Trade Window Holdings Limited

Consolidated Financial Statements
For the year ended
31 March 2024

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Directors' declaration
For the year ended 31 March 2024

In the opinion of the Directors of Trade Window Holdings Limited, the financial statements and notes, on pages 3 to 48:

- comply with New Zealand generally accepted accounting practice and present fairly the financial position of the Group as at 31 March 2024 and the result of operations for the year ended on that date;

- have been prepared using the appropriate accounting policies, which have been consistently applied and supported by reasonable judgements and estimates.

The Directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Group and facilitate compliance of the financial statements with the Financial Reporting Act 2013.

The Directors consider that they have taken adequate steps to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide reasonable assurance as to the integrity and reliability of the financial statements.

The board of Directors are pleased to present the financial statements of the Group for the year ended 31 March 2024.

Signed in accordance with a resolution of the Directors.

Alasdair MacLeod	**AJ Smith**
Dated: 30 May 2024	Dated: 30 May 2024

Trade Window Holdings Limited
Directory
For the year ended 31 March 2024

Incorporation Number	8233653
Principal Activities:	Develop and commercialise technology solutions that provide international trade participants with a secure platform and tools to establish trust and trade globally in an efficient manner across interconnected networks There have been no significant changes in the nature of these activities during the year ended 31 March 2024.
Registered Office	TradeWindow Company Secretary Level 4, 33-45 Hurstmere Road, Takapuna Auckland 0622 New Zealand
Directors:	Albertus Johannes Smith Kerry Michael Friend Philip John Norman Alasdair (Alexander) John Macleod Diana Marie Puketapu (ceased on 31 October 2023) The Directors were in office for the whole period unless otherwise stated.
Auditor:	UHY Haines Norton Level 9 1 York Street Sydney NSW 2000

Trade Window Holdings Limited
Consolidated statement of comprehensive income
For the year ended 31 March 2024

	Notes	2024 $	2023 $
Revenue	3.1	6,179,077	4,920,081
Other income	4	573,936	815,652
		6,753,013	5,735,733
Personnel and employee expense	5.1	(9,454,439)	(13,064,018)
Depreciation and amortisation		(2,512,165)	(2,411,844)
Other expenses	5.2	(3,924,875)	(4,361,577)
		(9,138,466)	(14,101,706)
Revaluation of contingent consideration	14	1,216,000	3,438,000
Net finance expense	6	(86,520)	(105,923)
Loss before income tax		(8,008,986)	(10,769,629)
Income tax (expense)/benefit	7	(4,629)	976,800
Net loss after tax		(8,013,615)	(9,792,829)
Items that are or may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		2,567	12,741
Total comprehensive loss for the year		(8,011,048)	(9,780,088)
Earnings/(loss) per share			
Basic earnings/(loss) per share $	26	(0.07)	(0.10)
Diluted earnings/(loss) per share $	26	(0.07)	(0.10)

The above information is to be read in conjunction with the notes to the consolidated financial statements.

Trade Window Holdings Limited
Consolidated statement of financial position
As at 31 March 2024

	Notes	2024	2023
		$	$
Assets			
Current Assets			
Cash and cash equivalents	8.1	188,177	6,148,125
Trade and other receivables	9	968,172	1,730,107
Income tax receivable	7	4,995	51,252
Contract assets	3.2	30,239	92,458
		1,191,583	8,021,942
Non-current assets			
Trade and other receivables	9	51,457	120,218
Property, plant and equipment	10	66,546	244,433
Right of use assets	11	69,374	842,798
Intangible assets	12	11,368,319	13,202,921
Restricted cash	8.2	26,853	98,432
		11,582,549	14,508,802
Total assets		12,774,132	22,530,744
Liabilities			
Current liabilities			
Trade and other payables	13	1,365,898	2,060,247
Interest bearing loans and borrowings	15	58,100	529,580
Related party payables	17	4,076	2,513
Lease liabilities	11	78,994	551,598
Contingent consideration	14	-	1,039,000
Income Tax Payable	7	4,686	-
Contract liabilities	3.2	638,979	547,335
		2,150,733	4,730,273

The above information is to be read in conjunction with the notes to the consolidated financial statements.

Trade Window Holdings Limited
Consolidated statement of financial position
As at 31 March 2024

	Notes	2024	2023
		$	$
Non-current liabilities			
Trade and other payables	13	-	64,067
Interest bearing loans and borrowings	15	1,383,029	1,264,885
Lease liabilities	11	-	321,700
Contingent consideration	14	-	177,000
		1,383,029	1,827,652
Total liabilities		3,533,762	6,557,925
Net assets		9,240,370	15,972,819
Equity			
Share capital	20	47,290,673	46,180,576
Retained earnings		(38,391,644)	(30,378,029)
Foreign currency translation reserve		(52,710)	(18,663)
Share based payments reserve		394,051	188,935
Total equity		9,240,370	15,972,819

Trade Window Holdings Limited
Consolidated statement of changes in equity
For the year ended 31 March 2024

	Notes	Issued capital $	Retained earnings $	Foreign currency translation reserve $	Share based payment reserve $	Total $
Balance at 1 April 2022		31,333,484	(20,585,200)	7,574	88,722	10,844,580
Comprehensive expense for the year						
Loss for the year		-	(9,792,829)	-	-	(9,792,829)
Other comprehensive income		-	-	12,741	-	12,741
		-	(9,792,829)	12,741	-	(9,780,088)
Transactions with owners of the company						
Issue of capital	20	14,689,831	-	-	-	14,689,831
Adjustment to foreign currency		-	-	(38,978)	-	(38,978)
Share options exercised	20	157,261	-	-	-	157,261
Equity-settled share based payments		-	-	-	100,213	100,213
		14,847,092	-	(38,978)	100,213	14,908,327
Balance at 31 March 2023		46,180,576	(30,378,029)	(18,663)	188,935	15,972,819

The above information is to be read in conjunction with the notes to the consolidated financial statements.

Trade Window Holdings Limited
Consolidated statement of changes in equity
For the year ended 31 March 2024

	Notes	Issued capital $	Retained earnings $	Foreign currency translation reserve $	Share based payment reserve $	Total $
Balance at 1 April 2023		46,180,576	(30,378,029)	(18,663)	188,935	15,972,819
Comprehensive expense for the year						
Loss for the year		-	(8,013,615)	-	-	(8,013,615)
Other comprehensive income		-	-	2,567	-	2,567
		-	(8,013,615)	2,567	-	(8,011,048)
Transactions with owners of the company						
Issue of capital	20	791,506	-	-	-	791,506
Adjustment to foreign currency		-	-	(36,614)	-	(36,614)
Share options exercised	20	318,591	-	-	-	318,591
Equity-settled share based payments		-	-	-	205,116	205,116
		1,110,097	-	(36,614)	205,116	1,278,599
Balance at 31 March 2024		47,290,673	(38,391,644)	(52,710)	394,051	9,240,370

The above information is to be read in conjunction with the notes to the consolidated financial statements.

Trade Window Holdings Limited
Consolidated statement of cash flows
For the year ended 31 March 2024

	Notes	2024	2023
		$	$
Operating activities			
Cash received from customers		7,138,177	4,857,294
Cash paid to suppliers and employees		(13,994,881)	(16,949,307)
Income tax received		46,244	514,993
Grant and other income		1,056,538	744,260
Net cash used in operating activities	28	(5,753,922)	(10,832,760)
Investing activities			
Purchase of property, plant and equipment		(12,131)	(147,842)
Proceeds from sale plant and equipment		8,742	24,489
Business acquisition	19	-	(2,500,000)
Interest received	6	80,017	114,229
Net cash used in investing activities		76,628	(2,509,124)
Financing activities			
Interest paid on lease liability	6,11	(25,991)	(59,094)
Proceeds from/(repayment) of share capital		500,000	14,735,324
Repayment of borrowings		(357,741)	(468,256)
Payments for lease liability - principal portion	11	(273,271)	(509,771)
Proceeds/(repayments) from exercise of share options		56	218
Interest paid		(125,707)	(140,970)
Net cash flows from financing activities		(282,654)	13,557,451
Net change in cash and cash equivalents		(5,959,948)	215,567
Cash and cash equivalents at the beginning of the financial year		6,148,125	5,932,558
Cash and cash equivalents at the end of the financial year	8.1	188,177	6,148,125

The above information is to be read in conjunction with the notes to the consolidated financial statements.

1 General information and statement of compliance

Trade Window Holdings Limited is a profit orientated entity.

Trade Window Holdings Limited is incorporated and domiciled in New Zealand and is a company registered under the Companies Act 1993.

Consolidated financial statements for the Group are presented. The consolidated financial statements of Trade Window Holdings Limited (Company) as at and for the year ended 31 March 2024 comprise of the Company and its subsidiaries (together referred to as the Group and individually as subsidiaries).

