MOORE

NATIONAL INFORMATION AND COMMUNICATION TECHNOLOGY COMPANY LIMITED

FINANCIAL STATEMENTS

30 SEPTEMBER 2024

MOORE

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National Information and Communication Technology Company Limited

Statement of Management Responsibilities

Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of National Information and Communication Technology Company Limited (the Company) which comprise the statement of financial position as at 30 September 2024, the statements of comprehensive income and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Company keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Company's assets, detection/prevention of fraud, and the achievement of the Company's operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that complies with laws and regulations; and
- Using reasonable and prudent judgement in the determination of estimates.

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

Nothing has come to the attention of management to indicate that the Company will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorised for issue, if later.

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

Signed	**Signed**
Title: Chief Executive Officer	**Title: Chief Financial Officer**
Date: 16 December 2024	**Date: 16 December 2024**

MOORE

Independent Auditor's Report

To the Shareholder,

Report - Audit of the Financial Statements of National Information and Communication Technology Company Limited

Opinion

We have audited the financial statements of **National Information and Communication Technology Company Limited ("the Company")**, which comprise the statement of financial position as at 30 September 2024, the statement of comprehensive income, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statement present fairly, in all material respects, the financial position of the Company as at 30 September 2024 and financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

MOORE

Independent Auditor's Report (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's Report (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Moore

San Juan
16 December 2024

Chartered Accountants

National Information and Communication Technology Company Limited
Statement of Financial Position
As at 30 September 2024

	Notes	2024 TT$	2023 TT$
Assets			
Current assets			
Cash and cash equivalents	5	115,374,183	105,874,339
Accounts receivable and prepayments	6	54,580,785	196,321,405
Taxation refundable		271,560	296,089
Total current assets		**170,226,528**	**302,491,833**
Non-current liabilities			
Property, plant and equipment	7	5,360,966	5,901,191
Lease assets	8	2,651,532	2,854,639
Deferred tax asset	9	879,587	937,735
Total current liabilities		**8,892,085**	**9,693,565**
Total assets		**179,118,613**	**312,185,398**
Current liabilities			
Account payable and accruals	10	36,959,044	83,280,032
Deferred income	11	54,564,173	125,598,406
Lease liabilities	8	939,979	887,668
Total current liabilities		**92,463,196**	**209,766,106**
Non-current liabilities			
Lease liabilities	8	1,991,978	2,238,116
Deferred tax liability	9	849,623	896,123
Total non-current liabilities		**2,841,601**	**3,134,239**
Total liabilities		**95,304,797**	**212,900,345**
Shareholders' equity			
Contributed capital	12	5,393,923	5,393,923
Accumulated surplus		78,419,893	93,891,130
Total shareholder's equity		**83,813,816**	**99,285,053**
Total liabilities and shareholders' equity		**179,118,613**	**312,185,398**

The financial statements were approved by the Board of Directors and authorised for issue on 16 December 2024 by:

Director: Carter **Director:** Jiselle Renaud-De Silva **Date:** 16 December 2024

The accompanying notes on pages 10 to 41 form an integral part of these financial statements

National Information and Communication Technology Company Limited
Statements of Comprehensive Income
For the Year Ended 30 September 2024

	Notes	2024 TT$	2023 TT$
Income			
Operating income:			
Subvention income	17	31,408,000	31,408,104
Subvention – retroactive salaries	17	16,990,195	-
Tender fees		22,667	271,683
Project management fees		1,742,580	2,182,667
Operating surplus		50,163,442	33,862,454
Projects:			
Project income		83,338,226	54,768,385
Project costs	18	(90,433,663)	(46,571,504)
Net project (expense)/income		(7,095,437)	8,196,880
Other income			
Interest income		1,495	4,979
Other income		1,126	1,368
		2,621	6,347
Total income		**43,070,626**	**42,065,681**
Expenditure			
Administrative expenses	20	48,347,764	41,133,838
Retroactive salaries	20	16,990,195	-
Net impairment gain		(6,799,210)	(1,610)
Gain on foreign exchange translation		(29,493)	(36,997)
Total expenditure		**(58,509,256)**	**(41,095,231)**
Net (loss)/profit before taxation		(15,438,630)	970,450
Taxation	23	(32,607)	(166,886)
Total comprehensive (loss)/gain for the year		**(15,471,237)**	**803,564**

The accompanying notes on pages 10 to 41 form an integral part of these financial statements.

National Information and Communication Technology Company Limited
Statement of Changes in Shareholder's Equity
For the Year Ended 30 September 2024

	Contributed Capital TT$	Accumulated Surplus TT$	Total Equity TT$
Balance as at 1 October 2023	5,393,923	93,891,130	99,285,053
Total comprehensive loss for the year	-	(15,471,237)	(15,471,237)
Balance as at 30 September 2024	**5,393,923**	**78,419,893**	**83,813,816**
Balance as at 1 October 2022	5,393,923	93,087,566	98,481,489
Total comprehensive gain for the year	-	803,564	803,564
Balance as at 30 September 2023	**5,393,823**	**93,891,130**	**99,285,053**

The accompanying notes on pages 10 to 41 form an integral part of these financial statements.

National Information and Communication Technology Company Limited
Statement of Cash Flows
For the Year Ended 30 September 2024

	2024 TT$	2023 TT$
Operating activities		
Net (loss)/profit before taxation	(15,438,630)	970,450
Adjusted for:		
Expected credit loss	(6,799,210)	(1,610)
Depreciation	1,128,062	1,320,977
Gain on IFRS16 termination	-	(20,629)
Right-of-use asset depreciation	898,702	1,169,777
Interest portion of lease payment	217,577	269,900
	(19,993,499)	3,708,865
Changes in non-cash working capital:		
Net change in accounts receivable and prepayments	148,539,831	(162,542,638)
Net change in accounts payable and accruals	(46,320,987)	54,419,347
Net change in deferred income	(71,034,233)	103,038,883
Taxation paid (net)	3,569	(1,461)
Cash generated from/(used in) operating activities	**11,194,681**	**(1,377,004)**
Investing activities		
Purchase of property, plant and equipment	**(587,837)**	**(154,172)**
Financing activities		
Interest portion of lease payments	(217,577)	(269,900)
Principal portion of lease payment	(889,423)	(1,005,600)
Cash used in financing activities	**(1,107,000)**	**(1,275,500)**
Net change in cash resources	9,499,844	(2,806,676)
Cash resources, beginning of year	105,874,339	108,681,015
Cash resources, end of year	**115,374,183**	**105,874,339**
Represented by:		
Cash and cash equivalents	**115,374,183**	**105,874,339**

The accompanying notes on pages 10 to 41 form an integral part of these financial statements.

