER

Robert C. Green

DIRECTORS

Anthony Campbell
Ann Chan Chow
Marilyn Gordon
Niala Persad-Poliah
Athena Ryan

CHIEF OPERATING OFFICER / SECRETARY

Brent Mc Fee
(Seconded to Home Mortgage Bank)

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DOUGLAS CAMACHO
Chairman

CHAIRMAN'S REPORT

I am pleased to report that 2019 was another year of solid performance for the Trinidad and Tobago Mortgage Finance Company Limited (TTMF). This despite a challenging year as widespread trade and geopolitical uncertainty and a decline in global energy prices meant that the global and domestic business environment remained difficult. Against this backdrop, TTMF stayed the course and our performance was commendable in respect of growth in assets and profitability. Total assets grew by 2.12% to \$4.28B with profit before tax at \$135.2 million. Mortgage assets grew by \$307M, after having disbursed \$842.5M and sold \$310M in mortgages to the Home Mortgage Bank.

A full discussion of the company's financial performance is presented in the Management Discussion and Analysis segment of this report.

ECONOMIC CLIMATE 2019

Lower commodity prices and trade policy tensions in the global economy, particularly between the United States and China weighed on global growth which fell to 2.9% in 2019, from 3.6% in 2018, according to the April (2020) release of the International Monetary Fund's (IMF) World Economic Outlook (WEO).

On the domestic front, initial estimates from the Central Bank's revised Quarterly Index of Real Economic Activity indicated that economic activity contracted by 1.1% year on year in 2019 owing to a 3.6% decline in activity in the energy sector occasioned by mature acreage and the shutdowns of some plants. A modest 0.5% increase in activity in the non-energy sector, led by activity in the finance, construction, wholesale and retail trade sectors, benefited from a low-interest rate environment and expansionary public-sector led activity.

Notably, the Central Bank maintained the 'repo' rate at 5.00% throughout 2019 against a backdrop of muted economic activity and low inflation. Over the year, elevated liquidity in the financial system was supported by the Central Bank's open market operations. High levels of liquidity, coupled with a low interest rate environment supported consumer credit activity, particularly borrowing for residential mortgages and equity financing.

THE HOUSING MARKET

Low mortgage rates spurred growth in real estate mortgage loans which grew by 9.4% in 2019 compared to 7.9% in the prior year. The buoyancy in

real estate lending was influenced by lower interest rates offered on mortgages which trended downward to 4.67% in December (2019), a 6-basis point decline over December 2018. Consequently, residential real estate mortgages for existing homes grew by 17.3% while loans for new houses and land expanded by 7.0% and 5.4% respectively.

The government, in its 2019/2020 Budget statement, invited private contractors and developers to participate in the Housing Construction Incentive Programme, with a view to expanding the supply of affordable housing solutions to low-income families. The housing units will be constructed in accordance with designs, specifications and prices established by the Trinidad and Tobago Housing Development Corporation (HDC). A total of 1,845 housing units will be constructed by December 2021.

STRATEGIC ALLIANCE

Work is well underway to unlock the substantial synergies from a merged TTMF and Home Mortgage Bank (HMB) entity. Integration initiatives have commenced and are targeted for completion in the last quarter of 2020. TTMF and HMB continue to work together to maximize returns to stakeholders while fulfilling their joint mandates to support the funding requirements of the Government's Housing Programme. The National Insurance Board of Trinidad and Tobago (NIBTT) which owns 100% of HMB shares and is the majority shareholder of TTMF anticipates that the merger will contribute to its mission "to maximize contributions and pay relevant benefits in a timely manner through good governance and quality customer service from an empowered staff, cutting edge technology, and prudent fund management."

OUTLOOK FOR 2020

For 2020, the IMF is projecting the steepest global economic contraction since the Great Depression of the 1930s as a result of the coronavirus pandemic. In the Fund's April World Economic Outlook 2020, the world economy is forecast to contract by 3%, with steep contractions in major economies including the US of 5.9%, 7.5% in the Euro Zone, 5.2% in Japan, 6.5% in the UK and 6.2% in Canada.

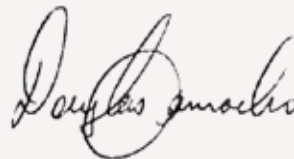
The short-term outlook for the local economy has inevitably become more uncertain amid the severe economic, financial and commercial impacts of the Covid-19 pandemic. Expectations now are that the economy will face a deep contraction this year, estimated at 4.5% by the IMF. Recent historic drops in global crude oil prices, combined with lower-for-longer natural gas prices, have heightened the negative outlook for this country. This will have a dampening effect on public finances, consumption, investment and trade flows.

In the current environment, managing through a period of contraction will require working with customers to help them survive through financial challenges. As the preferred lender under the Government's housing programme, TTMF is well positioned to provide mortgages at preferential rates to the beneficiaries of the HDC's housing programme. While we continue to satisfy families acquiring homes on the private market, we continue to provide equity facilities to our existing customers as they grow their wealth through the acquisition of other investments and fund major expenses.

