Medcorp Limited

Audited Financial Statements

For the year ended December 31, 2024

Medcorp Limited

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For the year ended December 31, 2024
(Expressed in Trinidad and Tobago Dollars)

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Independent Auditors' Report

To the Shareholders of
Medcorp Limited

Opinion

We have audited the financial statements of Medcorp Limited (the "Company"), which comprise the statement of financial position as at December 31, 2024, and the related statements of comprehensive income, changes in equity and cash flows for the year then ended and notes to the financial statements, including a summary material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

Basis for Opinion

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

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

Independent Auditors' Report (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

BDO

April 4, 2025

Port of Spain,
Trinidad, West Indies

Medcorp Limited

Statement of Financial Position
As at December 31, 2024
(Expressed in Trinidad and Tobago Dollars)

	Notes	2024	2023
Assets			
Non-current assets			
Property, plant and equipment	5	156,379,541	168,388,144
Investment in joint venture	6	10,410,959	7,554,467
Total non-current assets		**166,790,500**	**175,942,611**
Current assets			
Inventories	7	7,596,745	6,763,369
Trade and other receivables	8	26,943,609	29,856,936
Taxation recoverable		5,909,445	1,615,027
Due from related party	9	4,857,944	4,843,344
Cash and cash equivalents		18,640,128	37,624,569
Total current assets		**63,947,871**	**80,703,245**
Total assets		**$230,738,371**	**$256,645,856**
Shareholders' equity			
Stated capital	10	7,479,977	33,409,119
Retained earnings		64,377,229	52,989,573
Total shareholders' equity		**71,857,206**	**86,398,692**
Liabilities			
Non-current liabilities			
Borrowings	11	151,363	2,845,956
Lease liability	12	98,045,844	107,246,223
Deferred tax liability	13	5,520,581	4,657,339
Total non-current liabilities		**103,717,788**	**114,749,518**
Current liabilities			
Bank overdraft	14	7,289,841	6,837,229
Borrowings	11	2,707,793	5,704,724
Lease liability	12	8,479,943	8,533,766
Trade payables and accruals	15	23,589,603	20,906,347
Taxation payable		1,876,231	6,614,531
Due to related parties	9	11,219,966	6,901,049
Total current liabilities		**55,163,377**	**55,497,646**
Total liabilities		**158,881,165**	**170,247,164**
Total shareholders' equity and liabilities		**$230,738,371**	**$256,645,856**

The accompanying notes form an integral part of these financial statements.

On April 4, 2025, the Board of Directors of Medcorp Limited authorised these financial statements for issue.

Director

Director

Medcorp Limited

Statement of Comprehensive Income
Year ended December 31, 2024
(Expressed in Trinidad and Tobago Dollars)

	Notes	2024	2023
Revenue	16	122,235,092	127,015,249
Cost of sales	17	(57,211,542)	(52,777,673)
Gross profit		65,023,550	74,237,576
Other income		2,332,477	3,346,418
		67,356,027	77,583,994
Expenses			
Administrative expenses	18	(41,114,163)	(36,461,407)
Other expenses	20	(2,881,453)	(1,688,439)
		(43,995,616)	(38,149,846)
Operating profit		23,360,411	39,434,148
Dividends waived	9	-	30,694,185
Shareholder liability waived	10	25,929,142	-
Share of profit of joint venture	6	4,828,424	4,978,510
Finance costs		(5,947,796)	(3,212,896)
Profit before taxation		48,170,181	71,893,947
Taxation charge	21	(6,862,617)	(14,824,829)
Total comprehensive income for the year attributable to shareholders		**$41,307,564**	**$57,069,118**

The accompanying notes form an integral part of these financial statements.

Medcorp Limited

Statement of Changes in Equity
Year ended December 31, 2024
(Expressed in Trinidad and Tobago Dollars)

	Stated capital	Retained earnings	Total
Year ended December 31, 2024			
Balance as at January 1, 2024	33,409,119	52,989,573	86,398,692
Comprehensive income for the year			
Total comprehensive income attributable to shareholders	-	41,307,564	41,307,564
Total comprehensive income	**-**	**41,307,564**	**41,307,564**
Transactions with owners			
Stated capital reduction (Note 10)	(25,929,142)	-	-
Dividends paid	-	(29,919,908)	(29,919,908)
Total transactions with owners	**(25,929,142)**	**(29,919,908)**	**(55,849,050)**
Balance as at December 31, 2024	**$7,479,977**	**$64,377,229**	**$71,857,206**
Year ended December 31, 2023			
Balance as at January 1, 2023	33,409,119	3,400,432	36,809,551
Comprehensive income for the year			
Total comprehensive income attributable to shareholders	-	57,069,118	57,069,118
Total comprehensive income	**-**	**57,069,118**	**57,069,118**
Transactions with owners			
Dividends paid	-	(7,479,977)	(7,479,977)
Total transactions with owners	**-**	**(7,479,977)**	**(7,479,977)**
Balance as at December 31, 2023	**$33,409,119**	**$52,989,573**	**$86,398,692**

The accompanying notes form an integral part of these financial statements.

