JMMB USD Income Fund

Audited Financial Statements

For the year ended April 30, 2017

JMMB USD INCOME FUND

Audited Financial Statements
For the year ended April 30, 2017
(Expressed in United States Dollars)

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Fund's Directory
As at April 30, 2017

Trustee & Custodian

First Citizens Trustee Services Limited
Trust Services Department
45 Abercromby Street
Port of Spain
Trinidad and Tobago
West Indies

Fund Manager

JMMB Investments (Trinidad and Tobago) Limited
169 Tragarete Road
Port of Spain
Trinidad and Tobago
West Indies

Registered Office

JMMB Investments (Trinidad and Tobago) Limited
169 Tragarete Road
Port of Spain
Trinidad and Tobago

Independent Auditors

BDO
2nd Floor, CIC Building
122-124 Frederick Street
Port of Spain
Trinidad and Tobago

Legal Counsel

M. Hamel-Smith & Co.
Eleven Albion, Cor.Dere Albion Streets
P.O. Box 219, Port of Spain
Trinidad and Tobago
West Indies

JMMB USD INCOME FUND

Statement of Trustee's Responsibilities
Year ended April 30, 2017

The Trustee, First Citizens Trustee Services Limited, is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of JMMB USD Income Fund (the "Fund") which comprise the statement of financial position as at April 30, 2017, the statements of comprehensive income, changes in net assets attributable to unitholders and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Fund 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 Fund's assets, detection/prevention of fraud, and the achievement of Fund 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; and
- Using reasonable and prudent judgement in the determination of estimates.

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

Nothing has come to the attention of the Trustee to indicate that the Fund 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.

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

Trustee	Trustee
August 24, 2017	August 24, 2017

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2nd Floor CIC Building
122-124 Frederick Street
Port of Spain
Trinidad and Tobago

Independent Auditor's Report

To the Unitholders of
JMMB USD Income Fund

Opinion

We have audited the financial statements of JMMB USD Income Fund (the "Fund"), which comprise the statement of financial position as at April 30, 2017 the related statements of comprehensive income, changes in net assets attributable to unitholders and cash flows for the year then ended and the accompanying notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at April 30, 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

Responsibilities of the Trustee and Those Charged with Governance for the Financial Statements

The Trustee is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as the Trustee 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, the Trustee is responsible for assessing the Fund'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 the Trustee either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditor's Report (continued)

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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the Trustee'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 Fund's ability to continue as a going concern. If we conclude that a material uncertainty exist, 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 Fund 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.

BDO

August 24, 2017

Port of Spain,
Trinidad, West Indies

JMMB USD INCOME FUND

Statement of Financial Position
As at April 30, 2017
(Expressed in United States Dollars)

	Notes	2017	2016
ASSETS			
Available for sale financial assets	6	665,461	938,733
Cash and cash equivalents	7	126,068	505,178
Interest receivable		11,095	13,283
Due from JMMB Bank		10,595	-
Accounts receivable		2,552	2,552
TOTAL ASSETS		**$815,771**	**$1,459,746**
LIABILITIES			
Fund expenses payable	8	5,318	7,944
Trustee fees payable		12,000	-
Other liabilities		2,861	-
Distributions payable		1,545	-
TOTAL LIABILITIES		**21,724**	**7,944**
EQUITY			
Net assets attributable to unitholders		794,047	1,451,802
TOTAL EQUITY		**794,047**	**1,451,802**
TOTAL LIABILITIES AND EQUITY		**$815,771**	**$1,459,746**

Key figures

	2017	2016
Class A units outstanding	74,073.11	138,170.45
Net asset value per Class A unit	$10.72	$10.51

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

On August 24, 2017 the Trustee of JMMB USD Income Fund authorised these financial statements for issue.