Trade Window Holdings Limited was incorporated on 10 September 2021 for the purpose of being the holding company for Trade Window Limited. Prior to Trade Window Holdings Limited's incorporation, the Group comprised of Trade Window Limited and its subsidiaries.

The subsidiaries are set out in Note 18.

The principal activities of the Group during the year were developing and commercialising technology solutions that provide international trade participants with a secure platform and tools to establish trust and trade globally in an efficient manner across interconnected networks.

Basis of preparation

These financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ('NZ GAAP'). They comply with the New Zealand Equivalents to International Financial Reporting Standards and other applicable Financial Reporting Standards, as appropriate for Tier 1 for-profit entities. The consolidated financial statements of the Group also comply with International Financial Reporting Standards (IFRS). The financial statements were authorised for issue by the directors on the date included on page 1. The Group is a reporting entity for the purposes of the Financial Reporting Act 2013 and its financial statements comply with that Act.

Accounting policies

The accounting policies set out below have been consistently applied to all periods presented in these financial statements. Where applicable, certain comparatives have been reclassified to comply with the accounting presentation adopted in the current year to ensure consistency with the current year classification.

Basis of measurement

The financial statements have been prepared on the historical cost basis.

These financial statements are presented in New Zealand dollars ($) which is the Company's functional currency, rounded to the nearest dollar. They have been prepared on a GST exclusive basis except for receivables and payables that are stated inclusive of GST.

New accounting standards and interpretations

No new standards have been issued for the period ended 31 March 2024 that materially impact the Group.

New accounting standards and interpretations issued but not yet effective

At the date of authorisation of these consolidated financial statements, there are no new accounting standards or interpretations issued but not yet adopted that are expected to have a material impact on the Group.

1 General information and statement of compliance (continued)

Changes in accounting policies and disclosures
The Group has applied the following standards and amendments for the first time for the reporting period commencing 1 January 2023:

- Amendments to NZ IAS 1 – Disclosure of Accounting Policies
  Replaces all instances of the term 'significant accounting policies' with 'material accounting policy information'. The application of the amendments did not have a material impact on the Group financial statements but has changed the disclosure of accounting policy information in the financial statements.

Use of estimates and judgements
The preparation of the financial statements in conformity with NZ IFRS and IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The principal areas of judgement in preparing these financial statements are set out below. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 1 Going concern, in determining whether the Group is a going concern.
- Note 3.1 Revenue, in determining the revenue recognition of implementation revenue.
- Note 11 Leases, on determining whether a contract contains a lease, lease terms, incremental borrowing rate and lease renewal options.
- Note 14 Contingent consideration, in determining the projected revenues for the target periods, forecast share price at completion dates and settlement.
- Note 19 Business acquisitions, in determining the fair value of the consideration transferred, and fair value of the assets acquired (including intangibles and goodwill) and liabilities assumed.
- Note 22 Share-based payments, in determining the probability of the share price achieving the vesting hurdle and the rate of employee attrition.

Going concern
The Group prepares its financial statements on a going concern basis and expects to be able to realise its assets and meet its financial obligations in the normal course of business.

The Group is an early-stage organisation that has been investing in the development of a Global Trade Platform and as such has reported a loss for the year ended 31 March 2024 of $8 million (31 March 2023 $9.8 million), and operating cash outflows of $5.8 million (31 March 2023 $10.8 million).

As at 31 March 2024, the Group held Cash and cash equivalents of $0.2 million (31 March 2023 $6.1 million). In response to continued negative global macro-economic conditions, scarce capital and the cancelled investment by strategic investor during the period, the Group initiated significant costs reductions across the business through undertaking a further reorganisation and pausing innovation and development investment, shifting focus to growing revenues from core profitable products which can provide a pathway to EBITDA breakeven.

1 General information and statement of compliance (continued)

Going concern (continued)

Since balance date the Group has successfully raised $2.2 million equity capital which has been budgeted to provide a pathway to monthly EBITDA breakeven by the end of FY25. No additional funding is required under the financial forecasts, however as announced on 17 April 2024, the Group has also been offered a term sheet from an alternative debt lender which could provide up to $1.0 million net of existing debt repayments, which would provide additional certainty of cash resources if the offer is taken up.

The Board-approved financial forecasts for FY25 and FY26 project sufficient cash available to satisfy all financial obligations which arise in the next 14 months from 31 March 2024. The forecast cash flows are dependent on the key assumptions outlined below.

a. Achievement of targeted revenue growth.

   On 26 March 2024 the Group advised that it expects revenue for FY25 to range between $7.3 million to $8.3 million. This represents an increase of between 18% to 34% on the prior year. As reported in these financial statements, the revenue for FY24 of $6.2 million represents an increase of 27% over FY23. New customers already onboarded or currently in the onboarding process are expected to provide the bulk of the increase in FY25.

b. Successful operation of cost-reduced business.

   Salary and operating expenditure is projected to reduce by approximately 30% (excluding transition costs). During the year ended 31 March 2024 the Board and Management have implemented a plan to reduce costs and cash usage to a more sustainable level by reducing headcount and reducing costs. The savings are predominantly from redundancies in Research and Development and will not impact the Group’s ability to continue to serve its current and future customers, meet market demand and generate revenue from existing solutions.

c. Compliance with ASB loan covenants.

   Effective 25 March 2024, various terms of the ASB loan facility were amended including removing the cash cover covenant, extending the loan amortisation/repayment relief to 31 March 2025 and introducing a new revenue covenant. A breach of these undertaking could result in acceleration of remaining outstanding loan balance. As at 31 March 2024 this balance was $1.0m.

d. Shortfall payment to the Rfider vendors.

   A shortfall payment is potentially required in accordance with the Rfider purchase agreement due to a reduction in the Group’s share price subsequent to the transaction taking place. The contingent consideration component of the purchase price, to which the shortfall payment is tied, is tested against specified revenue targets. The revenue earned to date and forecast, does not meet these targets and the requirement for any contingent consideration, and therefore a shortfall payment, is expected to fall away.

The forecast’s assumptions have been stress tested against a range of scenarios including material reduction in new business revenue without commensurate cost cutting, which demonstrates that while the cashflow forecast is sensitive to changes in key growth assumptions, the Group will have adequate cash resources without needing to resort to further capital raising.

1 General information and statement of compliance (continued)

Going concern (continued)

Should the Group be unable to achieve the forecast cash flows mentioned above, the Group may have insufficient liquid assets to be able to continue as a going concern for a period of at least 12 months from the issuance of these financials statements. Therefore, material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and therefore that the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors consider the Group to be a going concern and believe the Group will achieve its financial forecasts to the extent necessary to ensure the Group will have sufficient liquidity to continue as a going concern and meet its financial obligations for the foreseeable future.

2 Material accounting policy information

Basis of consolidation

Business combinations
The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The consideration transferred in the acquisition is generally measured at fair value, as are the identified net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Subsidiaries
Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation
Intra company (refer to Note 18) balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains and losses) arising from intra-group transactions, are eliminated.

2 Material accounting policy information (continued)

Foreign currency
Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

The foreign currency translation reserve arises from the translation of the Group's overseas operations into the presentation currency of these financial statements.

Impairment
The carrying amounts of the Group’s non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated. Goodwill and indefinite-lived intangible assets are tested annually for impairment.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. The Group has adopted the Value in Use method (previously Fair value less cost of disposal).

Subject to an operating segment ceiling test, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, 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.

	2024 $	2023 $

3.1 Revenue

The Group generates revenue primarily from customers subscribing to and utilising its software platforms. In the following table, revenue from contracts with customers is disaggregated by primary nature and timing of revenue recognition.

	2024 $	2023 $
Transactional revenue	2,970,783	2,332,065
Subscription revenue	2,815,492	2,077,202
Service revenue	269,018	205,970
Installation revenue	123,784	304,844
Total revenue	6,179,077	4,920,081

Revenue policy

Revenue is measured based on the consideration specified in the contract with a customer. The Group recognises revenue when it transfers control of a good or service to a customer. Revenue is disclosed net of credit notes and discounts. Unbilled revenue at year end is recognised as contract asset and any unearned revenue at year end is recognised as contract liabilities. See table 3.2 for details of contract assets and liabilities at year end.

Transactional revenue

Transactional revenue is recorded at the time the transactions are processed by the customer using the Group's software platforms. Transaction revenue is based on volume of usage and is recognised at a point in time. Customers are mainly invoiced monthly and have payment terms of up to 30-days.

Subscription revenue

Subscription revenue comprises recurring monthly fees from customers who have subscribed to the Group's software platforms. The fee provides the customer with access to the various software platforms, regular software updates and customer support services. Subscription revenue is invoiced either in advance or monthly in arears, depending on the software product. Subscription revenue is recognised over time as the services are used or delivered to the customer. Customers are mainly invoiced monthly and have payment terms of up to 30-days.