1. Incorporation and principal activity

The National Information and Communication Technology Company Limited ("the Company" or iGovTT) was incorporated in the Republic of Trinidad and Tobago on the 20 July 2009 and is wholly owned by the Government of the Republic of Trinidad and Tobago. The registered office is situated at Lord Harris Court, #52 Pembroke Street, Port-of-Spain.

The principal activity of the organization is the execution and administration of enterprise-wide Information and Communication Technology (ICT) Strategies and Programmes for Ministry Departments, Divisions and Agencies. The objective is to ensure more effective alignment, coordination, integration, consistency, security, inter-operability and cost effectiveness of ICT- related projects and initiatives. It also managed ttConnect – a Government portal that allows the public to access a myriad of Government services.

2. Summary of significant accounting policies

a) Basis of financial statements preparation

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB). They are stated in Trinidad and Tobago dollars, expressed in whole dollars and prepared on the historical cost basis.

b) Fair Value

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.

For financial reporting purposes, fair value measurements are categorised into Levels 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable:

- Level 1 inputs are considered the most reliable evidence of fair value and consist of quoted prices in active markets for identical assets or liabilities.

- Level 2 inputs are inputs (other than quoted prices within Level 1) that are either directly or indirectly observable. They are used when quoted prices for the identical asset or liability are not available; and

- Level 3 inputs are unobservable inputs and are used if little or no market activity occurs for the asset or liability.

2. Summary of significant accounting policies (continued)

c) New accounting standards and interpretations

The Company has not applied the following standards, revised standards and interpretations that have been issued but are not yet effective as they either do not apply to the activities of the Company or have no material impact on its financial statements:

IAS 1	Presentation of Financial Statements - Amendments regarding the disclosure of accounting policies (effective for accounting periods beginning on or after 01 January 2023).
IAS 1	Presentation of Financial Statements - Amendments regarding the classification of liabilities as current and non-current (effective for accounting periods beginning on or after 01 January 2023).
IAS 1	Presentation of Financial Statements - Amendments regarding non- current liabilities with covenants (effective for accounting periods beginning on or after 01 January 2024).
IFRS 4	Insurance Contracts - Amendments regarding IFRS 17 and the extension of the temporary exemption from applying IFRS 9 (effective for accounting periods beginning on or after 01 January 2023).
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors - Amendments regarding the definition of accounting estimates (effective for accounting periods beginning on or after 01 January 2023).
IAS 12	Income Taxes - Amendments regarding deferred tax on leases and decommissioning obligations (effective for accounting periods beginning on or after 01 January 2023).
IFRS 17	Insurance Contracts (effective for accounting periods beginning on or after 01 January 2023).

2. Summary of significant accounting policies (continued)

d) Property, plant equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

Depreciation is provided using the reducing balance method (buildings straight-line method). The following rates considered appropriate to write-off the assets over their estimated useful lives are applied:

Building	2%
Office Equipment	12.5%
Motor Vehicles	25%
Furniture and Fittings	12.5%
Computers Equipment	25%
Leasehold Improvements	12.5%

No depreciation is provided on Work-in-Progress.

2. Summary of significant accounting policies (continued)

d) Financial instruments

Financial assets and liabilities are recognised on the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets

All recognised financial assets that are within the scope of International Financial Reporting Standard (IFRS) 9 are required to be subsequently measured at amortised cost or fair value on the basis of:

(i) the entity's business model for managing the financial assets; and
(ii) the contractual cash flow characteristics of the financial assets.

The Company reassess its business models each reporting period to determine whether they have changed. No such changes have been identified for the current year.

Principal is the fair value of the financial asset at initial recognition. Interest is consideration for the time value of money and for credit and other risks associated with the principal outstanding. Interest also has a profit margin element.

Initial measurement

All financial instruments are initially measured at the fair value of consideration given or received.

The Company measures fair values in accordance with IFRS 13, which defines fair value as 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 Company uses a fair value hierarchy that categorises valuation techniques into three levels:

i. Level 1 inputs. are quoted prices in active markets for identical assets or liabilities. Assets and liabilities are classified as Level 1 if their value is observable in an active market. The use of observable market prices and model inputs, when available, reduces the need for management judgement and estimation, as well as the uncertainty related with the estimated fair value.

ii. Level 2 inputs are inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and inputs other than quoted prices that are observable for the asset or liability.

2. Summary of significant accounting policies (continued)

e) Financial instruments (continued)

iii. Level 3 inputs are unobservable inputs. Assets and liabilities are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data.

Subsequent measurement

Those financial assets such receivables, which are held within a business model with the sole objective of collecting contractual cash flows which comprise principal only, are subsequently measured at amortised cost. Gains/losses arising on remeasurement of such financial assets are recognised in profit or loss as movements in Expected Credit Loss. When a financial asset measured at amortised cost is derecognised, the gain/loss is reflected in profit or loss.

All other financial assets are subsequently measured at Fair Value Through Profit and Loss (FVTPL), except for equity investments, which the Company has opted, irrevocably, to measure at Fair Value Through Other Comprehensive Income (FVTOCI). When a financial asset measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. When an equity investment measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but instead, transferred within equity.

Reclassification

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified accordingly from the first day of the first reporting period following the change in business model. Equity instruments which the Company opted to treat at FVTOCI cannot be reclassified.

