NCB Capital Markets Limited Unit Trust Scheme

Financial Statements
30 September 2014

NCB Capital Markets Limited Unit Trust Scheme
JMD Money Market Portfolio

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Independent Auditors' Report

To the Trustees of
NCB Capital Markets Limited Unit Trust Scheme JMD Money Market Portfolio

Report on the Company Stand-Alone Financial Statements
We have audited the accompanying financial statements of NCB Capital Markets Limited Unit Trust Scheme JMD Money Market Portfolio, set out on pages 1 to 15, which comprise the statement of financial position of the portfolio as at 30 September 2014 and the statement of comprehensive income, statement of changes in net assets attributable to holders of redeemable units and statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. 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 about 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 of financial statements that give a true and fair view 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.

PricewaterhouseCoopers, Scotiabank Centre, Duke Street, Box 372, Kingston, Jamaica
T: (876) 922 6230, F: (876) 922 7581, www.pwc.com/jm

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of NCB Capital Markets Limited Unit Trust Scheme JMD Money Market Portfolio as at 30 September 2014, and of its financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards and the requirements of the Jamaican Companies Act.

PricewaterhouseCoopers

Chartered Accountants
19 January 2015
Kingston, Jamaica

NCB Capital Markets Limited Unit Trust Scheme
JMD Money Market Portfolio

Statement of Comprehensive Income

Eleven months ended 30 September 2014

(expressed in Jamaican dollars unless otherwise indicated)

	2014 $'000
Income	
Interest	264,357
Net foreign exchange gains	6,632
Net changes in fair value of investment securities	2,910
	273,899
Expenses	
Investment management fees	44,970
Trustee fees	3,737
Irrecoverable general consumption tax	8,297
Other	1,602
	58,606
Increase in net assets attributable to holders of redeemable units from operations	215,293

NCB Capital Markets Limited Unit Trust Scheme
JMD Money Market Portfolio
Statement of Financial Position
30 September 2014
(expressed in Jamaican dollars unless otherwise indicated)

	Note	2014 $'000
ASSETS		
Receivables		77,995
Reverse repurchase agreements	5	3,436,442
Investment securities	6	4,543,959
		8,058,396
LIABILITIES		
Liabilities (excluding net assets attributable to holders of redeemable units)		
Accounts payable	7	35,751
Net assets attributable to holders of redeemable units	8	8,022,645
		8,058,396
Net Asset Value Per Unit ($)		10.58

Approved for issue by the Board of Directors of NCB Capital Markets Limited on 19 January 2015 and signed on its behalf by:

Patrick Hylton, Director

Dennis Cohen, Director

NCB Capital Markets Limited Unit Trust Scheme
JMD Money Market Portfolio

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units
Eleven months ended 30 September 2014
(expressed in Jamaican dollars unless otherwise indicated)

	Note	Number of Units	Net Assets Attributable to Holders of Redeemable Units
		'000	$'000
Proceeds from redeemable units issued		817,965	8,424,999
Redemption of redeemable units		(59,508)	(617,647)
Net increase from redeemable unit transactions		758,457	7,807,352
Increase in net assets attributable to holders of redeemable units from operations		-	215,293
Net assets attributable to holders of redeemable units at the end of the period	8	758,457	8,022,645

NCB Capital Markets Limited Unit Trust Scheme
JMD Money Market Portfolio

Statement of Cash Flows

Eleven months ended 30 September 2014

(expressed in Jamaican dollars unless otherwise indicated)

	2014 $'000
Cash Flows from Operating Activities	
Increase in net assets attributable to holders of redeemable units from operations	215,293
Adjustment for:	
Interest income	(264,357)
Net foreign exchange gains	(6,632)
	(55,696)
Changes in operating assets and liability	
Receivables	(77,995)
Investment securities	(4,484,577)
Accounts payable	35,751
	(4,582,517)
Interest received	211,607
Net cash used in operating activities	(4,370,910)
Cash flows from Financing Activities	
Proceeds from redeemable units issued	8,424,999
Redemption of redeemable units	(617,647)
Net cash provided by financing activities	7,807,352
Net increase in cash equivalents	3,436,442
Comprising:	
Reverse repurchase agreements	3,436,442

NCB Capital Markets Limited Unit Trust Scheme
JMD Money Market Portfolio
Notes to the Financial Statements
30 September 2014
(expressed in Jamaican dollars unless otherwise indicated)

1. Identification and Activities

The NCB Capital Markets Limited Unit Trust Scheme was constituted as a diversified unit trust scheme by a Trust Deed and was registered on 1 August 2012 in Kingston, Jamaica by the Financial Services Commission.

MF&G Asset Management Limited, with registered office at 21 East Street, Kingston, Jamaica, is the appointed Trustee and NCB Capital Markets Limited, with registered office at 32 Trafalgar Road, Kingston 10, Jamaica, is the Manager of the Scheme.

In accordance with the Trust Deed, various portfolios comprising segregated pools of assets have been established by the Trustee for the benefit of unit holders of a particular class. These financial statements relate to the operations of the NCB Capital Markets Limited Unit Trust Scheme – JMD Money Market Portfolio ("the Portfolio") which was established in November 2013 and cover the period since establishment to 30 September 2014.

The investment objective of the Portfolio is to earn the highest level of income consistent with capital preservation and liquidity by investing primarily in Jamaican dollar money market instruments.

2. Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), and have been prepared under the historical cost convention as modified by the revaluation of certain financial assets at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and action, actual results could differ from those estimates.

Standards, interpretations of and amendments to published standards that are not yet effective
At the date of authorisation of these financial statements, certain new standards, interpretations and amendments to existing standards have been issued which are mandatory for the Portfolio's accounting periods beginning on or after 1 October 2014 or later periods, but were not effective at the date of the statement of financial position, and which the Portfolio has not early adopted. The Portfolio has assessed the relevance of all such new standards, interpretations and amendments, has determined that none are expected to have a material effect on the financial statements of the Portfolio.

NCB Capital Markets Limited Unit Trust Scheme
JMD Money Market Portfolio
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(expressed in Jamaican dollars unless otherwise indicated)

2. Significant Accounting Policies (Continued)

(b) Redeemable Units

The Portfolio issues units which are redeemable at the holder's option and are classified as financial liabilities. Redeemable units can be put back to the Portfolio at any time for cash equal to a proportionate share of the Portfolio's net asset value. The redeemable units are carried at the redemption amount that is payable (prior to deduction of any applicable fees and charges) at the statement of financial position date if the holder exercises the right to put the units back to the Portfolio.

Redeemable shares are issued and redeemed at the holder's option at prices based on the Portfolio's net asset value per unit at the time of issue or redemption. The Portfolio's net asset value per unit is calculated by dividing the net assets by the total number of outstanding redeemable units. In accordance with the Trust Deed, investment positions are valued based on the procedures described in note 2(h) for the purpose of determining the net asset value per unit for subscriptions and redemptions.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Portfolio operates ('the functional currency'). The financial statements are presented in Jamaican dollars, which is the Portfolio's functional currency.

