



Trinidad & Tobago
Mortgage Finance
Company Limited

Abridged Consolidated Financial Statements as at December 31, 2004

CHAIRMAN'S REPORT

Trinidad and Tobago Mortgage Finance Company Limited (TTMF) continues its lead role in providing mortgage financing, particularly in the affordable housing sector, in keeping with Government's Housing Policy.

During the financial year ended December 31, 2004, the company increased its asset base over the period by 985 new loans amounting to \$233.1 million for a total mortgage portfolio of 11,450 mortgages.

The consolidated profit after taxation for the year ended December 31, 2004 was \$41.3 million which, when compared with the profit for the previous financial year of \$33.9 million, represents an increase of \$7.4 million or 21.8% year on year.

In keeping with the Government's Housing Policy and its core philosophy of providing a high quality of life for all citizens of Trinidad and Tobago, TTMF has responded to the call for an integrated approach to the issues of homeownership and the availability and accessibility of mortgage financing.

The Government's Housing Programme has undertaken to provide 100,000 housing solutions over the next ten years. As the major provider of mortgages to beneficiaries of this programme, TTMF has sought to transform itself through corporate restructuring with an emphasis on operational effectiveness by becoming more open, accessible, forward-looking and market-oriented. The organization is also working to establish performance standards which will make the mortgage process simpler, accessible, affordable and less time consuming.

In 2004, TTMF processed 1,200 applications for mortgages. With the anticipated expansion of the mortgage market over the current year, the Board of Directors is confident that the company is well-poised to support the Government's explicit goal of decent shelter for all.


Calder Hart

AUDITOR'S REPORT

To the Members of Trinidad and Tobago Mortgage Finance Company Limited

We have audited the consolidated financial statements of Trinidad and Tobago Mortgage Finance Company Limited (the Company) for the year ended December 31, 2004, in accordance with International Standards on Auditing. In our report dated March 31, 2005, we expressed an unqualified opinion on the consolidated financial statements from which the abridged consolidated financial statements were extracted.

In our opinion, the accompanying abridged consolidated financial statements are consistent, in all material respects, with the consolidated financial statements from which they were extracted.

For a better understanding of the Company's consolidated financial position and the results of its operations for the year and of the scope of our audit, the abridged consolidated financial statements should be read in conjunction with the consolidated financial statements, from which the abridged consolidated financial statements were extracted, and our audit report thereon.



PricewaterhouseCoopers
Port of Spain, Trinidad, West Indies.
March 31, 2005

Trinidad and Tobago Mortgage Finance Company Limited
NOTES TO THE ABRIDGED CONSOLIDATED FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2004

1. Incorporation and Principal Activities

The parent company is incorporated in the Republic of Trinidad and Tobago and provides mortgage finance under the provisions of the Housing Act, Ch. 33:01. The registered office is located at 61 Dundonald Street, Port of Spain. Its wholly owned subsidiary, Trinidad Mortgage Agency Company Limited is also incorporated in Trinidad and Tobago and grants mortgage loans on the open market.

2. Basis of Preparation

The abridged consolidated financial statements have been extracted from the audited consolidated financial statements for the year ended December 31, 2004. The abridged consolidated financial statements do not include the accounting policies and notes that are contained in the audited consolidated financial statements. The consolidated audited financial statements prepared in accordance with International Financial Reporting Standards were authorized for issue by the Company's Directors on March 31, 2005.

CONSOLIDATED PROFIT AND LOSS ACCOUNT
as at December 31, 2004

	Audited Year Ended 2004 \$'000	Audited Year Ended 2003 \$'000
INCOME		
Mortgage interest	104,596	92,958
Interest expenses	54,223	52,236
Net Interest Income	50,373	40,722
Investment Income	3,142	3,150
Rental Income	984	901
Other Income	11,705	9,022
	66,204	53,795

EXPENSES		
Administration	23,143	17,929
Building	1,417	1,657
	24,560	19,586
Profit before Tax	41,644	34,209
Income tax expense	299	357
Profit after Tax	41,345	33,852
Earnings per share	\$15.99	\$13.10

CONSOLIDATED BALANCE SHEET
as at December 31, 2004

	Audited Year Ended 2004 \$'000	Audited Year Ended 2003 \$'000
ASSETS		
Cash and cash equivalents	27,262	16,004
Debtors and prepayments	8,918	7,223
Investments securities	16,944	29,206
Bridging Loans	64,941	60,929
Advances pending	10,770	5,315
Mortgage loans	1,250,844	1,093,034
Property and equipment	25,572	21,271
Pension asset	322	336
Total Assets	1,405,573	1,233,318

LIABILITIES		
Bank overdraft	12,379	5,227
Prepayments by mortgagors	15,763	16,699
Amount due under IDB loan programme	10,634	14,516
Sundry creditors and accruals	9,180	5,381
Taxation payable	200	130
Interest payable on unsecured loans	8,890	9,231
Borrowings	1,014,391	878,059

Total Liabilities	1,071,437	929,243
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SHAREHOLDERS' EQUITY		
Share capital	12,408	12,408
Retained earnings	321,406	291,331
Pension reserve	322	336
	334,136	304,075

Total Equity and Liabilities	1,405,573	1,233,318
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BOARD OF DIRECTORS: Calder Hart (Chairman), L.Andre Monteil (Deputy Chairman), Ingrid L-A. Lashley (Managing Director), Michael Annisette, Ruben Mc Sween, Sonia Mae Noel, Inez B. Sinanan