Medcorp Limited

Statement of Cash Flows
Year ended December 31, 2024
(Expressed in Trinidad and Tobago Dollars)

	2024	2023
Cash flows from operating activities		
Profit before taxation	48,170,181	71,893,947
Adjustments to reconcile profit to net cash provided by operating activities:		
Loss/(gain) on disposal of property, plant and equipment	-	2
Bad debts (reversal)/expense	(1,399,359)	772,314
Lease interest	4,946,842	2,583,600
Depreciation	16,579,489	10,989,360
Shareholder liability waived	(25,929,142)	-
Share of profit of joint venture	(4,828,424)	(4,978,510)
Property, plant and equipment adjustment	-	(974)
Interest expense	1,000,954	611,210
	38,540,541	81,870,949
Changes in operating assets/liabilities:		
(Increase)/decrease in inventories	(833,376)	444,388
Decrease/(increase) in trade and other receivables	4,312,686	(17,142,142)
(Increase)/decrease in due from related party	(14,600)	23,017
Increase in trade payables and accruals	2,683,256	962,986
Decrease in due to related parties	(6,901,049)	(23,793,136)
Cash provided by operations	37,787,458	42,366,062
Taxes paid	(13,060,161)	(8,059,627)
Net cash provided by operating activities	**24,727,297**	**34,306,435**
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,602,886)	(5,600,151)
Dividends received from joint venture	-	4,500,000
Proceeds from disposal of property, plant and equipment	32,000	-
Net cash used in investing activities	**(4,570,886)**	**(1,100,151)**
Cash flows from financing activities		
Lease payments	(14,201,044)	(11,047,580)
Repayment of borrowings	(5,691,524)	(5,589,124)
Interest paid	(1,000,954)	(611,210)
Dividends paid	(18,699,942)	(7,479,977)
Net cash used in financing activities	**(39,593,464)**	**(24,727,891)**
Net (decrease)/increase in cash and cash equivalents	**(19,437,053)**	**8,478,393**
Cash and cash equivalents		
As at beginning of year	30,787,340	22,308,947
As at end of year	**$11,350,287**	**$30,787,340**
Represented by:		
Cash at bank and in hand	18,640,128	37,624,569
Bank overdraft	(7,289,841)	(6,837,229)
	$11,350,287	**$30,787,340**

The accompanying notes form an integral part of these financial statements.

1. General information

Medcorp Limited was incorporated in the Republic of Trinidad and Tobago by way of continuance on March 25, 1999. On October 1, 2024, the Medcorp Limited was amalgamated with its 100% owned subsidiaries, Medical X-Ray and Diagnostic Clinic Limited (incorporated in the Republic of Trinidad and Tobago on June 29, 2000) and Cancer Centre of the Caribbean Limited (incorporated in the Republic of Trinidad and Tobago on May 23, 2003) to form one company, Medcorp Limited (the "Company").

The Company's main business is the operation of a private hospital, the provision of radiology services and the provision of cancer treatment services. Its registered office is located at 18 Elizabeth Street, St Clair, Port of Spain, Trinidad and Tobago.

The investment in joint venture represents a 50% shareholding in Caribbean Heart Care Medcorp Limited, which is incorporated in the Republic of Trinidad and Tobago and is involved in performing open-heart surgeries.

The comparative information disclosed for the year ended December 31, 2023, were extracted from the consolidated financial statements of the Company for the year ended December 31, 2023. The comparative information disclosed is considered comparable.

2. Material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

2.1 Basis of preparation

These financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") under the historical cost convention.

The preparation of financial statements in conformity with IFRS Accounting Standards require the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Although these estimates are based on management's best knowledge of current events and conditions, actual results could differ from these estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are the determination of depreciation rates and the provision for impairment of financial assets measured at amortised costs.

