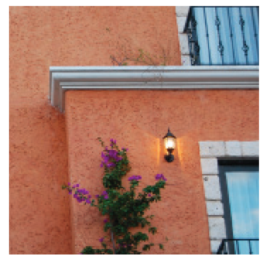

Home Mortgage Bank
Prince's Court, ground floor,
corner Keate & Pembroke Streets
Port of Spain,Trinidad,W.I.
Tel: (868)625-4972, 627-4695
Fax.(868)623-3167
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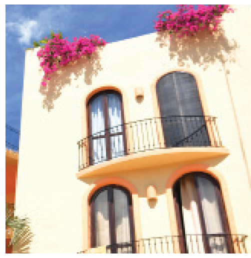
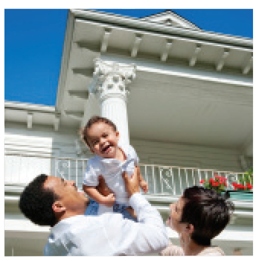


Annual
Report
2010



HOME
MORTGAGE
BANK

There's No Place Like Home

Annual Report 2010

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MISSION STATEMENT

Home Mortgage Bank was created through legislation and enacted by the Parliament of the Republic of Trinidad and Tobago by way of the Home Mortgage Bank Act, Chap. 79:08

THE PURPOSE OF THE BANK IS AS FOLLOWS:

- To develop a mortgage market and maintain a secondary mortgage market in Trinidad and Tobago
- To contribute to the mobilisation of long-term savings for investment in housing
- To support the development of a system of real property and housing finance and provide leadership in the housing and home finance industry
- To promote the growth of the capital market.

Chairman’s Review

2010 presented many of the same challenges as the previous two years, with the ongoing, slow economic recovery presenting serious obstacles within our industry and most others, domestically, regionally and internationally.
Our reaction to these realities in 2010 and into 2011 was to adopt a conservative, prudent approach to financial stewardship intended to minimise risk and maintain profitability.

An overview of the Bank’s 2010 performance indicates that net profit after taxes attributable to shareholders was $31.5 million, down $9.2 million from 2009. Total assets for 2010 were $1.82 billion, a 3% decline from 2009, while total liabilities decreased 10.5% to $1.48 billion.

The Bank’s mortgage portfolio as of December 31, 2010 was $851 million compared to $953 million as of December 31, 2009. The Bank, like all other financial institutions, experienced a high level of prepayments during the year as mortgagors opted to use their savings to liquidate their debts, due to the lack of attractive investment opportunities in the financial system. This coupled with the aging of the Bank’s secondary portfolio and the low profile of the Bank as a primary lender contributed to the decline in the Bank’s mortgage portfolio.

The Bank’s fund raising instruments consist of Bonds in Issue and the Mortgage Participation Fund. Bonds in Issue as of December 31, 2010 stood at $1.4 billion as compared to $1.6 billion as of December 31, 2009. At the end of 2010, $233 million bonds in issue matured and these bonds were repaid. The Bank will be returning to the capital market in 2011. The cost of bonds in 2010 stood at 6.6% compared to 6.9% in 2009. The Mortgage Participation Fund balance stood at $457M at the end of 2010 compared to $485M at the end of 2009. While the Bank’s Mortgage Participation Fund saw lower returns to investors, dropping from 5% at the beginning of the year to 3% in July 2010, it still provided our investors with an attractive return on their investments.

LUCILLE MAIR
Chairman (Ag)

Chairman's Review

In the last quarter of 2010 we embarked upon an exciting series of initiatives intended to aggressively promote and leverage Home Mortgage Bank's competitive advantages and differentiators in the marketplace. This was done to counteract the Bank's historically low profile resulting from 20-plus years of operating as a secondary provider of home mortgages, meaning that our clients accessed our affordable mortgage facilities directly from other financial institutions. And of course, these intermediaries did not make the public aware of the fact that the funding of their mortgages and their attractive terms and conditions were actually provided by Home Mortgage Bank.

As a result, we embarked upon a strategic and comprehensive branding and marketing campaign in the last quarter of 2010 that was publicly launched at the beginning of the second quarter of this year (2011). It includes branding of the Bank to clearly define our competitive advantages communicated through a comprehensive advertising campaign encompassing television, radio, print and online media and a few more exciting initiatives. This campaign will not just familiarize the marketplace with our brand and range of products, but also highlight and consistently reinforce the advantages we offer within the home mortgage market.

But no matter how much marketing and advertising we do, our ultimate success is dictated by the level of service and support we provide to our clients. We believe our specialisation in mortgages provides us with a strong advantage in this area, as our professionals by necessity must be more familiar with all the details and nuances of the residential mortgage process. Another important step we took toward further improving our service was leasing new, inviting and highly accessible premises on the ground floor at Prince's Court on the corner of Keate and Pembroke Streets in Port of Spain. Our move into the new premises occurred in early 2011.

As we progress further into 2011 we anticipate the nomination of additional members to our Board of Directors, who will broaden our collective perspective, further allowing us to manage the business to the long-term benefit of all stakeholders. The Bank is also set to call its Annual General Meeting immediately after being advised of the nominees for the Board. On a related note, I would like to acknowledge the valuable service and contributions of our former Board member the Honourable Rudranath Indarsingh MP, whose experience and related contributions in the areas of labour and industrial relations proved extremely valuable to our organisation.

Finally, I would like to express our organisation's sincere appreciation to our valued clients for their loyalty and trust. We know that a family's home ownership and related financing are usually their most significant financial investment, and we will always dedicate ourselves above all else to justifying their faith in us. Of course we could not maintain that trust and our ongoing success without the hard work, integrity and support of our staff to whom we say special thanks. I would also like to most sincerely thank our Directors for their ongoing contributions.

Lucille Mair
Chairman (Ag)

Board of Directors

1. MR. JEFFREY MC FARLANE

Director

Mr. Mc Farlane has more than 35 years of experience in management; he is a former Executive Director of The National Insurance Board of Trinidad & Tobago and Chairman of Arawak Cement Company Limited. Mr. Mc Farlane also served as a member of the Board of Directors of Trinidad Cement Limited Group of Companies and the National Insurance Property Development Company Limited.

2. MS. SHARMILA MAHASE

Corporate Secretary

Ms. Mahase has been with Home Mortgage Bank for twelve years and is currently Manager, Mortgage Operations. She holds a Bachelor of Science Degree in Management Studies, a Master of Business Administration Degree and a Bachelor Degree in Law. She worked at other major financial institutions prior to joining Home Mortgage Bank and has 18 years of experience in the banking industry.

3. MRS. LUCILLE MAIR

Chairman (Ag)

Mrs. Mair is an Attorney-at-Law and a Partner in the firm Mair & Company, specialising in company, commercial and banking law. She has vast experience in the regulation and development of the financial securities sectors and has worked on projects for regional central banks and on various financial legislative matters. Prior to joining Mair and Co., Mrs. Mair held the positions of Corporate Secretary and Senior Manager at The Central Bank of Trinidad & Tobago.
Mrs. Mair was involved in the promotion and establishment of Home Mortgage Bank and was Corporate Secretary from its inception until August 2008.

4. MR. MICHAEL ANNISETTE

Director

Mr. Annisette has been a prominent participant in the national and regional industrial and labour movement for more than 35 years. He was the Chief Negotiating Officer of the Seamen and Waterfront Workers Trade Union before assuming the position of President General. He is also the President of the National Trade Union Centre, Third Vice President of the Caribbean Congress of Labour, and Vice Chairman of the Latin American and Caribbean Region of the Seafarers Section of the International Transport Workers Federation. Mr. Annisette has served as an Independent Senator in Parliament and as a labour representative on several government and private boards.

5. MR. WALTON A. HILTON-CLARKE

Director

Mr. Hilton-Clarke is a director on the boards of The National Insurance Board of Trinidad & Tobago and the Employers Consultative Association. He also serves as a member of the International Labour Organisation Convention 144 Committee and the Registration Recognition & Certification Board.
Mr. Hilton-Clarke previously served as a director on the board of the Trinidad & Tobago Unit Trust Corporation.
Mr. Hilton-Clarke is a proud recipient of the Chaconia Medal for Public Service and for Service to Business.

Director's Report

The Directors have pleasure in submitting their Report and the Audited Consolidated Financial Statements for the year ended 31st December, 2010

FINANCIAL RESULTS	$ 000's
Net Profit before taxation	21,846
Taxation	9,645
Net Profit for the year	31,491
Retained earnings at the beginning of the year	201,399
	232,890
Less :	
Transfer from mortgage risk reserve	458
Retained earnings at the end of the year	233,348

DIVIDENDS

No dividends were paid during the financial year.

DIRECTORS' INTEREST

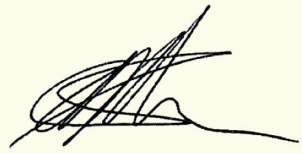
None of the Directors holds shares in the Bank.

No Director had, during the year, or at the end of the year, any interest in any contract pertaining to the Bank's business.

AUDITORS

The auditors, Ernst & Young retire, and being eligible, offer themselves for re-appointment.