Impairment

Financial assets are amortised costs are impaired at one of two levels:

i. Twelve-month Expected credit loss (ECL) - These are losses that result from default events that are possible within twelve months after the reporting date. Such financial assets are at 'Stage 1'.

ii. Lifetime ECL - These are losses that result from all possible default events over the life of the financial instrument. Such financial assets are at 'Stage 2' or 'Stage 3'.

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the twelve- month ECL.

2. Summary of significant accounting policies (continued)

e) Financial instruments (continued)

Impairment (continued)

ECL is a probability-weighted estimate of the present value of credit losses, measured as the present value of the difference between (i) the cash flows due to the Company under contract; and (ii) the cash flows that the Company expects to receive, discounted at the asset's effective interest rate.

Performing financial assets - Stage 1

For performing assets and those expected to perform normally, the loss allowance is the 12-month expected credit loss and is done immediately at initial recognition of asset.

Significant increase in credit risk - Stage 2

When an asset becomes 30 days past due, the Company considers that a significant increase in credit risk has occurred, and the asset is deemed to be at Stage 2 and the loss allowance is measured as the lifetime ECL.

Credit-impaired financial assets - Stage 3

A financial asset is 'credit-impaired' when events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about one or more of the following events:

(i) significant financial difficulty of the Ministry, Division or Agency (MDAs)
(ii) a breach of contract such as a default or past due event;

There is a rebuttable presumption that financial assets that are in default for more than one hundred and twenty (120) days are credit impaired. The Company also considers a financial asset to be credit impaired if the client is unlikely to pay its credit obligation. To determine this, the Company takes into account changes in the public sector. The Company used its historical experience and forward-looking information that is available without undue cost or effort. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than twelve-month ECL.

2. Summary of significant accounting policies (continued)

e) Financial instruments (continued)

Modification and derecognition of financial assets

The Company will continue to work with MDAs that are in financial difficulty in order to maximise collection and minimise the risk of default. When a financial asset is modified, the Company assesses whether this modification results in derecognition of the original amount.

In the case where the financial asset is derecognised, the new financial asset will have a loss allowance measured based on twelve-month ECL. If, however, there remains a high risk of default under the renegotiated terms, the loss allowance will be measured based on lifetime ECL.

When the modification does not result in derecognition, the Company will measure loss allowance at an amount equal to lifetime ECL.

Write-off

Receivables are written off when the Company has no reasonable expectations of recovering the financial asset, for example, when the Company determines or when the MDAs has written advising of their inability to settle. A write-off constitutes a derecognition event. Subsequent recoveries resulting from the Company's enforcement activities will result in gains.

Financial liabilities

Since the Company does not trade in financial liabilities, and since there are no measurement or recognition inconsistencies, all financial liabilities are initially measured at fair value, net of transaction costs and subsequently, at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the net carrying amount on initial recognition. Financial liabilities recognised at amortised cost are not reclassified.

Critical accounting judgements and key sources of estimation uncertainty

Business model assessment:
The Company reassess its business models each reporting period to determine whether they continue to be appropriate and if there need to be a prospective change to the classification of financial assets. This assessment includes judgement regarding:

(i) how the performance of the assets is evaluated and measured; and
(ii) the risks that affect the performance of the assets and how these risks are managed.

2. Summary of significant accounting policies (continued)

e) Financial instruments (continued)

Critical accounting judgements and key sources of estimation uncertainty (continued)

Significant increase of credit risk

The Company computes twelve-month ECL for Stage 1 assets and lifetime ECL for Stage 2 or Stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. Assessing whether there has been a significant increase in credit risk requires judgement which takes into the account reasonable and supportable forward-looking information.

Establishing groups of assets with similar credit risk characteristics:

When ECL is measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics. The Company monitors the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. Judgement is required in determining whether and when to move assets between portfolios.

Valuation models and assumptions used:

The Company uses various valuation models and assumptions in measuring the fair value of financial assets, as well as in estimating ECL. Judgement is applied in identifying the most appropriate valuation model for each type of asset, as well as in determining the assumptions to be used for each model.

Key sources of estimation uncertainty

Probability of Default (PD):

PD is an estimate of the likelihood of default over a given period of time, the calculation of which includes historical data, assumptions and expectations of future conditions. PD constitutes a key input in measuring ECL.

Loss Given Default (LGD):

LGD is an estimate of the percentage loss on default and is based on the difference between the contractual cash flows due and those that the Company would reasonably expect to receive. LGD is a key input in measuring ECL.

2. Summary of significant accounting policies (continued)

e) Financial instruments (continued)

Critical accounting judgements and key sources of estimation uncertainty (continued)

Fair value measurement and valuation process

In estimating the fair value of a financial asset or a liability, the Company uses market-observable data to the extent it is available. Where such Level 1 inputs are not available, the Company uses valuation models to determine the fair value of its financial instruments.

Exposure at Default (EAD)

EAD is an estimate of the total loss incurred when a customer defaults, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest. EAD is a key input in measuring ECL.

Credit risk

Credit risk is the risk that a MDAs will default on their contractual obligations resulting in financial loss to the Company. Credit risk mainly arises from projects, because it represents the Company's main income generating activity, credit risk is the principal risk for the Company.

Credit risk management

The Company's finance committee is responsible for managing the Company's credit risk by:

(i) ensuring that the Company has appropriate credit risk practices, including an effective system of internal control, to consistently determine adequate allowances in accordance with the Company's policies and procedures, International Financial Reporting Standards and relevant supervisory guidance.

(ii) identifying, assessing and measuring credit risk across the Company, from an individual financial instrument to the portfolio level.

(iii) categorising exposures according to the degree of risk of default.

(iv) developing and maintaining processes for measuring ECL.

(v) providing guidance to promote best practice in the management of risk.

The internal audit function performs regular audits making sure that the established controls and procedures are adequately designed and implemented.