(i) Standards, amendments and interpretations to existing Standards applicable to the Company in the current year which were adopted by the Company

The Company adopted the following new amendments with a transition date of January 1, 2024. There were no significant changes made to these financial statements resulting from the adoption of these new amendments:

The IASB issued amendments to IAS 1 - Classification of Liabilities as Current or Non-current in January 2020, which have been further amended partially by amendments Non-current Liabilities with Covenants issued in October 2022. The amendments require that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement for at least twelve months after the reporting period.

2. Material accounting policies (continued)

2.1 Basis of preparation (continued)

(i) Standards, amendments and interpretations to existing Standards applicable to the Company in the current year which were adopted by the Company (continued)

Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-Current, the IASB amended IAS 1 further in October 2022. If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current.

The IFRS Interpretations Committee issued an agenda decision in June 2020 – Sale and leaseback with Variable Payments. The Amendments provide a requirement for the seller-lessee to determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

(ii) New standards, amendments and interpretations issued but not effective and not early adopted

The following new standards, interpretations and amendments, which have not been applied in these financial statements, will or may have an effect on the Company's future financial statements in the period of initial application. In all cases the entity intends to apply these standards from application date as indicated in the note below.

On August 15, 2023, the IASB issued Lack of Exchangeability which amended IAS 21 The Effects of Changes in Foreign Exchange Rates (the Amendments). The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. The amendments are effective for annual reporting periods beginning on or after January 1, 2025.

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments. The Amendments modify the following requirements in IFRS 9 and IFRS 7:

- Derecognition of financial liabilities settled through electronic transfers.
- Elements of interest in a basic lending arrangement (the solely payments of principal and interest assessment – 'SPPI test')
- Contractual terms that change the timing or amount of contractual cash flows
- Financial assets with non-recourse features
- Investments in contractually linked instruments
- Disclosures in investments in equity instruments designated at fair value through other comprehensive income and contractual terms that could change the timing or amount of contractual cash flows.

The Amendments may significantly affect how entities account for the derecognition of financial liabilities and how financial assets are classified.

2. Material accounting policies (continued)

2.1 Basis of preparation (continued)

(ii) New standards, amendments and interpretations issued but not effective and not early adopted (continued)

The Amendments permit an entity to early adopt only the amendments related to the classification of financial assets and the related disclosures and apply the remaining amendments later. The amendments are effective for annual reporting periods beginning on or after January 1, 2025.

IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation of Financial Statements and is mandatorily effective for annual reporting periods beginning on or after January 1, 2027. IFRS 18, which was published by the IASB on April 9, 2024, sets out significant new requirements for how financial statements are presented, with particular focus on:

- The statement of profit or loss, including requirements for mandatory sub-totals to be presented. IFRS 18 introduces requirements for items of income and expense to be classified into one of five categories in the statement of profit or loss. This classification results in certain sub-totals being presented, such as the sum of all items of income and expense in the operating category comprising the new mandatory 'operating profit or loss' sub-total.
- Aggregation and disaggregation of information, including the introduction of overall principles for how information should be aggregated and disaggregated in financial statements.
- Disclosures related to management-defined performance measures (MPMs), which are measures of financial performance based on a total or sub-total required by IFRS Accounting Standards with adjustments made (e.g. 'adjusted profit or loss'). Entities will be required to disclose MPMs in the financial statements with disclosures, including reconciliations of MPMs to the nearest total or sub-total calculated in accordance with IFRS Accounting Standards.

The aim of the IASB in publishing IFRS 18 is to improve comparability and transparency of companies' performance reporting. IFRS 18 has also resulted in narrow changes to the statement of cash flows.

Other standards, amendments and interpretations to existing standards in issue but not yet effective are not considered to be relevant to the Company and have not been disclosed.

(iii) Standards, amendments and interpretations to existing standards early adopted by the Company

The Company did not early adopt any new revised or amended standards.

2.2 Investment in Joint Venture

The Company is a party to a joint arrangement when there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the Company and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

The Company classifies its interests in joint arrangements as either:

(i) *Joint ventures*: where the Company has rights to only the net assets of the joint arrangement

(ii) *Joint operations*: where the Company has both the rights to assets and obligations for the liabilities of the joint arrangement.

2. Material accounting policies (continued)

2.2 Joint arrangements (continued)

In assessing the classification of interests in joint arrangements, the Company considers:

- The structure of the joint arrangement
- The legal form of joint arrangements structured through a separate vehicle
- The contractual terms of the joint arrangement agreement
- Any other facts and circumstances (including any other contractual arrangements).
- The Group accounts for its interests in Caribbean Heart Care Medcorp Limited as a joint venture.