CONCLUSION

In partnering with Home Mortgage Bank, Trinidad and Tobago Housing Development Corporation and our dedicated customers, I am confident that we will continue to achieve excellent financial results while meeting our mandate to provide affordable mortgage financing to the citizens of Trinidad and Tobago and providing returns to our major shareholder, the NIBTT, to fulfil its mandate under the national insurance programme.

I take this opportunity to thank my predecessor, Mr. Ansel Howell for his contribution to the growth and development of TTMF during his three-year tenure. I offer too my gratitude to the members of the Board whose insights and expertise drove the success of TTMF. I also recognize the hard and energetic work of TTMF's management and staff who have been pivotal in the achievement of the Company's 2019 results. I warmly acknowledge and thank each staff member for their contribution, and I look forward to working with them as we continue to deliver on our mission **to make home ownership an easy and rewarding experience.**



Douglas Camacho
Chairman



DOUGLAS CAMACHO
Chairman

Mr. Douglas Camacho is an accountant by profession and has a wealth of experience having held several leadership positions in a leading financial institution for over 35 years. He is a past president of The Association of Trinidad and Tobago Insurance Companies (ATTIC) and the Insurance Association of the Caribbean (IAC). Mr. Camacho currently serves as Chairman on several boards, including the National Insurance Board and the Home Mortgage Bank. A former national hockey player and still a hockey administrator, Mr. Camacho is a past president of the Trinidad and Tobago Olympic Committee (TTOC). Mr. Camacho contributed to many NGOs and corporations whose mandate falls within the field of human development.



ROBERT C. GREEN
Managing Director/
Chief Executive Officer

Robert C. Green – Managing Director / Chief Executive Officer, has over 32 years of experience in the mortgage finance industry, having spent that time in a specialised mortgage institution in several senior positions. He is a graduate of the University of Western Ontario, with a Bachelor of Arts degree in Economics. He also holds a Masters of Business Administration degree from the University of the West Indies, Institute of Business.



JENNIFER LUTCHMAN
Deputy Chairman

Jennifer Lutchman is a Fellow of the Association of Chartered Certified Accountants (ACCA) and has over thirty (30) years of accounting and auditing experience. Ms. Lutchman facilitated the implementation of the International Standards of Supreme Audit Institutions (ISSAIs) within the public sector. She was a member of a Quality Assurance Unit to ensure compliance and assisted in re-engineering processes to bring them in line with international standards and best practice.



ANTHONY G. CAMPBELL
Director

Anthony Campbell has over 37 years' experience in the Banking sector. His responsibilities in Credit Management and Arrears Collections included leading both commercial and personal banking units and branch management which allowed for astute management of mortgage facilities. Mr. Campbell also holds a BSc in Management Studies from the University of the West Indies.

BOARD OF



ANN CHAN CHOW
Director

With her accounting experience, Ann Chan Chow has served as Treasurer of several unions. She has been a member of the board of Textel Credit Union and a Caribbean Representative of the Women's committee of the UNI Global Union. She currently serves as a member of the Board of Directors of the National Insurance Board.



ATHENA S. RYAN
Director

Athena S. Ryan is an Attorney-at-Law by profession, having obtained her Bachelor of Laws Degree (Honours) from the University of London and her Legal Education Certificate from the Hugh Wooding Law School. Ms. Ryan also holds a Bachelor of Arts History and Communication Studies (Honours) from the University of the West Indies, as well as several other certifications including Mediation and Corporate Governance.



MARILYN GORDON
Director

Ms. Gordon served as a teacher at both the primary and secondary school level. She then served as Minister in various ministries. She brings with her over forty (40) years' experience. She graduated from the University of Newcastle on Tyne, England with a Bachelor of Arts in Geography. She represented Trinidad and Tobago at hockey and athletics and went on to coach the first national junior hockey team to compete in Jamaica. Ms. Gordon has led the team which conceptualized and implemented several property development projects in Western Trinidad. Currently, Ms. Gordon is a Director of the Home Mortgage Bank (HMB), the National Insurance Board of Trinidad and Tobago (NIBTT) and SPORTT.



NIALA PERSAD-POLIAH
Director

Niala Persad-Poliah is the Executive Director of the National Insurance Board of Trinidad and Tobago and is the principal lead of operations and strategic direction of the organisation. She is charged with the responsibility for the execution of the decisions of the Board and implementation of policies, responsible for the overall accountability and management of the country's National Insurance Fund. Mrs. Persad-Poliah is an Attorney at Law by profession and also holds a Masters of Law (LL.M.) in Corporate and Commercial Law from the University of the West Indies. She possesses over 15 years' experience at senior executive leadership and also currently serves as a member of the Board of Directors of NIPDEC and Home Mortgage Bank.

DIRECTORS



ROBERT C. GREEN
**Managing Director/
Chief Executive Officer**

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

Trinidad and Tobago Mortgage Finance Company Limited (TTMF) continued its stellar performance for fiscal 2019. Despite an extremely competitive mortgage finance market and a relatively slow economy, we disbursed seventeen hundred and twelve (1,712) loans amounting to \$842.5M, our best performance in the history of the company. We were also very profitable achieving profit before tax in the amount of \$135.3M.