Trustee

Trustee

JMMB USD INCOME FUND

Statement of Comprehensive Income
For the year ended April 30, 2017
(Expressed in United States Dollars)

	Notes	2017	2016
INVESTMENT INCOME			
Dividend income		4,078	11,960
Interest income		63,398	63,004
Net realised loss on available for sale financial assets		(2,801)	(3,147)
Net foreign currency loss from financial assets		(390)	(13,298)
TOTAL INVESTMENT INCOME		**64,285**	**58,519**
EXPENSES			
Fund (expenses)/reversals of over accruals	8	(5,318)	6,722
Trailer fees		(289)	-
Trustee fees		(12,000)	-
Other operating expenses		(826)	-
TOTAL OPERATING EXPENSES		**(18,433)**	**6,722**
NET INCOME		**45,852**	**65,241**
OTHER COMPREHENSIVE LOSS			
Reclassifiable to profit or loss			
Net change in unrealised loss on available for sale financial assets		(4,065)	(19,367)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**$41,787**	**$45,874**

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

JMMB USD INCOME FUND

Statement of Changes in Net Assets Attributable to Unitholders
For the year ended April 30, 2017
(Expressed in United States Dollars)

	Unitholder balances # of units	Unitholder balances Amount	Investment Revaluation Reserve	Retained Earnings	Total
Year ended April 30, 2017:					
Balance as at beginning of year	138,170.45	1,403,423	3,159	45,220	1,451,802
Proceeds from issuance of redeemable units	11,064.10	120,094	-	-	120,094
Redemption of redeemable units	(76,116.71)	(818,090)	-	-	(818,090)
Distribution for unitholders	-	-		(11,895)	(11,895)
Reinvestment of distributions	958.37	10,349	-	-	10,349
Net income	-	-	-	45,852	45,852
Net change in unrealized loss on available for sale financial assets	-	-	(4,065)	-	(4,065)
Balance as at end of year	**74,073.11**	**$715,776**	**$(906)**	**$79,177**	**$794,047**
Year ended April 30, 2016:					
Balance as at beginning of year	180,280.11	1,821,349	22,526	(20,021)	1,823,854
Redemption of redeemable units	(42,109.66)	(417,926)	-	-	(417,926)
Net income	-	-	-	65,241	65,241
Net change in unrealized loss on available for sale financial assets	-	-	(19,367)	-	(19,367)
Balance as at end of year	**138,170.45**	**$1,403,423**	**$3,159**	**$45,220**	**$1,451,802**

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

JMMB USD INCOME FUND

Statement of Cash Flows
For the year ended April 30, 2017
(Expressed in United States Dollars)

	Notes	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income		45,852	65,241
Adjustments for:			
Net realised loss on disposal of available for sale financial assets		2,801	3,147
Net cash from operating activities before working capital changes		48,653	68,388
Decrease in interest receivable		2,188	21,968
Increase in due from JMMB Bank		(10,595)	-
Increase in accounts receivables		-	(2,552)
Decrease in other receivables		-	1,162
Decrease in fund expenses payable		(2,626)	(11,029)
Increase in trustee fee payable		12,000	-
Decrease in management fees payable		-	(414)
Increase in other liabilities		2,861	-
Decrease in trailer fees payable		-	(3,830)
Net cash generated from operating activities		**52,481**	**73,693**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of available for sale financial assets		(306,050)	(605,283)
Proceeds on disposal/maturities of available for sale financial assets		572,455	876,039
Net cash generated from investing activities		**266,405**	**270,756**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of redeemable units		120,094	-
Redemptions paid		(818,090)	(417,926)
Distributions paid to holders of redeemable units		-	(335)
Net cash used in financing activities		**(697,996)**	**(418,261)**
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(379,110)**	**(73,812)**
Cash and cash equivalents at beginning of year		505,178	578,990
Cash and cash equivalents at end of year	7	**$126,068**	**$505,178**
Supplemental Cash Flow Disclosures			
Interest received		$65,586	$84,972

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

1. General information

JMMB USD Income Fund (formerly AIC TT (US$) Income Fund) (the "Fund") was established by AIC Financial Group Limited (the "Former Fund Manager") under a Trust Deed dated November 2, 2004. The Former Fund Manager resigned effective February 23, 2014 and at a unitholder's meeting on March 20, 2014 it was resolved to appoint JMMB Investments (Trinidad and Tobago) Limited (the "Fund Manager") as the new Fund Manager.

From March 20, 2014 to February 3, 2015 subscription and redemption into the Fund was temporarily suspended whilst the Fund was awaiting approval from the Securities and Exchange Commission ("SEC") for the change of the Fund Manager by way of approval of the revised Prospectus. During this period the Fund Manager only facilitated redemptions in emergency situations. This approval was granted by the SEC under their cover letter dated February 3, 2015 and with this approval AIC TT (US$) Income Fund was also renamed JMMB USD Income Fund, with effect from March 20, 2014.