Joint ventures are initially recognised in the statement of financial position at cost. Subsequently, joint ventures are accounted for using the equity method, where the Company's share of post-acquisition profits and losses and other comprehensive income is recognised in the statement of other comprehensive income (except for losses in excess of the Company's investment in the joint venture unless there is an obligation to make good those losses). Distributions received from a joint venture reduce the carrying amount of the investment.

Profits and losses arising from transactions between the Company and its joint ventures are recognised only to the extent of unrelated investors' interests in the joint venture. The investor's share in the joint venture's profits and losses resulting from these transactions is eliminated against the carrying value of the joint venture.

Any premium paid for a joint venture above the fair value of the Company's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the joint venture. Where there is objective evidence that the investment in a joint venture has been impaired the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

2.3 Foreign currency

(i) *Functional and presentation currency*

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). These financial statements are presented in Trinidad and Tobago dollars, which is the Company’s functional and presentation currency.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income. Such balances are translated at year-end exchange rates.

2.4 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

2. Material accounting policies (continued)

2.4 Property, plant and equipment (continued)

Depreciation is calculated using the reducing balance method to allocate the assets' cost to their residual values over their estimated useful lives as follows:

Leasehold improvements	2%
Medical and surgical equipment	10% - 20%
Fixtures and fittings	25%
Computer equipment	50%
Motor vehicles	33⅓%
Right of use asset	Over lease period

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the results for the year.

2.5 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the first-in, first-out method. Net realisable value is the estimated selling price in the ordinary course of business less selling expenses.

2.6 Impairment of non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. Impairment charges are included in the profit or loss, except to the extent they reverse gains previously recognised in other comprehensive income.

2.7 Financial assets

The Company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired.

Fair value through profit or loss

This category comprises of an investment held in a mutual fund. It is carried in the statement of financial position at fair value with changes in fair value recognised in the statement of comprehensive income in the other income or other expense line.

Amortised cost

These assets arise principally from the provision of goods and services to customers (eg trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

2. Material accounting policies (continued)

2.7 Financial assets (continued)

Amortised cost (continued)

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process, the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within administrative expenses in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since the initial recognition of the financial asset. For those where the credit risk has not increased significantly since the initial recognition of the financial asset, twelve months expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit-impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

From time to time, the Company elects to renegotiate the terms of trade receivables due from customers with which it has previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in the statement of comprehensive income (operating profit).

The Company's financial assets measured at amortised cost comprise trade and other receivables, due from related parties and cash and cash equivalents in the statement of financial position.

Trade receivables are amounts due from customers for the sale of goods and provision of services in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and, for the purpose of the statement of cash flows, bank overdrafts.

2.8 Current and deferred income taxes

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income. In this case, the tax charge is calculated on the basis of the tax laws enacted at the year-end.

Corporation tax is charged at 30% of all chargeable income.

Business levy and green fund levy are computed at the rate of 0.6% and 0.3% respectively on gross income.

2. Material accounting policies (continued)

2.8 Current and deferred income taxes (continued)

Deferred income tax is recognised, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary difference will be utilised.

The principal temporary differences arise from depreciation on property, plant and equipment and tax losses.

2.9 Stated capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax. Transfers to stated capital for which shares have not yet been issued are reflected as contributed capital.

2.10 Borrowings

Borrowings are recognised initially at the proceeds received net of transaction costs incurred. Borrowings are subsequently recognised net of loan repayments. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the asset. All other borrowing costs are expensed.

2.11 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.12 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are not recognised for future operating losses. When 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. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

2. Material accounting policies (continued)

2.13 Leases

The Company accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

- There is an identified asset;
- The Company obtains substantially all the economic benefits from the use of the asset; and
- The Company has the right to direct use of the asset.

The Company considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease. In determining whether the Company obtains substantially all the economic benefits from the use of the asset, the Company considers only the economic benefits that arise use of the asset, not those incidental to legal ownership or other potential benefits.