2. Summary of significant accounting policies (continued)

e) Financial instruments (continued)

Significant increase in credit risk

The Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than one hundred and twenty (120) days past due, unless the Company has reasonable and supportable information that demonstrates otherwise. The Company has monitoring procedures to ensure that significant increase in credit risk is identified before default occurs

Measurement of ECL

The key inputs used for measuring ECL are:

(i) probability of default (PD);
(ii) loss given default (LGD); and
(iii) exposure at default (EAD).

The Company measures ECL on an individual basis, or on a collective basis for portfolios of accounts that share similar economic risk characteristics.

f) Government subvention

Grants from the Government of the Republic of Trinidad and Tobago are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all the attached conditions.

Unconditional grants related to the on-going operations of the Company are recognised when the amount can be reliably measured, and it is probable that future economic benefits will flow to the Company.

Grants that relate to recurrent costs are deferred as liabilities and recognised in the Statement of Comprehensive Income over the period necessary to match them with the costs they are intended to compensate. Grants in excess of recurrent costs are deferred.

Grants that relate to capital costs are recognised in the Statement of Comprehensive Income as revenue on a systematic basis over the life of the asset.

2. Summary of significant accounting policies (continued)

g) Stated capital

The stated capital consists of a **$5,000,010** capital investment by the Government of the Republic of Trinidad and Tobago.

During the fiscal year 2016 and 2017, there was a transfer of capital investment in accordance with Cabinet decision dated 23 April 2009 of vested assets, which instructed the Company to treat said assets as stated capital. The Company has recognised as a capital injection, the transfer of two motor vehicles for use in the operations of the Company. The value of the capital injection is the fair value of the assets at the date of transfer. The value was determined by an external independent valuator. Although the initial transfer was for two motor vehicles and a building, the decision to transfer the building was rescinded on 13 July 2017 through Cabinet Minute Note 127.

h) Finance leases

The leases entered into by the Company which do not transfer substantially all the risk and benefits of ownership are classified as finance leases. The total payments made under finance leases are charged to lease liabilities and leases interest in accordance with IFRS 16.

i) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

j) Borrowings

Borrowings are initially measured at transaction price (that is the present value of cash payable to the lender, including transaction costs). Borrowings are subsequently stated at amortised cost. Interest expense is recognised on the basis of the effective interest rate method and is included in finance costs.

Borrowing costs are recognised in profit and loss in the period in which they are incurred.

2. Summary of significant accounting policies (continued)

k) Impairment

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the Statement of Comprehensive Income.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

l) Revenue recognition

Subvention

This pertains to grants from the Government of the Republic of Trinidad and Tobago ("GORTT") to fund the operations of the Company and GORTT ICT-wide projects.

Project Management Fees

This pertains to fees for managing projects and consultation on ICT procurement performed for GORTT and state entities.

Other Income

This pertains to income from various sources including interest income and tender fees.

m) Foreign Currency Transactions

Foreign currency transactions are translated at the exchange rates ruling at the date of the transactions and any gains or losses arising are taken into the Statement of Comprehensive Income. Assets and liabilities denominated in foreign currencies are expressed in Trinidad and Tobago currency at rates of exchange ruling at the reporting date.

2. Summary of significant accounting policies (continued)

n) Comparative information

Where necessary, comparative amounts have been adjusted to conform with the changes in presentation in the current year.

3. Financial risk management

The risk management process is an integral part of management and it is vital for the health and safety of employees and members of the public.

Risk management structure

The Company's risk management structure assigns responsibilities to the following as outlined in the State Enterprises Performance Monitoring Manual

Risk Management

Role of the Board

The Board of Directors, under the Companies Act 1995, directs the management of the business and affairs for the Company. The Board performs a set of specific functions aimed at meeting the mission of the Company. Its main responsibility lies in planning, monitoring and controlling the activities of the Company so as to ensure optimal utilisation of its resources and the achievement of its corporate objectives. It ensures that policies and business decisions taken at the Board level are implemented. The Board also ensures that the policies and objectives of the Company reflect the policies of GORIT. It is the Board's responsibility to ensure the Company is staffed by competent senior management personnel, to set standards and to review managerial performance in the context of the Company's objectives.

Role of Internal Audit

Internal audit is an independent, objective, assurance and consulting activity designed to add value and improve the Company's operations. It helps the Company to achieve its objectives by evaluating the effectiveness of risk management, control and governance processes.

Role of the Finance Committee

This Committee is appointed by the Board to act in an advisory capacity. The Committee's primary duties and responsibilities are to formulate and recommend policies and procedures to the Board for approval. The Committee also continually reviews policies and procedures in light of economic and business conditions, to ensure relevance to the Company and where needed, make recommendations for Board approval.

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

3. Financial risk management (continued)

Role of the Finance Committee (continued)

	Carrying Value TT$	Fair Value TT$
2024		
Financial assets		
Cash and cash equivalents	115,374,183	115,374,183
Accounts receivable and prepayments	54,580,785	54,580,785
Financial liabilities		
Accounts payable and accruals	36,959,044	36,959,044
Lease liabilities	2,931,957	2,931,957
2023		
Financial assets		
Cash and cash equivalents	105,874,339	105,874,339
Accounts receivable and prepayments	196,321,405	196,321,405
Financial liabilities		
Accounts payable and accruals	83,280,032	83,280,032
Lease liabilities	3,125,784	3,125,784

The Company is exposed to interest rate risk, credit risk, liquidity risk, currency risk, operational risk, compliance risk and reputation risk. The risk management policies employed by the Company to manage these risks are discussed below:

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the effect of fluctuations in the prevailing levels of interest rates on interest bearing financial assets and liabilities.

Interest rate sensitivity analysis

The Company's exposure to interest rate risk is summarised in the table below, which analyses assets and liabilities at their carrying amounts categorised according to their maturity dates.