The investment objective of the Fund is to provide US dollar capital preservation over the medium-term and to earn high income by investing primarily in fixed-income instruments, denominated in US dollars.

Classes of Units

The Fund is authorised to issue an unlimited number of classes of redeemable units and may issue an unlimited number of units of each class. The Fund currently offers two classes of units – Mutual Fund Units (Class A Units) and Class F Units. The Fund Manager may establish additional classes of units and may determine the rights of those classes. The principal difference between the Class A Units and the Class F Units relates to the management fee and the expenses payable by the unitholders of each class. All units are entitled to participate in the Fund's assets on liquidation on a class basis.

Unitholders may change Class A units to Class F units of the same Fund once they are eligible. If for any reason a member cease to be eligible to hold Class F units the Fund Manager may convert these units to Class A units after giving 30 days' notice period. The dealer may charge a Front End Sales charge. As at April 30, 2017, there were no outstanding Class F Units (2016: Nil).

Management fees are assessed on the weighted net asset value of each class of units during each month and is calculated daily and payable monthly. The Class F Units has lower management fees due to cost savings from not paying distribution, servicing or trailing commissions. Instead the investor pays a fee directly to the dealer. The annual management fees are as follows:

Class A Units - 2%
Class F Units - 1.25%

Subscriptions

The minimum initial investment by an investor is US$150 per account and the minimum subsequent investment is US$100; these minimums may be reduced or increased at any time at the discretion of the Fund Manager.

Distributions

The Fund distributes its net investment income and net realised gains on a quarterly basis at the discretion of the Fund Manager. Distributions are automatically reinvested and purchase additional units of the same class unless instructions are received to do otherwise.

Redemptions

Redemption of units may be made on each trading day at the net asset value on the relevant trading day as defined in the Fund's Prospectus.

2. Summary of significant accounting policies

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.

2.1 Basis of preparation

The Fund's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and are presented in United States dollars. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

(a) Use of estimates

The preparation of these financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Although these estimates are based on the Trustee's best knowledge of current events and actions, actual results may differ from those estimates. 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 5.

(b) New and amended standards adopted by the Fund

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on or after May 1, 2016 that was adopted and had a material impact on the Fund.

(c) New standards, amendments and interpretations issued but not effective for the financial year beginning May 1, 2016 and not early adopted

The following new standards, interpretations and amendments, which have not been applied in these financial statements, will or may have an effect on the Fund's future financial statements in the period of initial application. In all cases the Fund intends to apply these standards from application date as indicated in the note below.

Amendments to IAS 7 - These amendments aim to improve information about an entity's debt, including movements in that debt. Disclosures are required to enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. One way to provide this disclosure would be to provide a reconciliation of the opening and closing carrying amounts for each item for which cash flows have been or would be classified as financial activities. These amendments are mandatory for annual periods beginning on or after January 1, 2017.

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

(c) *New standards, amendments and interpretations issued but not effective for the financial year beginning May 1, 2016 and not early adopted (continued)*

IFRS 9 Financial instruments - This new standard introduces new requirements for the classification, measurement and recognition of financial assets and financial liabilities and replaces parts of IAS 39. The standard is effective for annual periods beginning on after January 1, 2018 with early adoption permitted. IFRS 9 is required to be applied retrospectively. IFRS 9 uses business model and contractual cash flow characteristics to determine whether a financial asset is measured at amortized cost or fair value, replacing the four category classification in IAS 39. The determination is made at initial recognition. The approach is also based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. IFRS 9 uses an impairment model that is more 'forward looking' in that a credit event no longer has to occur before credit losses are recognised. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Fund is yet to assess IFRS 9's full impact.

IFRS 15 Revenue from Contracts with Customers - An entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This means that revenue will be recognised when control of goods or services is transferred, rather than on transfer of risks and rewards as it is currently the case under IAS 18 Revenue. Furthermore the guidance significantly enhances the required qualitative and quantitative disclosures related to revenue. The main objective of the requirements is the disclosure of sufficient information in terms of the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. In order to meet this objective, IFRS 15 requires specific disclosures for contracts with customers and significant judgements. The Fund has not yet made a detailed assessment of the impact of this standard. This standard is effective for annual reporting periods commencing on or after January 1, 2018.