BY ORDER OF THE BOARD



Sharmila Mahase
Corporate Secretary

Residential Mortgage Programmes

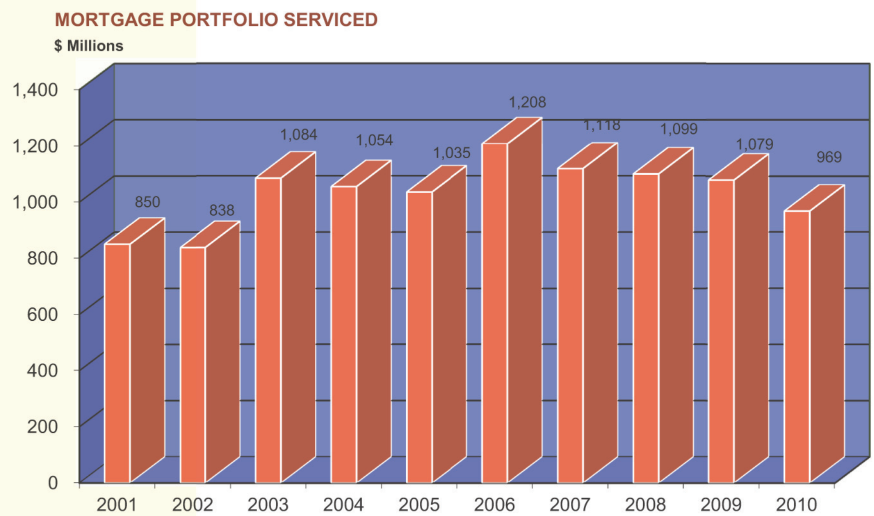
Home Mortgage Bank continues to take a proactive approach to mortgage financing by continuously reviewing the market and its mortgage products. The Bank has a rate structure for its new mortgage business that provides a choice between a variable rate and a range of fixed rate products.

THE MORTGAGE RATE STRUCTURE IS:

· 7.00% p.a. (variable)
· 7.25% p.a. (fixed for up to 3 years)
· 7.50% p.a. (fixed for up to 5 years)
· 8.00% p.a. (fixed for up to 10 years)

The Bank continues to ensure that its clients benefit from other competitive mortgage terms by offering:

· NO application/commitment fees
· NO prepayment penalties
· NO mortgage indemnity premiums
· Up to 90% financing
· Quick and efficient mortgage approval process



Our mortgage rate structure and attractive loan features are available on all of our regular mortgage products:

Home Acquisition Mortgages
The Home Acquisition facility is a standard product offered for the purchase of a home that will be used as a primary residence.

Land Acquisition Mortgages
This product facilitates the purchase of land that will ultimately be used for the construction of a primary residence.

Construction Mortgages
This construction loan facility includes Bridging Finance and is geared toward providing financing for the construction of a primary residence.

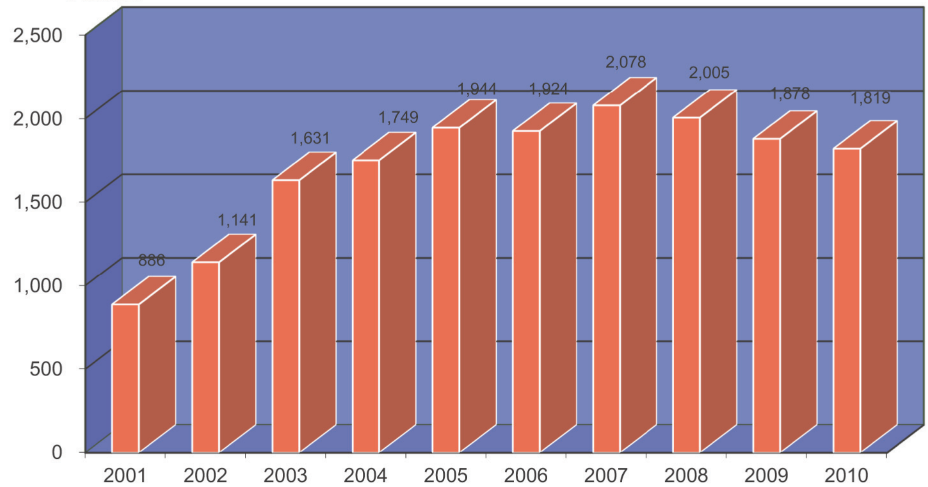
Equity Mortgages
This facility allows homeowners to take advantage of the equity that has built up in their homes by providing them with the funds needed for various purposes such as home improvement, educational expenses, medical expenses, debt consolidation and refinancing.

Reverse Mortgages
After you have built-up equity in your home over the years, a Reverse Mortgage allows you to convert that equity into cash or a line of credit. Home Mortgage Bank is the only institution offering this unique mortgage programme in the market. Home Mortgage Bank plans to continue offering attractive loan features and competitive mortgage rates to ensure that its mandate of affordable mortgage financing to the citizens of Trinidad & Tobago is fulfilled.

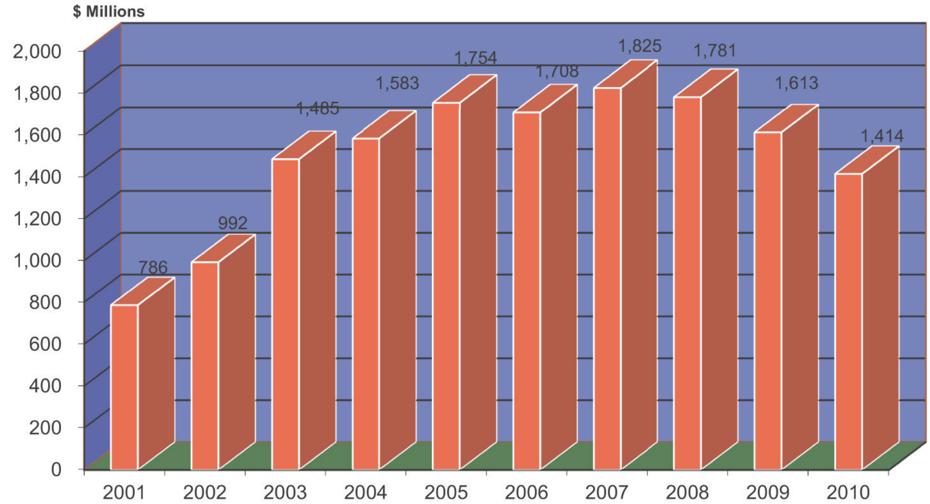
Five Year Review

December 31st	2010 $'000	2009 $'000	2008 $'000	2007 $'000	2006 $'000
Balance Sheet					
Loans & Advances	708,369	764,851	1,155,972	932,632	941,795
Investment Securities	961,727	793,150	377,915	276,018	394,781
Total Assets	1,819,410	1,877,537	2,004,944	2,077,555	1,924,470
Bonds in Issue	1,413,518	1,613,023	1,781,161	1,825,005	1,708,129
Total Liabilities	1,476,362	1,649,604	1,817,685	1,866,344	1,745,410
Share Capital	16,000	16,000	16,000	16,000	16,000
Retained Earnings	233,348	201,399	160,149	183,919	151,399
Income Statement					
Income	158,355	169,212	208,746	165,287	165,556
Profit before Taxation	21,846	41,851	11,303	44,118	38,842
Net Income	31,491	40,674	18,448	45,151	37,581
Operating Expenses	12,650	10,038	22,888	14,586	16,305
Earnings per share	$1.97	$2.54	$1.15	$2.83	$2.34

TOTAL ASSETS

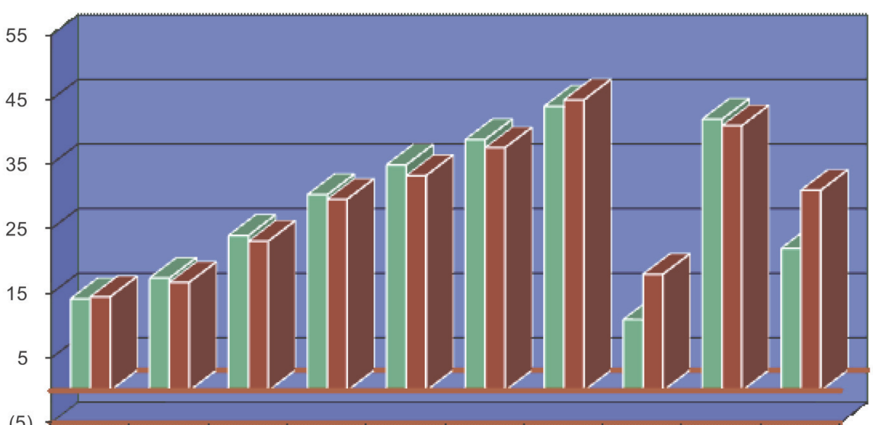


TOTAL BONDS IN ISSUE



COMPARATIVE NET INCOME

$ Millions



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Profit before Taxation	14	17	24	30	35	39	44	11	42	22
Profit after Taxation	15	17	23	30	33	38	45	18	41	31

Auditors' Report

We have audited the consolidated financial statements of Home Mortgage Bank and its subsidiaries (the 'Group'), which comprise the consolidated statement of financial position as at 31 December 2010, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. Except as discussed in the following paragraph, we conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

As disclosed in note 15, in 2008, a net fee of $27.2 million was earned by the Group for a transaction with CL Financial Limited. In December 2009 and May 2010, CL Financial Limited challenged the quantum of fees earned by the Group. This matter is unresolved at the date of this report and we are unable to determine whether any adjustments were required in respect of recorded assets, fee income and retained earnings.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as of 31 December 2010, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

We draw attention to Note 26 to the financial statements which describes the uncertainty pertaining to the settlement of a Guarantee. Our opinion is not qualified in respect of this matter.