Service revenue

Service revenue relates to ad-hoc customer support services outside of the scope of the standard support agreement. The services are mainly for customer support to customers who request non-standard customisation or assistance with a specific project. Service revenue is recognised over time as the service is delivered to the customer, these range from a few hours to a week. Customers are mainly invoiced monthly and have payment terms of up to 30-days.

	2024	2023
	$	$

3.1 Revenue (continued)

Installation revenue

Installation revenue comprises of one-off installation, software customisation and user training services. The Group has assessed that installation is a separate performance obligation for certain products, and all the activities are considered as one performance obligation which is satisfied over the term of the contract as the customer simultaneously receives and consumes the benefits provided to them. After the software is installed, the customers subscribe to ongoing maintenance and support services to ensure that the software is regularly maintained by the Group. The Group uses the output method of measuring progress of installation as it fairly depicts the entity's performance towards complete satisfaction of the performance condition. Majority of customers are invoiced in advance and then on milestone completion. Payment terms are up to 30-days from invoice date.

3.2 Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	2024 $	2023 $
Receivables, which are included in "Trade and other receivables"	693,117	641,871
Contract assets	30,239	92,458
Contract liabilities	(638,979)	(547,335)
	84,377	186,994

The contract liabilities primarily relate to advance consideration the Group received from customers for installation and for subscribing to its software platforms, for which revenue is recognised over time.

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. Contract assets are assessed for impairment under the requirements in the financial instruments standard. Any unconditional rights to consideration are presented separately as a receivable.

Information about remaining performance obligation has not been provided as these have an expected duration of less than 12 months.

	2024 $	2023 $
4 Other income		
Profit on sale of fixed assets	40,573	10,643
Grant income	309,750	804,885
Other	223,613	124
Total other income	573,936	815,652

Grant income
The Group is eligible for the IRD's Research & Development Tax Incentive (RDTI) scheme which allows for a 15% tax credit for eligible R&D expenditure not claimed under any other scheme.

In the prior period the Group was entitled to the Government's R&D project grant scheme which made it eligible to a percentage reimbursement of project related costs through Callaghan Innovation. The grant was recognised as income when it became highly probable.

In the prior period the Group was entitled to NZTE's International Growth Fund Grant to assist with acceleration of growth in the Australian market. This Grant allowed for reimbursement of up to 50% of actual costs incurred in carrying out pre-approved growth projects in Australia.

Other
Other income includes a settlement payment resulting from the cancellation of a strategic partnership agreement.

		2024	2023
		$	$
5.1	**Personnel and employee expense**		
	Short term employee benefits (salaries)	7,153,095	10,457,929
	Post-employment benefits (superannuation)	251,073	360,356
	Contracted resources	1,179,644	1,107,597
	Other employee benefits	870,627	1,138,136
	Total personnel and employee expense	9,454,439	13,064,018

		2024	2023
5.2	**Other expenses include the following:**		
	The following fees were paid or payable for services provided by the auditor		
	- Fees relating to the audit	124,000	210,000
	Directors fees	201,375	254,533
	Bad debts written off	7,978	87

		2024	2023
6	**Net finance expense**		
	Interest income	80,017	114,229
	Interest expense	(140,546)	(161,058)
	Interest on lease liabilities	(25,991)	(59,094)
	Total net finance expense	(86,520)	(105,923)

Finance income and expenses policy
Finance income comprises interest income on funds invested using the effective interest method. Finance costs comprise interest expense on borrowings and interest on lease liabilities.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

7 Income tax

	2024 $	2023 $
Tax expense		
Loss before income tax	(8,008,986)	(10,769,629)
Domestic tax rate (28%)	28%	28%
Expected income tax	(2,242,516)	(3,015,496)
Non-deductible expenses	242,392	(1,057,852)
Non-assessable income	(490,284)	-
Recognition of tax losses previously unrecognised	-	(976,800)
Deferred tax not recognised in current tax year	2,491,631	4,038,810
Effect of different tax rates	3,406	34,538
Actual income tax expense (income)	4,629	(976,800)
Income tax expense (income) is represented by:		
Current tax	4,629	-
Deferred tax	-	(976,800)
	4,629	(976,800)

The current tax asset of $4,995 (2023: $51,252) represents the amount of New Zealand income taxes receivable in respect of the current period.The current tax liability of $4,686 (2023: $Nil) represents the amount of Phillipines income taxes payable in respect of the current period.

Deferred tax assets and liabilities
The table below shows the movement in the deferred tax balances that are recognised at the beginning and end of the period.

Recognised deferred tax assets and liabilities

Year ended 31 March 2024	Opening $	Recognised in profit or loss $	Business acquisitions $	Closing $
Intangibles and Property, plant and equipment	(1,204,249)	253,876	-	(950,373)
ESOP	52,902	(52,902)	-	-
Leases	8,540	(5,847)	-	2,693
Accruals and Employee Benefits	128,127	5,760	-	133,887
Net Taxable Loss	1,014,680	(200,887)	-	813,793
	-	-	-	-

7 Income tax (continued)

Recognised deferred tax assets and liabilities

Year ended 31 March 2023	Opening	Recognised in profit or loss	Business acquisitions	Closing
	$	$	$	$
Intangibles and Property, plant and equipment	(422,916)	195,467	(976,800)	(1,204,249)
ESOP	(452,745)	505,647	-	52,902
Leases	(506,967)	515,507	-	8,540
Accruals and Employee Benefits	135,608	(7,481)	-	128,127
Net Taxable Loss	1,247,020	(232,340)	-	1,014,680
	-	976,800	(976,800)	-

The Group has $36,267,332 (2023: $31,188,839) of tax losses for which no deferred tax asset has been recognised in the statement of financial position as it is not probable that the Group will be achieving sufficient taxable profits in the foreseeable future. The current year tax loss is subject to Inland Revenue assessment.

Income tax policy

Tax expense comprises current and deferred tax and is calculated using rates enacted or substantively enacted at balance date. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case the tax is recognised as an adjustment against the item to which it relates.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised on the initial recognition of goodwill. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

		2024	2023
		$	$
8.1	**Cash and cash equivalents**		
	Bank accounts	188,177	6,148,125
	Total cash and cash equivalents	188,177	6,148,125

The bank accounts include cash balances held with ASB Bank Limited of $82,280 (2023: $5,927,007), which is a related party. Bank balances are also held with the Commonwealth Bank of Australia, the parent company of ASB Bank Limited, of $95,889 (2023: $173,261). The Group also had an undrawn overdraft facility with ASB Bank limited to a maximum of $150,000. The interest rate at balance date was 10.88% (2023: 9.98%) per annum.

Cash and cash equivalents policy

Cash and cash equivalents comprises cash balances and call deposits used by the Group in the management of its short-term commitments.

8.2 Restricted cash

Restricted cash is comprised of cash balances held with Commonwealth Bank Australia of $26,853 (2023: $98,432), that is held as a rent guarantee over one of the leases.

9 Trade and other receivables

	2024 $	2023 $
Current		
Trade receivables	693,117	641,871
Less: Provision for doubtful debts	(46,801)	(6,571)
	646,316	635,300
Other receivables	642	518,031
Prepayments	321,214	576,776
	968,172	1,730,107
Non-Current		
Prepayments	51,457	120,218
	51,457	120,218
Total trade and other receivables	1,019,629	1,850,325

Bad debt expense of $7,978 (2023: $87) has been recorded within other expenses in the statement of comprehensive income.

Trade and other receivables policy
Trade and other receivables (unless it is a trade receivable without a significant financing component) is initially recognised at fair value plus transaction costs. A trade receivable without a significant financing component is initially measured at the transaction price. It is then subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Impairment is calculated based on an expected credit loss (ECL) model under NZ IFRS 9. Refer to Note 16 for information about calculation and recognition of expected credit losses. The amount of the provision is recognised in profit or loss. During the year, provision for impairment totalling $38,681 (2023: $6,571) has been recognised.