IFRIC Interpretation 22 – *Foreign Currency Transactions and Advance Consideration*
IFRIC 22 addresses how to determine the date of transaction for the purpose of determining the spot exchange rate used to translate foreign currency transactions on initial recognition in circumstances when an entity pays or receives some or all of the foreign currency consideration in advance of the recognition of the related asset, expense or income.

The interpretation states that the date of the transaction, for the purpose of determining the spot exchange rate used to translate the related asset, expense or income (or part of it) on initial recognition, is the earlier of: (a) The date of initial recognition of the non-monetary prepayment asset or the non-monetary deferred income liability; and (b) The date that the asset, expense or income (or part of it) is recognised in the financial statements.

This interpretation is mandatory for annual periods beginning on or after January 1, 2018.

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

(c) New standards, amendments and interpretations issued but not effective for the financial year beginning May 1, 2016 and not early adopted (continued)

Other standards, amendments and interpretations to existing standards in issue but not yet effective are not considered to be relevant to the Fund and have not been disclosed.

(d) Standards and amendments to published standards early adopted by the Fund

The Fund did not early adopt any new, revised or amended standards.

2.2 Foreign currency

(a) Functional and presentational currency

The accounting records as well as the financial statements of the Fund are maintained in United States ("US") dollars. US dollars are the functional and reporting currency of the Fund and subscriptions and redemptions are performed in US dollars. The Trustee considers the US dollar to be the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into US dollars using the exchange rate prevailing at the statement of financial position date.

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. Translation differences on non-monetary financial assets and liabilities are recognised in the statement of comprehensive income.

2.3 Valuation principles

The Fund's net asset value is calculated daily, based on the valuation of its underlying assets and liabilities pertaining to the close of business on that business day. All subscriptions and redemptions are based on the Fund's equity as determined by the Fund Manager at the close of each business day.

2. Summary of significant accounting policies (continued)

2.3 Valuation principles (continued)

The net asset value per unit is expressed in US dollars and is determined by dividing the total equity of the Fund by the number of units in issue at the close of each business day.

The total equity of the Fund comprise the principal aggregate of all the investments owned by the Fund, cash, bills, accrued interest, or other property of any kind as defined by the Trustee, from which are deducted the management fees, custodian payments and administrative expenses, the aggregate amount of any borrowings, any interest or other charges, or other liabilities of any kind as defined by the Trustee.

2.4 Financial instruments

(a) Classification

The Fund has designated all equity and debt investments into the available for sale financial assets category. Financial assets that are classified as loans and receivables include cash and cash equivalents, interest receivable, accrued dividends, due from JMMB Bank and other receivables. Financial liabilities measured at amortised cost include fund expenses payable, distributions payable, trustee fee payable and other liabilities.

(b) Recognition, derecognition and initial measurement

The Fund recognises financial assets or liabilities on the date it commits to purchase or sell the instrument. Financial instruments categorised as available for sale are recognised initially at cost. For financial assets acquired, cost is the fair value of the consideration given, while for the financial liabilities, cost is the fair value of the consideration received. Transaction costs for such instruments are recognised directly in the statement of comprehensive income as incurred. Financial assets classified as loans and receivables are recognised on the day that they are transferred to the Fund at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

Financial liabilities, other than those as at fair value through the profit or loss, are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition or issue. Financial liabilities arising from the redeemable units issued by the Fund are carried at the redemption amount representing the investors’ right to a residual interest in the Fund’s assets. Financial liabilities are not recognised unless one of the parties has performed.

Realised gains and losses on investments are recognised in the statement of comprehensive income. Costs of investments are determined on a first-in, first-out basis.

Dividend income from available for sale financial assets is recognised in the statement of comprehensive income within dividend income when the Fund’s right to receive payments is established. Interest on debt securities is recognised in the statement of comprehensive income within interest income based on the effective interest rate method.

2. Summary of significant accounting policies (continued)

2.4 Financial instruments (continued)

(c) Subsequent measurement

Subsequent to initial recognition, the Fund measures available for sale financial assets at fair value with changes in the fair value recognised in the statement of changes in equity. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value of financial instruments is based on their quoted market prices on a recognised exchange or sourced from a reputable broker/counterparty, in the case of non-exchange traded instruments, at the statements of financial position date without any deduction for estimated future selling costs.

Financial assets classified as loans and receivables, and financial liabilities are measured at amortised cost.