Ernst + Young

Port of Spain,
TRINIDAD:
1 March 2011

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010

Expressed in thousands of Trinidad & Tobago dollars ($'000)

Assets	Notes	2010 $'000	2009 $'000
Cash and short term funds	4	46,412	210,844
Investment securities	5	961,727	793,150
Interest receivable and sundry debtors		23,185	23,945
Lands for development	6	56,085	71,146
Loans and advances	7	708,369	764,851
Property and equipment	8	1,227	1,110
Capitalised bond issue costs	9	629	660
Deferred tax asset	10	18,335	8,454
Taxation recoverable		3,441	3,377
Total assets		1,819,410	1,877,537
Liabilities			
Other liabilities	11	34,429	35,857
Bonds in issue	12	1,413,518	1,613,023
Deferred income tax liability	10	28,415	724
		1,476,362	1,649,604
Shareholders' equity			
Stated capital	13	16,000	16,000
Retained earnings		233,348	201,399
		249,348	217,399
Revaluation reserve		83,624	–
Mortgage risk reserve	14	10,076	10,534
		343,048	227,933
Total liabilities and shareholders' equity		1,819,410	1,877,537

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

These consolidated financial statements were approved by the Board of Directors on 1 March 2011 and signed on its behalf by:

______________________ :Director ______________________ :Director

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2010

Expressed in thousands of Trinidad & Tobago dollars ($'000)

Income	Notes	2010 $'000	2009 $'000
Interest on loans and advances (net)		82,977	106,873
Interest income on investments		44,824	57,533
Dividend income		29,576	–
Other income (net)		978	4,806
		158,355	169,212
Expenditure			
Bond expenses and other costs		105,904	117,725
General and administrative expenses	16	12,650	10,038
Provision/(write back of provision) for loan losses	7	278	(402)
Provision for impairment on lands for development	6	17,677	–
		136,509	127,361
Operating profit/net profit before taxation		21,846	41,851
Taxation	17	9,645	(1,177)
Net profit after taxation attributable to equity holders of the Parent		31,491	40,674
Other comprehensive income:			
Revaluation of available-for-sale investments		111,498	–
Tax effect		(27,874)	–
Other comprehensive income for the year, net of tax		83,624	–
Total comprehensive income for the year, net of tax attributable to equity holders of the Parent		115,115	40,674
Earnings per share ($)		1.97	2.54
Number of shares ('000)		16,000	16,000

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

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED 31 DECEMBER 2010

Expressed in thousands of Trinidad & Tobago dollars ($'000)

	Stated capital $'000	Retained earnings $'000	Revaluation reserve $'000	Mortgage risk reserves $'000	Total shareholders' equity $'000
Balance at 31 December 2008	16,000	160,149	–	11,110	187,259
Total comprehensive income for the year	–	40,674	–	–	40,674
Transfer from mortgage risk reserve	–	576	–	(576)	–
Balance at 31 December 2009	16,000	201,399	–	10,534	227,933
Total comprehensive income for the year	–	31,491	83,624	–	115,115
Transfer from mortgage risk reserve	–	458	–	(458)	–
Balance at 31 December 2010	16,000	233,348	83,624	10,076	343,048

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2010

Expressed in thousands of Trinidad & Tobago dollars ($'000)

	2010 $'000	2009 $'000
Cash flows from operating activities		
Net profit before taxation	21,846	41,851
Adjustments for:		
Provision/(writeback of provision) for loan losses	278	(402)
Provision for impairment on lands for development	17,677	–
Depreciation	334	346
Bond issue costs amortised	135	156
Operating profit before working capital changes	40,270	41,951
Decrease in interest receivable and sundry debtors	760	9,089
(Decrease)/increase in other liabilities	(1,428)	334
Corporation taxes paid	(483)	(1,426)
Net cash generated from operating activities	39,119	49,948
Cash flows from investment activities		
Net (increase)/decrease in short-term funds	(54,000)	75,000
Recognition of investment securities – available-for-sale	–	(364,436)
Increase in investment securities – held-to-maturity	(57,079)	(50,799)
Net decrease in guaranteed mortgage securities	(5,086)	(7,235)
Net (decrease)/increase in mortgage participation fund	(27,706)	117,760
Purchase of loans	(49,463)	(161,849)
Proceeds from repayment on mortgages	166,889	449,111
Purchase of fixed assets	(538)	(514)
Proceeds from sale of fixed assets	87	27
Development costs on land	(2,616)	(9,377)
Increase in construction loan advances	(28,430)	(6,264)
Net cash (used in)/generated from investing activities	(57,942)	41,424

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2010 (Continued)

Expressed in thousands of Trinidad & Tobago dollars ($'000)

	2010 $'000	2009 $'000
Cash flows from financing activities		
Proceeds from bonds issued	311,585	64,092
Redemption of bonds	(511,090)	(232,230)
Bond issue costs incurred	(104)	(65)
Net cash used in financing activities	(199,609)	(168,203)
Net decrease in cash and cash equivalents	(218,432)	(76,831)
Cash and cash equivalents		
at the beginning of the year	106,844	183,675
at the end of the year	(111,588)	106,844
Represented by:		
Cash and cash equivalents	7,775	106,844
Bank overdraft	(119,363)	–
	(111,588)	106,844
Supplemental information:		
Income received during the year	120,567	179,686
Interest paid during the year	106,789	109,540

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

1. General information

Home Mortgage Bank (the 'Bank' or 'Parent') is incorporated in the Republic of Trinidad and Tobago under the Home Mortgage Bank Act 1985 and the subsequent amendments made to the Act through Act No. 17 of 2005 (the 'Amended Act'). Its principal activities are the trading of mortgages made by primary mortgage lenders and the issue of bonds for investment in housing.

The Bank has two subsidiary companies, Tobago Fairways Villas Limited and Tobago Plantation House Limited. These subsidiaries are 100% owned and are incorporated in Trinidad & Tobago under the Companies Act, 1995. The principal activity of these subsidiaries is real estate development.

The registered office of the parent and its subsidiaries is located at Ground Floor, Prince's Court, Corner Keate and Pembroke Streets, Port of Spain.

2. Significant accounting policies

a) Basis of preparation

These consolidated financial statements are expressed in thousands of Trinidad and Tobago dollars and are prepared on a historical cost basis, except for available for sale investments that have been measured at fair value. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards.

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions. Actual results can differ from those estimates. Significant accounting judgements and estimates in applying the Group's accounting policies have been described in Note 3.

2. Significant accounting policies (continued)

b) Changes in accounting policy

New accounting policies adopted

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2009 except for the standards and interpretations noted below:

IFRS 3 - Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements (Amended).

IFRS 3 (Revised) introduces significant changes in the accounting for business combinations occurring after becoming effective. Changes affect the valuation of non-controlling interest, the accounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration and business combinations achieved in stages. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs and future reported results.

IAS 27 (Amended) requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as a transaction with owners in their capacity as owners. Therefore, such transactions will no longer give rise to goodwill, nor will it give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes by IFRS 3 (Revised) and IAS 27 (Amended) affect acquisitions or loss of control of subsidiaries and transactions with non-controlling interests after 1 January 2010.

The adoption of these standards and amendments had no effect on the financial position or performance of the Group.

2. **Significant accounting policies** (continued)

b) **Changes in accounting policy** (continued)

New accounting policies not adopted

The Group has not adopted the following new and revised IFRSs and IFRIC Interpretations that have been issued as these standards/interpretations do not apply to the activities of the Group:

IFRS 1 -	First-time Adoption of International Financial Reporting Standards - Additional Exemptions for First-time Adopters (Amendments) (effective 1 January 2010)
IFRS 2 -	Group Cash-Settled Share-based Payment Arrangements (effective 1 January 2010)
IAS 39 -	Financial Instruments: Recognition and Measurement - Eligible Hedged Items (Amendment) (effective 1 July 2009)
IFRIC 17 -	Distributions of Non-cash Assets to Owners (effective 1 July 2009)
IFRS 5 -	Non-Current Assets Held for Sale and Discontinued Operations (Amendment) (effective 1 July 2009)

c) **Standards issued but not yet effective**

The Group has not early adopted the following new and revised IFRSs and IFRIC Interpretations that have been issued but are not yet effective. The Group is currently assessing the impact of these standards and interpretations.

Expressed in thousands of Trinidad & Tobago dollars ($'000)

2. **Significant accounting policies** (continued)

c) **Standards issued but not yet effective** (continued)

IFRS 1 -	First-time Adoption of International Financial Reporting Standards – Limited Exemption from Comparative IFRS 7 Disclosures for First Time Adopters (effective 1 July 2010)
IAS 24 -	Related Party Disclosures (Revised) (effective 1 January 2011)
IAS 32 -	Financial Instruments: Presentation – Classification of Rights Issues (Amendment) (effective 1 February 2010)
IFRIC 14 -	Prepayments of a Minimum Funding Requirement (Amendment) (effective 1 January 2011)
IFRIC 19 -	Extinguishing Financial Liabilities with Equity Instruments (effective 1 July 2010)
IFRS 9 -	Financial Instruments (effective 1 January 2013)

Improvements to International Financial Reporting Standards (issued 2010)

The International Accounting Standards Board (IASB) issued the "Improvement to IFRSs" which is part of its annual improvement project and a vehicle for making non-urgent but necessary amendments to various IFRSs. These amendments are effective for periods beginning on or after 1 January 2011 unless otherwise stated. The following shows the IFRSs and topics addressed by the amendments.