(ii) Transactions and balances

Foreign currency transactions are accounted for at the exchange rates prevailing at the dates of the transactions. At the date of the statement of financial position, monetary assets and liabilities denominated in foreign currencies are translated using the closing exchange rate.

Exchange differences resulting from the settlement of transactions at rates different from those at the dates of the transactions, and unrealised foreign exchange differences on unsettled foreign currency monetary and non-monetary assets and liabilities are recognised in the statement of comprehensive income.

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2. Significant Accounting Policies (Continued)

(d) Interest Income

Interest income is recognised on a time-proportionate basis using the effective interest method. It includes interest income on cash equivalents and on debt securities at fair value though profit or loss.

(e) Taxation

The Portfolio is domiciled in Jamaica and is exempt from paying corporation taxes under section 12(t) of the Income Tax Act.

(f) Expenses

Expenses are accounted for on an accrual basis and are charged to the statement of comprehensive income. In addition to the management fees, the Portfolio is responsible for the payment of all direct expenses relating to its operations such as audit, legal and professional fees.

(g) Reverse Repurchase Agreements

Securities purchased under agreements to resell (reverse repurchase agreements) are treated as collateralised financing transactions. The difference between the purchase/resale price is treated as interest and accrued over the life of the agreements using the effective yield method.

2. Significant Accounting Policies (Continued)

(h) Investment securities

Investment securities are classified as fair value through profit and loss based on designation by management at inception since the investments form part of the managed portfolio whose performance is evaluated on a fair value basis in accordance with a documented investment strategy.

Regular purchases and sales of investments are recognised on the trade date – the date on which the Portfolio commits to purchase or sell the investment. Financial assets at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

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

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value are recognised in the statement of comprehensive income in the period in which they arise.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of investment securities traded in active markets are based on quoted market prices at the close of trading on the reporting date. The fair value of financial assets that are not traded in an active market is determined using valuation techniques. The Portfolio uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

(i) Receivables

Receivables are carried at cost which approximates the fair value.

(j) Cash equivalents

For the purpose of the statement of cash flows, cash equivalents comprise short-term highly liquid investments with original maturities of three months or less.

(k) Accounts payable

Payables are initially recognised at fair value and are subsequently carried at amortised cost.

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3. Financial Risk Management

The Portfolio's activities expose it to a variety of financial risks: market risk (including currency risk and fair value interest rate risk), credit risk, liquidity risk and cash flow interest rate risk. The Portfolio's overall risk management programme seeks to maximise the returns derived for the level of risk to which the Portfolio is exposed and seeks to minimise potential adverse effects on the Portfolio's financial performance.

The Portfolio manager, NCB Capital Markets Limited, is ultimately responsible for the establishment and oversight of the Portfolio's risk management framework. The Portfolio manager provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity.

(a) Credit risk

The Portfolio takes on exposure to credit risk, which is the risk that its counterparties will cause a financial loss for the Portfolio by failing to discharge their contractual obligations.

The main concentration to which the Portfolio is exposed arises from investments in debt securities and reverse repurchase agreements. The Portfolio has a significant concentration in Government of Jamaica securities as shown in note 6. All reverse repurchase agreements are invested with NCB Capital Markets Limited.

The maximum exposure to credit risk is as reflected in the statement of financial position.

Credit risk is managed through careful analysis and assessment of borrowers both prior to investment and ongoing monitoring of their financial condition after investment.

None of the Portfolio's debt securities are impaired nor past due but not impaired.

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3. Financial Risk Management (Continued)

(b) Liquidity risk

Liquidity risk is the risk that the Portfolio is unable to meet its payment obligations associated with its financial liabilities when they fall due and demands for encashment of units, when such demands are made. Prudent liquidity risk management implies maintaining sufficient marketable securities, the availability of funding through an adequate amount of committed facilities and the ability to close out market positions.

The Portfolio is exposed to daily cash redemptions by unit holders. The Portfolio's liquidity management process, as carried out within the Portfolio and monitored by the Portfolio manager, includes:

(i) Monitoring future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of collateral which could be used to secure funding if required.

(ii) Maintaining a portfolio of highly marketable and liquid assets that can easily be liquidated as protection against any unforeseen interruption to cash flow.

(iii) Optimising returns on investments.

The Portfolio's undiscounted liabilities at period end equal their carrying amounts as these liabilities bear no interest. At 30 September 2014, the accounts payable of $60,296,000 are due within 30 days and the net assets attributable to unit holders of $8,022,645,000 are redeemable on demand at the unit holders' option. However, the Portfolio manager does not envisage that the contractual maturity will be representative of the actual cash outflows as holders of units typically retain them for the medium to long term. Additionally, under the terms of the Trust Deed, the Portfolio manager may defer payment for a period of up to three (3) months if, based on the manager's discretion, it is prudent to do so.

(c) Market risk

The Portfolio takes on exposure to market risk, which is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk mainly arises from changes in foreign currency exchange rates and interest rates. Market risk exposures are measured using sensitivity analysis.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Portfolio is exposed to foreign currency risk from its holdings of Jamaican dollar denominated investment securities that are indexed to the United States Dollar, with a carrying value of $153,806,000.

Management estimates that reasonably possible changes in the exchange rate of the Jamaican dollar relative to the United States dollar are a depreciation of 10% or an appreciation of 1%. Should such a depreciation or appreciation occur, the net assets attributable to holders of redeemable units would increase by $15,381,000 or decrease by $1,538,000, respectively.

NCB Capital Markets Limited Unit Trust Scheme
JMD Money Market Portfolio
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3. Financial Risk Management (Continued)

(c) Market risk (continued)
Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the Portfolio to cash flow interest risk, whereas fixed interest rate instruments expose the Portfolio to fair value interest risk.

The Portfolio's interest rate risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments. The policy also requires it to manage the maturities of interest bearing financial assets. The Portfolio has no interest bearing financial liabilities.

The following table summarises the Portfolio's exposure to interest rate risk. It includes the Portfolio's financial instruments at carrying amounts, categorised by the earlier of contractual interest rate repricing or maturity dates.

	2014					
	Within 3 Months	**3 to 12 Months**	**1 to 5 Years**	**Over 5 Years**	**Non-Interest Bearing**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Assets						
Receivables	-	-	-	-	77,995	77,995
Reverse repurchase agreements	3,402,755	-	-	-	33,687	3,436,442
Investment securities	3,339,333	1,066,468	85,371	-	52,787	4,543,959
Total financial assets	6,742,088	1,066,468	85,371	-	164,469	8,058,396

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JMD Money Market Portfolio
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3. Financial Risk Management (Continued)

(c) Market risk (continued)
Interest rate risk (continued)

The table below summarises the effective interest rates at 30 September by major currencies for financial instruments of the Portfolio.