(d) Impairment of financial assets

The Fund assesses at each statement of financial position date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

A financial asset or group of financial assets is impaired and impaired losses are incurred only if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Fund uses to determine that there is objective evidence of an impairment loss include:

i. Delinquency in contractual payments of principal or interest;

ii. Cash flow difficulties experienced by the borrower/debtor;

iii. Breach of loan covenants or conditions;

iv. Initiation of bankruptcy borrowings;

v. Deterioration of the borrower's / debtors competitive position;

vi. Deterioration in the value of collateral; and

vii. Downgrading of the asset.

If in a subsequent period, the fair value of a financial asset classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the statement of comprehensive income the impairment loss is reversed through the statement of comprehensive income.

2.5 Offsetting financial instruments

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

2.6 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term investments in an active market with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown in current liabilities in the statement of financial position.

2. Summary of significant accounting policies (continued)

2.7 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for investing operations in the ordinary course of the Fund's activities.

The Fund recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Fund and when specific criteria have been met for the Fund's activities. The amount of revenue is not considered to be reliably measured until all contingencies relating to the sale have been resolved. The Fund bases its estimates on historical results, taking into consideration the type of investment, the type of transaction and the specifics of each arrangement.

2.8 Interest and dividend income

Interest income is recognised in the statement of comprehensive income for all interest bearing instruments using the effective yield method. Interest income includes coupons earned on fixed income investments and trading securities and accrued discount on treasury bonds, commercial papers, floating rate notes and other discounted instruments.

Dividend income is recognised in the statement of comprehensive income when the Fund's right to receive payment has been established.

2.9 Accrued expenses

Accrued expenses are recognised initially at transaction price and subsequently stated at amortised cost.

2.10 Distributions payable to the holders of redeemable units

The Fund distributes net investment income quarterly based on the Fund Manager's discretion. Distributions are accrued for on a daily basis. Distributions to holders of redeemable units are recognised in the statement of changes in equity.

2.11 Increase/decrease in equity

Income not distributed is included in equity.

2.12 Taxation

a) Tax levied on Unitholders

Tax on distribution income is withheld on distributions paid to non-resident unitholders at the rates applicable to the country in which the unitholders reside. Distribution income for Trinidad and Tobago residents are not subject to taxation.

b) Tax levied on the Fund

Under the provisions of the Corporation Tax Act of Trinidad and Tobago, the Fund is exempt from taxation on its profits; therefore, no provisions have been made in these financial statements for taxes.

The Fund is subject to foreign withholding tax on certain interest, dividends and capital gains receivable.

3. Financial risks

3.1 Financial risk factors

The Fund's activities expose it to a variety of financial risks: market risk (including currency risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

3. Financial risks (continued)

3.1 Financial risk factors (continued)

The Fund is also exposed to operational risks such as custody risk. Custody risk is the risk of loss of securities held in custody occasioned by the insolvency or negligence of the custodian. Although an appropriate legal framework is in place that reduces the risk of loss of value of the securities held by the custodian in the event of its failure, the ability of the Fund to transfer the securities might be temporarily impaired.

The Fund's overall risk management programme seeks to maximise the returns derived for the level of risk to which the Fund is exposed and seeks to minimise potential adverse effects on the Fund's financial performance. The Fund's policy allows it to use derivative financial instruments to both moderate and create certain risk exposures.

All financial assets investments present a risk of loss of capital. The maximum loss of capital on long equity and debt securities is limited to the fair value of those positions.

The Trustee is ultimately responsible for identifying and controlling risks, they are separate independent bodies responsible for managing and monitoring risks.

(a) Board of Directors

The Board of Directors of the Trustee has overall responsibility and oversight for corporate governance and specifically, investment policy approval and limits of authority. The Board of Directors has delegated authority to the management and risk management committee of the Fund Manager as appropriate.

(b) Risk Management Committee

The Risk Management Committee provides oversight of the implementation and maintenance of risk related procedures to ensure an independent control process. The Chief Risk Officer and Credit Risk Division is also responsible for monitoring compliance with risk policies and limits in the three key areas of credit risk, market risk and operational risk.

The day to day management of these risks is carried out by the Fund Manager under policies approved by the Board of Directors of the Trustee. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, and the investment of excess liquidity.

The Fund uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below.

3.1.1 Market risk

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

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.