3. Financial risk management (continued)

	Interest rate TT$	Up to 1 Year TT$	Up to 5 Years TT$	Over 5 Years TT$	Non-Interest Bearing TT$	Total TT$
2024						
Finance Assets						
Cash and cash equivalents	0.08%	115,374,183	-	-	-	115,374,183
Accounts receivable and prepayments	0.00%	54,580,785	-	-	-	54,580,785
Financial Liabilities						
Accounts payable and accruals	0.00%	36,959,044	-	-	-	36,959,044
Lease liabilities	7.50%	939,979	1,991,978	-	-	2,931,957
2023						
Finance Assets						
Cash and cash equivalents	0.08%	105,874,339	-	-	-	105,874,339
Accounts receivable and prepayments	0.00%	196,321,405	-	-	-	196,321,405
Financial Liabilities						
Accounts payable and accruals	0.00%	83,280,032	-	-	-	83,280,032
Lease liabilities	7.50%	887,668	2,238,116	-	-	3,125,784

3. Financial risk management (continued)

b) Credit risk

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the future cash inflows from financial assets on hand at the reporting date. The Company relies on its policies and guidelines on trade debtor management, which establishes the policies governing the granting of credit to customers and provides a comprehensive framework for prudent risk management of the credit function. These guidelines communicate the Company's credit philosophy; provide policy guidelines to team members involved in granting credit; establish minimum standards for credit analysis, documentation, decision making and post-disbursement administration; and create the foundation for a sound credit portfolio.

The Company's debtor portfolio is managed and consistently monitored by management and where necessary, provisions have been established for potential credit losses on delinquent accounts.

Cash balances are held with high credit quality financial institutions and the Company has policies to limit the amount of exposure to any single financial institution.

The Company also actively monitors global economic developments and government policies.

The maximum exposure to credit risk at year end was:

	2024 TT$	2023 TT$
Trade receivables	24,681,867	82,382,088
Net cash	115,374,183	105,874,339
Credit risk	**140,056,050**	**188,256,427**
The aging of gross trade receivables at year end was:		
Current	10,119,676	7,171,867
1-30 days due	19,688	33,123,667
31-90 days due	1,437,066	186,552
Over 90 days due	14,484,707	50,018,480
	26,061,137	**90,560,567**

Impairment gains in the sum of **$6,799,210** were recognised for trade receivables in 2024 (2023 impairment gain of **$1,610**).

3. Financial risk management (continued)

c) Liquidity risk

Liquidity risk is the risk that arises when there is a mismatch in the maturity of assets and liabilities. Although an unmatched position can enhance profitability, it also increases the risk of losses. To minimise such losses, the Company maintains sufficient cash and other highly liquid current assets and has credit facilities available.

Liquidity gap

The table below, which analyses assets and liabilities based on the remaining period from the reporting date to the contractual maturity date, summarises the Company's exposure to liquidity risk:

	Up to 1 Year TT$	Up to 5 Years TT$	Over 5 Years TT$	Total TT$
2024				
Financial assets				
Cash and cash equivalents	115,374,183	-	-	115,374,183
Accounts receivable and prepayments	54,580,785	-	-	54,580,785
	169,954,968	**-**	**-**	**169,954,968**
Financial liabilities				
Accounts payable and accruals	36,959,044	-	-	36,959,044
Lease liabilities	939,979	1,991,978	-	2,931,957
	37,899,023	**1,991,978**	**-**	**39,891,001**
2023				
Financial assets				
Cash and cash equivalents	105,874,339	-	-	105,874,339
Accounts receivable and prepayments	196,321,405	-	-	196,321,405
	302,195,744	**-**	**-**	**302,195,744**
Financial liabilities				
Accounts payable and accruals	83,280,032			83,280,032
Lease liabilities	887,668	2,238,116	-	3,125,784
	84,167,700	**2,238,116**	**-**	**86,405,816**

3. Financial risk management (continued)

d) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's measurement currency. The Company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the United States Dollar. The Company's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

e) Operational risk

Operational risk is the risk that derives from deficiencies relating to the Company's information technology and control systems, as well as the risk of human error and natural disasters. The Company's systems are evaluated, maintained and upgraded continuously.

f) Compliance risk

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of the state. The risk is limited to the extent of monitoring controls applied by the Company.

g) Reputation risk

The risk of loss of reputation arising from the negative publicity relating to the Company's operations (whether true or false) may result in a reduction of its clientele, reduction in revenue and legal cases against the Company. The Company applies a strategy of public relations exercises to minimise this risk.

4. Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

4. Critical accounting estimates and judgements (continued)

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from those estimates and assumptions concerning the future.

Changes in accounting estimates are recognised in the Statement of Comprehensive Income in the period in which the estimate is changed, if the change affects that period only, or in the period of the change and future periods if the change affects both current and future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date (requiring management's most difficult, subjective or complex judgements) that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

i) Impairment of assets

Management assesses at each reporting date whether assets are impaired. An asset is impaired when the carrying value is greater than its recoverable amount and there is objective evidence of impairment. The recoverable amount is the present value of the future cash flows. Provisions are made for the excess of the carrying value over its recoverable amount.

ii) Property, plant and equipment

Management exercises judgement in determining (i) whether future economic benefits can be derived from expenditures to be capitalised; and (ii) the useful lives and residual values of these assets.

iii) Provisions

The recognition of provisions involves assumptions about the probability, amount and timing of an outflow of resources embodying economic benefits. A provision is recognised to the extent that an outflow of resources embodying economic benefits is probable and a reliable estimate can be made.

iv) Contingent liabilities

Management applies its judgement to the facts and advice it receives from its attorneys, advocates and other advisors in assessing if an obligation is probable, more likely than not, or remote. Such judgement is used to determine if the obligation is recognised as a liability or disclosed as a contingent liability.

4. Critical accounting estimates and judgements (continued)

v) Revenue

The organisation recognises revenue when the value can be reliably measured and when it is probable that future economic benefit will flow to the organisation.

vi) Income taxes

Estimates are required in determining the charge for income taxes. There are some transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due.

Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax liabilities in the period in which such determination is made.