In determining whether the Company has the right to direct use of the asset, the Company considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Company considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Company applies other applicable IFRSs rather than IFRS 16.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low-value assets; and
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

2. Material accounting policies (continued)

2.13 Leases (continued)

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Company if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

  Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before the commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

For contracts that both convey a right to the Company to use an identified asset and require services to be provided to the Company by the lessor, the Company has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

2.14 Revenue recognition

Revenue is derived from the provision of services with revenue recognised at a point in time. This is because the Company provides, and the customer accepts the services simultaneously. Revenue is derived from fixed-price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices. There is no judgement involved in allocating the contract price to each unit ordered in such contracts.

2.15 Expenses

Expenses are recognised on an accrual basis in the reporting period during which the related income is earned.

2.16 Dividends

Dividend distribution to the Company’s shareholders is recognised as a liability in the Company’s financial statements in the period in which the dividends are approved by the Board of Directors of the Company.

3. Financial risk management

3.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. Management seeks to minimise potential adverse effects on the financial performance of the Company by applying procedures to identify, evaluate and manage these risks:

(i) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company has a significant concentration of credit risk attached to receivables from one major customer, but the recoverability of these receivables is not in doubt. The Company has policies in place to ensure that sales are made to customers with an appropriate credit history. Receivable balances are shown net of provision for impairment for doubtful debts. Credit risk disclosures are included in Note 8.

Cash and deposits are held with reputable financial institutions.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the management of the Company aims at maintaining flexibility in funding by keeping committed lines of credit available.

The table below analyses the Company's financial liabilities based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year	Over 1 year
As at December 31, 2024		
Bank overdraft	7,289,841	-
Borrowings	2,707,793	151,363
Lease liability	8,479,943	98,045,844
Trade payables and accruals	23,589,603	-
Due to related parties	11,219,966	-
	$53,287,146	**$98,197,207**
As at December 31, 2023		
Bank overdraft	6,837,229	-
Borrowings	5,704,724	2,845,956
Lease liability	8,533,766	107,246,223
Trade payables and accruals	20,906,347	-
Due to related parties	6,901,049	-
	$48,883,115	**$110,092,179**

3. Financial risk management (continued)

3.1 Financial risk factors (continued)

(iii) Market risk

(a) Cash flow and fair value interest rate risk

Other than cash and cash equivalents, which is not significantly exposed to interest rate risk, the Company has no significant floating interest-bearing assets or liabilities. The Company's income and operating cash flows are substantially independent of changes in market interest rates.

(b) Foreign exchange risk

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States dollar. Foreign exchange risk arises from future commercial transactions and when recognised assets or liabilities are denominated in a currency that is not the Company's functional currency.

The Company monitors its exposure to fluctuations in foreign currencies. If it is determined that there is a need to hedge this exposure the appropriate instrument is used.

At December 31, 2024, if the TT dollar had weakened/ strengthened by 5% against the US dollar with all other variables held constant, post-tax profit/loss for the year would have been $221,801 (2023: $239,156) higher/lower, mainly as a result of foreign exchange losses/gains on translation of US dollar-denominated cash and cash equivalents and borrowings.

3.2 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio.

This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

3. Financial risk management (continued)

3.2 Capital risk management (continued)

The gearing ratios at December 31, 2024, and 2023 are as follows:

	2024	2023
Total lease liability, borrowings and bank overdraft	116,674,784	131,167,898
Less: cash and cash equivalents	(18,640,128)	(37,624,569)
Net debt	$98,034,656	$93,543,329
Total equity	$71,857,206	$86,398,692
Gearing ratio	136%	108%

3.3 Fair value estimation

The carrying amount of short-term financial assets and liabilities comprising cash and cash equivalents, trade and other receivables, due from related party, trade payables and accruals, bank overdraft, borrowings and due to related party are reasonable estimates of their fair values because of the short-term maturity of these instruments.

The fair value measurement of the Company's financial assets utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

Level 1: Quoted prices in active markets for identical items (unadjusted)

Level 2: Observable direct or indirect inputs other than Level 1 inputs

Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

4. Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

	Amortised cost	
	2024	**2023**
Assets as per statement of financial position		
Trade and other receivables	26,046,888	29,600,718
Due from related party	4,857,944	4,843,344
Cash and cash equivalents	18,640,128	37,624,569
	$49,544,960	**$72,068,631**

4. Financial instruments by category (continued)

	Amortised cost	
	2024	**2023**
Liabilities as per statement of financial position		
Bank overdraft	7,289,841	6,837,229
Borrowings	2,859,156	8,550,680
Lease liability	106,525,787	115,779,989
Trade payables and accruals	23,589,603	20,906,347
Due to related parties	11,219,966	6,901,049
	$151,484,353	**$158,975,294**