	J$	US$
	%	%
Investment securities	9.17	-
Reverse repurchase agreements	8.21	3.5

The following table indicates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the net assets attributable to holders of redeemable units.

The sensitivity of the increase or decrease in net assets attributable to holders of redeemable units for the period is the effect of the assumed changes in interest rates on:
- The net interest income based on the floating rate financial assets held at the end of the reporting period;
- Changes in the fair value in investment securities based on revaluing fixed rate investments at the end of the reporting period.

	Sensitivity of interest income	Sensitivity of changes in fair value
	2014	2014
	$'000	$'000
Change in basis points:		
-100	(31,708)	(166)
+250	79,270	66

(d) Capital Management

The capital of the Portfolio is represented by the net assets attributable to holders of redeemable units. The amount of net assets attributable to holders of redeemable units can change significantly as the Portfolio is subject to subscriptions and redemptions at the discretion of unit holders, as well as changes resulting from the Portfolio's performance. The Portfolio's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns for unit holders and maintain a strong capital base to support the development of the investment activities of the Portfolio.

The Portfolio is not subject to any externally imposed capital requirements.

NCB Capital Markets Limited Unit Trust Scheme
JMD Money Market Portfolio

3. Financial Risk Management (Continued)

(e) Fair value of financial instruments

The fair value of financial instruments traded in active markets is based on quoted market prices at year end. The quoted market price used for financial assets held by the Portfolio is the current bid price.

The financial instruments that, subsequent to initial recognition, are measured at fair value are grouped into levels 1 to 3 based on the degree to which the fair value is observable, as follows:

(i) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical instruments;

(ii) Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the instrument, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

(iii) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the instrument that are not based on observable market data (unobservable inputs).

All investment securities are classified in Level 2.

The fair value of financial instruments that are traded in an active market is determined by using valuation techniques. The Portfolio uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Quoted market prices or dealer quotes for similar instruments are used for quoted debt securities. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The following methods and assumptions have been used:

(i) Investments securities classified as financial assets at fair value through profit or loss are measured at fair value by reference to quoted market prices when available. If quoted prices are not available, then fair values estimated on the basis of pricing models or other recognised valuation techniques.

(ii) The fair value of liquid assets and other assets maturing within three months is assumed to approximate their carrying amount. This assumption is applied to liquid assets and the short term elements of all other financial instruments.

(iii) The fair value of variable rate financial instruments is assumed to approximate their carrying value.

NCB Capital Markets Limited Unit Trust Scheme
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4. Related Party Transactions and Balances

Parties are considered related if one party has the ability to control the other party or exercises significant influence over the other party in making financial or operating decisions.

(a) The statement of comprehensive income includes the following income and expenses from transactions with NCB Capital Markets Limited, its parent and fellow subsidiaries:

	2014
	$'000
Investment management fees	44,970
Interest income	129,078

(b) The statement of financial position includes the following balances with NCB Capital Markets Limited, its parent and fellow subsidiaries:

	2014
	$'000
Receivables	77,995
Reverse repurchase agreements	3,436,442

5. Reverse Repurchase Agreements

The company enters into collateralised reverse repurchase agreements which may result in credit exposure in the event that the counterparty to the transaction is unable to fulfill its contractual obligations. Included within reverse repurchase agreements is related accrued interest receivable of $33,686,000.

At 30 September 2014, the Portfolio held $3,572,894,000 of securities, mainly representing Government of Jamaica debt securities, as collateral for reverse repurchase agreements. All of these securities held as collateral can be sold or repledged.

All reverse repurchase agreements have original maturities of less than 90 days. Accordingly, for the purposes of the statement of cash flows, they are all classified as cash equivalents.

NCB Capital Markets Limited Unit Trust Scheme
JMD Money Market Portfolio

Notes to the Financial Statements
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(expressed in Jamaican dollars unless otherwise indicated)

6. Investment Securities

	2014 $'000
Government of Jamaica	4,365,578
Corporate	125,594
	4,491,172
Interest receivable	52,787
	4,543,959

The contractual maturity of the investment securities is as follows:

2014				
Within 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	Total
$'000	$'000	$'000	$'000	$'000
52,747	1,220,280	85,143	3,185,789	4,543,959

7. Accounts Payable

	2014 $'000
Management fees	20,713
Outstanding encashment requests	10,343
Other	4,695
	35,751

8. Redeemable Units

Each redeemable unit is entitled to an equal pro rata share in any distributions of net income or gains of the Portfolio and participates equally in all other respects. The Trustee may at any time, and shall at the request of unit holders holding not less than one-tenth of the units in issue, convene a meeting of unit holders. At such meetings, unit holders are entitled to one vote per unit held. The Manager of the Portfolio is entitled to receive notice of and attend meetings of unit holders but is not entitled to vote. All matters are decided by a resolution passed by a simple majority of the total number of votes cast at meetings of unit holders, except for those expressly requiring an extraordinary resolution (a resolution passed by a majority of at least 75%) under the Trust Deed.

Unit holders are entitled to transfer, redeem for cash, or convert to other portfolios their units subject to provisions of the Trust Deed. The Manager has the power to suspend determination of value of the Portfolio and the redemption or conversion of units in exceptional circumstances such as the restriction/suspension of dealings on or closure of a stock exchange on which a substantial portion of the investment of the Portfolio or Trust Fund is quoted or any state of affairs in which the disposal or valuation of assets owned by the Trust would be impracticable.

NCB Capital Markets Limited Unit Trust Scheme
JMD High Yield Portfolio

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Independent Auditors' Report

To the Trustee of
NCB Capital Markets Limited Unit Trust Scheme JMD High Yield Portfolio

Report on the Company Stand-Alone Financial Statements
We have audited the accompanying financial statements of NCB Capital Markets Limited Unit Trust Scheme JMD High Yield Portfolio, set out on pages 1 to 15, which comprise the statement of financial position of the portfolio as at 30 September 2014 and the statement of comprehensive income, statement of changes in net assets attributable to holders of redeemable units and statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. 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 about 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 of financial statements that give a true and fair view 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.