IFRS	Subject of Amendment
IFRS 1 First-time Adoption of International Financial Reporting Standards	Accounting policy changes in the year of Adoption
IFRS 1 First-time Adoption of International Financial Reporting Standards	Revaluation basis as deemed cost
IFRS 1 First-time Adoption of International Financial Reporting Standards	Use of deemed cost for operations subject to rate regulation

2. **Significant accounting policies** (continued)

c) **Standards issued but not yet effective** (continued)

Improvements to International Financial Reporting Standards (issued 2010) (continued)

IFRS	Subject of Amendment
IFRS 3 Business Combinations	Transition requirements for contingent consideration from a business combination that occurred before the effective date of the revised IFRS
IFRS 3 Business Combinations	Measurement of non-controlling interests (NCI)
IFRS 3 Business Combinations	Un-replaced and voluntarily replaced share-based payment awards
IFRS 7 Financial Instruments Disclosures	Clarification of disclosures
IAS 1 Presentation of Financial Statements	Clarification of statement of changes in equity
IAS 27 Consolidated and Separate Financial Statements	Transition requirements for amendments made as a result of IAS 27 Consolidated and Separate Financial Statements
IAS 34 Interim Financial Reporting	Significant events and transactions
IFRIC 13 Customer Loyalty Programmes	Fair value of award credit

d) **Basis of consolidation**

Group

The consolidated financial statements comprise the financial statements of Home Mortgage Bank and its subsidiaries as at 31 December each year. The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

All intercompany balances and transactions, including unrealised profits arising from intra-group transactions have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered.

2. **Significant accounting policies** (continued)

d) **Basis of consolidation** (continued)
Group (continued)

Subsidiary companies

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than 50% of the voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the purchase method of accounting to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets given, equity instruments given and liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. The excess of the cost of the acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill.

e) **Revenue recognition**

Income and expenditure are accounted for on the accruals basis.

f) **Financial instruments**

The Group's financial assets and financial liabilities are recognised in the Consolidated Statement of Financial Position when it becomes party to the contractual obligation of the instrument. A financial asset is derecognised when the rights to receive the cash flows, from the asset have expired or where the group has transferred all the risks and rewards of ownership of the asset. A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. All 'regular way' purchases and sales are recognised at settlement date.

2. **Significant accounting policies** (continued)

f) **Financial instruments** (continued)

Loans and advances

Mortgages are primarily personal residential mortgages and are carried at principal outstanding net of adjustments for premiums and discounts on purchase. Premiums and discounts on the purchase of these mortgages are amortised over the remaining life of the related pool of mortgages using an amortisation method that in the aggregate, approximates a constant yield over the remaining life of the mortgages.

Construction loan advances represent advances made by the Group or through the Bank's approved lenders to mortgagors on new residential construction and/or to project developers. These advances are stated at the principal balances outstanding and are secured by a first mortgage over real property. On completion of construction these advances are converted to mortgages.

Other loan advances represent secured short term loan facilities, which are measured at amortised cost using the effective interest rate method, calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the effective interest rate. The amortisation is included in 'interest income' in the Consolidated Statement of Comprehensive Income. The losses arising from impairment are recognised in the Consolidated Statement of Comprehensive Income in 'provision for loan losses'.

2. **Significant accounting policies** (continued)

f) **Financial instruments** (continued)

Investment securities (continued)

The Group classifies its investment securities into the following categories:

i) Available-for-sale
ii) Held-to-maturity

i) **Available-for-sale**

Available-for-sale investments are securities which are intended to be held for an indefinite period of time, but may be sold in response to needs for liquidity or changes in interest rates. These investments are initially recognised at cost. After initial recognition, available-for-sale investments are measured at fair value. Gains or losses on available-for-sale investments are recognised as a separate component of equity until the investment is derecognised or until the investment is determined impaired at which time the cumulative gain or loss previously reported in equity is included in the Consolidated Statement of Comprehensive Income.

ii) **Held-to-maturity**

Held-to-maturity investments are financial assets with fixed or determined payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. Held-to-maturity investments are carried at amortised cost less any provision for impairment.

Financial liabilities

Financial liabilities (bonds in issue) are recognised initially at fair value net of transaction costs, and subsequently measured at amortised cost using the effective interest rate method.

2. **Significant accounting policies** (continued)

g) **Guaranteed Mortgage Investment Certificates (Gareemics) and Mortgage Participation Fund (MPF)**

These represent beneficial interests in pools of mortgages held in trust by the Group. The pools of mortgages are not assets of the Group, except when reacquired in the event of default.

For Gareemics, the Group guarantees the timely payment of principal and interest on the underlying mortgages, whether or not received, together with the full principal balance of any foreclosed mortgages. (Refer to Notes 7 & 23).

For MPF, the investors earn a stated rate of return (variable) and there are no repayments of capital until investors elect to redeem their investments in part or in full. (Refer to Notes 7 & 24).

h) **Lands for development**

Lands for development are accounted for at the lower of cost (plus other direct expenses incurred in the acquisition and the development of these properties) and net realisable value. (Refer to Note 6).

i) **Property and equipment**

Property and equipment are stated at historical cost less accumulated depreciation. Depreciation is provided at various rates which are estimated to write off the cost of the assets over their useful lives.

The rates used are as follows:

Furniture, fixtures, office machinery and equipment	7 1/2% to 25% on reducing balance
Motor vehicles	25% on (cost)/straight line

2. **Significant accounting policies** (continued)

j) **Capitalised bond issue costs**

The costs incurred in the issue of bonds for investment in housing are amortised over the duration of the respective bond issues (Note 9).

k) **Pension benefits**

The Group operates a defined contribution pension plan which covers all of its eligible employees. The Group's contribution expense in relation to this plan for the year amounts to $372,428 (2009: $370,928).

l) **Taxation**

Taxes are accounted for on the basis of deferred tax accounting using the liability method. The amount of taxation deferred on account of all material temporary differences is reflected in the taxation expense for the year.

Deferred tax assets related to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

m) **Earnings per share**

Earnings per share for each year are computed by relating profit after taxation accruing to shareholders to the weighted average number of shares in issue during the year.

n) **Cash and cash equivalents**

Cash and cash equivalents consist of highly liquid investments with original maturities of three months or less and are carried at cost, which approximates market value.

2. Significant accounting policies (continued)

o) Impairment of financial assets

The carrying value of all financial assets not carried at fair value through the Consolidated Statement of Comprehensive Income is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. The identification of impairment and the determination of recoverable amounts is an inherently uncertain process involving various assumptions and factors, including the financial condition of the counterparty, expected future cash flows, observable market prices and expected net selling prices.

In order to determine whether negative revaluations on investment securities correctly represent impairment, all investment securities for which the market value has been significantly below cost price for a considerable period of time, are individually reviewed. A distinction is made between negative revaluations due to general market fluctuations and due to issuer specific developments. The impairment review focuses on issuer specific developments regarding financial condition and future prospects, taking into account the intent and ability to hold the securities under the Group's long-term investment strategy.

If there is objective evidence that the cost may not be recovered, an available-for-sale equity security is considered to be impaired. Objective evidence that the cost may not be recovered, in addition to qualitative impairment criteria, includes a significant or prolonged decline in the fair value below cost. The Group's policy considers a significant decline to be one in which the fair value is below the weighted-average cost by more than 30% and a prolonged decline to be one in which fair value is below the weighted-average cost for greater than one year. This policy is applied by all subsidiaries at the individual security level.

If an available-for-sale equity security is impaired based upon the Group's qualitative or quantitative impairment criteria, any further declines in the fair value at subsequent reporting dates are recognised as impairments. Therefore, at each reporting period, for an equity security that is determined to be impaired based upon the Group's impairment criteria, an impairment is recognised for the difference between the fair value and the original cost basis, less any previously recognised impairments.

2. **Significant accounting policies** (continued)

o) **Impairment of financial assets** (continued)

For held-to-maturity financial assets and loans and advances carried at amortised cost, the amount of the loss is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any impairment loss is recorded in the Consolidated Statement of Comprehensive Income.

p) **Comparative information**

Certain changes in presentation have been made in these financial statements. These changes had no effect in the operating results or profit after tax of the Group for the previous year.

3. **Significant accounting judgements and estimates in applying the Group's accounting policies**

Management has made the following judgements in its application of the Group's accounting policies which have the most significant effect on the amounts reported in the financial statements.

Impairment of financial assets

Management makes judgements at each reporting period to determine whether financial assets are impaired. Financial assets are impaired when the carrying value is greater than the recoverable amount and there is objective evidence of impairment. The recoverable amount is the present value of the future cash flows.

Valuation of investments

The Group has applied IAS 39 in its classification of investment securities which requires measurement of securities at fair value. For unquoted instruments and unlisted securities, fair values are estimated using price/earnings or price/cash flow ratios which have been refined to accommodate the specific circumstances of the issuer.

Expressed in thousands of Trinidad & Tobago dollars ($'000)

3. Significant accounting judgements and estimates in applying the Group's accounting policies (continued)

Lands for Development

An impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less cost to sell calculation is based on Management's estimates in an arm's length transaction of similar assets or observable market prices less incremental costs for completing and disposing of the asset.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

4. Cash and short term funds

	2010 $'000	2009 $'000
Cash and cash equivalents	43,775	142,844
Less: Provision for cash and cash equivalents	(36,000)	(36,000)
	7,775	106,844
Less: Bank overdraft	(119,363)	–
Net (bank overdraft)/cash and cash equivalents	(111,588)	106,844
Fixed deposits with original maturities greater than three months	170,638	116,638
Less: Provision for fixed deposits	(12,638)	(12,638)
	158,000	104,000
Total cash and short term funds	46,412	210,844

The average effective interest rate on cash and short term funds for the current year is 4.64% (2009: 6.55%).