Trade Window Holdings Limited
Notes to the consolidated financial statements
For the year ended 31 March 2024

10 Property, plant and equipment

	Leasehold improvements $	Motor vehicles $	Furniture and fittings $	Plant and equipment $	Total $
Year ended 31 March 2024					
Opening balance	58,684	9,556	78,394	427,863	574,497
Effects of movements in exchange rates	332	-	536	307	1,175
Additions	-	-	-	7,949	7,949
Disposals	-	(9,556)	-	(12,629)	(22,185)
Total property, plant and equipment at cost	59,016	-	78,930	423,490	561,436
Accumulated depreciation					
Opening balance	28,883	7,024	13,539	280,618	330,064
Effects of movements in exchange rates	88	-	536	154	778
Disposals	-	(8,864)	-	(9,451)	(18,315)
Depreciation expense	29,805	1,840	40,024	110,694	182,363
Total accumulated depreciation	58,776	-	54,099	382,015	494,890
Summary					
Net carrying amount at 31 March 2023	29,801	2,532	64,855	147,245	244,433
Net carrying amount at 31 March 2024	240	-	24,831	41,475	66,546
Year ended 31 March 2023					
Opening balance	39,208	37,904	60,486	363,150	500,748
Additions	19,476	-	17,908	119,674	157,058
Additions through business acquisition	-	-	-	4,800	4,800
Disposals	-	(28,348)	-	(59,761)	(88,109)
Total property, plant and equipment at cost	58,684	9,556	78,394	427,863	574,497
Accumulated depreciation					
Opening balance	10,698	19,004	5,411	187,743	222,856
Disposals	-	(15,573)	-	(49,919)	(65,492)
Depreciation expense	18,185	3,593	8,128	142,794	172,700
Total accumulated depreciation	28,883	7,024	13,539	280,618	330,064
Summary					
Net carrying amount at 31 March 2022	28,510	18,900	55,075	175,407	277,892
Net carrying amount at 31 March 2023	29,801	2,532	64,855	147,245	244,433

10 Property, plant and equipment (continued)

Property, plant and equipment policy

Recognition and measurement

All property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses.

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

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss within other income or other expenses.

Depreciation

For property, plant and equipment, depreciation is based on the cost of an asset less its residual value.

Depreciation is recognised in profit or loss on a straight line basis over the estimated useful lives of each component of an item of property, plant and equipment.

The depreciation rates for significant items of property, plant and equipment are as follows:

- Leasehold improvements	20.00% - 33.30%
- Motor vehicles	21.00%
- Furniture and fittings	10.50%
- Plant and equipment	30.00% - 67.00%

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

Impairment

The carrying amounts of property, plant and equipment are reviewed at each balance date to determine whether there is any indication of impairment. If any such 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 directly reduce the carrying amount of the assets and are recognised in profit or loss.

There was no impairment of assets recognised for during the year.

11 Leases

Right of use assets

	Buildings	Total
	$	$
Year ended 31 March 2024		
Opening balance	1,784,505	1,784,505
Disposals	(544,957)	(544,957)
Effects of movements in exchange rates	9,190	9,190
Total Right of use assets at Cost	1,248,738	1,248,738
Accumulated amortisation		
Opening balance	941,707	941,707
Disposals	(261,125)	(261,125)
Amortisation expense	495,719	495,719
Effects of movements in exchange rates	3,063	3,063
Total accumulated amortisation	1,179,364	1,179,364
Summary		
Net carrying amount at 31 March 2023	842,798	842,798
Net carrying amount at 31 March 2024	**69,374**	**69,374**
Year ended 31 March 2023		
Opening balance	1,787,046	1,787,046
Effects of movements in exchange rates	(2,541)	(2,541)
Total Right of use assets at Cost	1,784,505	1,784,505
Accumulated amortisation		
Opening balance	391,731	391,731
Amortisation expense	553,542	553,542
Effects of movements in exchange rates	(3,566)	(3,566)
Total accumulated amortisation	941,707	941,707
Summary		
Net carrying amount at 31 March 2022	1,395,315	1,395,315
Net carrying amount at 31 March 2023	**842,798**	**842,798**

Lease liabilities

	2024	2023
	$	$
Lease liability (current)	78,994	551,598
Lease liability (non-current)	-	321,700
Total lease liabilities	78,994	873,298

11 Leases (continued)

Leases policy

Recognition and measurement

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases for low-value assets. Lease payments on these assets are expensed to the profit or loss as incurred.

11 Leases (continued)

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised in the consolidated statement of financial position:

Right of use asset	Buildings
No. of right of use assets leased	1
Range of remaining terms in months	2
Average remaining term in months	2
No. of leases with options to purchase	-
No. of leases with termination options	-

Future lease payments were as follows.	2024 $	2023 $
Within 1 year	78,994	551,598
1-2 years	-	214,322
2-3 years	-	107,378
3-5 years	-	-
Over 5 years	-	-
Total future lease payments	78,994	873,298

Impairment
The Right of use asset is regularly assessed for impairment.

Amounts recognised in statement of comprehensive income	2024 $	2023 $
Interest on lease liabilities	25,991	59,094
Depreciation on right of use assets	495,719	553,542
Variable lease payments	125,959	120,980
Short term lease expenses	102,221	75,995
Amounts recognised in statement of cash flow		
Interest on lease liabilities	25,991	59,094
Principal lease payments	273,271	509,771

12 Intangible assets

	Software $	Customer relation-ships $	Goodwill $	Total $
Year ended 31 March 2024				
Opening balance	8,860,557	456,016	7,615,761	16,932,334
Total Intangible assets at Cost	8,860,557	456,016	7,615,761	16,932,334
Accumulated amortisation				
Opening balance	3,581,207	148,206	-	3,729,413
Amortisation expense	1,789,000	45,602	-	1,834,602
Total accumulated amortisation	5,370,207	193,808	-	5,564,015
Summary				
Net carrying amount at 31 March 2023	5,279,350	307,810	7,615,761	13,202,921
Net carrying amount at 31 March 2024	**3,490,350**	**262,208**	**7,615,761**	**11,368,319**
Year ended 31 March 2023				
Opening balance	5,880,557	456,016	2,469,761	8,806,334
Additions through business acquisition	2,980,000	-	5,146,000	8,126,000
Total Intangible assets at Cost	8,860,557	456,016	7,615,761	16,932,334
Accumulated amortisation				
Opening balance	1,941,207	102,604	-	2,043,811
Amortisation expense	1,640,000	45,602	-	1,685,602
Total accumulated amortisation	3,581,207	148,206	-	3,729,413
Summary				
Net carrying amount at 31 March 2022	3,939,350	353,412	2,469,761	6,762,523
Net carrying amount at 31 March 2023	**5,279,350**	**307,810**	**7,615,761**	**13,202,921**

12 Intangible assets (continued)

Intangible assets policy

Recognition and policy
Goodwill is measured at cost less accumulated impairment losses.

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands is recognised in profit or loss as incurred.

Amortisation
Amortisation is calculated to write off the cost of intangible assets less their estimated residual value using the straight-line method over their estimated useful lives, and is recognised in profit or loss. Goodwill is not amortised.

The estimated useful lives and remaining amortisation period for current and comparative periods are as follows:

- Software	1 - 5 years	0 - 3 years
- Customer relationships	10 years	6 years

Impairment
The Group tests whether goodwill has suffered any impairment on an annual basis. No impairment on the carrying amount of goodwill has been recognised during the financial year (2023: $Nil).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. The Group has adopted the Value in Use method (previously Fair value less cost of disposal).

In assessing Value in Use, estimated future cash flows are discounted to their present value using a pre-tax discount rate of 20% that reflects current market assessments of the time value of money and the risk specific to the asset.

Future cashflows are based on five-year projections for the Group, which included the Board approved budget for the year to 31 March 2025. The forecast financial information is based on both past experience and future expectations of operating performance and requires judgements to be made as to the revenue growth, operating cost projections and the market environment. Revenue is projected to grow at a compound average growth rate of 21% for the first 5 years. Actual results may be substantially different. The terminal growth rate assumed is 2.5% which does not exceed the long-term average growth rate for the market in which the Group operates.

Management believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount to exceed its recoverable amount.

		2024 $	2023 $
13	**Trade and other payables**		
	Current		
	Trade payables	256,176	354,716
	Sundry payables	253,072	315,193
	Accruals	422,217	653,058
	Employee benefits	434,433	737,280
		1,365,898	2,060,247
	Non-current		
	Accruals	-	64,067
	Total trade and other payables	1,365,898	2,124,314

Trade and other payables policy

Trade and other payables are measured at amortised cost. These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits policy

Short-term employee benefits obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid for outstanding annual leave balances if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be estimated reliably.

14 Contingent consideration

	2024 $	2023 $
Current		
Balance 1 April	1,039,000	-
Contingent consideration arising on business acquisitions	-	2,347,000
Revaluation of Contingent consideration	(1,039,000)	(1,308,000)
	-	1,039,000
Non-current		
Balance 1 April	177,000	-
Contingent consideration arising on business acquisitions	-	2,307,000
Revaluation of Contingent consideration	(177,000)	(2,130,000)
	-	177,000
Balance at 31 March	-	1,216,000

Refer to Note 19 for additional details of the acquisition relating to this contingent consideration.

The contingent consideration is tested against specified revenue targets. The revenue earned to date and forecast, does not meet these targets and the requirement for any contingent consideration payment is expected to fall away, and has been revalued to $Nil.

Contingent consideration policy

Contingent considerations are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. They are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Contingent considerations are discounted to their present values, where the time value of money is material.