5. Property, plant and equipment

	Right of use asset	Leasehold improvements	Medical and surgical equipment	Fixtures and fittings	Computer equipment	Motor vehicles	Work-in-progress	Total
Year ended December 31, 2024								
Cost								
Balance as at January 1, 2024	144,761,384	7,323,335	104,698,109	4,883,465	7,734,870	1,152,001	-	270,553,164
Additions	-	644,525	3,761,816	54,567	61,978	80,000	-	4,602,886
Disposals	-	-	-	-	-	(155,000)	-	(155,000)
Balance as at December 31, 2024	144,761,384	7,967,860	108,459,925	4,938,032	7,796,848	1,077,001	-	275,001,050
Accumulated depreciation								
Balance as at January 1, 2024	(19,202,029)	(1,606,914)	(68,726,933)	(4,457,229)	(7,019,914)	(1,152,001)	-	(102,165,020)
Depreciation charge	(11,386,885)	(121,464)	(4,545,395)	(84,294)	(418,427)	(23,024)	-	(16,579,489)
Disposals	-	-	-	-	-	123,000	-	123,000
Balance as at December 31, 2024	(30,588,914)	(1,728,378)	(73,272,328)	(4,541,523)	(7,438,341)	(1,052,025)	-	(118,621,509)
Net book value as at December 31, 2024	**$114,172,470**	**$6,239,482**	**$35,187,597**	**$396,509**	**$358,507**	**$24,976**	**$-**	**$156,379,541**
Year ended December 31, 2023								
Cost								
Balance as at January 1, 2023	44,305,470	7,230,602	97,108,929	4,736,819	7,257,958	1,152,001	2,706,120	164,497,899
Additions	-	92,733	4,883,060	147,446	476,912	-	-	5,600,151
Disposals	-	-	-	(800)	-	-	-	(800)
Transfer	-	-	2,706,120	-	-	-	(2,706,120)	-
Lease modification	100,455,914	-	-	-	-	-	-	100,455,914
Balance as at December 31, 2023	144,761,384	7,323,335	104,698,109	4,883,465	7,734,870	1,152,001	-	270,553,164
Accumulated depreciation								
Balance as at January 1, 2023	(13,395,988)	(1,491,478)	(64,303,375)	(4,339,610)	(6,494,980)	(1,152,001)	-	(91,177,432)
Depreciation charge	(5,806,041)	(115,436)	(4,423,558)	(119,391)	(524,934)	-	-	(10,989,360)
Disposals	-	-	-	798	-	-	-	798
Adjustment	-	-	-	974	-	-	-	974
Balance as at December 31, 2023	(19,202,029)	(1,606,914)	(68,726,933)	(4,457,229)	(7,019,914)	(1,152,001)	-	(102,165,020)
Net book value as at December 31, 2023	**$125,559,355**	**$5,716,421**	**$35,971,176**	**$426,236**	**$714,956**	**$-**	**$-**	**$168,388,144**

6. Investment in joint venture

	2024	2023
As at beginning of year	7,554,467	8,959,995
Dividends received	-	(4,500,000)
Share of profit before tax	4,828,424	4,978,510
Share of tax	(1,971,932)	(1,884,038)
As at end of year	**$10,410,959**	**$7,554,467**

The Company has a 50% (2023: 50%) interest in Caribbean Heart Care Medcorp Limited. The primary activity of Caribbean Heart Care Medcorp Limited is the provision of cardiac surgery and cardiology services.

The contractual arrangement of the joint venture provides the Company with only the rights to the net assets of the joint arrangement, with the rights to the assets and obligation for liabilities of the joint arrangement resting primarily with Caribbean Heart Care Medcorp Limited. Under IFRS 11 this joint arrangement is classified as a joint venture and has been included in the financial statements using the equity method.

Summarised financial information in relation to the joint venture is presented below:

	2024	2023
As at 31 December		
Current assets	$36,942,933	$39,666,974
Non-current assets	$18,926,044	$19,168,930
Current liabilities	$24,048,548	$32,192,839
Non-current liabilities	$9,451,742	$9,987,363
Year ended 31 December	**2024**	**2023**
Revenue	$72,547,607	$79,293,742
Total comprehensive income	$5,712,985	$6,188,945

7. Inventories

	2024	2023
Medication and medical supplies	**$7,596,745**	**$6,763,369**

8. Trade and other receivables

	2024	2023
Trade receivables	26,813,500	31,330,863
Less: impairment for doubtful debts	(1,082,189)	(2,481,548)
Trade receivables – net	25,731,311	28,849,315
Other receivables	315,577	751,403
Prepayments	896,721	256,218
	$26,943,609	**$29,856,936**

The Company applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and ageing.