Expressed in thousands of Trinidad & Tobago dollars ($'000)

4. **Cash and short term funds** (continued)

The Bank overdraft is secured by a Government of Trinidad and Tobago 8% Fixed Rate Bond (FRB) due 27 April 2014 in the amount of $32.5 million, Trinidad and Tobago Housing Development Corporation 8% FRB due 17 February 2024 in the amount of $25 million and First Citizens Bank Limited 8.35% FRB due 6 February 2014 in the amount of $50 million. These assets are recorded within investment securities in the Consolidated Statement of Financial Position.

	2010 $'000	2009 $'000
Provision for cash and short term funds	48,638	48,638

On 30 January 2009, the Central Bank of Trinidad and Tobago ('CBTT') intervened in the operations of Clico Investment Bank Limited ('CIB') and took control of that entity under Section 44D of Central Bank Act Chap. 72:02. The Group held funds totalling $48.6 million with CIB as at the date of the intervention. These facilities matured in the first quarter of 2009 and have not yet been repaid. These funds represent $36.0 million Investment Note Certificates and $12.6 million Certificate of Deposit. The Government has stated that it will guarantee to honour all third party deposits of CIB. The Group is of the opinion that these investments will be covered under the Government's guarantee and it will continue to pursue the recovery thereof. The Group has taken a decision to make a full provision for these investments on the basis of prudence and the uncertainty of timing of recovery.

Included in Cash and short-term funds in 2008 were deposits amounting to $70 million due from CL Financial Limited secured, via a pledge, by shares quoted on the Trinidad and Tobago Stock Exchange. These facilities matured in April 2009 and were not repaid, resulting in the Group calling on the pledge and taking control of the shares. However at the date of this report, the outstanding loan balance inclusive of interest was liquidated via the application of collateral effective 31 December 2009.

Expressed in thousands of Trinidad & Tobago dollars ($'000)

		2010 $'000	2009 $'000
5.	**Investment securities**		
	Held to maturity		
	State-owned company securities	428,172	371,058
	Government securities	57,621	57,656
		485,793	428,714
	Available for sale		
	Local equities	475,934	364,436
		961,727	793,150

The average effective rate of return on investment securities for the current year is 7.41% (2009: 8.49%).

		2010 $'000	2009 $'000
6.	**Lands for development**		
	Balance brought forward	71,146	61,769
	Costs incurred for the period	2,616	9,377
	Balance carried forward	73,762	71,146
	Less: Provision for impairment in value	(17,677)	–
	Net balance carried forward	56,085	71,146

After considering the results of the valuation and the estimated costs to complete this project, an impairment provision was established on the basis of prudence and conservatism at 31 December 2010, to write down this asset to its net realisable value in accordance with the accounting policy of the Bank.

Expressed in thousands of Trinidad & Tobago dollars ($'000)

			2010 $'000	2009 $'000
7.	**Loans and advances**			
	Retained mortgages loans	7(a)	489,353	567,467
	Construction loan advances	7(b)	190,133	161,703
	Other loans	7(c)	28,883	35,681
			708,369	764,851

		2010 $'000	2009 $'000
(a)	Retained mortgage portfolio		
	Principal balances and unamortised discounts:		
	Balance at the beginning of the year	1,078,517	1,099,060
	New mortgage/transfers from construction loan advances	49,463	161,849
	Less: Transfers to other loans	–	(38,869)
	Less: Principal repayments	(160,091)	(143,523)
		967,889	1,078,517
	Less: Specific provision for doubtful mortgages	(370)	(92)
	Less: Guaranteed Mortgage Investment Certificates (Gareemics)	(21,221)	(26,307)
	Less: Mortgage Participation Fund	(456,945)	(484,651)
	Balance at the end of the year	489,353	567,467
	Specific provision for loan losses		
	Provision brought forward	92	494
	Provision expense/(net write back to income)	278	(402)
	Provision carried forward	370	92
	Represented by:		
	Mortgages with recourse	1,314	5,931
	Mortgages without recourse	488,039	561,536
	Balance at the end of the year	489,353	567,467

The average effective interest rate on the retained mortgage portfolio for the current year is 8.98% (2009: 9.12%).

Expressed in thousands of Trinidad & Tobago dollars ($'000)

7. Loans and advances (continued)

(b) Construction loan advances

These represent advances made to mortgagors on new residential construction and/or to project developers. These advances are secured by a first mortgage over real property.

	2010 $'000	2009 $'000
Balance brought forward	161,703	155,439
New advances	86,601	126,462
Advances converted to mortgages	(58,171)	(120,198)
Balance carried forward	190,133	161,703

The average effective interest rate on construction loan advances for the current year is 7.77% (2009: 7.96%).

(c) Other loans

	2010 $'000	2009 $'000
Balance brought forward	35,681	302,400
New advances	–	38,869
Principal repayments	(6,798)	(305,588)
	28,883	35,681

The average effective interest rate on other loans for the current year is 8.56% (2009: 9.04%)

In 2008, the Group entered into a short-term loan with a then related party, secured by a basket of shares all quoted on the Trinidad and Tobago Stock Exchange. This facility matured in February 2009 and was not repaid, resulting in the Group calling on the pledge and taking control of the basket of shares. The outstanding loan balance inclusive of interest was liquidated via the application of collateral effective 31 December 2009.

Expressed in thousands of Trinidad & Tobago dollars ($'000)

8. Property and equipment

	Furniture, fixtures, office machinery & equipment	Motor vehicles	Total 2010 $'000	Total 2009 $'000
Cost				
Balance brought forward	3,210	982	4,192	4,015
Additions	17	521	538	514
Disposals	(5)	(400)	(405)	(337)
	3,222	1,103	4,325	4,192
Depreciation				
Balance brought forward	2,626	456	3,082	3,046
Charge for the year	95	239	334	346
Disposals	(6)	(312)	(318)	(310)
Depreciation carried forward	2,715	383	3,098	3,082
Net book value	507	720	1,227	1,110

9. Capitalised bond issue costs

	2010 $'000	2009 $'000
Balance at the beginning of the year	660	751
Add: Costs incurred during the year	104	65
	764	816
Less: Costs amortised during the year	(135)	(156)
	629	660

Expressed in thousands of Trinidad & Tobago dollars ($'000)

10. Components of deferred tax asset and deferred tax liability

	2010 $'000	2009 $'000
Deferred income tax asset:		
Tax losses	13,916	8,454
Impairment of lands for development	4,419	–
	18,335	8,454

As at 31 December 2010, the Group had unutilised tax losses of $55,664,152 (2009: $33,815,507). These losses have not yet been agreed by the Board of Inland Revenue.

	2010 $'000	2009 $'000
Deferred income tax liability:		
Discount on purchase of Mortgage Pools	348	528
Revaluation of available-for-sale investments	27,875	–
Bond issue costs	157	165
Property and equipment	35	31
	28,415	724

Note:
The Group has adopted the policy of writing off costs incurred in the issue of bonds over the duration of the respective bonds. However, for taxation purposes, these expenses are allowed in the year they are incurred.

11. Other liabilities

	2010 $'000	2009 $'000
Interest payable on bonds	21,659	22,915
Sundry creditors and accruals	12,133	11,904
Gareemic holders payable	637	1,038
	34,429	35,857

Expressed in thousands of Trinidad & Tobago dollars ($'000)

	2010 $'000	2009 $'000
12. Bonds in issue		
Balance at the beginning of the year	1,613,023	1,781,161
Add: Issues during the period	311,585	64,092
Less: Redemptions during the period	(511,090)	(232,230)
Balance at the end of the period	1,413,518	1,613,023

Notes:

(a) These bonds are secured by debentures created at the time of issue and rank pari-passu over the fixed and floating assets of the Group. The average effective interest rate on bonds in issue for the current year is 6.62% (2009: 6.86%).

(b) The amounts outstanding on bonds issued are redeemable as follows:

	2010 $'000	2009 $'000
Within 1 year	160,515	511,090
1 to 2 years	180,617	160,515
2 to 3 years	215,935	180,617
3 to 4 years	155,250	215,935
4 to 5 years	237,944	155,250
Over 5 years	463,257	389,616
	1,413,518	1,613,023

(c)

Tax free bonds	526,228	506,388
Other bonds	887,290	1,106,635
	1,413,518	1,613,023

Under the Home Mortgage Bank Act 1985, the Group has been authorised to issue tax-free bonds up to $600 million.

Expressed in thousands of Trinidad & Tobago dollars ($'000)

	2010 $'000	2009 $'000
13. Stated capital		
Authorised		
An unlimited number of ordinary shares of no par value.		
Issued and fully paid		
16,000,000 ordinary shares of no par value	16,000	16,000

14. Mortgage risk reserves

	2010	2009
Balance brought forward	10,534	11,110
Transfer to retained earnings	(458)	(576)
Balance carried forward	10,076	10,534

This represents amounts set aside as general provisions based on an evaluation of the portfolio in respect of losses which, although not specifically identified, are known from experience to be present in any such portfolio. These loan loss requirements are dealt with as appropriations of equity.