The domestic economy continued in a recovery mode with inflation remaining stable throughout 2019, averaging 1% and unchanged from 2018. Liquidity levels in the domestic financial system increased during 2019 with excess reserves rising to a daily average of \$4.8 billion by the end of the year. The excess liquidity in the financial system and the extremely competitive lending environment resulted in a reduction in lending rates. Total real estate mortgage lending experienced robust growth throughout 2019, increasing by 9.4% for 2019, due to lower mortgage interest rates. Labour market conditions remained soft in 2019 with an increase in retrenchments in the manufacturing, construction, energy and social services industries. There was moderate wage growth.

Despite these challenges experienced in the domestic economy, (TTMF) continued to fulfil its mandate for the provision of affordable mortgages to citizens of Trinidad and Tobago. In 2019, we further deepened our partnerships with the Trinidad and Tobago Housing Development Corporation, the Ministry of Housing and Urban Development and the Land Settlement Agency in the fulfilment of the Government's Housing Policy. These partnerships along with the reduction in the interest rate on our open market product, redounded to the benefit of our customers, while we continued to focus on operational efficiency and sustainable improvements in our core business activities.

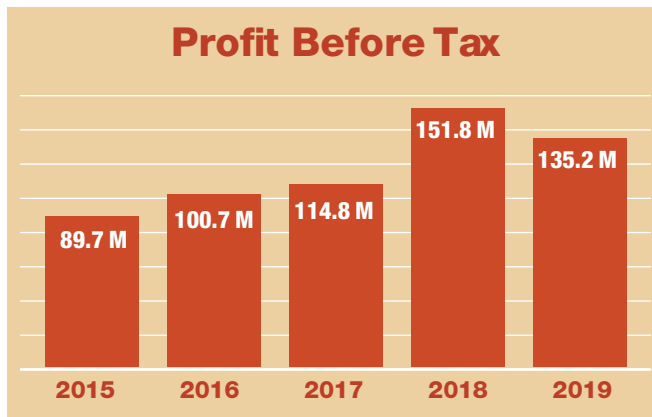
The following is a detailed discussion and analysis of the financial performance and key business initiatives undertaken for the fiscal year ended December 31, 2019.

FINANCIAL PERFORMANCE

Net Profit

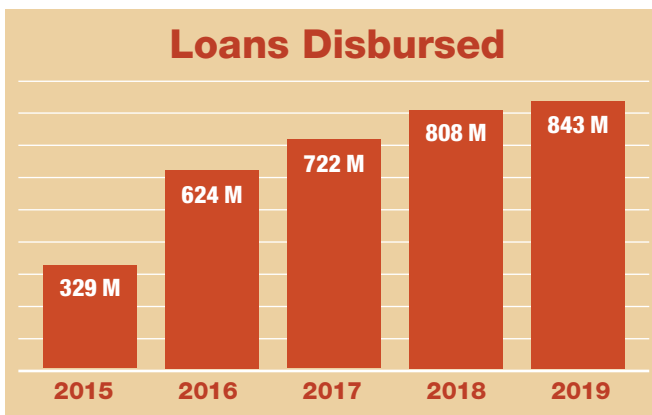
For fiscal 2019, we achieved Profit Before Tax of \$135.2 million, a decrease of \$16.6 million over 2018 while the Profit After Tax stood at \$126.2 million, compared to 2018's result of \$132.6 million. The reduction in

profitability was occasioned by the reduced mortgage interest earned on the portfolios sold to Home Mortgage Bank (HMB) totalling \$905 million in 2018 and \$310 million in 2019. The sale of mortgages was TTMF's funding mechanism, chosen in furtherance of the strategic alliance with HMB under the Memorandum of Understanding executed in 2017. This decline was offset in part by continued growth in the mortgage portfolio under the Government's Affordable Housing Programme and Open Market loans which totaled \$842.5 million for the year compared to \$807.8 million in 2018.



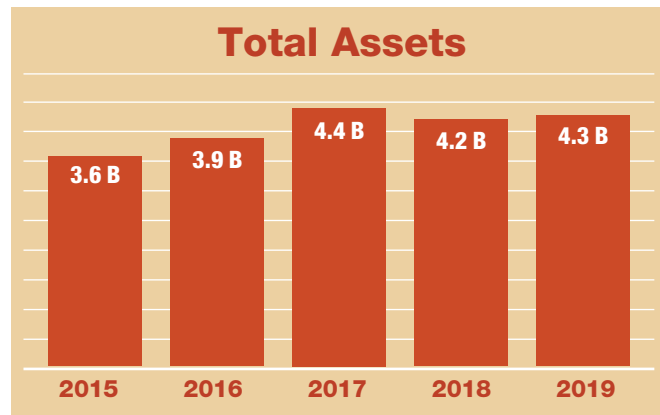
Return on Assets

Total Assets stood at \$4.3 billion at the end of the year, representing an increase of 2.12% over 2018. This is primarily as a result of the growth in mortgage loans funded in part by the bond with IDB Invest's Partial Credit Guarantee and a Syndicated Loan issued in 2018.



New mortgages disbursed over the last five years have shown steady growth as we assist citizens in realising their homeownership goals. For 2019, 69% of the loans disbursed are in support of the Government's Affordable Housing programme.

The Total Assets for the last five years are shown in the next graph.