PricewaterhouseCoopers, Scotiabank Centre, Duke Street, Box 372, Kingston, Jamaica
T: (876) 922 6230, F: (876) 922 7581, www.pwc.com/jm

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of NCB Capital Markets Limited Unit Trust Scheme JMD High Yield Portfolio as at 30 September 2014, and of its financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers
Chartered Accountants
19 January 2015
Kingston, Jamaica

NCB Capital Markets Limited Unit Trust Scheme
JMD High Yield Portfolio

Statement of Comprehensive Income

Eleven months ended 30 September 2014

(expressed in Jamaican dollars unless otherwise indicated)

	2014 $'000
Income	
Interest	10,097
Net foreign exchange gains	579
Net changes in fair value of investment securities	1,679
	12,355
Expenses	
Investment management fees	1,959
Trustee fees	151
Other	496
	2,606
Increase in net assets attributable to holders of redeemable units from operations	9,749

NCB Capital Markets Limited Unit Trust Scheme
JMD High Yield Portfolio
Statement of Financial Position
30 September 2014
(expressed in Jamaican dollars unless otherwise indicated)

	Note	2014 $'000
ASSETS		
Receivables		2,103
Reverse repurchase agreements	5	74,652
Investment securities	6	230,935
		307,690
LIABILITIES		
Liabilities (excluding net assets attributable to holders of redeemable units)		
Accounts payable	7	1,047
Net assets attributable to holders of redeemable units	8	306,643
		307,690
Net Asset Value Per Unit ($)		10.73

Approved for issue by the Board of Directors of NCB Capital Markets Limited on 19 January 2015 and signed on its behalf by:

Patrick Hylton Director

Dennis Cohen Director

NCB Capital Markets Limited Unit Trust Scheme
JMD High Yield Portfolio

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

Eleven months ended 30 September 2014

(expressed in Jamaican dollars unless otherwise indicated)

	Note	Number of Units	Net Assets Attributable to Holders of Redeemable Units
		'000	**$'000**
Proceeds from redeemable units issued		29,317	304,644
Redemption of redeemable units		(745)	(7,750)
Net increase from redeemable unit transactions		28,572	296,894
Increase in net assets attributable to holders of redeemable units from operations		-	9,749
Net assets attributable to holders of redeemable units at the end of the period	8	28,572	306,643

NCB Capital Markets Limited Unit Trust Scheme
JMD High Yield Portfolio

Statement of Cash Flows

Eleven months ended 30 September 2014

(expressed in Jamaican dollars unless otherwise indicated)

	2014 $'000
Cash Flows from Operating Activities	
Increase in net assets attributable to holders of redeemable units from operations	9,749
Adjustment for:	
Interest income	(10,097)
Net foreign exchange gains	(579)
	(927)
Changes in operating assets and liability	
Receivables	(2,103)
Investment securities	(228,146)
Accounts payable	1,047
	(230,129)
Interest received	7,887
Net cash used in operating activities	(222,242)
Cash flows from Financing Activities	
Proceeds from redeemable units issued	304,644
Redemption of redeemable units	(7,750)
Net cash provided by financing activities	296,894
Net increase in cash equivalents	74,652
Comprising:	
Reverse repurchase agreements	74,652

NCB Capital Markets Limited Unit Trust Scheme
JMD High Yield Portfolio
Notes to the Financial Statements
30 September 2014
(expressed in Jamaican dollars unless otherwise indicated)

1. Identification and Activities

The NCB Capital Markets Limited Unit Trust Scheme was constituted as a diversified unit trust scheme by a Trust Deed and was registered on 1 August 2012 in Kingston, Jamaica by the Financial Services Commission.

MF&G Asset Management Limited, with registered office at 21 East Street, Kingston, Jamaica, is the appointed Trustee and NCB Capital Markets Limited, with registered office at 32 Trafalgar Road, Kingston 10, Jamaica, is the Manager of the Scheme.

In accordance with the Trust Deed, various portfolios comprising segregated pools of assets have been established by the Trustee for the benefit of unit holders of a particular class. These financial statements relate to the operations of the NCB Capital Markets Limited Unit Trust Scheme – JMD High Yield Portfolio ("the Portfolio") which was established in November 2013 and cover the period since establishment to 30 September 2014.

The investment objective of the Portfolio is to generate a stable level of income and capital appreciation by investing in high yielding medium to long term Jamaican dollar denominated sovereign and corporate debt instruments.

2. Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), and have been prepared under the historical cost convention as modified by the revaluation of certain financial assets at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and action, actual results could differ from those estimates.

Standards, interpretations of and amendments to published standards that are not yet effective

At the date of authorisation of these financial statements, certain new standards, interpretations and amendments to existing standards have been issued which are mandatory for the Portfolio's accounting periods beginning on or after 1 October 2014 or later periods, but were not effective at the date of the statement of financial position, and which the Portfolio has not early adopted. The Portfolio has assessed the relevance of all such new standards, interpretations and amendments, has determined that none are expected to have a material effect on the financial statements of the Portfolio.

NCB Capital Markets Limited Unit Trust Scheme
JMD High Yield Portfolio
Notes to the Financial Statements
30 September 2014
(expressed in Jamaican dollars unless otherwise indicated)

2. Significant Accounting Policies (Continued)

(b) Redeemable Units

The Portfolio issues units which are redeemable at the holder's option and are classified as financial liabilities. Redeemable units can be put back to the Portfolio at any time for cash equal to a proportionate share of the Portfolio's net asset value. The redeemable units are carried at the redemption amount that is payable (prior to deduction of any applicable fees and charges) at the statement of financial position date if the holder exercises the right to put the units back to the Portfolio.

Redeemable shares are issued and redeemed at the holder's option at prices based on the Portfolio's net asset value per unit at the time of issue or redemption. The Portfolio's net asset value per unit is calculated by dividing the net assets by the total number of outstanding redeemable units. In accordance with the Trust Deed, investment positions are valued based on the procedures described in note 2(h) for the purpose of determining the net asset value per unit for subscriptions and redemptions.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Portfolio operates ('the functional currency'). The financial statements are presented in Jamaican dollars, which is the Portfolio's functional currency.

(ii) Transactions and balances

Foreign currency transactions are accounted for at the exchange rates prevailing at the dates of the transactions. At the date of the statement of financial position, monetary assets and liabilities denominated in foreign currencies are translated using the closing exchange rate.

Exchange differences resulting from the settlement of transactions at rates different from those at the dates of the transactions, and unrealised foreign exchange differences on unsettled foreign currency monetary and non-monetary assets and liabilities are recognised in the statement of comprehensive income.

NCB Capital Markets Limited Unit Trust Scheme
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(expressed in Jamaican dollars unless otherwise indicated)

2. Significant Accounting Policies (Continued)

(d) Interest Income
Interest income is recognised on a time-proportionate basis using the effective interest method. It includes interest income on cash equivalents and on debt securities at fair value though profit or loss.

(e) Taxation
The Portfolio is domiciled in Jamaica and is exempt from paying corporation taxes under section 12(t) of the Income Tax Act.

(f) Expenses
Expenses are accounted for on an accrual basis and are charged to the statement of comprehensive income. In addition to the management fees, the Portfolio is responsible for the payment of all direct expenses relating to its operations such as audit, legal and professional fees.

(g) Reverse Repurchase Agreements
Securities purchased under agreements to resell (reverse repurchase agreements) are treated as collateralised financing transactions. The difference between the purchase/resale price is treated as interest and accrued over the life of the agreements using the effective yield method.