	2024 TT$	2023 TT$
5. Cash and cash equivalents		
Cash in hand	8,000	8,000
Cash at bank - iGovTT	111,528,417	100,173,048
Cash at bank - ttConnect	3,837,766	5,693,291
	115,374,183	**105,874,339**
6. Accounts receivable and prepayments		
Trade receivables	26,061,137	90,560,567
Provision for expected credit loss	(1,379,270)	(8,178,480)
	24,681,867	82,382,087
Deferred expenses	3,686,890	68,401,104
VAT recoverable	5,721,776	4,391,058
Other receivables	20,490,252	41,147,155
	54,580,785	**196,321,405**
Provision for expected credit loss		
Revised balance at beginning of year	8,178,480	8,180,090
Recoveries	(6,799,210)	(1,610)
Balance at end of year	**1,379,270**	**8,178,480**

7. Plant, property and equipment

2024	Motor Vehicles	Furniture and Fittings	Office Equipment	Computer Equipment	Lease Improvements	Work in Progress	Total
Cost	**TT$**	**TT$**	**TT$**	**TT$**	**TT$**	**TT$**	**TT$**
Balance as at 1 Oct 2023	2,548,914	350,016	3,863,079	11,105,983	6,000,935	181,610	24,050,537
Additions for the year	-	4,295	150,853	432,689	-	-	587,837
Reclassifications	-	-	150,795	30,815	-	(181,610)	-
Balance as at 30 Sept 2024	**2,548,914**	**354,311**	**4,164,727**	**11,569,487**	**6,000,935**	**-**	**24,638,374**
Accumulated Depreciation							
Balance as at 1 Oct 2023	2,353,546	233,722	2,983,092	8,548,260	4,030,726	-	18,149,346
Charge of the year	48,842	15,163	128,331	689,450	246,276	-	1,128,062
Balance as at 30 Sept 2024	**2,402,388**	**248,885**	**3,111,423**	**9,237,710**	**4,277,002**	**-**	**19,277,408**
Net book value							
As at 30 Sept 2024	**146,526**	**105,426**	**1,053,304**	**2,331,777**	**1,723,933**	**-**	**5,360,966**
As at 30 Sept 2023	**195,368**	**116,294**	**879,986**	**2,557,724**	**1,970,209**	**181,610**	**5,901,191**

7. Plant, property and equipment (continued)

2023	Motor Vehicles	Furniture and Fittings	Office Equipment	Computer Equipment	Lease Improvements	Work in Progress	Total
Cost	TT$	TT$	TT$	TT$	TT$	TT$	TT$
Balance as at 1 Oct 2022	2,544,214	348,021	3,830,241	11,022,158	6,000,935	150,796	23,896,365
Additions for the year	4,700	1,995	32,838	83,825	-	30,814	154,172
Balance as at 30 Sept 2023	**2,548,914**	**350,016**	**3,863,079**	**11,105,983**	**6,000,935**	**181,610**	**24,050,537**
Accumulated Depreciation							
Balance as at 1 Oct 2022	2,289,076	217,156	2,859,413	7,713,456	3,749,268	-	16,828,369
Charge of the year	64,470	16,566	123,679	834,804	281,458	-	1,320,977
Balance as at 30 Sept 2023	**2,353,546**	**233,722**	**2,983,092**	**8,548,260**	**4,030,726**	**-**	**18,149,346**
Net book value							
As at 30 Sept 2023	**195,368**	**116,294**	**879,986**	**2,557,724**	**1,970,209**	**181,610**	**5,901,191**
As at 30 Sept 2022	**255,138**	**130,865**	**970,828**	**3,308,702**	**2,251,667**	**150,796**	**7,067,996**

8. Lease assets/liabilities

With the introduction of IFRS 16, leases that were previously recorded as operating leases were evaluated to establish if they were right-of-use assets (RoUAs). Opting for the modified retrospective approach, these RoUAs were measured at the amount equal to their equivalent lease liabilities as shown in the table below. The lease liabilities were measured as the present value of the remaining lease payments - discounted using an incremental borrowing rate of 7.50% at the date of initial application of 01 October 2018 (Source: Central Bank of Trinidad and Tobago).

Subsequent to the initial application, depreciation was provided on a straight-line basis over the expected term of the RoUAs. Lease payments were apportioned to an interest element as well as a payment against the discounted lease liabilities:

Lease assets 2024	**Property**	**Office Equipment Fixture**	**Total**
Cost	**TT$**	**TT$**	**TT$**
Balance, 01 October 2023	4,931,822	-	4,931,822
Lease renewals for the period	139,868	-	139,868
Balance, 30 September 2024	**5,071,690**	**-**	**5,071,690**
Accumulated depreciation			
Balance, 01 October 2023	2,077,183	-	2,077,183
Charge for the period	898,703	-	898,703
Lease renewals for the period	(555,728)	-	(555,728)
Balance, 30 September 2024	**2,420,158**	**-**	**2,420,158**
Net book value			
Balance 30 September 2024	**2,651,532**	**-**	**2,651,532**
Balance 30 September 2023	**2,854,639**	**-**	**2,854,639**

8. Lease assets/liabilities (continued)

	Property TT$	Office Equipment Fixture TT$	Total TT$
Lease assets 2023			
Balance, 01 October 2022	5,054,353	572,640	5,626,993
Lease renewals for the period	(122,531)	-	(122,531)
Disposals for the period	-	(572,640)	(572,640)
Balance, 30 September 2023	**4,931,822**	**-**	**4,931,822**
Accumulated depreciation			
Balance, 01 October 2022	1,644,772	222,693	1,867,465
Charge for the period	914,517	159,067	1,073,584
Lease renewals for the period	(482,106)	-	(482,106)
Disposals for the period	-	(381,760)	(381,760)
Balance, 30 September 2023	**2,077,183**	**-**	**2,077,183**
Lease liabilities 2024			
Balance, 01 October 2023	3,125,784	-	3,125,784
Lease renewals for the period	695,596	-	695,596
Payments	(889,423)	-	(889,423)
Balance 30 September 2024	**2,931,957**	**-**	**2,931,957**
Current portion	**939,979**	**-**	**939,979**
Non-current portion	**1,991,978**	**-**	**1,991,978**
	2,931,957	**-**	**2,931,957**
Lease liabilities 2023			
Balance, 01 October 2022	3,511,044	376,080	3,887,124
Lease renewals for the period	455,769	-	455,769
Disposals for the period	-	(211,509)	(211,509)
Payments	(841,029)	(164,571)	(1,005,600)
Balance 30 September 2023	**3,125,784**	**-**	**3,125,784**
Current portion	**887,668**	**-**	**887,668**
Non-current portion	**2,238,116**	**-**	**2,238,116**
	3,125,784	**-**	**3,125,784**