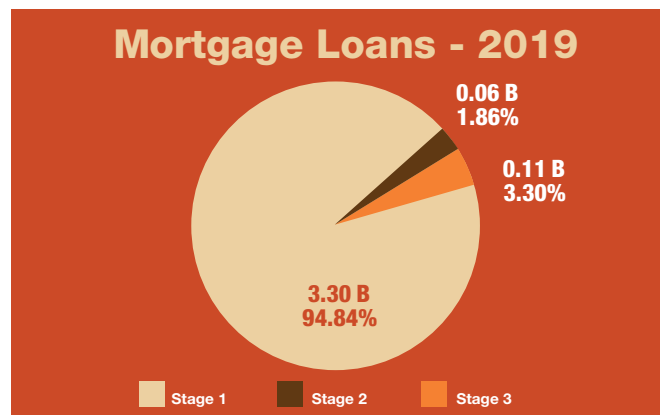
The Return on Total Assets (ROA) for fiscal 2019 was 2.95% a marginal decrease of 0.21% year on year. The ROA over the five (5) year period ended December 31, 2019 is as follows:

	2015	2016	2017	2018	2019
ROA	2.30%	3.09%	2.38%	3.16%	2.95%

The Mortgage Loan Portfolio

Mortgage loans comprise 82.58% of our total asset base, and are classified as: Stage 1 – loans that are performing according to the contractual terms and conditions; Stage 2 – loans that are overdue 90 days but less than 180 days and Stage 3 – loans that are overdue more than 180 days and credit impaired. 94.84% of our loans are in good standing and paid to date and are thus considered Stage 1 loans. 1.86% are Stage 2, while 3.30% are Stage 3.

The following chart shows the distribution of these categories of loans in the portfolio.



During 2019, the residential mortgage market continued to be extremely competitive with banks offering as low as 4% for mortgage loans along with the bundling of products to attract customers. Despite this competitive environment, TTMF has been successful in achieving growth in its new loans programme.

MANAGEMENT DISCUSSION AND ANALYSIS

TTMF has also been successful in limiting its delinquency ratio to 3.68%, compared to 3.72% in 2018. This was due to continued stringent monitoring of the performance of its portfolio resulting in a loan loss provision at 0.6% of its gross mortgage portfolio.

Shareholders' Equity

Shareholders' Equity to December 31, 2019 stood at \$1,149 million with the return on shareholders' equity (ROE) at 10.99%. The ROE over the five (5) year period was:

	2015	2016	2017	2018	2019
ROE	9.78%	12.96%	10.55%	12.26%	10.99%

Dividends Payable/Paid

Dividends payable for 2019 amounted to \$52.8 million, compared to \$41.9 million in 2018. The Dividends payable/paid and the dividend per share (DPS) over the five (5) year period was:

	2015	2016	2017	2018	2019
Dividends Payable/Paid	\$26.8M	\$33.2M	\$40.3M	\$41.9M	\$52.8M
DPS	\$10.38	\$12.85	\$15.59	\$16.20	\$20.43

CariCRIS Rating

Caribbean Information and Credit Rating Services Limited (CariCRIS) has reaffirmed our credit ratings of CariAA- (Local and Foreign Currency Ratings) on its regional rating scale and ttAA- on the Trinidad and Tobago national scale and maintained our outlook at stable.

TTMF's ratings continue to reflect its strong market position in the domestic real estate mortgage market, which is supported by its crucial role in the implementation of government's national housing policy. The company's comfortable capitalization reflected in adequate capital adequacy ratios, healthy financial performance and proactive risk management stance underpinning its good asset quality level also support the ratings.

BUSINESS OPERATIONS

Customer Focus

The increased competition in the mortgage finance industry necessitates vigilance in our business processes. The restructure of the mortgage department, initiated in 2018 and executed in early 2019, achieved its desired results with improvements in service delivery through a reduction in turnaround times for an enhanced customer experience. The Contact Centre unit which was fully operationalized in December 2018 saw significant improvements in the rate of calls answered daily. The unit also facilitated the expansion of our communication channels with the introduction of a Live Chat service,

another method to improve customer service levels through a direct line to the centre via the website. The unit is being ramped up to facilitate the provision of services traditionally sought by customers over the counter using the real-time capabilities of our mortgage administration computer systems.

While our funding arrangements do not allow for flexibility in our lending rate, it was recognized that in order to remain competitive and relevant, a reduction in our open market mortgage rate from 7% to 6% was carried out in 2019. This allowed a greater number of customers to access the Open Market lending facility at a lower, stable interest rate. At the close of fiscal 2019, a total of 668 open market loans valued at \$260.4M was disbursed. A noteworthy achievement in the face of such aggressive competition.

Digital media has continued to be the focus of our marketing strategy as it provides great insights into the customers' interaction with our ads and how we can focus our efforts to help them meet their homeownership requirements. In 2019, there was a revamp of the website user interface and information map to steer users toward pre-qualification interviews and the mortgage calculator to help users quickly assess their purchase readiness and request a pre-qualification interview. Following the release of the new website, the monthly average of prequalification requests increased by 761%. A four-part video series was also completed, aimed at targeting the nation's youth in preparing them for their homeownership journey. These videos were posted on our social media channels and reached over 100K viewers.