3. Financial risks (continued)

3.1 Financial risk factors (continued)

3.1.1 Market risk (continued)

(a) Currency risk

The Fund does not hold significant financial assets or liabilities denominated in currencies other than US dollars, the functional currency. Foreign currency risk, as defined in IFRS 7 *Financial Instruments: Disclosures*, arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. IFRS 7 considers the foreign exchange exposure relating to non-monetary assets and liabilities to be a component of market price risk not foreign currency risk. In accordance with the Fund's policy, the Fund Manager monitors the Fund's monetary and non-monetary foreign exchange exposure on a daily basis, and the Fund Manager's Board reviews it on a monthly basis.

The table below summarises the Fund's assets, monetary and non-monetary, which are denominated in a currency other than US dollars.

As at April 30, 2017	**CAD**	**TTD**
Assets		
Monetary assets and non-monetary	$29	$37,497

As at April 30, 2016	**CAD**	**TTD**
Assets		
Monetary assets and non-monetary	$39	$38,215

The Fund's liabilities, monetary and non-monetary, are all denominated in US dollars.

As at April 30, 2017, had the TT and CAD dollar strengthened or weakened by 5%, with all other variables held constant, net assets attributable to holders of redeemable participating shares would have decreased or increased by approximately $1,876 (2016: $1,912).

(b) Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flow.

The Fund manages its exposure to interest rate risk by monitoring the daily interest sensitivity gap and attempts to ensure that an appropriate mix of interest bearing securities are held.

As at April 30, 2017, if interest rates on assets and liabilities had been lower by 1% with all other variables held constant, the increase in equity would have been $1,261 (2016: $5,097).

(Expressed in United States Dollars)

3. Financial risks (continued)

3.1 Financial risk factors (continued)

3.1.1 Market risk (continued)

(b) Interest rate risk (continued)

Concentration of interest rate risk

The table below summarises the Fund's exposure to interest rate risk. Included in the table are the Fund's assets and liabilities at carrying amounts, categorised by the earlier of contractual re-pricing or maturity dates.

Year ended April 30, 2017	Up to One year	One to five years	Over five years	Interest bearing but not exposed	Non-interest bearing	Total
Available for sale financial assets	-	-	-	628,004	37,457	665,461
Cash and cash equivalents	126,068	-	-	-	-	126,068
Interest receivable	-	-	-	-	11,095	11,095
Due from JMMB Bank	-	-	-	-	10,595	10,595
Other receivable	-	-	-	-	2,552	2,552
Total Financial Assets	**$126,068**	**$ -**	**$ -**	**$628,004**	**$61,699**	**$815,771**
Current liabilities	-	-	-		21,724	21,724
Total Financial Liabilities	**$ -**	**$ -**	**$ -**	**$ -**	**$21,724**	**$21,724**
Interest Sensitivity Gap	**$126,068**	**$ -**	**$ -**			

Year ended April 30, 2016	Up to One year	One to five years	Over five years	Interest bearing but not exposed	Non-interest bearing	Total
Available for sale financial assets	4,553	-	-	776,375	157,805	938,733
Cash and cash equivalents	505,178	-	-	-	-	505,178
Interest receivable	-	-	-	-	13,283	13,283
Other receivable	-	-	-	-	2,552	2,552
Total Financial Assets	**$509,731**	**$ -**	**$ -**	**$776,375**	**$173,640**	**$1,459,746**
Current liabilities	-	-	-		7,944	7,944
Total Financial Liabilities	**$ -**	**$ -**	**$ -**	**$ -**	**$7,944**	**$7,944**
Interest Sensitivity Gap	**$509,731**	**$ -**	**$ -**			

(c) Price risk

The Fund is exposed to price risk on its equity securities. Price risk is the risk 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 instruments or issuer, or factors affecting all similar financial instruments traded in the market.

(Expressed in United States Dollars)

3. Financial risks (continued)

3.1 Financial risk factors (continued)

3.1.1 Market risk (continued)

(c) Price risk (continued)

The Fund's policy is to manage price risk through diversification and selection of financial instruments within specified limits set by the Fund Manager's Board of Directors. If the market prices at April 30, 2017 had increased or decreased by 5% with all other variables held constant, this would have led to a corresponding increase or decrease in equity of approximately $1,873 (2016: $7,890).