2. Significant Accounting Policies (Continued)

(h) Investment securities

Investment securities are classified as fair value through profit and loss based on designation by management at inception since the investments form part of the managed portfolio whose performance is evaluated on a fair value basis in accordance with a documented investment strategy.

Regular purchases and sales of investments are recognised on the trade date – the date on which the Portfolio commits to purchase or sell the investment. Financial assets at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

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

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value are recognised in the statement of comprehensive income in the period in which they arise.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of investment securities traded in active markets are based on quoted market prices at the close of trading on the reporting date. The fair value of financial assets that are not traded in an active market is determined using valuation techniques. The Portfolio uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

(i) Receivables

Receivables are carried at cost which approximates the fair value.

(j) Cash equivalents

For the purpose of the statement of cash flows, cash equivalents comprise short-term highly liquid investments with original maturities of three months or less.

(k) Accounts payable

Payables are initially recognised at fair value and are subsequently carried at amortised cost.

NCB Capital Markets Limited Unit Trust Scheme
JMD High Yield Portfolio
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3. Financial Risk Management

The Portfolio's activities expose it to a variety of financial risks: market risk (including currency risk and fair value interest rate risk), credit risk, liquidity risk and cash flow interest rate risk. The Portfolio's overall risk management programme seeks to maximise the returns derived for the level of risk to which the Portfolio is exposed and seeks to minimise potential adverse effects on the Portfolio's financial performance.

The Portfolio manager, NCB Capital Markets Limited, is ultimately responsible for the establishment and oversight of the Portfolio's risk management framework. The Portfolio manager provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity.

(a) Credit risk

The Portfolio takes on exposure to credit risk, which is the risk that its counterparties will cause a financial loss for the Portfolio by failing to discharge their contractual obligations.

The main concentration to which the Portfolio is exposed arises from investments in debt securities and reverse repurchase agreements. The Portfolio has a significant concentration in Government of Jamaica securities as shown in note 6. All reverse repurchase agreements are invested with NCB Capital Markets Limited.

The maximum exposure to credit risk is as reflected in the statement of financial position.

Credit risk is managed through careful analysis and assessment of borrowers both prior to investment and ongoing monitoring of their financial condition after investment.

None of the Portfolio's debt securities are impaired nor past due but not impaired.

NCB Capital Markets Limited Unit Trust Scheme
JMD High Yield Portfolio
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3. Financial Risk Management (Continued)

(b) Liquidity risk

Liquidity risk is the risk that the Portfolio is unable to meet its payment obligations associated with its financial liabilities when they fall due and demands for encashment of units, when such demands are made. Prudent liquidity risk management implies maintaining sufficient marketable securities, the availability of funding through an adequate amount of committed facilities and the ability to close out market positions.

The Portfolio is exposed to daily cash redemptions by unit holders. The Portfolio's liquidity management process, as carried out within the Portfolio and monitored by the Portfolio manager, includes:

(i) Monitoring future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of collateral which could be used to secure funding if required.

(ii) Maintaining a portfolio of highly marketable and liquid assets that can easily be liquidated as protection against any unforeseen interruption to cash flow.

(iii) Optimising returns on investments.

The Portfolio's undiscounted liabilities at period end equal their carrying amounts as these liabilities bear no interest. At 30 September 2014, the accounts payable of $1,047,000 are due within 30 days and the net assets attributable to unit holders of $306,643,000 are redeemable on demand at the unit holders' option. However, the Portfolio manager does not envisage that the contractual maturity will be representative of the actual cash outflows as holders of units typically retain them for the medium to long term. Additionally, under the terms of the Trust Deed, the Portfolio manager may defer payment for a period of up to three (3) months if, based on the manager's discretion, it is prudent to do so.

(c) Market risk

The Portfolio takes on exposure to market risk, which is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk mainly arises from changes in foreign currency exchange rates and interest rates. Market risk exposures are measured using sensitivity analysis.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Portfolio is exposed to foreign currency risk from its holdings of Jamaican dollar denominated investment securities that are indexed to the United States Dollar, with a carrying value of $29,928,000.

Management estimates that reasonably possible changes in the exchange rate of the Jamaican dollar relative to the United States dollar are a depreciation of 10% or an appreciation of 1%. Should such a depreciation or appreciation occur, the net assets attributable to holders of redeemable units would increase by $2,993,000 or decrease by $299,000, respectively.

NCB Capital Markets Limited Unit Trust Scheme
JMD High Yield Portfolio
Notes to the Financial Statements
30 September 2014
(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(c) Market risk (continued)
Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the Portfolio to cash flow interest risk, whereas fixed interest rate instruments expose the Portfolio to fair value interest risk.

The Portfolio's interest rate risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments. The policy also requires it to manage the maturities of interest bearing financial assets. The Portfolio has no interest bearing financial liabilities.

The following table summarises the Portfolio's exposure to interest rate risk. It includes the Portfolio's financial instruments at carrying amounts, categorised by the earlier of contractual interest rate repricing or maturity dates.

	2014					
	Within 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	Non-Interest Bearing	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Assets						
Receivables	2,103	-	-	-	-	2,103
Reverse repurchase agreements	74,087	-	-	-	565	74,652
Investment securities	104,305	85,959	30,547	7,914	2,210	230,935
Total financial assets	180,495	85,959	30,547	7,954	2,775	307,690

NCB Capital Markets Limited Unit Trust Scheme
JMD High Yield Portfolio
Notes to the Financial Statements
30 September 2014
(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(c) Market risk (continued)
Interest rate risk (continued)

The table below summarises the effective interest rates at 30 September by major currencies for financial instruments of the Portfolio.

	J$	US$
	%	%
Investment securities	9.11	-
Reverse repurchase agreements	8.99	4.13

The following table indicates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the net assets attributable to holders of redeemable units.

The sensitivity of the increase or decrease in net assets attributable to holders of redeemable units for the period is the effect of the assumed changes in interest rates on:
- The net interest income based on the floating rate financial assets held at the end of the reporting period;
- Changes in the fair value in investment securities based on revaluing fixed rate investments at the end of the reporting period.

	Sensitivity of interest income	Sensitivity of changes in fair value
	2014	**2014**
	$'000	**$'000**
Change in basis points:		
-100	(1,221)	898
+250	3,053	(2,058)

(d) Capital Management

The capital of the Portfolio is represented by the net assets attributable to holders of redeemable units. The amount of net assets attributable to holders of redeemable units can change significantly as the Portfolio is subject to subscriptions and redemptions at the discretion of unit holders, as well as changes resulting from the Portfolio's performance. The Portfolio's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns for unit holders and maintain a strong capital base to support the development of the investment activities of the Portfolio.

The Portfolio is not subject to any externally imposed capital requirements.

NCB Capital Markets Limited Unit Trust Scheme
JMD High Yield Portfolio

Notes to the Financial Statements

30 September 2014

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(e) Fair value of financial instruments

The fair value of financial instruments traded in active markets is based on quoted market prices at year end. The quoted market price used for financial assets held by the Portfolio is the current bid price.