Internal Business Processes

The delinquency on our portfolio was carefully managed with greater use of our Webcollect Software to assist in the monitoring of payment arrangements. An early warning system was implemented to proactively deal with delinquency in an environment of decreased economic activity and increased job loss. This resulted in the achievement of a Delinquency Ratio of 3.68% which bettered our target of 3.95%.

We are currently in the process of reviewing our mortgage platform with a view to enhancing our operational efficiencies through the use of leading-edge technology. While that process is being pursued, we have taken steps to expand and enhance our subsystems to achieve improvements now. The processes in the securities unit was enhanced with the development of a more automated system to manage and track the receipt of outstanding security documents. The Internal Audit department introduced new software which provides end-to-end functionalities for the management of the complete audit cycle from audit planning, risk assessment, and testing, to the development of audit report templates,

workflow, time tracking, email-based notifications and alerts, defect resolution automatic tracking and alerts, automated working papers and automated internal audit reporting.

In our continuous efforts to improve our service delivery, feedback was sought from customers after their mortgage transaction was closed. They were contacted to participate in a survey and provide a rating on various areas along the mortgage process and about the officer with which they dealt. Areas rated included, being courteous and professional; clarity of communications; responsiveness to inquiries; timeliness of the loan disbursement process and how helpful was the Officer(s). The overall customer approval rating for 2019 was 88.7%.

Building improvement projects at the Head Office continued with the upgrade of the main entrance and lobbies which modernised the ambiance of the space. The electrical system was also upgraded to ensure compliance with contemporary building safety requirements. These building improvements were completed in keeping with renewed efforts to improve the corporate image which aims to satisfy our internal and external customers by making the office environment pleasant and safe.

Learning and Growth

The organisation has a culture of learning and growth in keeping with our vision to focus on fulfilling our potential with the most skilled and knowledgeable team in the industry. Our High Performer and High Potential employee programme which was initiated in 2018 was continued during this fiscal year with these employees attending several training programmes including supervisory management and a leadership development series. The sales team underwent a review of the sales process: from Prospecting to Closing and Follow-up, being the end of the 7 stages of the sales process.

The staff also participated in the execution of team building and employee engagement exercises with the launch of the health and wellness initiative which is the subject of separate article in this report.

OUTLOOK FOR 2020

The international and domestic markets have been severely affected by the coronavirus which has slowed global economies and conditions will remain challenging as the world works to rise above its impacts. On March 11, 2020, the World Health Organization declared COVID-19 a pandemic. The twin crises of the pandemic coupled with a collapse of oil prices are dual blows to the Trinidad and Tobago economy and will compound downward pressure on this country's GDP. Expectations are that the economy will face a deep contraction this year, projected at -4.5% by the IMF, which given global growth downward

revisions, could be protracted. Even after recalibrating the budget against crude oil and natural gas prices at USD40/b and USD1.80/MMBtu, the depreciating price of hydrocarbons reinforces sharp declines in the country's economic growth and will have severe consequences for the country's revenues and public spending.

Subsequent to the pandemic announcement, TTMF was required to offer a deferral of payments to its mortgagors for a three-month period beginning in March, in the first instance. The deferrals will not result in a loss of interest but rather a deferral in the collection of interest. The overall impact of these crises on the economy and other macroeconomic factors such as unemployment will need to be carefully monitored. We are confident that our processes for the management of risk and possible losses that may arise out of these issues of international concern are sufficiently robust and Management will continue to monitor and evaluate these on an ongoing basis to take the necessary mitigating action.

We remain committed to the provision of affordable financing to low- and middle-income families in Trinidad and Tobago. We look forward to the completion of the merger with Home Mortgage Bank which will position the merged entity to more effectively meet its mandates. We are committed to executing the government's mandate to support HDC's funding requirements through the timely completion of mortgages to recipients of its housing units.

CONCLUSION

I am extremely proud to be part of TTMF's enduring success which was made possible by the dedication and commitment of the management and staff who, with their passion and pride, have made us "the lender of choice for residential mortgages in Trinidad and Tobago". On behalf of Team TTMF, I thank the Board of Directors for successfully navigating this company through these challenged economic circumstances and competitive environment. I take this opportunity to welcome our new Chairman Mr. Douglas Camacho, and I join him in thanking his predecessor, Mr. Ansel Howell for his stewardship of TTMF for the last three years. To our loyal customers, our success can only be possible with your business and unwavering commitment. For this we are eternally thankful.



ROBERT C. GREEN
Managing Director / Chief Executive Officer



MANAGEMENT TEAM

1. **BRENT MC FEE**
Chief Operating Officer
(Seconded to Home Mortgage Bank)
2. **LAURETTE WALKER**
Chief Financial Officer
3. **WENDY HUGGINS**
General Manager, Mortgage Services
4. **KAMILAH PETERSON**
Manager, Contact Centre
5. **JESSEL MORALDO-CUMBERBATCH**
Senior Manager, Human Resources
6. **MYRTLE HARRIS**
Senior Manager, Mortgage Operations



- 7. **MEERA ROOPAN**
Manager, Mortgage Origination
- 8. **LISA WILLIAMS**
Assistant General Manager,
Mortgage Administration
- 9. **NAHSHON RAMLAL**
Manager, Finance

- 10. **LISA GRANNUM**
Assistant General Manager,
Mortgage Origination
- 11. **MARSHA RAE LEBEN**
Manager, Corporate Communications
- 12. **NICOLE HOSPEDALES**
Manager, Corporate Services



Trinidad & Tobago
Mortgage Finance
Company Limited

From here... to Home.