15. Other income

In 2008, the Group earned a gross fee of $47.6 million, of which it retained $27.2 million after costs incurred for legal and professional services. This was a one off fee earned for negotiating and arranging financing for a party (considered to be a related party at that time) to acquire the issued and outstanding preference and ordinary shares of a targeted entity. In December 2009 and in May 2010, the party, under a new Board of Directors, wrote to the Group challenging the quantum of fees earned by the Group. The Group considers that this challenge is without merit.

Expressed in thousands of Trinidad & Tobago dollars ($'000)

	2010 $'000	2009 $'000
16. General & administrative expenses		
Staff costs	4,044	4,143
Accommodation expenses	1,836	1,180
Other operating expenses	6,770	4,715
	12,650	10,038

Included within general and administrative expenses are the following charges:

	2010 $'000	2009 $'000
Depreciation	334	346
Directors' fees	652	729

17. Taxation charge for the period

Reconciliation between tax expense and the product of accounting profits multiplied by applicable tax rate:		
Accounting profit/(loss)	21,846	41,851
Tax at the statutory rate of 25%	(5,462)	(10,463)
Tax effect of items that are adjustable in determining taxable profit:		
Tax exempt income	15,735	9,675
Other permanent differences	(628)	(389)
	9,645	(1,177)

Expressed in thousands of Trinidad & Tobago dollars ($'000)

17. **Taxation charge for the period** (continued)	2010 $'000	2009 $'000
Current year's tax provision:		
Business levy	(258)	(269)
Green fund levy	(162)	(174)
Deferred income tax	10,065	(734)
Taxation charge/(credit) for the period	9,645	(1,177)

18. Related party transactions and balances

In accordance with International Accounting Standard 24, parties are considered to be related if, directly or indirectly, one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. A number of banking transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms and conditions, at market rates.

Expressed in thousands of Trinidad & Tobago dollars ($'000)

18. Related party transactions and balances (continued)	2010 $'000	2009 $'000
Outstanding balances		
Loans, investments and other assets		
The National Insurance Board & its subsidiaries	28,883	35,681
Directors and key management personnel	3,889	5,628
Bonds in issue and other liabilities		
The National Insurance Board & its subsidiaries	72,750	122,750
Directors and key management personnel	264	511
Interest and other income		
The National Insurance Board & its subsidiaries	2,767	1,621
Directors and key management personnel	311	485
Bond Interest and other expense		
The National Insurance Board & its subsidiaries	11,746	12,595
Directors and key management personnel	11	45
Key management compensation		
Short term benefits	2,750	3,613
Post-retirement benefits	213	213

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group.

19. Mortgage commitments

The Group has issued standby commitments for the purchase of mortgages and/or for project developments, of which undrawn balances amount to $52,392,775 at 31 December 2010 (2009: $55,981,190).

20. Risk management

The Group's activities are primarily related to the purchase of mortgages from primary mortgage lenders and direct mortgage lending. The Group accesses the capital market to raise funding by the issuance of securities to on-lend in the longer term mortgage market. The capital market activity allows the Group to access funding for shorter tenors at lower cost and thereby earning a positive spread in its mortgage activity.

Risk is inherent in the Group's activities but it is managed through a process of ongoing identification, measurement and monitoring. This process of risk management is critical to the Group's continuing profitability. The Group is exposed to credit risk, liquidity risk, market risk, interest rate risk and operational risk.

Risk management structure

The Board of Directors is ultimately responsible for identifying and controlling risks.

Board of Directors

The Board of Directors is responsible for the overall risk management approach and for approving the risk strategies and principles.

The Board is responsible for overseeing the Group's risk management, including overseeing the management of credit risk, market risk, liquidity risk and operational risk.

The Board carries out its risk management oversight function by:

- Reviewing and assessing the quality, integrity and effectiveness of the risk management systems.
- Overseeing the development of policies and procedures designed to:

  (a) Define, measure, identify and report on credit, market, liquidity, counterparty and operational risk; and
  (b) Establish and communicate risk management controls throughout the group

20. Risk management (continued)

- Ensuring that the Group has implemented an effective ongoing process to identify risk, to measure its potential impact against a broad set of assumptions and then to activate what is necessary to pro-actively manage these risks, and to decide the Bank's appetite or tolerance for risks.
- Reviewing management reports detailing the adequacy and overall effectiveness of risk management, its implementation by management, reports on internal control and any recommendations and confirm that appropriate action has been taken.
- Providing an independent and objective oversight and view of the information presented by management on corporate accountability and specifically associated risk.
- Keep the board informed on risk exposures and risk management activities through the submission of periodic reports from management.

Treasury

Treasury is responsible for managing the Group's assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group.

Risk measurement and reporting systems

Monitoring and controlling risks is primarily performed based on limits established by the Group. These limits reflect the business strategy and market environment of the Group as well as the level of risk that the Group is willing to accept.

Information compiled is examined in order to analyse, control and identify early risks. Management assesses the appropriateness of the allowance for credit losses on a semi-annual basis. The Board of Directors receives a report of arrears by portfolio on a monthly basis.

20. **Risk management** (continued)

Excessive risk concentration

The Group reviews its residential mortgage concentration to prevent over exposure in any area or any residential housing development.

The Group manages its investment portfolio by focusing on maintaining a diversified portfolio and concentration percentages.

Identified concentrations of credit risks are controlled and managed accordingly.

Credit risk

Credit risk is the potential for loss due to the failure of a counter-party or borrower to meet its financial obligations. Credit risk arises in the Group's normal trading activity in mortgages. The Group's credit control processes emphasise early detection of deterioration and prompt implementation of remedial action. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties. The credit quality review process allows the Bank to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

Where the recovery of the outstanding liability may be doubtful or unduly delayed, such accounts are transferred from performing to non-performing status. Loan loss provisions are set aside to cover any potential loss in respect of non-performing mortgages. These provisions are reviewed semi-annually.

Expressed in thousands of Trinidad & Tobago dollars ($'000)

20. **Risk management** (continued)

Credit risk (continued)

The table below shows the maximum exposure to credit risk for the components of the Statement of Financial Position. The maximum exposure is shown gross, before the effect of mitigation through the use of collateral agreements.

	Gross maximum exposure 2010 $'000	Gross maximum exposure 2009 $'000
Gross mortgage portfolio	968,941	1,080,079
Construction advances	190,133	161,703
Other loans	28,883	35,681
Investment securities	485,793	428,714
Cash and short term funds	95,050	259,482
Total gross financial assets	1,768,800	1,965,659
Mortgage commitments	52,393	55,981
Total credit risk exposure	1,821,193	2,021,640

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented regarding the acceptability of types of collateral.

The main types of collateral obtained are as follows:

- For investments securities lending and reverse repurchase transactions, cash or real estate securities,
- For residential lending, mortgages over residential properties.

20. **Risk management** (continued)

Collateral and other credit enhancements (continued)

Management monitors the market value of collateral at the point of granting the mortgage commitment and during its review of the adequacy of the allowance for impairment losses.

It is the Group's policy to dispose of repossessed properties in an orderly fashion. The proceeds are used to reduce or repay the outstanding claim. The Group does not occupy repossessed properties.

Credit quality per class of financial assets

The Group has determined that credit risk exposure arises from the following statement of financial position lines:

- Loans and advances
- Investment securities
- Cash and short term funds

Loans and advances

Loans and advances to mortgagors are 'classified' according to the arrears position as at the end of the financial year in addition to other risk factors. High grade advances are where loan payments are up to date. Standard grade advances are no more than six months in arrears and sub-standard advances are advances more than six months in arrears and are very well secured based on Management's review of the collateral values. Individually impaired advances are advances that are also greater than six months in arrears and specific provisions have been established for these loans. Management closely monitors and follow up all loans in arrears.

Expressed in thousands of Trinidad & Tobago dollars ($'000)

20. **Risk management** (continued)

Credit quality per class of financial assets (continued)

Loans and advances (continued)

The table below shows the credit quality of loans and advances:

	High grade $'000	Standard grade $'000	Sub-standard grade $'000	Individually impaired $'000	Total $'000
2010					
Gross balance	1,141,530	42,953	3,004	470	1,187,957
Fair value of collateral				(100)	
Net exposure				370	
Less provision				(370)	
				–	
Gross balance %	96.1%	3.6%	0.3%	0.0%	100.0%
Net balance %	96.1%	3.6%	0.3%	0.0%	100.0%
2009					
Gross balance	1,161,603	112,493	3,217	150	1,277,463
Fair value of collateral				(58)	
Net exposure				92	
Less provision				(92)	
				–	
Gross balance %	90.9%	8.8%	0.3%	0.0%	100.0%
Net balance %	90.9%	8.8%	0.3%	0.0%	100.0%

Expressed in thousands of Trinidad & Tobago dollars ($'000)

20. **Risk management** (continued)

Credit quality per class of financial assets (continued)

Investment securities and cash and short term funds

Investment securities and cash and short term funds are graded as 'high grade' where the instruments were issued by government and government related organisations. Standard grade assets comprise of instruments issued by other reputable financial institutions. Individually impaired investments are securities that are not operating in accordance with the agreed upon terms and conditions. These are being closely monitored and specific provision has been established for the impaired portion.