8. Trade and other receivables (continued)

The expected loss rates are based on the Company's historical credit losses experienced over the three-year period prior to the period's end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Company's customers. The Company has identified the gross domestic product ("GDP"), unemployment rate and inflation rate as the key macroeconomic factors.

At December 31, 2024 and 2023, the lifetime expected loss provision for trade receivables and contract assets is as follows:

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
As at December 31, 2024					
Expected loss rate	1%	2%	9%	4%	
Gross carrying amount	4,025,963	3,784,777	2,137,768	16,864,992	**$26,813,500**
Loss provision	83,254	120,287	142,085	736,563	**$1,082,189**
As at December 31, 2023					
Expected loss rate	6%	7%	10%	10%	
Gross carrying amount	$5,898,735	$2,938,569	$757,295	$21,736,264	**$31,330,863**
Loss provision	$234,228	$104,932	$28,487	$2,113,901	**$2,481,548**

Movement on the provision for impairment of trade receivables is as follows:

	2024	2023
As at January 1	2,481,548	1,200,177
Provision for the year	-	772,314
Bad debts (reversed)/written off	(1,399,359)	509,057
As at December 31	**$1,082,189**	**$2,481,548**

The other receivables and prepayments do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Company does not hold any collateral as security.

9. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. Outstanding balances at year-end are unsecured, interest-free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

	2024	2023
(i) Key management compensation		
Salaries and other short-term employee benefits	**$1,294,000**	**$1,004,100**
Directors' fees	**$1,632,500**	**$1,668,779**

9. Related party transactions (continued)

	2024	2023
(ii) Year-end balances arising from purchases of services:		
Due from related party:		
Current		
Joint Venture	4,857,944	4,843,344
	$4,857,944	**$4,843,344**
Due to related parties		
Current		
Shareholders	(11,219,966)	-
Other entity with common control	-	(6,901,049)
	$(11,219,966)	**$(6,901,049)**

Dividend waived

During the year ended December 31, 2023, certain shareholders to whom dividends were owed amounting to $30,694,185, irrevocably waived their right to receive the outstanding dividends. This was treated as income in the statement of comprehensive income.

	2024	2023
(iii) Transactions with entity with joint control		
Joint Venture – income earned	**$10,454,444**	**$11,341,537**
(iv) Transactions with other related parties		
Professional fees paid	**$950,000**	**$890,100**
Payments to related party pursuant to occupancy agreement	**$10,862,016**	**$11,047,582**
Right of use asset		
Other entity with common control	**$114,172,470**	**$125,559,356**
Lease liability		
Other entity with common control	**$106,525,787**	**$115,779,989**

10. Stated capital

	2024	2023
Authorised		
An unlimited number of ordinary shares of no par value		
Issued and fully paid		
7,479,977 ordinary shares of no par value	**$7,479,977**	**$33,409,119**

On October 1, 2024, Medcorp Limited was amalgamated with its 100% owned subsidiaries, Medical X-Ray and Diagnostic Clinic Limited and Cancer Centre of the Caribbean Limited to form one company, Medcorp Limited, in accordance with the terms and conditions of an amalgamation agreement dated October 1, 2024, which provided for a reduction in the Company's stated capital by the sum of $25,929,142. As a result, the stated capital attributable to the Company's ordinary shares as at October 1, 2024 is $7,479,977. The shareholders subsequently irrevocably waived their right to receive the full amount by which the stated capital was reduced and agreed to have this credited to the amalgamated company’s profit or loss. The reduction of share capital is intended to improve the flexibility in the Company’s capital structure and facilitate future capital needs and returns to shareholders.

11. Borrowings

	2024	2023
Non-current		
Republic Bank Limited	151,363	2,131,734
Scotiabank Limited	-	714,222
	$151,363	**$2,845,956**
Current		
Republic Bank Limited	1,993,571	3,821,057
Scotiabank Limited	714,222	1,883,667
	$2,707,793	**$5,704,724**

Loan – Republic Bank Limited

The loan outstanding represents a credit facility offered by the Bank via a letter of credit. Additional withdrawals were made to this facility during the financial year resulting in a balance of $9,551,915 as at year-end. This loan bears interest at a fixed rate of 5.70% and matures in June 2025.