CORPORATE SOCIAL RESPONSIBILITY

The provision of financing to families for the acquisition of their homes is a source of immeasurable pride to all the management and staff of TTMF. While owning a home contributes to the financial wellbeing and safety and security of any family, we recognize that our work should go beyond the families' walls, into the communities in which they live. The very nature of our business incorporates a social integration component that is essential to our mandate. As the preferred lender under the Government of Trinidad and Tobago's housing programme, we share the social agenda for the delivery of sustainable, secure and well-established communities for all citizens of Trinidad and Tobago. The wellbeing of our communities is important to us and to this end we are equally proud to report on our corporate social responsibility activities for 2019.

We continued our corporate social responsibility project which began four years ago, themed **TTMF CAN, Corporate Assistance for the Needy**. Through volunteerism we have contributed positively to the lives of the less fortunate. Our CSR projects traditionally focuses on children's homes and homes for the aged and the socially displaced. This year in our pursuit of making a difference in the lives of students in rural and semi-rural communities in Trinidad and Tobago, we selected schools in areas where many low-income families live. A needs assessment was done with the kind cooperation of the schools' principals and teachers and together we agreed on what assistance can be given to enhance the educational experience of its students. We take this opportunity to thank the principals and teachers at those schools, for their kind cooperation and for giving us the treasured opportunity to assist. It is with much pride that we share the very rewarding projects that we undertook.





Toco R.C. School: Located in the most north easterly community in Trinidad, this school has six teachers, three on-the-job trainees and forty-six students. Principal Miriam Marcelle told us of the perennial issue of students not having the required stationery and supplies to use in class and that many of them lack school bags. Stationery supplies and school bags were purchased for the entire student population and were presented to a senior teacher at a handing over ceremony before the beginning of the 2019/2020 school year.



Caparo RC Primary School: This school, which is in a predominantly agricultural community, has fifteen teachers and two hundred and sixty students. Principal Cheryl Rulow showed us the relatively poor condition of the school furniture. As a result, in support of the school motto to “Strive for Excellence”, we refurbished one hundred and thirty-six desks and eleven infant desks. Mrs. Rulow thankfully received the desks at a handing over before the beginning of the new school year.

CORPORATE SOCIAL RESPONSIBILITY



Hindustan Baptist William Webb (Memorial) Primary School: Located in another agricultural community, this school has nine teachers and one hundred and sixty-eight students. Mrs. Cheryl Ann Khan-Chance sought to upgrade the computers in the school's lab, after falling behind technology trends occasioned by its older computers. Eight new computers were installed to serve the school's students and teachers. A senior teacher received the computers on behalf of Mrs. Khan-Chance, the teachers and students.



Las Cuevas Government Primary School: Located in the fishing village of Las Cuevas, this school has eight teachers, seven on-the-job trainees and one hundred and fifty-seven students. The school had insufficient seating for its students, so, fifteen two-seater desks were added to the existing furniture, and twenty-two infant desks were repaired. Acting Principal, Mrs Lycell Constantine asked senior teachers to receive the furniture on behalf of the teachers and students.



Parlatuvier Anglican School: This school is in a small fishing village in north west Tobago. Despite having only six teachers and forty-five students, the school boasts of being the Primary Schools Panorama Champions for three consecutive years and copped the top three positions in a regional spoken word competition. They have also been successful in regional sporting competitions. The school has embarked on an initiative to introduce its students to hydroponics as an alternative to traditional agriculture. A complete hydroponics system was built on the school compound. Principal Dansel Hazel was delighted to receive and introduce the system to his teachers and students.



TTMF CAN also involved a food drive in which staff were asked to collect and donate canned foods from family members, friends and our network of professional suppliers. The drive included a competition amongst the departments on which collected the most cans. This yielded 3,380 cans, which were distributed to needy homes in the districts in which we have branches.