9. Deferred tax (asset)/liabilities

	2024 TT$	2023 TT$
Balance at beginning of year	(41,612)	(187,393)
Effect on statement of comprehensive income	11,648	145,781
Balance at end of year	**(29,964)**	**(41,612)**
Deferred taxation is attributable to the following items:		
Deferred tax asset	(879,587)	(937,735)
Deferred tax liability	849,623	896,123
Balance at end of year	**(29,964)**	**(41,612)**

10. Accounts payable and accruals

	2024 TT$	2023 TT$
Trade payables	12,566,282	3,001,160
Accruals	22,517,513	79,022,869
Gratuity payable	-	658,368
Other	1,875,249	597,635
	36,959,044	**83,280,032**

11. Deferred income

	2024 TT$	2023 TT$
Advance payment:		
Balance at beginning of the year	93,412,038	13,835,730
Reclassification/Other transfers	(31,281,205)	(927,180)
Advanced billings	35,952,253	95,633,265
Transfer to statement of comprehensive income	(43,518,913)	(15,129,777)
Balance, end of the year	54,564,173	93,412,038
Microsoft agreement:		
Balance at beginning of the year	32,186,369	8,723,793
Reclassification/Other transfers	(1,432,836)	927,180
Increase	3,235,262	61,253,927
Amortisation during the year	(33,988,795)	(38,718,532)
Balance, end of the year	-	32,186,368
Balance, end of the year	**54,564,173**	**125,598,406**

	2024 TT$	2023 TT$
12. Contributed capital		
Authorised		
Unlimited number of shares at no par value		
Issued and outstanding		
10 shares at no par value	10	10
Issued and fully paid		
5,000,000 shares at no par value	5,000,000	5,000,000
Share application	393,913	393,913
	5,393,923	**5,393,923**

This relates to assets vested in the Company by GORTT. This forms part of the Company's contributed capital as instructed by Cabinet decision dated 23rd April 2009.

13. Related party transactions

As the Company is wholly owned by GORTT, and given its mandate, these are the significant transactions entered into with other government-controlled entities (Ministries and State Agencies):

- Contracts for Procurement
- Contract Management for enterprise-wide government agreements for government ministries

Key management personnel receive compensation in the form of short-term, employee benefits and post-employment benefits.

Short-term benefits:		
Directors	655,769	594,000
Executive management	10,979,896	8,990,999
	11,635,665	**9,584,999**

14. Fair values

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. The existence of published price quotation in an active market is the best evidence of fair value. Where market prices are not available, fair values are estimated using various valuation techniques, including using recent arm's length market transactions between knowledgeable, willing parties, if available, current fair value of another financial instrument that is substantially the same and discounted cash flow analysis.

The following methods have been used to estimate the fair values of various classes of financial assets and liabilities:

Current assets and liabilities

The carrying amounts of current assets and liabilities are a reasonable approximation of the fair values because of their short-term nature.

15. Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to its shareholder, whilst providing value to the clients. The Company's overall strategy remains unchanged from previous years.

The capital structure of the Company consists of equity attributable to its shareholder and comprises stated capital and accumulated surplus.

	2024 TT$	2023 TT$
16. Operating leases		
Non-cancellable operating lease rentals are payable as follows:		
Less than one year	630,000	494,000
Between one and five years	660,000	96,000
	1,290,000	**590,000**

During the year **$210,000** (2023: **$210,000**) was recognized as an expense in the Statement of Comprehensive Income in respect of operating leases.

In accordance with IFRS 16, amounts paid to lessors during the year were discounted and allocated between Interest and Lease Liabilities (see Note 8).

	2024 TT$	2023 TT$
17. Subvention		
Subventions received during the year - iGovTT	24,000,000	24,000,000
Subventions received during the year - ttConnect	7,408,000	7,408,104
Recognised in statement of Comprehensive Income	**31,408,000**	**31,408,104**

Funding for the operations of the Company is provided through Government subventions. During the year, the Company received subventions for recurrent expenditure in the sum of **$31,408,000** (2023: **$31,408,104)**.

An accrual of **$16,990,195** has been recognized as a subvention receivable, which is intended to fund the retroactive remuneration payable to staff. This adjustment is based on the revision of terms and conditions of employment, following a Job Evaluation Exercise conducted by the Chief Personnel Officer and Secretary to the Human Resource Advisory Committee. This accrual reflects the estimated amount required to settle the retroactive remuneration obligation as of the reporting date.

	2024 TT$	2023 TT$
18. Project costs		
Contracted services – Local	50,239,091	7,765,340
Contracted services – Foreign	40,194,572	38,806,114
	90,433,663	**46,571,504**

Project costs incurred by the Company primarily relate to the services and infrastructure necessary to support the provision of Information and Communications Technology (ICT) services to the Government of the Republic of Trinidad and Tobago (GORTT). These costs encompass a wide range of expenditures associated with the operation, maintenance, and enhancement of key ICT systems and platforms, including, but not limited to, the Government Wide Area Network (GovNeTT), Government Portal, Microsoft licensing, and other related services.