The financial instruments that, subsequent to initial recognition, are measured at fair value are grouped into levels 1 to 3 based on the degree to which the fair value is observable, as follows:

(i) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical instruments;

(ii) Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the instrument, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

(iii) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the instrument that are not based on observable market data (unobservable inputs).

All investment securities are classified in Level 2.

The fair value of financial instruments that are traded in an active market is determined by using valuation techniques. The Portfolio uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Quoted market prices or dealer quotes for similar instruments are used for quoted debt securities. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The following methods and assumptions have been used:

(i) Investments securities classified as financial assets at fair value through profit or loss are measured at fair value by reference to quoted market prices when available. If quoted prices are not available, then fair values estimated on the basis of pricing models or other recognised valuation techniques.

(ii) The fair value of liquid assets and other assets maturing within three months is assumed to approximate their carrying amount. This assumption is applied to liquid assets and the short term elements of all other financial instruments.

(iii) The fair value of variable rate financial instruments is assumed to approximate their carrying value.

NCB Capital Markets Limited Unit Trust Scheme
JMD High Yield Portfolio
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30 September 2014
(expressed in Jamaican dollars unless otherwise indicated)

4. Related Party Transactions and Balances

Parties are considered related if one party has the ability to control the other party or exercises significant influence over the other party in making financial or operating decisions.

(a) The statement of comprehensive income includes the following income and expenses from transactions with NCB Capital Markets Limited, its parent and fellow subsidiaries:

	2014
	$'000
Investment management fees	1,959
Interest income	1,833

(b) The statement of financial position includes the following balances with NCB Capital Markets Limited, its parent and fellow subsidiaries:

	2014
	$'000
Receivables	2,103
Reverse repurchase agreements	74,652

(c) Net assets attributable to units held by NCB Capital Markets Limited, its parent and fellow subsidiaries at 30 September 2014	28,080

5. Reverse Repurchase Agreements

The company enters into collateralised reverse repurchase agreements which may result in credit exposure in the event that the counterparty to the transaction is unable to fulfill its contractual obligations. Included within reverse repurchase agreements is related accrued interest receivable of $565,000.

At 30 September 2014, the Portfolio held $77,791,000 of securities, mainly representing Government of Jamaica debt securities, as collateral for reverse repurchase agreements. All of these securities held as collateral can be sold or repledged.

All reverse repurchase agreements have original maturities of less than 90 days. Accordingly, for the purposes of the statement of cash flows, they are all classified as cash equivalents.

NCB Capital Markets Limited Unit Trust Scheme
JMD High Yield Portfolio
Notes to the Financial Statements
30 September 2014
(expressed in Jamaican dollars unless otherwise indicated)

6. Investment Securities

	2014 $'000
Government of Jamaica	183,327
Corporate	45,398
	228,725
Interest receivable	2,210
	230,935

The contractual maturity of the investment securities is as follows:

2014				
Within 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	Total
$'000	$'000	$'000	$'000	$'000
2,210	65,953	43,987	118,785	230,935

7. Accounts Payable

	2014 $'000
Management fees	791
Other	256
	1,047

8. Redeemable Units

Each redeemable unit is entitled to an equal pro rata share in any distributions of net income or gains of the Portfolio and participates equally in all other respects. The Trustee may at any time, and shall at the request of unit holders holding not less than one-tenth of the units in issue, convene a meeting of unit holders. At such meetings, unit holders are entitled to one vote per unit held. The Manager of the Portfolio is entitled to receive notice of and attend meetings of unit holders but is not entitled to vote. All matters are decided by a resolution passed by a simple majority of the total number of votes cast at meetings of unit holders, except for those expressly requiring an extraordinary resolution (a resolution passed by a majority of at least 75%) under the Trust Deed.

Unit holders are entitled to transfer, redeem for cash, or convert to other portfolios their units subject to provisions of the Trust Deed. The Manager has the power to suspend determination of value of the Portfolio and the redemption or conversion of units in exceptional circumstances such as the restriction/suspension of dealings on or closure of a stock exchange on which a substantial portion of the investment of the Portfolio or Trust Fund is quoted or any state of affairs in which the disposal or valuation of assets owned by the Trust would be impracticable.

NCB Capital Markets Limited Unit Trust Scheme
Caribbean Equity Portfolio

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Independent Auditors' Report

To the Trustee of
NCB Capital Markets Limited Unit Trust Scheme Caribbean Equity Portfolio

Report on the Company Stand-Alone Financial Statements
We have audited the accompanying financial statements of NCB Capital Markets Limited Unit Trust Scheme Caribbean Equity Portfolio, set out on pages 1 to 12, which comprise the statement of financial position of the portfolio as at 30 September 2014 and the statement of comprehensive income, statement of changes in net assets attributable to holders of redeemable units and statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. 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 about 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 of financial statements that give a true and fair view 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.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of NCB Capital Markets Limited Unit Trust Scheme Caribbean Equity Portfolio as at 30 September 2014, and of its financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers

Chartered Accountants
19 January 2015
Kingston, Jamaica

NCB Capital Markets Limited Unit Trust Scheme
Caribbean Equity Portfolio
Statement of Comprehensive Income
Eleven months ended 30 September 2014
(expressed in Jamaican dollars unless otherwise indicated)

	2014 $'000
Income	
Interest	1,327
Dividends	1,178
Net loss in fair value of investment securities	(322)
	2,183
Expenses	
Investment management fees	494
Trustee fees	46
Other	357
	897
Increase in net assets attributable to holders of redeemable units from operations	1,286

NCB Capital Markets Limited Unit Trust Scheme
Caribbean Equity Market Portfolio
Statement of Financial Position
30 September 2014
(expressed in Jamaican dollars unless otherwise indicated)

	Note	2014 $'000
ASSETS		
Reverse repurchase agreements	5	25,180
Investment securities	6	27,072
Other		31
		52,283
LIABILITIES		
Liabilities (excluding net assets attributable to holders of redeemable units)		
Accounts payable	7	2,342
Net assets attributable to holders of redeemable units	8	49,941
		52,283
Net Asset Value Per Unit ($)		10.40

Approved for issue by the Board of Directors of NCB Capital Markets Limited on 19 January 2015 and signed on its behalf by:

Patrick Hylton Director

Dennis Cohen Director

NCB Capital Markets Limited Unit Trust Scheme
Caribbean Equity Portfolio
Statement of Changes in Net Assets Attributable to Holders of Redeemable Units
Eleven months ended 30 September 2014
(expressed in Jamaican dollars unless otherwise indicated)

	Note	Number of Units	Net Assets Attributable to Holders of Redeemable Units
		'000	**$'000**
Proceeds from redeemable units issued		4,912	49,800
Redemption of redeemable units		(108)	(1,145)
Net increase from redeemable unit transactions		4,804	48,655
Increase in net assets attributable to holders of redeemable units from operations		-	1,286
Net assets attributable to holders of redeemable units at the end of the period	8	4,804	49,941

