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## REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the Trustee of Republic Caribbean Equity Fund

The accompanying summary financial statements, which comprise the summary statement of financial position as at 31 December 2015, and the summary statements of comprehensive income, changes in equity and cash flows for the year then ended, are derived from the audited financial statements of Republic Caribbean Equity Fund (the "Fund") for the year ended 31 December 2015. We expressed an unmodified audit opinion on those financial statements in our report dated 28 April 2016.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the Fund.

### Trustee's Responsibility for the Summary Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements."

### Opinion

In our opinion, the summary financial statements derived from the audited financial statements of the Fund for the year ended 31 December 2015 are consistent, in all material respects, with those financial statements, on the basis of the Trustee's established criteria as described in Note 1.

Port of Spain,  
TRINIDAD:  
28 April 2016

**REPUBLIC CARIBBEAN EQUITY FUND**
**STATEMENT OF FINANCIAL POSITION**
**AS AT 31 DECEMBER 2015**

(Expressed in Trinidad and Tobago Dollars)



	2015	2014
<b>Assets</b>		
Cash and cash equivalents	13,204,022	23,834,111
Available-for-sale investments	165,420,580	152,885,666
Held-to-maturity investments	2,762,420	3,308,147
Advances	—	3,088,565
Interest receivable	56,464	106,782
Dividends receivable	693,021	241,469
Sundry debtors	—	35,366
Subscriptions receivable	67,200	155,704
<b>Total assets</b>	<b>182,203,707</b>	<b>183,655,810</b>
<b>Liabilities</b>		
Accrued expenses	1,228,514	1,072,859
Initial charge payable	6,352,060	6,239,407
<b>Total liabilities</b>	<b>7,580,574</b>	<b>7,312,266</b>
<b>Net assets</b>	<b>174,623,133</b>	<b>176,343,544</b>
<b>Unitholders' balances</b>		
Capital account	94,885,342	100,518,840
Investment revaluation reserve	79,737,791	75,824,704
<b>Total unitholders' balances</b>	<b>174,623,133</b>	<b>176,343,544</b>
<b>Number of units</b>	<b>3,079,574</b>	<b>3,200,803</b>
<b>Net asset value per unit</b>	<b>\$56.70</b>	<b>\$55.09</b>

These financial statements were approved by the Trustee and authorised for issue on 28 April 2016.

: Trustee

**REPUBLIC CARIBBEAN EQUITY FUND**
**STATEMENT OF COMPEHENSIVE INCOME**
**FOR THE YEAR ENDED 31 DECEMBER 2015**

(Expressed in Trinidad and Tobago Dollars)

	2015	2014
<b>Income</b>		
Interest income	974,640	1,099,520
Dividend income	5,518,259	4,781,524
Realised gain on sale of investments	170,493	237,752
Gain/ (loss) on foreign exchange	39,427	(38,076)
<b>Total income</b>	<b>6,702,819</b>	<b>6,080,720</b>
<b>Expenses</b>		
Impairment loss	—	800,691
Taxes and fees	4,132,374	3,958,331
<b>Total expenses</b>	<b>4,132,374</b>	<b>4,759,022</b>
<b>Net income</b>	<b>2,570,445</b>	<b>1,321,698</b>
<b>Other comprehensive income</b>		
<b>Items that may be reclassified subsequently to profit and loss</b>		
Unrealised gain on investment	4,097,131	1,145,504
Release of reserve on disposal of available-for-sale investments	(184,044)	(202,934)
Impairment loss	—	800,691
<b>Total items that may be reclassified subsequently to profit and loss</b>	<b>3,913,087</b>	<b>1,743,261</b>
<b>Total comprehensive income</b>	<b>6,483,532</b>	<b>3,064,959</b>

**REPUBLIC CARIBBEAN EQUITY FUND**
**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2015**  
(Expressed in Trinidad and Tobago Dollars)


	2015	2014
<b>Cash flows from operating activities</b>		
Net income	2,570,445	1,321,698
Adjustments:		
Realised gain on sale of investments	(170,493)	(237,752)
Amortization on bonds and treasury bills	(487,767)	(469,335)
Impairment loss	–	800,691
(Gain)/ loss on foreign exchange	(9,552)	28,271
<b>Investment income before working capital changes</b>	1,902,633	1,443,573
Changes in assets/liabilities		
Increase in receivables	(277,364)	(77,254)
Increase in payables	268,308	458,286
<b>Cash (used in) /generated from operating activities</b>	(9,056)	381,032
Net cash flows provided by operating activities	1,893,577	1,824,605
<b>Cash flows from investing activities</b>		
Purchase of investments	(15,295,667)	(6,623,956)
Proceeds on disposal of investments	10,975,944	4,493,772
Net cash flows used in investing activities	(4,319,723)	(2,130,184)
<b>Cash flows from financing activities</b>		
Issue of units	7,202,320	15,584,068
Redemption of units	(13,972,677)	(15,876,358)
Distributions paid	(1,433,586)	(1,430,822)
Net cash flows used in financing activities	(8,203,943)	(1,723,112)
Net change in cash and cash equivalents	(10,630,089)	(2,028,691)
Cash and cash equivalents at the beginning of the year	23,834,111	25,862,802
Cash and cash equivalents at the end of the year	13,204,022	23,834,111
<b>Supplemental information</b>		
Interest received	537,192	624,740
Dividend received	5,066,707	4,730,597

**REPUBLIC CARIBBEAN EQUITY FUND**
**STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED 31 DECEMBER 2015**  
(Expressed in Trinidad and Tobago Dollars)


	Capital account	Investment revaluation reserve	Unitholders' balances
<b>Year ended 31 December 2014</b>			
Balance at beginning of year	100,920,255	74,081,443	175,001,698
Unrealised gain on investments	–	1,145,504	1,145,504
Impairment loss	–	800,691	800,691
Release of reserve on disposal of available-for-sale investments	–	–	–
	–	(202,934)	(202,934)
Net income	1,321,698	–	1,321,698
Total comprehensive income	1,321,698	1,743,261	3,064,959
Issue of units	15,584,068	–	15,584,068
Redemption of units	(15,876,358)	–	(15,876,358)
Distributions	(1,430,823)	–	(1,430,823)
Balance at end of year	100,518,840	75,824,704	176,343,544
<b>Year ended 31 December 2015</b>			
Balance at beginning of year	100,518,840	75,824,704	176,343,544
Unrealised gain on investments	–	4,097,131	4,097,131
Release of reserve on disposal of available-for-sale investments	–	(184,044)	(184,044)
Net income	2,570,445	–	2,570,445
Total comprehensive income	2,570,445	3,913,087	6,483,532
Issue of units	7,202,320	–	7,202,320
Redemption of units	(13,972,677)	–	(13,972,677)
Distributions	(1,433,586)	–	(1,433,586)
Balance at end of year	94,885,342	79,737,791	174,623,133