15 Interest bearing loans and borrowings

	2024 $	2023 $
Current		
ASB term loan	-	495,884
Callaghan R&D loan	58,100	33,696
	58,100	529,580
Non-current		
ASB term loan	1,038,303	866,921
Callaghan R&D loan	344,726	397,964
	1,383,029	1,264,885
Total interest bearing loans and borrowings	1,441,129	1,794,465

Terms and repayment schedule

	Currency	Interest rate	Maturity date	2024 $	2023 $
ASB term loan	NZD	10.39%	30 October 2026	1,038,303	1,362,805
Callaghan R&D loan	NZD	3%	13 August 2030	402,826	431,660
				1,441,129	1,794,465

The face value and carrying value of the loans are the same.

At balance date, the Company has met all its covenants. During the year the Company reported a breach of one of its covenants. Subsequently the Group and the ASB Bank have worked together to restructure the loan facility.

The ASB loan is secured over the assets of TradeWindow Services Limited together with an unlimited guarantee and indemnity from Trade Window Limited.

On 13 August 2020, the Company received an R&D loan of $400,000 from Callaghan Innovation as assistance for the economic impacts of COVID19 on the business. The loan balance at 31 March 2024 was $402,826 which included an interest accrual of 3% (2023: $431,660).

Interest bearing loans and liabilities policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the period of the borrowing using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

16 Financial instruments classification and risk management

The Group's overall financial risk management programme focuses primarily on maintaining a financial risk profile that provides flexibility to implement the Group's strategies, while optimising return on assets. Financial risk management is centralised, which supports compliance with the financial risk management policies and procedures set by the Board.

Financial instruments are recognised in the statement of financial position when the Group becomes party to a financial contract. They include cash and cash equivalents, trade and other receivables, trade and other payables, interest bearing loans and borrowings, lease liabilities and related party payables.

All financial assets and liabilities (except for trade receivables that do not contain a significant financing component) are initially measured at fair value, adjusted for transaction costs (where applicable). Trade receivables without a significant financing component are initially measured at the transaction price in accordance with the recognition of revenue.

Financial assets and liabilities are classified into the following categories:

Financial assets held at amortised cost
A financial asset is measured at amortised cost if it meets both of the following conditions, and is not designated as at fair value through profit or loss (FVTPL):

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the amounts outstanding.

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets held at amortised cost comprise: cash and cash equivalents and trade and other receivables.

Financial liabilities held at amortised cost
Financial liabilities not designated as at FVTPL on initial recognition are classified as at amortised cost. Financial liabilities at amortised cost are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities held at amortised cost comprise: trade and other payables, interest bearing loans and borrowings, lease liabilities, and related party payables.

16 Financial instruments classification and risk management (continued)

Impairment - financial assets
The Group recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Derecognition
Financial Assets
The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Group derecognises a financial liability when the contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

16 Financial instruments classification and risk management (continued)

The Group holds the following financial assets and liabilities, the table below shows their carrying amount and measurement basis.

31 March 2024

	Amortised cost	Other amortised cost	FVTPL
Financial assets	**$**	**$**	**$**
Cash and cash equivalents	188,177	-	-
Trade and other receivables	646,958	-	-
Restricted cash	26,853	-	-
	861,988	-	-
Financial liabilities			
Trade and other payables	-	1,365,898	-
Interest bearing loans and borrowings	-	1,441,129	-
Related party payables	-	4,076	-
Lease liabilities	-	78,994	-
	-	2,890,097	-

31 March 2023

	Amortised cost	Other amortised cost	FVTPL
Financial assets	**$**	**$**	**$**
Cash and cash equivalents	6,148,125	-	-
Trade and other receivables	1,153,331	-	-
Restricted cash	98,432	-	-
	7,399,888	-	-
Financial liabilities			
Trade and other payables	-	2,124,314	-
Interest bearing loans and borrowings	-	1,794,465	-
Related party payables		2,513	-
Lease liabilities	-	873,298	-
Contingent consideration	-	-	1,216,000
	-	4,794,590	1,216,000

16 Financial instruments classification and risk management (continued)

Fair value

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) other than quoted prices included within level 1.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

		2024		2023	
		Carrying Value	**Fair Value**	**Carrying Value**	**Fair Value**
Contingent consideration	Level 3	-	-	1,216,000	1,216,000
		-	-	1,216,000	1,216,000

Type	**Valuation Technique**	**Significant unobservable inputs**	**Inter-relationship between significant unobservable inputs and fair value measurement**
Contingent consideration	*Discounted cash flows* : The valuation model considers the present value of expected future payments in shares and/or cash, adjusted for risk. The value of contingent consideration is discounted using a risk-free discount rate to derive the present value of contingent consideration.	Expected total revenue for the target business over the measurement period. Future Company share price, estimated using mathematical modelling technique (starting share price at $0.335 on 31 March 2023).	The estimated fair value would increase / (decrease) if: - the expected total revenue was higher / (lower); or - the quoted Company equity security price was higher / (lower).

Financial risk management

The Group had exposure to the following risks from its use of financial instruments:

- Market risk (mainly interest rate risk)
- Credit risk
- Liquidity risk

16 Financial instruments classification and risk management (continued)

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the Audit and Risk Committee, which is responsible for developing and monitoring the Group's risk management policies. A risk register is maintained, and the Committee reports regularly to the board of directors on its activities. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The Group's exposure to the risk of changes in interest rates primarily affects borrowings. The Group had floating interest rates throughout the year.

The following table illustrates the sensitivity of profit/ (loss) and equity to a reasonably possible change in interest rates of +/- 1% (2023: +/- 1%). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

	2024		2023	
	Change in profit/(loss)	Change in equity	Change in profit/(loss)	Change in equity
	$	$	$	$
Variable interest rates +1%	(11,647)	(11,647)	(16,926)	(16,926)
Variable interest rates -1%	11,647	11,647	16,735	16,735

Foreign exchange risk

The Group is not subject to material foreign exchange risk.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from trade receivables.

In respect of trade receivables, the Group is not exposed to any significant credit risk. There is no history of customer default and management consider the credit quality of trade receivables to be good. The Group trades with recognised, creditworthy third parties or requires payment in advance. The profile of future customers is expected to be similar to that of past customers. On this basis, the Group does not feel it necessary to have a written credit policy in place, however management continue to monitor this risk.

Credit risk relating to bank balances is managed by banking with major financial institutions with high quality external credit ratings.

16 Financial instruments classification and risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group manages liquidity risk by maintaining adequate cash reserves and banking facilities. Forecast and actual cash flows are continuously monitored with the maturity profiles of the majority of financial assets and liabilities matched.

Liquidity profile of financial assets

	1 Year or less	1-5 Years	More than 5 years	Total contractual cash flows
Year ended 31 March 2024	**$**	**$**	**$**	**$**
Cash and cash equivalents	188,177	-	-	188,177
Trade and other receivables	646,958	-	-	646,958
Restricted cash	26,853	-	-	26,853
	861,988	-	-	861,988
Year ended 31 March 2023				
Cash and cash equivalents	6,148,125	-	-	6,148,125
Trade and other receivables	1,153,331	-	-	1,153,331
Restricted cash	-	-	98,432	98,432
	7,301,456	-	98,432	7,399,888

Financial liabilities based on contractual cashflows due within

	1 Year or less	1-5 Years	More than 5 years	Total contractual cash flows	Carrying amount of liabilities
Year ended 31 March 2024	**$**	**$**	**$**	**$**	**$**
Trade and other payables	1,365,898	-	-	1,365,898	1,365,898
Interest bearing loans and borrowings	166,100	1,519,029	-	1,685,129	1,441,129
Related party payables	4,076	-	-	4,076	4,076
Lease liabilities	78,994	-	-	78,994	78,994
	1,615,068	1,519,029	-	3,134,097	2,890,097
Year ended 31 March 2023					
Trade and other payables	2,060,247	64,067	-	2,124,314	2,124,314
Interest bearing loans and borrowings	670,580	1,185,540	161,345	2,017,465	1,794,465
Related party payables	2,513	-	-	2,513	2,513
Lease liabilities	551,598	321,700	-	873,298	873,298
Rfider acquisition shortfall protection*	588,476	104,338	-	692,814	692,814
	3,873,414	1,675,645	161,345	5,710,404	5,487,404

* the method of potential settlement of the shortfall payment may be in shares and/or cash (Note 19).

17 Related party

Key management personnel

The Group has related party relationships with its directors and other key management personnel as listed below. Remuneration of key management personnel during the year amounted to $1,247,769 (2023: $1,452,462), of which $923,774 (2023: $1,386,918) was for short-term employee benefits and $323,996 (2023: $65,544) was for share-based payment expense.

Remuneration for the directors during the year amounted to $217,668 (2023: $272,295), of which $201,375 (2023: $254,533) was for directors fees and $16,293 (2023: $17,762) was for share-based payment expense.