NCB Capital Markets Limited Unit Trust Scheme
Caribbean Equity Portfolio

Statement of Cash Flows

Eleven months ended 30 September 2014

(expressed in Jamaican dollars unless otherwise indicated)

	2014 $'000
Cash Flows from Operating Activities	
Increase in net assets attributable to holders of redeemable units from operations	1,286
Adjustment for:	
Interest income	(1,327)
	(41)
Changes in operating assets and liability	
Investment securities	(27,070)
Accounts payable	2,342
Other assets	(31)
	(24,800)
Interest received	1,325
Net cash used in operating activities	(23,475)
Cash flows from Financing Activities	
Proceeds from redeemable units issued	49,800
Redemption of redeemable units	(1,145)
Net cash provided by financing activities	48,655
Net increase in cash equivalents	25,180
Comprising:	
Reverse repurchase agreements	25,180

NCB Capital Markets Limited Unit Trust Scheme
Caribbean Equity Portfolio
Notes to the Financial Statements
30 September 2014
(expressed in Jamaican dollars unless otherwise indicated)

1. Identification and Activities

The NCB Capital Markets Limited Unit Trust Scheme was constituted as a diversified unit trust scheme by a Trust Deed and was registered on 1 August 2012 in Kingston, Jamaica by the Financial Services Commission.

MF&G Asset Management Limited, with registered office at 21 East Street, Kingston, Jamaica, is the appointed Trustee and NCB Capital Markets Limited, with registered office at 32 Trafalgar Road, Kingston 10, Jamaica, is the Manager of the Scheme.

In accordance with the Trust Deed, various portfolios comprising segregated pools of assets have been established by the Trustee for the benefit of unit holders of a particular class. These financial statements relate to the operations of the NCB Capital Markets Limited Unit Trust Scheme – Caribbean Equity Portfolio ("the Portfolio") which was established in November 2013 and cover the period since establishment to 30 September 2014.

The investment objective of the Portfolio is long term capital appreciation by investing primarily in equity securities, subject to foreign exchange restrictions imposed by the laws of Jamaica. The Portfolio seeks to maximize long term growth of capital with moderate dividend income.

2. Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), and have been prepared under the historical cost convention as modified by the revaluation of certain financial assets at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and action, actual results could differ from those estimates.

Standards, interpretations of and amendments to published standards that are not yet effective

At the date of authorisation of these financial statements, certain new standards, interpretations and amendments to existing standards have been issued which are mandatory for the Portfolio's accounting periods beginning on or after 1 October 2014 or later periods, but were not effective at the date of the statement of financial position, and which the Portfolio has not early adopted. The Portfolio has assessed the relevance of all such new standards, interpretations and amendments, has determined that none are expected to have a material effect on the financial statements of the Portfolio.

NCB Capital Markets Limited Unit Trust Scheme
Caribbean Equity Portfolio
Notes to the Financial Statements
30 September 2014
(expressed in Jamaican dollars unless otherwise indicated)

2. Significant Accounting Policies (Continued)

(b) Redeemable Units
The Portfolio issues units which are redeemable at the holder's option and are classified as financial liabilities. Redeemable units can be put back to the Portfolio at any time for cash equal to a proportionate share of the Portfolio's net asset value. The redeemable units are carried at the redemption amount that is payable (prior to deduction of any applicable fees and charges) at the statement of financial position date if the holder exercises the right to put the units back to the Portfolio.

Redeemable shares are issued and redeemed at the holder's option at prices based on the Portfolio's net asset value per unit at the time of issue or redemption. The Portfolio's net asset value per unit is calculated by dividing the net assets by the total number of outstanding redeemable units. In accordance with the Trust Deed, investment positions are valued based on the procedures described in note 2(h) for the purpose of determining the net asset value per unit for subscriptions and redemptions.

(c) Accounts payable
Payables are initially recognised at fair value and are subsequently carried at amortised cost.

(d) Interest and dividend income
Interest income is recognised on a time-proportionate basis using the effective interest method. It includes interest income on cash equivalents and on debt securities at fair value though profit or loss.

Dividend income is recognised when the right to receive payment is established.

(e) Taxation
The Portfolio is domiciled in Jamaica and is exempt from paying corporation taxes under section 12(t) of the Income Tax Act.

(f) Expenses
Expenses are accounted for on an accrual basis and are charged to the statement of comprehensive income. In addition to the management fees, the Portfolio is responsible for the payment of all direct expenses relating to its operations such as audit, legal and professional fees.

2. Significant Accounting Policies (Continued)

(g) Reverse Repurchase Agreements

Securities purchased under agreements to resell (reverse repurchase agreements) are treated as collateralised financing transactions. The difference between the purchase/resale price is treated as interest and accrued over the life of the agreements using the effective yield method.

(h) Investment securities

Investment securities are classified as fair value through profit and loss based on designation by management at inception since the investments form part of the managed portfolio whose performance is evaluated on a fair value basis in accordance with a documented investment strategy.

Regular purchases and sales of investments are recognised on the trade date – the date on which the Portfolio commits to purchase or sell the investment. Financial assets at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

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

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value are recognised in the statement of comprehensive income in the period in which they arise.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of investment securities traded in active markets are based on quoted market prices at the close of trading on the reporting date. The fair value of financial assets that are not traded in an active market is determined using valuation techniques. The Portfolio uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

(i) Cash equivalents

For the purpose of the statement of cash flows, cash equivalents comprise short-term highly liquid investments with original maturities of three months or less.

3. Financial Risk Management

The Portfolio's activities expose it to a variety of financial risks: price risk, credit risk and liquidity risk. The Portfolio is not exposed to currency risk as there are no assets or liabilities denominated in foreign currencies. The Portfolio is not exposed to significant interest rate risk as all financial assets other than equity are non-interest bearing or are investments at fixed rates that mature within 90 days. The Portfolio's overall risk management programme seeks to maximise the returns derived for the level of risk to which the Portfolio is exposed and seeks to minimise potential adverse effects on the Portfolio's financial performance.

The Portfolio manager, NCB Capital Markets Limited, is ultimately responsible for the establishment and oversight of the Portfolio's risk management framework. The Portfolio manager provides principles for overall risk management, as well as policies covering specific areas, such as price risk credit risk, and investment of excess liquidity.

(a) Credit risk

The Portfolio takes on exposure to credit risk, which is the risk that its counterparties will cause a financial loss for the Portfolio by failing to discharge their contractual obligations.

The main concentration to which the Portfolio is exposed arises from reverse repurchase agreements. All reverse repurchase agreements are invested with NCB Capital Markets Limited.

The maximum exposure to credit risk is as reflected in the statement of financial position.