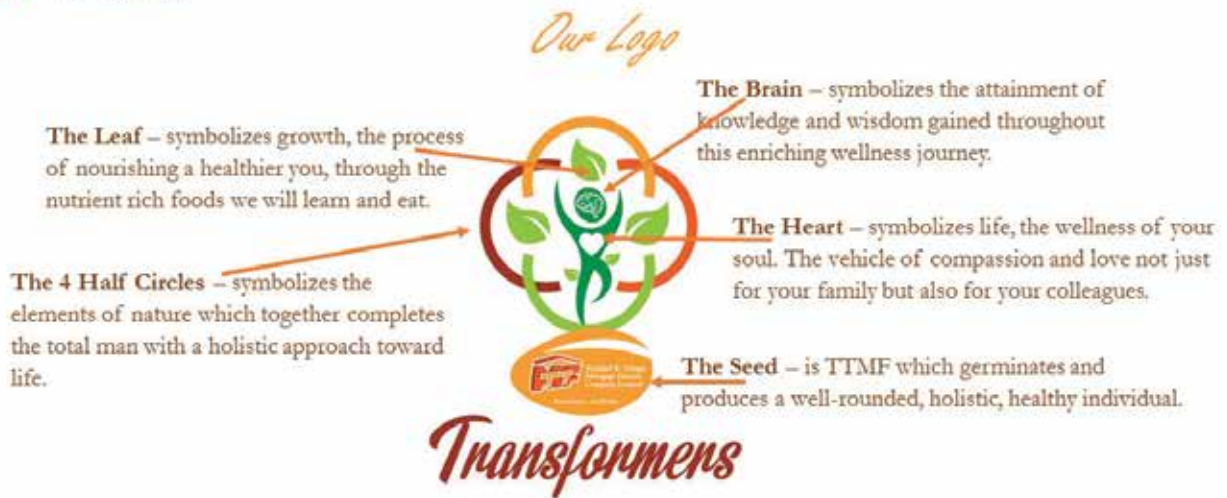
We remain faithful to our mission of making homeownership an easy and rewarding experience and at the same time taking every opportunity to play our part in enriching the lives of our citizens throughout Trinidad and Tobago by way of community support.



Trinidad & Tobago
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Company Limited

From here... to Home.

CORPORATE WELLNESS



The Transformers Mission: To improve the overall health and fitness of staff by being cognizant of some of the little things that you have control over, such as rest, water intake, better food choices and physical activity.

The Transformers Vision: Taking time to restore and nurture a sensible lifestyle from wherever our current health regimen may be. Energetic and relentless in our journey to a sustainable, healthier lifestyle.

Healthy behaviors decrease health risks and helps avoid chronic disease. Several health problems are caused by lack of exercise and poor nutritional choices. Implementing a wellness program is an effective way to help employees learn to make healthy choices in their lives, making them healthier in the long run and reduce the risks of health problems. The benefits that typically redound to corporations is a reduction in medical expenses, a reduction in absenteeism, an improvement in productivity, stress reduction and an increase in employee engagement and communication.

In 2019, TTMF initiated a corporate wellness program under the name ‘Transformers’ to introduce staff to varying activities to encourage them to become more active in body, mind and soul. With the appropriate education, skills, encouragement, tools, and community support, employees will change their behavior which is the measure of an effective wellness programme.



The Transformers programme began with a preventative health screening for all staff, designed to inform employees of their current health status. The results revealed that a high percentage of our relatively young staff is at risk for lifestyle diseases.

As a proactive measure in the interest of all staff, preventive measures were undertaken because the results of the screening exercise projected that over the subsequent five years, these potential health risks will impact not only the employee physically, socially and financially but also affect the overall wellbeing and productivity of the organisation. Employees were educated on healthy lifestyle modifications and were advised of healthy meal options to assist with adjusting their dietary habits.

Employees benefitted from a variety of company sponsored introductory activities that bolstered their physical and mental wellness, geared towards transforming the Body, Mind and Soul. To strengthen and increase stamina, staff participated in on-site physical activities which included a high intensity interval training programme, yoga and dance classes. The on-site training was supplemented by group walks and runs around the savannah. As a means of encouraging participation in the physical and endurance activities, a weight loss challenge was conducted with very enticing prizes. A three-month self-defense programme was organized which equipped employees with the necessary skills to protect themselves. Staff had an opportunity to learn new sports which included Archery; Dragon Boat racing; Golf; Lawn Tennis; Table Tennis; Aqua Aerobics and Swimming. For the mind, a book club was established, and games nights were held. 'Brown bag' workshops were facilitated during the luncheon period, on health and wellness generally, financial planning and vision board creation. A creditable wellness programme must involve outdoor activities to allow for the communing with the many gifts of nature and enjoying fresh unspoilt air. One very exciting activity that attracted many members of staff and their families was hikes to Rio Seco and Avocat waterfalls and to the L'eau Michel Mud Volcano.

As an organization that serves families in the community, the extended members of our own families were included in this wellness initiative.

As part of the corporate wellness programme, TTMF participated for the first time in the annual CariFin Games. These games bring together local financial institutions to engage in friendly competition under the motto 'Fun, Fitness, Friendship'. Several members of staff proudly participated in the various disciplines under the TTMF flag with some of them recording their personal best. We were successful in copping several titles including: 1st place – Football; Best Tent at the family day; Are You Fan Enough; Best Dance Routine; Most Participants at the Family Day; Team Captain of the Year and most significantly, Miss CariFin which was won by Ms. Kharena Chee-Wah.

The success of the Transformers wellness programme was in no short measure due to the work of the organizing committee which worked arduously to organize the events and to encourage participation. Congratulations and thank you to the committee.

At the end of the year 2019, 67.2% of the staff participated in at least one activity. Feedback from the participants indicates that it has helped employees become healthier and happier, they feel appreciated and valued and their transformation is notable. The programme will be continued in 2020 and it is anticipated that it will be embraced with the same level of enthusiasm as in 2019.







Trinidad & Tobago
Mortgage Finance
Company Limited

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SUMMARY FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019



FOREWORD

SUMMARY FINANCIAL STATEMENTS

This summary financial statements contains the Company's summary statement of financial position, summary statement of comprehensive income, summary statement of changes in equity and summary statement of cash flows as well as a note to explain them. It does not contain sufficient information to allow a full understanding of the results and state of affairs of Trinidad and Tobago Mortgage Finance Company Limited.