	2024 TT$	2023 TT$
19. Administrative expenses		
iGovTT **(Note 20)**	39,140,387	33,147,720
ttConnect **(Note 21)**	9,207,377	7,986,118
	48,347,764	**41,133,838**

20. Administrative expenses - iGovTT	2024 TT$	2023 TT$
Advertising	114,414	15,646
Audit fees	194,005	163,000
Bank charges	16,414	14,758
Board expenses	24,699	48,002
Building maintenance	399,781	226,124
Depreciation	1,128,062	1,320,977
Depreciation (RoUAs)	-	69,857
Director fees	655,769	594,000
Electricity	120,772	124,233
Employee assistance programme	2,800	10,727
Equipment repairs and maintenance	83,301	11,600
Freight and delivery	-	681
Insurance	180,034	182,700
Janitorial	162,383	201,953
Lease interest	-	8,459
Legal fees	517,248	423,114
Meeting	35,252	43,460
Gain on disposal	-	(10,688)
Minor equipment	90,668	5,376
Motor vehicles	74,320	30,226
National insurance	1,538,355	1,235,660
Office	56,049	104,538
Penalties and Interest	134	-
Postage	374	402
Printing and stationery	13,408	18,673
Professional fees	462,446	685,746
Publications	33,086	40,795
Publicity and promotion	76,958	65,007
Recruitment	57,696	158,938
Rental - equipment	98,400	16,400
Rental - vehicle	1,200	-
Salaries and wages	29,911,724	24,792,181
Short-term employment	489,318	258,339
Security services	343,141	288,376
Specialised ICT equipment	2,792	14,250
Staff and organisational development	149,717	92,300
Software licences	500,852	414,166
Subscriptions	254,594	273,194
Telephone	309,605	299,152
Training	267,645	304,902

	2024 TT$	2023 TT$
20. Administrative expenses – iGovTT (continued)		
Travel and accommodation - Local	1,841	-
Travel and accommodation - Foreign	511,498	385,369
Transportation and storage	210,626	211,263
Utilities	5,028	3,864
Workshops and seminars	43,978	-
	39,140,387	**33,147,720**

	2024 TT$	2023 TT$
21. Administrative expenses – ttConnect		
Advertising	3,750	4,522
Building maintenance	66,154	89,632
Depreciation (RoUA)	898,702	1,099,921
Electricity	64,189	58,813
Equipment repairs and maintenance	40,262	15,057
Gain on disposal	-	(9,942)
Insurance	13,014	14,891
Lease interest	217,577	261,441
Legal fees	-	959,986
Janitorial	416,409	384,000
Meeting	-	3,950
Minor Equipment	980	9,772
Motor vehicle expenses	-	33,746
NIS – Employer's contributions	303,055	277,312
Office expenses	123,453	136,011
Postage	5,000	5,069
Printing and stationery	17,479	15,792
Publicity and promotion	6,390	72,893
Rental – equipment	121,800	20,300
Salaries and wages	6,155,649	3,769,222
Security	442,124	431,472
Short Term Employment	-	1,575
Training	-	1,995
Staff and organisational development	31,968	-
Software licences	166,454	159,151
Telephone	102,206	160,684
Travel and accommodation – Local	10,362	5,413
Transportation and storage	400	3,440
Total expenses	**9,207,377**	**7,986,118**

	2024 TT$	2023 TT$
22. Taxation		
Business levy	(13,973)	(14,070)
Green fund levy	(6,986)	(7,035)
Deferred taxation	(11,648)	(145,781)
	(32,607)	(166,886)
Net (loss)/profit before taxation	**(15,438,630)**	**970,450**
Tax calculated at 30%	4,631,589	(291,135)
Expenses not deductible for tax purposes	25,990,361	25,910,563
Business levy	(13,973)	(14,070)
Green fund levy	(6,986)	(7,035)
Tax losses impaired	(30,566,500)	(25,549,878)
Lease liabilities	(60,932)	(215,100)
Other	(6,166)	(232)
	(32,607)	(166,886)

The Ministry of Finance - Inland Revenue division issued an opinion dated 3 July 2018 which states that subventions and project payments from Ministries were not subject to Corporation Tax, Business Levy and Green Fund Levy. As a result, the tax returns for the income tax years 2013 to 2017 were refiled with the Board of Inland Revenue resulting in a total tax recoverable of **$43,291,588**.

23. Capital commitment

The Company has capital commitments for 2024 and beyond of **$10.11 million**.

24. Contingencies

Details and estimates of maximum amounts of contingent liabilities are as follows:

a) Gratuity payable

Gratuities are payable to eligible employees pursuant to fulfilment of the following two criteria:

I. The employee must be in the employed with the Company to the end of employment contract; and

24. Contingencies (continued)

a) Gratuity payable (continued)

II. The employee's performance assessments during the contract period must have been deemed satisfactory.

At the close of the financial year, the estimated gratuity payable equates to **$10,170,334** (2023: **$6,009,337)** for its existing staff complement of **151** (2023: **131**) staff members.

b) Legal claims

- A former employee who was assigned to the Corporate Communication Unit, contract was terminated on the grounds of negligently dealing with Company funds submitted a claim on 24 May 2016. Legal advice obtained indicates that it is unlikely any significant liability will arise, and the Company is not mindful to settle given the nature of the termination.

- A former employee who was assigned to the Human Resources Unit, whose contract of employment was not renewed, submitted a claim on 3 July 2018. This matter is before the Industrial Court. Witness statements were filed by the Company on 3 May 2021 and a hearing is ongoing.

- Nineteen (19) ttConnect employees submitted a claim on 15 March 2018 on the ground of outstanding gratuity, vacations and sick leave during the period in which the Unit was not assigned to the Company. These matters are before the Industrial Court.

- Three former employees all have disputes before the court for severance pay. These matters are presently before the Industrial Court and are awaiting dates for conciliation.

25. Subsequent events

The invoice that was issued to the Ministry of Education for the provision of an E-book Online Numeracy Solution for Primary and Secondary Schools in the sum of **$10 million** was cancelled on 17 October 2024 due to the expiration of the contract dated 20 December 2022.

Management evaluated all the other events that occurred from 1 October 2024 through 16 December 2024, the date the financial statements were available to be issued. During the period, apart from the aforementioned issue, the Company did not have any other subsequent events requiring recognition or disclosure in the financial statements.