3.1.2 Credit risk

The Fund is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The main concentration to which the Fund is exposed arises from the Fund's investments in debt securities. The Fund is also exposed to counterparty credit risk on cash and cash equivalents and other receivable balances. The Fund aims to mitigate this risk by carefully screening debt issuers prior to purchase and ensuring that deposits are maintained only with high quality financial institutions.

In accordance with the Fund's policy, the Fund monitors the Fund's credit position on a daily basis while the Fund Manager's Board of Directors reviews it on a quarterly basis. The maximum exposure to credit risk before any credit enhancements at year end is the carrying amount of the financial assets as set out below.

	Maximum Exposure 2017	**Maximum Exposure 2016**
Available for sale financial assets	628,004	780,928
Cash and cash equivalents	126,068	505,178
Interest receivable	11,095	13,283
Due from JMMB Bank	10,595	-
Accounts receivable	2,552	2,552
Total Financial Assets	**$778,314**	**$1,301,941**

Impaired asset:

(a) The Fund holds a corporate debt security in Gilliani Ltd – Secured 8.75% Fixed Rate Bonds 2006-2013 originally purchased for $32,855. The interest payments on this bond have been suspended and are not expected to resume. Cumulative impairment loss recognised as at April 30, 2017 amounted to $29,089 (2016: $29,089) and the bond is now valued at $3,766 (2016: $3,766) after the impairment.

The underlying security to the Bond is Gulf Insurance Limited, which has been sold to Assuria NV.

The clearing and depository operations for the Fund's transactions are with various custodians or brokers that are considered to be highly reputable for credit worthiness and providing quality services. At April 30, 2017 and 2016, all available for sale financial assets were within their custody.

(Expressed in United States Dollars)

3. Financial risks (continued)

3.1 Financial risk factors (continued)

3.1.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund's major liquidity exposure is the settlement of daily cash redemptions of redeemable units. Its policy is therefore to invest a suitable portion of its assets in investments that are traded in an active market and can be readily disposed.

The Fund may periodically invest in debt securities that are traded over the counter and unlisted equity investments that are not traded in an active market. As a result, the Fund may not be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirements, or be able to respond to specific events such as deterioration in the creditworthiness of any particular issuer.

In accordance with the Fund's policy, the Fund Manager monitors the Fund's liquidity position on a daily basis; the Board of Directors reviews it on a quarterly basis.

The table below summarises the maturity profile of the Fund's financial liabilities as of April 30, 2017 and 2016 based on contractual undiscounted payments:

As at April 30, 2017	On demand/no stated maturity	Less than 3 months	Less than 6 months	Total
Fund expenses payable	-	5,318	-	5,318
Trustee fees payable	-	12,000	-	12,000
Other liabilities	-	2,861	-	2,861
Distributions payable	-	1,545	-	1,545
Total	**$ -**	**$21,724**	**$ -**	**$21,724**

As at April 30, 2016	On demand/no stated maturity	Less than 3 months	Less than 6 months	Total
Fund expenses payable	-	7,944	-	7,944
Total	**$ -**	**$7,944**	**$ -**	**$7,944**

3. Financial risks (continued)

3.2 Capital risk management

The capital of the Fund is represented by the equity. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unitholders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders while maintaining a strong capital base to support the development of the investment activities of the Fund.

In order to maintain or adjust the capital structure, the Fund's strategy is to:

- Monitor the level of daily subscriptions and redemptions relative to the assets it expects to be able to liquidate.
- Restrict same-day redemptions to 1% of the total Net Asset Value of the Fund. If the amount requested for redemption exceeds 1% of the total net asset value of the Fund, only the portion of the redemption request up to 1% of the total Net Asset Value will be processed. The balance of the redemption request is settled on a subsequent day.

4. Fair value classification

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the year end date. IFRS 13 *Fair Value Measurement* requires the use of the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Valuation techniques used include the use of comparable recent arm's length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs for the asset or liability that are based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or in-directly (level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

(Expressed in United States Dollars)

4. Fair value classification (continued)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability. The determination of what constitutes 'observable' requires significant judgement by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Fund's financial assets and liabilities (by class) measured at fair value at:

As at April 30, 2017:

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Available for sale financial assets:				
Equity securities	37,458	-	-	37,458
Debt securities	-	623,449	4,554	628,003
Total assets	**$37,458**	**$623,449**	**$4,554**	**$665,461**

As at April 30, 2016:

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Available for sale financial assets:				
Equity securities	157,805	-	-	157,805
Debt securities	-	776,374	4,554	780,928
Total assets	**$157,805**	**$776,374**	**$4,554**	**$938,733**

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1 include active listed equities.