The full annual financial statements and reports are available online at
www.ttmf-mortgages.com
or at our registered offices.

INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

TO THE SHAREHOLDERS OF TRINIDAD AND TOBAGO MORTGAGE FINANCE COMPANY LIMITED

Opinion

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2019, the summary statement of comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended and related notes, are derived from the complete audited financial statements of Trinidad and Tobago Mortgage Finance Company Limited for the year ended December 31, 2019.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, on the basis described in Note 1.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon of the Company.

Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on those audited financial statements in our report dated March 26, 2020.

The audited financial statements and the summary financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements on the basis of their established criteria as described in Note 1.

Auditor's Responsibility for the Audit of the Summary Financial Statements

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA) 810 (Revised), "Engagements to Report on Summary Financial Statements."






Port of Spain,
TRINIDAD:
March 26, 2020

SUMMARY STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2019

(Expressed in Thousands of Trinidad and Tobago dollars)

	2019	2018
ASSETS		
Cash and cash equivalents	60,318	427,191
GORTT subsidy receivable	219,424	73,113
Debtors and prepayments	8,195	6,241
Investment securities	253,465	253,043
Mortgage loans	3,538,419	3,230,457
Property and equipment	42,613	42,357
Right-of-use assets	3,706	–
Other assets	158,786	163,448
TOTAL ASSETS	<u>4,284,926</u>	<u>4,195,850</u>
LIABILITIES AND EQUITY		
LIABILITIES		
Dividend payable	52,822	–
Interest payable on debt	28,218	31,587
Debt securities	2,861,371	2,898,159
Other liabilities	193,501	184,331
TOTAL LIABILITIES	<u>3,135,912</u>	<u>3,114,077</u>
EQUITY		
Share capital	12,408	12,408
Retained earnings	1,136,606	1,069,365
TOTAL EQUITY	<u>1,149,014</u>	<u>1,081,773</u>
TOTAL EQUITY AND LIABILITIES	<u>4,284,926</u>	<u>4,195,850</u>

On March 26, 2020, the Board of Directors of Trinidad and Tobago Mortgage Finance Company Limited authorised these financial statements for issue.

 : Director
 : Director
 : Director

SUMMARY STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2019

(Expressed in Thousands of Trinidad and Tobago dollars)

	2019	2018
Net interest income	142,290	165,751
Other income	72,587	63,494
Total income	214,877	229,245
Total expenses	(79,665)	(77,459)
Income before taxation	135,212	151,786
Taxation	(8,983)	(19,207)
Income after taxation	126,229	132,579
Other comprehensive loss for the year, net of tax	(6,166)	(1,188)
Total comprehensive income for the year	120,063	131,391

SUMMARY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2019

(Expressed in Thousands of Trinidad and Tobago dollars)

	Share Capital	Retained Earnings	Total
Balance at December 31, 2017	12,408	980,377	992,785
Net impact of adopting IFRS 9	–	(523)	(523)
Restated opening balance under IFRS 9	12,408	979,854	992,262
Comprehensive income for the year	–	131,391	131,391
Dividends paid	–	(41,880)	(41,880)
Balance at December 31, 2018	12,408	1,069,365	1,081,773
Comprehensive income for the year	–	120,063	120,063
Dividends payable	–	(52,822)	(52,822)
Balance at December 31, 2019	12,408	1,136,606	1,149,014

The accompanying note forms an integral part of these summary financial statements.



SUMMARY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2019

(Expressed in Thousands of Trinidad and Tobago dollars)

	2019	2018
Net cash (outflow)/inflow from operating activities	(310,148)	327,804
Net cash outflow from investing activities	(9,245)	(4,394)
Net cash outflow from financing activities	(47,480)	(241,239)
Net cash (outflow)/inflow for the year	(366,873)	82,171
Cash and cash equivalents at the beginning of the year	427,191	345,020
Cash and cash equivalents at the end of the year	60,318	427,191
Represented by:		
Cash at bank	60,318	427,191
Bank overdraft	-	-
	60,318	427,191
Supplemental information		
Interest received	184,728	205,350
Interest paid	136,943	138,104

The accompanying note forms an integral part of these summary financial statements.

NOTE TO THE SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

(Expressed in Thousands of Trinidad and Tobago dollars)

Note 1 Basis of Preparation

The summary financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the summary statement of financial position, summary statement of comprehensive income, summary statement of changes in equity and summary statement of cash flows. These summary financial statements are derived from the audited financial statements of Trinidad and Tobago Mortgage Finance Company Limited for the year ended December 31, 2019.

These summary financial statements have been prepared in accordance with the accounting policies set out in "Note 2" of the December 31, 2019 audited financial statements consistently applied from period to period. The Company has adopted all new and revised accounting standards and interpretations that are mandatory for annual accounting periods on or after January 1, 2019 and which are relevant to the Company's operations. The areas of critical accounting estimate and judgement as disclosed in "Note 3" of the December 31, 2019 audited financial statements, have also remained unchanged.



Trinidad & Tobago
Mortgage Finance
Company Limited

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