Credit risk is managed through careful analysis and assessment of borrowers both prior to investment and ongoing monitoring of their financial condition after investment.

None of the Portfolio's debt securities are impaired nor past due but not impaired.

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3. Financial Risk Management (Continued)

(b) Liquidity risk

Liquidity risk is the risk that the Portfolio is unable to meet its payment obligations associated with its financial liabilities when they fall due and demands for encashment of units, when such demands are made. Prudent liquidity risk management implies maintaining sufficient marketable securities, the availability of funding through an adequate amount of committed facilities and the ability to close out market positions.

The Portfolio is exposed to daily cash redemptions by unit holders. The Portfolio's liquidity management process, as carried out within the Portfolio and monitored by the Portfolio manager, includes:

(i) Monitoring future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of collateral which could be used to secure funding if required.

(ii) Maintaining a portfolio of highly marketable and liquid assets that can easily be liquidated as protection against any unforeseen interruption to cash flow.

(iii) Optimising returns on investments.

The Portfolio's undiscounted liabilities at period end equal their carrying amounts as these liabilities bear no interest. At 30 September 2014, the accounts payable of $2,342,000 are due within 30 days and the net assets attributable to unit holders of $49,941,000 are redeemable on demand at the unit holders' option. However, the Portfolio manager does not envisage that the contractual maturity will be representative of the actual cash outflows as holders of units typically retain them for the medium to long term. Additionally, under the terms of the Trust Deed, the Portfolio manager may defer payment for a period of up to three (3) months if, based on the manager's discretion, it is prudent to do so.

(c) Price risk

The Portfolio is exposed to market price risk arising primarily from changes in equity prices. To manage this risk, the Portfolio seeks to diversify its holdings of investments in accordance with its investment policy and minimise exposure to any one security or class of security. The Portfolio's exposure to price risk is represented by the total carrying value of equity investments amounting to $26,963,000.

A 10% increase/decrease in unit prices at 30 September 2014 would have increased/decreased net assets attributable to holders of redeemable units by $2,696,000.

(d) Capital Management

The capital of the Portfolio is represented by the net assets attributable to holders of redeemable units. The amount of net assets attributable to holders of redeemable units can change significantly as the Portfolio is subject to subscriptions and redemptions at the discretion of unit holders, as well as changes resulting from the Portfolio's performance. The Portfolio's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns for unit holders and maintain a strong capital base to support the development of the investment activities of the Portfolio.

The Portfolio is not subject to any externally imposed capital requirements.

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3. Financial Risk Management (Continued)

(e) Fair value of financial instruments

The fair value of financial instruments traded in active markets is based on quoted market prices at year end. The quoted market price used for financial assets held by the Portfolio is the current bid price.

The financial instruments that, subsequent to initial recognition, are measured at fair value are grouped into levels 1 to 3 based on the degree to which the fair value is observable, as follows:

(i) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical instruments;

(ii) Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the instrument, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

(iii) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the instrument that are not based on observable market data (unobservable inputs).

The following table presents the fund's assets that are measured at fair value. There are no liabilities that are measured at fair value at the year end, and the Portfolio had no instruments classified in Level 3 during the period.

	2014		
At 30 September 2014	**Level 1 $'000**	**Level 2 $'000**	**Total $'000**
Investment securities -			
Quoted equity securities	26,217	746	26,963
Debt securities	-	107	107
	26,217	853	27,070

The fair value of financial instruments that are traded in an active market is determined by using valuation techniques. The Portfolio uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Quoted market prices or dealer quotes for similar instruments are used for quoted debt securities. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The following methods and assumptions have been used:

(i) Investments securities classified as financial assets at fair value through profit or loss are measured at fair value by reference to quoted market prices when available. If quoted prices are not available, then fair values estimated on the basis of pricing models or other recognised valuation techniques.

(ii) The fair value of liquid assets and other assets maturing within three months is assumed to approximate their carrying amount. This assumption is applied to liquid assets and the short term elements of all other financial instruments.

(iii) The fair value of variable rate financial instruments is assumed to approximate their carrying value.

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4. Related Party Transactions and Balances

Parties are considered related if one party has the ability to control the other party or exercises significant influence over the other party in making financial or operating decisions.

(a) The statement of comprehensive income includes the following income and expenses from transactions with NCB Capital Markets Limited, its parent and fellow subsidiaries:

	2014
	$'000
Investment management fees	494
Interest income	251

(b) The statement of financial position includes the following balance with NCB Capital Markets Limited, its parent and fellow subsidiaries:

	2014
	$'000
Reverse repurchase agreements	25,180

(c) Net assets attributable to units held by NCB Capital Markets Limited, its parent and fellow subsidiaries at 30 September 2014	32,120

5. Reverse Repurchase Agreements

The company enters into collateralised reverse repurchase agreements which may result in credit exposure in the event that the counterparty to the transaction is unable to fulfill its contractual obligations. Included within reverse repurchase agreements is related accrued interest receivable of $250,000.

At 30 September 2014, the Portfolio held $26,176,000 of securities, mainly representing Government of Jamaica debt securities, as collateral for reverse repurchase agreements. All of these securities held as collateral can be sold or repledged.

All reverse repurchase agreements have original maturities of less than 90 days. Accordingly, for the purposes of the statement of cash flows, they are all classified as cash equivalents.

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6. Investment Securities

	2014 $'000
Quoted equity	26,963
Government of Jamaica debt securities	107
	27,070
Interest receivable	2
	27,072

The contractual maturity of the investment securities is as follows:

2014					
Within 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	Investment Securities with no Contractual Maturities	Total
$'000	$'000	$'000	$'000	$'000	$'000
2	-	107	-	26,963	27,072

7. Accounts Payable

	2014 $'000
Outstanding encashment requests	2,181
Management fees	158
Other	3
	2,342

8. Redeemable Units

Each redeemable unit is entitled to an equal pro rata share in any distributions of net income or gains of the Portfolio and participates equally in all other respects. The Trustee may at any time, and shall at the request of unit holders holding not less than one-tenth of the units in issue, convene a meeting of unit holders. At such meetings, unit holders are entitled to one vote per unit held. The Manager of the Portfolio is entitled to receive notice of and attend meetings of unit holders but is not entitled to vote. All matters are decided by a resolution passed by a simple majority of the total number of votes cast at meetings of unit holders, except for those expressly requiring an extraordinary resolution (a resolution passed by a majority of at least 75%) under the Trust Deed.

Unit holders are entitled to transfer, redeem for cash, or convert to other portfolios their units subject to provisions of the Trust Deed. The Manager has the power to suspend determination of value of the Portfolio and the redemption or conversion of units in exceptional circumstances such as the restriction/suspension of dealings on or closure of a stock exchange on which a substantial portion of the investment of the Portfolio or Trust Fund is quoted or any state of affairs in which the disposal or valuation of assets owned by the Trust would be impracticable.