Other related parties

ASB Bank Limited is a shareholder of the Group. The ASB Bank is 100% owned by the Commonwealth Bank of Australia (CBA).The Group has bank balances with the ASB Bank and CBA (see Note 8.1) as well as some interest bearing loan facilities as stated in Note 15.

Transactions involving related entities

The entities, the nature of the relationship and the types of transactions which the Group entered into during the period are detailed below:

Related entity	Nature of relationship	Types of transactions
ASB Bank Limited	Shareholder	Funds advanced, balances payable, cash at bank, shares issued
Commonwealth Bank of Australia	Parent of ASB Bank Limited	Cash at bank, restricted cash
OntrackNZ 2020 Limited	Common ownership	Supplier of Services
Independent Verification Services Limited	Common ownership	Supplier of Services
Kerry Friend	Executive director, beneficial shareholder	Employment agreement, ESOP
Albertus Johannes Smith	Executive director, shareholder	Employment agreement, ESOP

17 Related party (continued)

The following transactions and outstanding balances between related parties occurred during the year:

31 March 2024

Related party entity:	Purchases/ Salaries	Balances payable	Interest bearing loans	Cash at bank	Restricted cash
	$	$	$	$	
ASB Bank Limited	-	-	1,038,303	82,280	-
Commonwealth Bank of Australia	-	-	-	95,889	26,853
Independent Verification Services Limited	6,420	184	-	-	-
OntrackNZ 2020 Limited	44,573	3,892	-	-	-
Key management personnel	1,247,769	-	-	-	-
	1,298,762	4,076	1,038,303	178,169	26,853

31 March 2023

Related party entity:	Purchases/ Salaries	Balances payable	Interest bearing loans	Cash at bank	Restricted cash
	$	$	$	$	
ASB Bank Limited	-	-	1,362,805	5,927,006	-
Commonwealth Bank of Australia	-	-	-	173,261	98,432
Independent Verification Services Limited	28,090	1,909	-	-	-
F40 Developments Limited	10,754	604	-	-	-
Key management personnel	1,144,617	-	-	-	-
	1,183,461	2,513	1,362,805	6,100,267	98,432

18 Interest in subsidiaries

Set out below is a list of material subsidiaries of the Group:

	Country of incorporation	Principal place of business	2024	2023
Trade Window Limited	New Zealand	New Zealand	100%	100%
Trade Window Pty Limited	Australia	Australia	100%	100%
Trade Window Pte Limited	Singapore	Singapore	100%	100%
TradeWindow Services Limited	New Zealand	New Zealand	100%	100%
Trade Window Origin Limited	New Zealand	New Zealand	100%	100%
Trade Window Nominees Limited*	New Zealand	New Zealand	n/a	100%
Trade Window Incorporated	Philippines	Philippines	100%	100%

All subsidiaries except for Trade Window Incorporated have a 31 March balance date. Trade Window Incorporated has a balance date of 31 December.

*In October 2023, the Group de-registered the wholly owned subsidiary Trade Window Nominees Limited from the New Zealand Companies Register.

19 Business acquisitions

Year ended 31 March 2023

Rfider
With effect from 1 July 2022, the Group acquired the assets of Auckland based software as a service company Rfider Limited, for a notional maximum purchase price of NZ$10 million. NZ$2.5 million was paid in cash on settlement on 29 July 2022. NZ$7.5 million consideration was deferred to be settled in shares in two tranches of up to NZ$3.75 million each, subject to achievement of revenue targets within 12 and 24 months from settlement, respectively. The Rfider product was subsequently rebranded as "TradeWindow Assure+". The acquisition of Rfider provided the Group with a supply chain transparency solution.

Consideration transferred
The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

19 Business acquisitions (continued)

The details of the business combination are as follows:	**2023** **$**
Fair value of consideration transferred	
Amount subject to earn-out based on revenue targets (current)	2,347,000
Amount subject to earn-out based on revenue targets (non-current)	2,307,000
Amount settled via cash	2,500,000
Total fair value of consideration transferred	**7,154,000**
Recognised identifiable net assets	
Software	2,980,000
Deferred tax liability	(666,000)
Plant and equipment	4,800
Goodwill	4,835,200
Total identifiable net assets	**7,154,000**

The actual value of the two deferred payment tranches will be determined based on the proportion of revenue targets achieved for each period, with settlement in TradeWindow Holdings Limited shares. Further, there is a shortfall protection mechanism which partially compensates the vendors should TradeWindow Holdings Limited's share price be less than a specified level at the time of payment of each of the deferred tranches. Settlement of this component maybe in shares and/or cash.

The Group has included $4.7 million as contingent consideration, which represents its fair value at the date of acquisition (current $2.4 million, non-current $2.3 million). This has been recognised as a contingent liability. At 31 March 2024, the contingent consideration had decreased by a further $1.2 million (2023: 3.4 million) due to remeasurement. The fair value of contingent consideration at balance date is $Nil (2023: $1.2 million) - refer Note 14.

Annualised revenue for the 12 months ended 31 March 2023 was expected to be approximately $155,000. The business did not have a requirement to prepare NZ IFRS financial statements prior to acquisition.

The strategic rationale for acquiring the business is to integrate into TradeWindow's suite of solutions and therefore a separate profit and loss is not maintained and impractical to disaggregate.

As part of the recognised identifiable net assets, there is a portion of goodwill which has been recognised. This is composed of intangible benefits such as sales and product synergies.

Measurement of fair values - The valuation techniques used for measuring the fair value of material assets acquired in all business acquisitions during the year were as follows:

Property, Plant and Equipment - as the value of the tangible assets purchased are immaterial, these have been recognised at the vendor's book value.

Software - where there is no comparable product which TradeWindow could purchase off the shelf to continue serving its customers, software has been measured based on the estimated development cost to replicate the acquired software.

These valuations are key accounting estimates.

20 Share capital

	2024 Number of shares	2023 Number of shares	2024 $	2023 $
Shares				
Balance 1 April	113,026,232	86,373,316	46,180,576	31,333,484
Issue of ordinary shares	2,057,614	26,425,599	500,000	14,689,831
Shares issued as payment of vendor services	1,079,693	-	291,506	-
Shares issued in respect of employee share options exercised	1,032,336	227,317	318,591	157,261
Balance at 31 March	117,195,875	113,026,232	47,290,673	46,180,576

During November 2023, Trade Window Holdings Limited raised $500,000 by way of a private placement (shares issued 2,057,614). During the year vendors accepted payment in shares of $291,506 (shares issued 1,079,693).

During July 2022 Trade Window Holdings Limited raised $10,000,000 before capital raise expenses, by way of a private placement (issuing 12,857,142 shares) and a Share Purchase Plan (issuing 1,428,434 shares). A further $5,463,010 before capital raise expenses was raised in Quarter 4 of the 2023 financial year, resulting in the issuance of 12,140,023 shares.

At 31 March 2024, share capital comprised 117,195,875 shares. All issued shares rank equally, are fully paid and have no par value.

Share capital policy
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Capital management
For the purpose of the Group’s capital management, capital includes issued capital, convertible notes and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group’s capital management is to maximise the shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. There are no externally imposed capital requirements.

21 Share based payment arrangements

As at 31 March 2024 the Group had the following share-based payments arrangements.

2019/20 Share Option scheme
The Group established a share option programme that entitled senior management to purchase shares in the Company on 31 October 2019, which was revised on 25 March 2020 and 19 November 2021. Under this programme, holders of vested options are entitled to purchase shares at the exercise price specified at grant date. All options are to be settled by the physical delivery of shares.

Under this plan, grantees have been granted options to purchase ordinary shares at an exercise price based on the fair value of Trade Window Holdings Limited's shares on the date of the grant as approved by the directors. Once granted, options vest over a period of time which is stated in the options offer letter to the grantee. The grantee may exercise an option that has vested at any time during the period commencing on the date on which the option vested and ending on the expiry date. Under the terms of the scheme unvested options lapse immediately on termination of service. For a good leaver, as defined, vested options must be exercised within three months following termination of services, and any options exercised and converted to shares may be retained. For a bad leaver, as defined, vested options are cancelled on the leaving date.

No options were approved to be issued under the existing scheme since prior to listing on 19 November 2021.