Level 2 investments include corporate debt securities that are listed on a stock exchange but not actively traded.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. Level 3 instruments include certain corporate debt securities. As observable prices are not available for these securities, the Fund has used valuation techniques and broker quotes to derive the fair value.

4. Fair value classification (continued)

The changes in available for sale financial assets with values based on non market observable inputs are as follows:

	2017	2016
Balance as at beginning of year	4,554	4,554
Purchases	-	-
Sales/maturities	-	-
Transfer from level 2 to level 3	-	-
Net change in unrealised (loss)/gain on investments	-	-
Balance as at end of year	**$4,554**	**$4,554**
Changes in unrealised (loss)/gain included in earnings relating to available for sale financial assets	-	-

5. Critical accounting estimates and judgments

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below.

5.1 Fair value of securities not quoted in an active market

The fair value of securities not quoted in an active market may be determined by the Fund using reputable pricing sources (such as pricing agencies) or indicative prices from bond/debt market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. The Fund would exercise judgement and estimates on the quantity and quality of pricing sources used. Where no market data is available, the Fund may price positions using its own models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. The inputs into these models are primarily earning multiples and discounted cash flows. The models used to determine fair values are validated and periodically reviewed by experienced personnel at the Fund Manager, independent of the party that created them. The models used for debt securities are based on net present value of estimated future cash flows, adjusted as appropriate for liquidity, and credit and market risk factors.

In instances where it is not possible to value the investments based on models due to lack of available data, the investments are carried at cost. Such investments are reviewed annually for impairment.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The determination of what constitutes ‘observable’ requires significant judgment by the Fund. The Fund considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

(Expressed in United States Dollars)

6. Available for sale financial assets

	2017		2016	
	Cost	**Fair Value**	**Cost**	**Fair Value**
Equity securities	41,583	37,458	149,329	157,805
Corporate debt securities	416,217	433,903	347,822	327,553
Government debt securities	204,800	194,100	467,511	453,375
	$662,600	**$665,461**	**$964,662**	**$938,733**

Movement during the year:	**2017**	**2016**
Balance brought forward	938,733	1,232,003
Purchases	306,050	605,283
Disposals/maturities	(572,456)	(876,039)
Net realised loss	(2,801)	(3,147)
Net change in unrealised losses on available for sale financial assets	(4,065)	(19,367)
Balance carried forward	**$665,461**	**$938,733**

7. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise the following balances with original maturity of less than 90 days:

	2017	**2016**
Cash at bank	108,769	358,445
Short term deposits	17,299	146,733
Total	**$126,068**	**$505,178**

8. Related parties

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.

Management fee

The Fund Manager of the Fund, JMMB Investments (Trinidad and Tobago) Limited is a related party by virtue of common directors and receives management fees for Class A of up to 2% per annum based on the net asset value of the Fund. For the year ended April 30, 2017 the Fund Manager accepted a fee return of 0% (2016: 0%) on the net asset value of the Fund. The management fee for the year ended April 30, 2017 totalled $nil (2016: $ nil) of which $nil was payable as at April 30, 2017 (2016: $nil).

8. Related parties (continued)

Fund expenses

The expenses of the Fund related to its operations, including regulatory filing fees, custodian fees, bank charges, legal fees, audit fees, director's fees, trustee fees and the cost of financial reporting will be allocated between the classes as applicable. Each class will bear separately any expense item that can be specifically attributed to such class. Common expenses will be allocated on one of the following bases depending on the nature of the expense: the relative Net Asset Value of each class, or the relative amount of sales or redemptions of units and account activity of each class during any given period, or the relative number of investors in each class. Any transfer agent and administrative services provided by the Fund Manager are charged to the Fund and are included on the statement of comprehensive income. Total fund expenses for the year amounted to $5,318 (2016: $nil) of which $5,318 (2016: $7,944) was payable at year-end.

9. Subsequent events

The Fund evaluated all events that occurred from May 1, 2017 through August 24, 2017, the date the financial statements were available to be issued. During the period, the Fund did not have any subsequent events requiring recognition or disclosure in the financial statements, other than those disclosed below.

From May 1, 2017 through August 24, 2017, the Fund had subscriptions of $29,317 and redemptions of $10,201.