The table below shows the credit quality for cash and short-term funds:

	High grade $'000	Standard grade $'000	Sub-standard grade $'000	Individually impaired $'000	Total $'000
2010					
Gross balance	–	46,412	–	48,638	95,050
Less: Provision				(48,638)	
Net exposure				–	
Gross balance %	0.0%	48.9%	0.0%	51.1%	100.0%
Net balance %	0.0%	100.0%	0.0%	0.0%	100.0%
2009					
Gross balance	–	210,844	–	46,638	259,482
Fair value of collateral					
Net exposure				(48,638)	
Less: Provision				–	
Gross balance %	0.0%	81.3%	0.0%	18.7%	100.0%
Net balance %	0.0%	100.0%	0.0%	0.0%	100.0%

The credit quality of investment securities as at 31 December 2010 and 31 December 2009 has been assessed as high grade.

20. Risk management (continued)

Credit quality per class of financial assets (continued)

Management is confident in its ability to continue to control and sustain minimal exposure of credit risk to the Group from both its loans and advances portfolio and investment securities based on the following:

- 99.7% of the loans and advances portfolio is categorised in the top two grades of the grading system (2009: 99.7%);
- Loans and advances, which represent 53.0% (2009: 55.0%) of financial assets, are backed by collateral.

Impairment assessment

The main considerations for the loan impairment assessment include whether any payments of principal or interest are overdue by more than 90 days or there are any known difficulties in the cash flows of mortgagors or infringement of the original terms of the contract. The Group addresses impairment assessment in two areas: individually assessed allowances and collectively assessed allowances.

Individually assessed allowances

The Group determines the allowances appropriate for each individually significant loan or advance on an individual basis. Items considered when determining allowance amounts include the availability of other financial support and the realisation value of collateral, and the timing of the expected cash flows. The impairment losses are evaluated at each reporting date, unless unforeseen circumstances require more careful attention.

20. Risk management (continued)

Collectively assessed allowances

Allowances are assessed collectively for losses on loans and advances that are not individually significant and for individually significant loans and advances where there is not yet objective evidence of individual impairment.

The collective assessment takes account of impairment that is likely to be present in the portfolio even though there is not yet objective evidence of the impairment in an individual assessment. Impairment losses are estimated by taking into consideration the following information: current economic conditions, the approximate delay between the time a loss is likely to have been incurred and the time it will be identified as requiring an individually assessed impairment allowance, and expected receipts and recoveries once impaired.

Liquidity risk and funding management

Liquidity risk is the risk that the Group will be unable to meet its payment obligations when they fall due under normal and stress circumstances. Liquidity risk arises from fluctuations of cash flows. The liquidity risk management process ensures that the Group is able to honour all of its financial commitments as they fall due. To limit this risk, management has arranged diversified funding sources in addition to its core investment base, manages assets with liquidity in mind, and monitors future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure additional funding if required.

The Group maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseen interruption of cash flow. The Group also has committed lines of credit that it can access to meet liquidity needs.

Expressed in thousands of Trinidad & Tobago dollars ($'000)

20. Risk management (continued)

Liquidity risk and funding management (continued)

The table below summaries the maturity profile of the Group's financial liabilities at 31 December 2010 based on contractual undiscounted repayment obligations, over the remaining life of those liabilities. These balances include interest to be paid over the remaining life of the liabilities and will therefore be greater than the carrying amounts on the Consolidated Statement of Financial Position.

Financial liabilities	Within 1 year $'000	1 - 2 years $'000	2 – 3 years $'000	3 – 4 years $'000	4 – 5 years $'000	Over 5 years $'000	Total $'000
2010							
Mortgage participation fund	456,945	–	–	–	–	–	456,945
Collaterised mortgage obligation	21,221	–	–	–	–	–	21,221
Bonds in issue	160,515	180,617	215,935	155,250	237,944	463,257	1,413,518
Interest payable on bonds	88,432	69,564	66,367	49,357	40,575	56,558	370,853
Total undiscounted financial liabilities	727,113	250,181	282,302	204,607	278,519	519,815	2,262,537

Financial liabilities	Within 1 year $'000	1 - 2 years $'000	2 – 3 years $'000	3 – 4 years $'000	4 – 5 years $'000	Over 5 years $'000	Total $'000
2009							
Mortgage participation fund	484,651	–	–	–	–	–	484,651
Collaterised mortgage obligation	26,307	–	–	–	–	–	26,307
Bonds in issue	511,090	160,515	180,617	215,935	155,250	389,616	1,613,023
Interest payable on bonds	96,761	70,390	52,174	48,924	31,769	64,295	364,313
Total undiscounted financial liabilities	1,118,809	230,905	232,791	264,859	187,019	453,911	2,488,294

Expressed in thousands of Trinidad & Tobago dollars ($'000)

20. Risk management (continued)

Liquidity risk and funding management (continued)

The table below summaries the maturity profile of the Group's financial assets at 31 December 2010.

Financial assets	Within 1 year $'000	1 – 2 years $'000	2 – 3 years $'000	3 – 4 years $'000	4 – 5 years $'000	Over 5 years $'000	Total $'000
2010							
Cash and short term funds	(111,588)	–	–	–	158,000	–	46,412
Investments securities	312,819	–	–	83,674	30,000	535,234	961,727
Interest receivables and sundry debtors	23,185	–	–	–	–	–	23,185
Loans and advances	213,517	37,951	39,331	34,999	29,619	352,952	708,369
Total financial assets	437,933	37,951	39,331	118,673	217,619	888,186	1,739,693

As at 31 December 2010 included within the one year category is investment securities and loans and advances amounting to $356 million placed with a State Enterprise. The Group is in the process of renegotiating the repayment terms of these facilities.

Financial assets	Within 1 year $'000	1 – 2 years $'000	2 – 3 years $'000	3 – 4 years $'000	4 – 5 years $'000	Over 5 years $'000	Total $'000
2009							
Cash and short term funds	210,844	–	–	–	–	–	210,844
Investments securities	102,219	60,225	–	–	83,727	546,979	793,150
Interest receivables and sundry debtors	23,945	–	–	–	–	–	23,945
Loans and advances	72,218	210,906	66,994	48,521	50,465	315,747	764,851
Total financial assets	409,226	271,131	66,994	48,521	134,192	862,726	1,792,790

Expressed in thousands of Trinidad & Tobago dollars ($'000)

20. **Risk management** (continued)

Liquidity risk and funding management (continued)

The table below shows the contractual expiry by maturity of the Group's commitments.

2010	On demand $'000	Less than 3 months $'000	3 to 12 months $'000	1 to 5 years $'000	Over 5 years $'000	Total $'000
Commitments	–	–	52,393		–	52,393

2009	On demand $'000	Less than 3 months $'000	3 to 12 months $'000	1 to 5 years $'000	Over 5 years $'000	Total $'000
Commitments	–	–	55,981	–	–	55,981

The Group expects that not all of its commitments will be drawn before expiry of the commitments.

Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices such as interest rate risk and other price risk trading portfolios.

Equity price risk

Equity price risk is the risk that the fair values of equities will decrease as the result of decrease in equity indices and the value of individual stocks. The non-trading equity price risk exposure arises from the Group's investment portfolio.

The effect on equity will arise as a result of changes in the fair value of equity instruments categorised as available-for-sale.

20. Risk management (continued)

Equity price risk (continued)

The effect on equity and income at 31 December due to a reasonably possible change in equity indices of +/- 5% with all other variables held constant will have an impact on equity of +/- $24 million (2009: $18 million).

Interest rate risk

The Group is exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. It manages this risk by maintaining a positive interest rate gap between its major financial assets and liabilities as follows:

a) Financial assets

Loans and advances

The Group has the ability to vary interest rates on its variable rate portfolios by giving three to six months notice to mortgagors. The variable rate portfolios account for 94.1% of the total gross mortgage portfolio as at 31 December 2010 (2009: 94.0%).

In addition, the rates on the fixed rate portfolios are only fixed for periods ranging between three to ten years, after which the mortgages convert to variable rate mortgages.

b) Financial liabilities

Bonds in issue

The Group has the ability to reset rates on its floating rate bonds on any semi-annual interest payment date. This rate is calculated at 50% of the average prime residential mortgage rates plus a spread ranging between 1.25% and 3.25%.

Additionally, all bonds are callable at par on any semi-annual interest payment date.

Expressed in thousands of Trinidad & Tobago dollars ($'000)

20. **Risk management** (continued)

b) **Financial liabilities** (continued)

Mortgage participation fund

The Group has the ability to vary this rate at any time.

Collateralised Mortgage Obligations

The rates paid on Collateralised Mortgage Obligations (CMO) are linked to the rates on the mortgage pools which back this financial liability. The mortgages backing this fundraising instrument are all variable rate mortgages. Therefore upward or downward movements in the variable interest rate will be matched by upward or downward movements in interest paid to CMO investors.

The table below shows the Bank's financial assets and liabilities categorised by type of interest rate.

	Variable rate 2010 $'000	Fixed rate 2010 $'000	Total 2010 $'000	Variable rate 2009 $'000	Fixed rate 2009 $'000	Total 2009 $'000
Loans and advances	1,118,187	69,770	1,187,957	1,200,361	77,102	1,277,463
Percentage of total loans and advances	94.1%	5.9%	100.0%	94.0 %	6.0%	100.0%
Bonds in issue	62,510	1,351,008	1,413,518	82,510	1,530,513	1,613,023
Percentage of total bonds in issue	4.4%	95.6%	100.0%	5.1%	94.9%	100.0%

Expressed in thousands of Trinidad & Tobago dollars ($'000)

20. **Risk management** (continued)

b) **Financial liabilities** (continued)

The table below shows the maturity profiles for the Group's fixed rate mortgages to revert to variable rate mortgages.