The number and weighted average exercise prices of share options under the employee share option programmes were as follows:

	Number of options	Weighted average exercise price
Year ended 31 March 2024		
Outstanding at the beginning of the period	85,511	0.00092
Granted during period	-	-
Revoked during period	(12,294)	0.00092
Exercised at end of 31 March 2024	(58,727)	0.00092
Outstanding at the end of the Period	14,490	0.00092
Comprised of:		
Vested (and not exercised)	14,490	
Granted but not vested	-	
	14,490	

21 Share based payment arrangements (continued)

	Number of options	Weighted average exercise price
Year ended 31 March 2023		
Outstanding at the beginning of the period	317,311	0.00100
Granted during period	-	-
Revoked during period	(4,483)	0.00092
Exercised at end of 31 March 2023	(227,317)	0.00092
Outstanding at the end of the period	85,511	0.00092
Comprised of:		
Vested (and not exercised)	62,695	
Granted but not vested	22,816	
	85,511	

2022 Share Option schemes

Employees LTI Option Plan
During the prior year, the Group introduced a share option programme to replace the 2019/20 scheme. The establishment of the 2022 Share Option Plan is designed to provide long-term incentives for senior managers (including executive directors) to deliver long-term shareholder value, as well as retain and motivate participants. Under this programme, participants were issued options at the equivalent price of $0.74. This price was determined with reference to TWL's closing share price on 29 July 2022. Under the terms of the scheme, unvested options lapse on the date employment ceases.

The key terms and conditions of the share options granted under this programme are as follows, all options are to be settled by the physical delivery of shares:

Grant Date	Number of instruments	Exercise Price	Vesting Date	Vesting conditions	Contractual life of options
July 2022	1,169,670	Nil	1 July 2025	Subject to hurdle rate of 17.5% per annum growth in the share price, based on the issue price.	5 years
July 2022	54,054	Nil	1 July 2025	Must be employed by the company on vesting date	5 years

21 Share based payment arrangements (continued)

Non-Executive Directors Option Plan
Also during the prior year the Group introduced a share option programme for Non-Executive Directors.

Under this programme, holders of vested options are entitled to purchase shares at an exercise price equal to the VWAP of TradeWindow shares over the 20 Business Day period prior to the date of issuance of the Options, subject to a floor price of $0.70 per share.

The key terms and conditions of the share options granted under this programme are as follows, all options are to be settled by the physical delivery of shares:

Grant Date	Number of instruments	Exercise Price	Vesting Date	Vesting conditions	Contractual life of options
Sep 2022	300,000	$0.70	Progressively over two years from grant date.	None	3 years

2023/24 Salary Sacrifice Option Plan
During the period the Group introduced a share option programme for senior management where participants make a salary sacrifice in exchange for employee share options in the Company. The programme was intended to run for up to 12 months and was in effect for the full financial year. Under this programme, the number of options to be granted to a participant is determined each payday by dividing 150% of the salary sacrifice amount by the mid-point share price on the salary payment date. Granted options vest immediately and the participant has five years from issue date to exercise the options. Holders of vested options are entitled to purchase shares at $Nil exercise price.

The key terms and conditions of the share options granted under this programme are as follows, all options are to be settled by the physical delivery of shares:

Grant Period	Number of instruments	Exercise Price	Vesting Date	Vesting conditions	Contractual life of options
April 2023 – March 2024	1,592,695	$0.00	Immediately	None	5 years

21 Share based payment arrangements (continued)

The number and weighted average exercise prices of share options under the employee share option programmes were as follows:

	Number of options	Weighted average exercise price
Year ended 31 March 2024		
Outstanding at the beginning of the period	1,448,649	0.14496
Granted during period	1,646,719	-
Revoked during period	(288,964)	0.08075
Exercised at end of 31 March 2024	(973,609)	-
Outstanding at the end of the Period	1,832,795	0.10185
Comprised of:		
Vested (and not exercised)	873,110	
Granted but not vested	959,685	
	1,832,795	

	Number of options	Weighted average exercise price
Year ended 31 March 2023		
Granted during period	1,523,724	0.13782
Revoked during period	(75,075)	-
Vested & exercised at end of 31 March 2024	-	-
Outstanding at the end of the Period	1,448,649	0.14496

All shares are non-vested as at 31 March 2023.

Expense recognised in profit or loss
The total expense recognised in the statement of comprehensive income during the year was $523,638 (2023: $257,239).

Share-based payments policy
The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

22 Capital commitments

There are no capital commitments at year end (2023: $Nil).

23 Contingencies

The Group has a contingent liability in 2024 of $1,035,902 relating to R&D tax losses cashed out (2023: $1,035,902). If the Group becomes profitable in the future, there is a change in the shareholders greater than 90%, or a liquidation event occurs, it would become payable.

The Group has revalued contingent consideration related to the Rfider acquisition (July 2022) to $Nil (refer Note 14) as revenue performance is materially below target thresholds. Lorzone Limited (formerly Rfider Limited) has disputed this position. Based on legal advice the Group maintains its position that no contingent consideration shall be paid.

There are no other contingencies.

24 Subsequent events

On 22 April 2024, the Group completed and announced the successful completion of its $2.2 million capital raise. Apart from the above matter, no other matter or circumstance has arisen since 31 March 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

25 Segment reporting

An operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM") on a monthly basis. The CODM, who is responsible for allocating resources and assessing performance of the operating segment(s) is part of the senior leadership team and is involved in strategic decision making of the Group. Management has determined there is one operating segment based on the reports reviewed by the CODM.

The reason for looking at the business as one segment is because of the inter-related nature of the services and their dependence on the TradeWindow software which cannot be separated between different products and services. The performance of the operating segment is reviewed by the CODM and action plans are agreed with the management where necessary to improve performance of the business.

The reportable operating segment derives its revenues from the provision of software solutions to its customers. There are no major customers that make up to 10% of revenues. The CODM assesses the performance of the operating segment from revenue to net income. The total revenue, direct costs, operating expenses, interest and foreign exchange gains and losses, tax and net income are reviewed.

The amounts reported with respect to segment total assets and liabilities are measured in a manner consistent with the consolidated statement of financial position. Reportable segment assets and liabilities are equal to total assets and liabilities hence no reconciliation is required. The majority of the Group's operations are within New Zealand and there are no other material geographic segments.

26 Earnings per share

Basic earnings/(deficit) per share is calculated by dividing the net profit/(loss) for the year attributable to the parent by the weighted average number of ordinary shares outstanding during the year. The weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the year adjusted by the number of ordinary shares bought back or issued during the year multiplied by a time-weighting factor. Diluted earnings per share additionally considers the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The reconciliation of the weighted average number of shares for the purpose of diluted earnings per share to the weighted average number of ordinary shares used in the calculation of basic earnings per share is below.

The earnings per share for the year ended 31 March was as follows:

	2024	2023
Profit (loss) attributable to ordinary shareholders ($)	(8,011,048)	(9,780,088)
Weighted average number of shares		
Basic (ordinary shares)	114,428,949	99,239,134
Diluted (ordinary shares plus convertible notes)	114,428,949	99,239,134
Basic EPS ($)	(0.07)	(0.10)
Diluted EPS ($)	(0.07)	(0.10)

As at 31 March 2024 share options that could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share because they are antidilutive for the periods presented total 1,847,285 (2023: 1,534,160).

Subsequent to balance date the Group completed an equity capital raise for a total of $2.2 million. Total ordinary shares to be issued under this raise total 12,690,858.

27 Cash flow reconciliation

	2024 $	2023 $
Net loss after tax	(8,013,615)	(9,792,829)
Classification Differences		
- Net finance expense	86,520	105,923
- Gain on disposal	(40,573)	(10,643)
Statement of financial position movements		
- Trade and other receivables (excluding related party)	933,231	113,603
- Contract assets	62,220	(14,649)
- Trade and other payables	(861,003)	522,234
- Contract liabilities	87,143	93,730
- Income tax payable	46,244	(45,008)
- Other movements	42,096	(59,404)
Other non-cash items		
- Depreciation, amortisation and impairment	2,512,165	2,411,844
- Employee share scheme	607,650	257,239
- Revaluation of contingent consideration	(1,216,000)	(3,438,000)
- Tax asset recognised	-	(976,800)
Net cash from operating activities	(5,753,922)	(10,832,760)

28 Reconciliation of liabilities arising from financing activities

The changes in liabilities arising from financing activities can be classified as follows:

	Lease liabilities $	Long-term $	Short-term $	Total $
1 April 2023	873,298	1,264,885	529,580	2,667,763
Cashflows:				
- Repayment	(273,271)	-	(357,741)	(631,012)
- Interest	(25,991)	-	(125,707)	(151,698)
Non-cash:				
- Reclassification	-	113,739	(113,739)	-
- Disposals	(303,562)	-	-	(303,562)
- Repayment settled in shares	(207,505)	-	-	(207,505)
- Effects of movements in exchange rates	(9,966)	-	-	(9,966)
- Interest	25,991	4,405	125,707	156,103
Balance at 31 March 2024	78,994	1,383,029	58,100	1,520,123
Year ended 31 March 2023				
Opening balance	1,382,044	1,764,473	486,248	3,632,765
Cashflows:				
- Repayment	(509,771)	-	(468,256)	(978,027)
- Interest	(59,094)	-	(140,970)	(200,064)
Non-cash:				
- Reclassification	-	(511,588)	511,588	-
- Effects of movements in exchange rates	1,025	-	-	1,025
- Interest	59,094	12,000	140,970	212,064
Balance at 31 March 2023	873,298	1,264,885	529,580	2,667,763