2010	Within 1 year $'000	1 -3 years $'000	3 – 5 years $'000	5 - 7 years $'000	7 – 10 years $'000	Total $'000
Fixed rate loans and advances	795	3,731	32,227	27,047	5,970	69,770
Percentage of total fixed rate loans and advances	1.1%	5.3%	46.2%	38.8%	8.6%	100.0%
2009						
Fixed rate loans and advances	1,517	1,091	9,408	50,594	14,492	77,102
Percentage of total fixed rate loans and advances	2.0%	1.4%	12.2%	65.6%	18.8%	100.0%

Sensitivity analysis

The Group has been a market-maker in terms of mortgage rates and therefore it is not the policy of the Group to follow the market in terms of average mortgage rates.

However it should be noted that the majority of the Group's financial assets are held in loans and advances to mortgagors. Variable rate mortgages account for 94.1% (2009: 94.0%) of the mortgage pool which gives the Group the ability to change interest rates if needed, within a short time frame. Also, a significant amount of the Group's liabilities are held in Bonds which are callable at par on any semi-annual interest payment date.

20. Risk management (continued)

b) Financial liabilities (continued)

Sensitivity analysis (continued)

Therefore the Group can quickly respond to any changes in interest rates, driven by the Financial Services Sector or Government, if needed and re-price its assets and liabilities.

Because of the above, management does not believe that any changes in interest rates would have a significant impact on net income or equity.

Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Group cannot expect to eliminate all operational risks, but through a control framework and by monitoring and responding to potential risks, the Group is able to manage the risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes.

21. Capital

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

- To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its business.

21. Capital (continued)

The Group maintains mortgage risk reserves as part of its capital structure. This represents amounts set aside as collectively assessed allowances for losses on loans and advances; based on an evaluation of the portfolio in respect of losses which, although not specifically identified, are known from experience to be present in any such portfolio. These loan loss requirements are dealt with as appropriations of equity.

22. Financial instruments

The Group calculates the estimated fair value of all financial instruments at the end of the reporting period and separately discloses this information where these fair values are different from the net book values.

Financial instruments where carrying value is assumed to approximate their fair values, due to their short-term to maturity, include cash and short term funds, interest receivable, construction loan advances, other assets and other liabilities.

The carrying value of bonds in issue approximates their fair values as all bonds are callable at par on any of their semi-annual interest payment dates.

Retained mortgage portfolio is net of specific provisions for impairment. The fair value of performing mortgages is assumed to be equal to the present value of estimated future cash flows discounted at the current market rate of return.

Expressed in thousands of Trinidad & Tobago dollars ($'000)

22. **Financial instruments** (continued)

The following table summarises the carrying amounts and the fair values of the Group's financial assets and liabilities:

	2010	
	Carrying value $'000	Fair value $'000
Financial assets		
Cash and short terms funds	46,412	53,426
Investment securities	961,727	984,479
Interest receivables	14,829	14,829
Retained mortgage loans	489,353	510,168
Construction loan advances	190,133	190,133
Other loans	28,883	28,883
Financial liabilities		
Bonds in issue	1,413,518	1,413,518
Bond interest payable	21,659	21,659

	2009	
	Carrying value $'000	Fair value $'000
Financial liabilities		
Cash and short terms funds	210,844	257,721
Investment securities	793,150	826,041
Interest receivables	13,671	13,671
Retained mortgage loans	567,467	659,304
Construction loan advances	161,703	161,703
Other loans	35,681	35,681
Financial liabilities		
Bonds in issue	1,613,023	1,613,023
Bond interest payable	16,571	16,571

22. Financial instruments (continued)

(i) Determination of fair value and fair value hierarchies

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

Level 1

Included in the Level 1 category are financial assets and liabilities that are measured in whole or in part by reference to published quotes in an active market. 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.

Level 2

Included in the Level 2 category are financial assets and liabilities that are measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions and for which pricing is obtained via pricing services, but where prices have not been determined in an active market. This includes financial assets with fair values based on broker quotes, investments in private equity funds with fair values obtained via fund managers and assets that are valued using the Group's own models whereby the majority of assumptions are market observable.

Level 3

Included in the Level 3 category are financial assets and liabilities that are not quoted as there are no active markets to determine a price. These financial instruments are held at cost, being the fair value of the consideration paid for the acquisition of the investment, and are regularly assessed for impairment.

Expressed in thousands of Trinidad & Tobago dollars ($'000)

22. **Financial instruments** (continued)

(i) **Determination of fair value and fair value hierarchies** (continued)

2010 **Financial assets:**	Level 1 $'000	Level 2 $'000	Level 3 $'000	Value $'000
Equity securities	475,934	–	–	475,934
Debt securities	–	485,793	–	485,793
	475,934	485,793	–	961,727

2009 **Financial assets:**	Level 1 $'000	Level 2 $'000	Level 3 $'000	Value $'000
Equity securities	364,436	–	–	364,436
Debt securities	–	428,714	–	428,714
	364,436	428,714	–	793,150

Transfers between Level 1 and 2

For the year ended 31 December 2010 there was no transfer of assets between Level 1 and Level 2.

Reconciliation of movements in Level 3 financial instruments measured at fair value

For the year ended 31 December 2010 there was no movement in Level 3 financial instruments.

23. **Guaranteed Mortgage Investment Certificates (Gareemics)**

As issuer and guarantor of Gareemics, the Group is obligated to disburse scheduled monthly instalments of principal and interest (at the coupon rate) and the full unpaid principal balance of any foreclosed mortgage to Gareemics investors, whether or not any such amounts have been received. The Group is also obligated to disburse unscheduled principal payments received from borrowers. At 31 December 2010 the outstanding balances of securitised mortgages and the related Gareemics issued amounts to $21,221,001 (2009: $26,306,052).

The Group's credit risk is mitigated to the extent that sellers of pools of mortgages elect to remain at risk for the loans sold to the Group or other credit enhancement was provided to protect against the risk of loss from borrower default. Lenders have the option to retain the primary default risk, in whole or in part, in exchange for a lower guarantee fee. The Home Mortgage Bank however, bears the ultimate risk of default.

24. Mortgage participation fund (MPF)

This fund is backed by mortgage and/or other securities. At 31 December 2010 the outstanding balance of securitised mortgages and related MPF outstanding amounts to $456,945,128 (2009: $484,650,708).

25. Employees

At 31 December 2010 the Group had in its employ a staff complement of 15 employees (2009: 15).

26. Guarantee

As at 31 December 2008, the Group issued a guarantee for $142 million to secure a short-term loan. This guarantee was secured by the pledge of quoted securities from two subsidiaries of Clico Investment Bank (CIB), T.T. Investments Limited and First Co. Limited (TTIL and FCL). The guarantee was settled solely from the liquidation of the collateral security in 2009. At 31 December 2008, both the party for whom the Guarantee was issued and CIB and its Subsidiaries were considered to be related parties of the Group.

By letter dated 26 March 2010, the statutory Manager of Clico Investment Bank claimed that the pledges were unauthorised and invalid. By letters dated 16 April 2010, a Director of TTIL and FCL also claimed that the pledge transaction was unauthorised and invalid. In addition, the Group received a pre-protocol action letter dated 11 November 2010 from legal counsel of TTIL and FCL on this matter.

The Group has received legal advice it acted lawfully and intra-vires in its powers under the Home Mortgage Bank Act. The Group therefore contends that TTIL and FCL are not entitled to the reliefs sought and will defend any claim brought against it.

Shareholders

The stated capital is 16,000,000 ordinary shares to a value of $16,000,000, subscribed as follows at 31st December, 2010:

Institution	**Amount** $	%
The National Insurance Board	8,200,000	51.3
Republic Bank Limited	3,840,000	24.0
Central Bank of Trinidad and Tobago	2,400,000	15.0
The Bank of Nova Scotia Trinidad and Tobago Limited	960,000	6.0
TATIL Life Assurance Limited	500,000	3.1
British American Insurance Company (Trinidad) Limited	100,000	0.6
	16,000,000	100.0

Corporate Information

MANAGEMENT:
Rawle Ramlogan
Chief Executive Officer (Acting) & Corporate Manager, Securities and Investments

Laurette Kam Hong
Senior Manager, Finance and Administration

Sharmila Mahase
Manager, Mortgage Operations

CORPORATE SECRETARY
Sharmila Mahase

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AUDITORS
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5 – 7 Sweet Briar Road, Port of Spain

ATTORNEYS – AT – LAW
Pollonais, Blanc, de la Bastide and Jacelon
17 – 19 Pembroke Street, Port of Spain

BANKERS
Republic Bank Limited
Independence Square, Port of Spain

TRUSTEE, REGISTRAR AND
PAYING AGENTS FOR BOND ISSUES
Republic Bank Limited
Trust and Asset Management Division (Trustee)
Republic Finance and Merchant Bank Limited
(Registrar and Paying Agents)
Republic House
9 – 17 Park Street, Port of Spain

The People Who Make it Happen

From Left Front Row: Ms. Sharmila Mahase, Ms. Laurette Kam Hong, Mrs. Avian Harris-Khan, Ms. Deokie Gangaram, Ms. Melissa Nakhid, Mrs. Anna Gonzales, Ms. Natasha Alexander

From Left Back Row: Mr. Nigel Gibson, Ms. Usha Gajadhar, Mr. Steven Ahow, Ms. Cheryl Coward, Mr. Avinash Mathura and Mr. Rawle Ramlogan