Trade Window Holdings Limited
General disclosures
For the year ended 31 March 2024

Interest register

In accordance with Section 140(2) of the Companies Act, the directors named below have made a general disclosure of interest by a general notice disclosed to the Board and entered in the Company's interests register. General notices given by directors which remain current as at 31 March 2024 are as follows:

Albertus J Smith	
Trade Window Origin Limited	Director
TradeWindow Services Limited	Director
Trade Window Limited	Director
Trade Window Pty Limited	Director
Trade Window Pte Limited	Director
Trade Window Incorporated	Director
SmithCo Ventures Limited (appointed 29 June 2023)	Director/Shareholder
R-Age Limited (appointed 7 August 2023)	Director/Shareholder
Kerry M Friend	
Tomadachi No.2 Trust	Trustee and Shareholder in TWHL
Trade Window Limited	Director
TradeWindow Services Limited	Director
Northpower Limited	Director
Northpower Fibre Limited	Director
Alasdair J MacLeod	
Trade Window Limited	Chair
Silverstripe Limited	Chair
Kotahi Engineering Studio (appointed 16 May 2024)	Chair
Hold Fast Investments Limited	Chair
Silverstripe Trustees Limited	Director
Big Brothers Big Sisters Hawke's Bay	Chair
IHC- Board Appointments Committee	Independent Director
Hawkes Bay Regional Economic Development Agency	Chair
Phillip J Norman	
Task Group Holdings Limited (ASX listed)	Director/Shareholder
Task Retail Pty Limited	Director
Just Life Group Limited (NZX listed)	Director
Trade Window Limited	Director
Plexure Limited	Director
VMob IP Limited	Director
VMob Singapore Pte Limited	Director
Xero Limited (ASX listed)	Shareholder
Loyalty New Zealand Limited	Director
Nortek Management Services Limited	Director/Shareholder
TruScreen Limited (NZX listed)	Shareholder
MyWave Holdings Limited	Shareholder
Touchpoint Group Limited	Director/Options Holder
Atrax Group New Zealand Limited	Advisory Board Member

Trade Window Holdings Limited
General disclosures
For the year ended 31 March 2024

Interest register (continued)

As required by Section 211 of the Companies Act 1993 we disclose the following information:

Directors remuneration

The persons who held office as directors of Trade Window Holdings Limited at any time during the year ended 31 March 2024 and their remuneration, are as follows:

	Director and consulting fees $	Salary $	ESOP $	Total $
Albertus J Smith*	-	261,060	214,561	475,621
Kerry M Friend*	-	168,156	53,550	221,706
Alasdair J MacLeod	94,500	-	6,971	101,471
Phillip J Norman	67,500	-	6,971	74,471
Diana Puketapu (Resigned 31 October 2023)	39,375	-	2,351	41,726

No directors fees were paid to directors of subsidiary entities.

*The Executive Director's ESOP remuneration included 2023/24 Salary Sacrifice Options Plan issuances as described in Note 21.

Employee remuneration

Trade Window Holdings Limited and our subsidiaries have employees in New Zealand, Australia and Singapore. Our pay levels reflect the different market rates in each country and region. The overseas remuneration amounts are converted into New Zealand dollars. Noted in the table below are employees who received remuneration and other benefits that exceed NZ $100,000:

Remuneration including share-based remuneration ($)	Number of employees (Total: 34)
100,001 - 110,000	3
110,001 - 120,000	6
120,001 - 130,000	2
130,001 - 140,000	3
140,001 - 150,000	5
150,001 - 160,000	1
160,001 - 170,000	2
170,001 - 180,000	1
180,001 - 190,000	1
190,001 - 200,000	1
200,001 - 210,000	2
220,001 - 230,000	1
250,001 - 260,000	1
260,001 - 270,000	1
280,001 - 290,000	2
290,001 - 300,000	1
470,001 - 480,000	1

Donations

During the year ended 31 March 2024, the Group made donations of $Nil (2023: $Nil).

UHY Haines Norton
Chartered Accountants

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Independent Auditor's Report

To the Shareholders of Trade Window Holdings Limited

Opinion

I have audited the consolidated financial statements of Trade Window Holdings Limited ("the Company") and its subsidiaries ("the Group"), which comprise:

- the consolidated statement of financial position as at 31 March 2024;
- the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements including a summary of significant accounting policies.

I am a partner with UHY Haines Norton Chartered Accountants Sydney (the Firm) and I have used the staff and resources of the Firm to perform the audit of the Group.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)") issued by the New Zealand Auditing and Assurance Standards Board. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of my report.

I am independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)*, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other than in my capacity as auditor, neither myself, the firm or the firm's staff have no relationship with, or interests in, the Group.

Material uncertainty related to going concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Group incurred a loss of $8 million and operating cash outflows of $5.8 million for the year ended 31 March 2024. These events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated financial statements of the current year. Except for the matter described in the material uncertainty related to going concern, I summarise below those matters and my key audit procedures to address those matters in order that the shareholders as a body may better understand the process by which I arrived at my audit opinion. The procedures were undertaken in the context of and solely for the purpose of my statutory audit opinion on the consolidated financial statements as a whole and I do not provide a separate opinion on these matters.

Why the audit matter is significant	How my audit addressed the key audit matter
Revenue recognition The Group has recognised revenue of \$6.18m (FY 2023: \$4.92m) (Note 3.1). The Group has several revenue streams, and the revenue recognition policy for each stream is different. We focused on this area because the recognition of revenue in accordance with NZ IFRS 15 involves judgement and the outcome has a significant impact on profit or loss and the financial position of the Group. Also, there is a risk of overstatement of revenues through premature revenue recognition or recording fictitious revenues to meet budgets and/or market guidance.	To address the risk associated with revenue recognition, the following audit procedures were carried out: • Evaluated the design of management's internal controls related to revenue recognition. • Reviewed revenue recognition policies for appropriateness and compliance with the requirements of the relevant accounting standard NZ IFRS 15; • Selected a sample of transactions and agreed them to supporting documentation such as customer contract, sale invoice, cash receipt and assessed whether all criteria related to revenue recognition has been met before being recognised as revenue; • Reviewed credit notes posted after year end to ascertain correct revenue recognition during the year; • Performed revenue cut off procedures by selecting revenue samples before and after year end and testing that revenue is recorded in the correct period; • Tested a sample of deferred revenue balances and agreed it to the supporting documents; • Reviewed manual revenue journals as part of the journal entry testing process with the criteria specifically targeting unusual entries to revenue accounts; and • Assessed the reasonability and completeness of the revenue related disclosures to test compliance with the requirements of the accounting standards.

Why the audit matter is significant	How my audit addressed the key audit matter
Intangible assets & Goodwill The Group has significant intangible assets relating to the acquisitions made in previous periods. The Group has significant intangible assets with finite useful lives including software and customer relationships totalling $3.75m (note 12) as at 31 Match 2024 that are amortised over their useful life. In addition there is a significant goodwill balance recorded of $7.62 million (note 12) as at 31 March 2024. We consider this area to be significant as balances are material to the financial report and the significant estimates and judgements applied in testing these balances for impairment.	To address the risk associated with intangible balance, the following audit procedures were carried out: • Assessed reasonability of the useful life used for the purpose of calculating amortisation on software and customer relationship i.e. finite life intangible assets; • Analysed the Group's impairment assessment for the correct methodology with particular emphasis on the key assumptions being discount rate, growth rate and forecast cash flows; • Performed an independent recalculation of the Group's recoverable amount and compared it to management's assessment and the relevant carrying amount; • Performed stress testing of the key assumptions; and • Assessed the reasonability and completeness of the related disclosures to test compliance with the requirements of the accounting standards.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Directors are responsible for the other information. The other information comprises the annual report. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated financial statements does not cover the other information and I do not and will not express any form of audit opinion or assurance conclusion thereon.

In connection with my audit of the consolidated financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to report that fact.

Directors' Responsibilities for the Consolidated Financial Statements

The Directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible on behalf of the Group for assessing the Group'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 the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

My objective is to obtain reasonable assurance about whether the consolidated 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 my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) 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 consolidated financial statements.

A further description of the auditor's responsibilities for the audit of the consolidated financial statements is located on the External Reporting Board's website at: https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-1/.

This description forms part of my auditor's report.

Restriction on use of my report

This report is made solely to the Group's shareholders, as a body. My audit work has been undertaken so that I might state to the Group's shareholders, as a body those matters which I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Group and the Group's shareholders, as a body, for my audit work, for this report or for the opinion I have formed.

Vikas Gupta
Audit Partner - UHY Haines Norton Chartered Accountants Sydney
Signed at Sydney, Australia on 30 May 2024