The following security is held by the Bank for the above loan:

- Letter of undertaking restricting dividends to no more than 70% of profits in any one year.
- Chattel mortgage over medical equipment stamped to cover $17,600,000.
- Insurance coverage over medical equipment for $12,916,000 with the Bank's interest noted.
- Loan agreement stamped to cover $17,600,000.

Loan - Scotiabank Limited

The loans outstanding represent the balance on $3,828,000 and $2,142,000 loans which were taken out on November 18, 2021, and November 17, 2022, respectively. This loans bear interest at a fixed rate of 3.75%. The loans are repayable in monthly instalments of $106,333 and $59,500, inclusive of interest and matured on November 30, 2024, and matures on November 30, 2025, respectively.

The following security is held by the Bank for the above loan:

- Authority to hold funds in the amount of $60,000.
- Debenture stamped to cover $10,000,000.
- Assignment of fire insurance with Norman Gabriel Insurance Brokers Limited, in the amount of $92,276,056.

12. Lease liability

The Company entered into an agreement with an entity with common control for the occupancy of properties located at 10 Luckput Street, 7 Fitzblackman Drive, 18 Elizabeth Street and 70 Pembroke Street, Port of Spain. The said entity with common control took a loan to the value of $100,000,000 and the Company pays the loan instalments in lieu of rental payments. The Company is a guarantor of this loan.

12. Lease liability (continued)

	2024	2023
Opening lease liability	115,779,989	23,788,055
Lease modification	-	100,455,914
Lease payments made	(14,201,044)	(11,047,580)
Interest expense	4,946,842	2,583,600
Closing lease liability	**$106,525,787**	**$115,779,989**
Current liability	8,479,943	8,533,766
Non-current liability	98,045,844	107,246,223
	$106,525,787	**$115,779,989**

Lease modification

During the year ended December 31, 2023, the said agreement between the Company and the company with common control was modified whereby the monthly payments increased by $890,168 and the term was extended to August 2035.

The securities on this lease liability are as follows:

- Deed of mortgage dated January 14, 2014, registered on February 13, 2014, as DE201400367396D001 made among the Company, Hashingbrown Limited, Goodhealth Investment Limited and Perudway, stamped to secure $40,000,000 over the properties as follows:
    - First demand mortgage over property located at 18 Elizabeth Street, Port of Spain.
    - First demand mortgage over property located at 1-7 Fitzblackman Drive, Woodbrook.
    - First demand mortgage over property located at 21 and 23 Pembroke Street, Port of Spain.
    - Assignment of fire insurance with Faber Global Limited, policy number 1841F16-069 (local broker Norman Gabriel Limited Insurance Brokers) over the above properties with RBC Royal Bank (Trinidad and Tobago) Limited noted as the first mortgagee, in the amount of $86,175,000.
    - Guarantees and postponement of a claim for the following principals totalling $49,500,000 and stamped collateral to the above mortgages as follows:
        - Guarantee and postponement of claim dated November 11, 2013, signed by a related party with common control for $40,000,000 held to secure advances in the name of the Company. Stamped collateral to the deed of mortgage dated January 14, 2014, registered on February 13, 2014, as DE201400367396D001 to the above mortgage.
        - Guarantee and postponement of claim dated November 11, 2013, signed by three key management personnel for $9,500,000 held to secure advances in the name of the Company. Stamped collateral to the deed of mortgage dated January 14, 2014, registered on February 13, 2014, as DE201400367396D001 to the above mortgage.

13. Deferred taxation

Deferred income taxes are calculated on all temporary differences under the liability method using a principal tax rate of 30%.

The following is the movement for the year:

	2024	2023
Balance as at the beginning of the year	4,657,339	3,316,898
Charge to statement of comprehensive income	863,242	1,340,441
Balance as at the end of the year	**$5,520,581**	**$4,657,339**

The deferred tax liability arose from the accelerated tax wear and tear allowance on property, plant and equipment.

14. Bank overdraft

The Company has an overdraft facility of $3,000,000 with Republic Bank Limited. Interest is charged at the bank's Trinidad and Tobago Dollar Base Lending Rate which was 7.5% (2023: 7.5%) at year-end.

15. Trade payables and accruals

	2024	2023
Trade payables	10,944,841	9,202,804
Accruals	4,199,114	4,724,240
Stale dated cheques	4,091,560	4,124,597
Insurance premium accrual	3,750,000	2,500,000
Payroll liabilities	604,088	354,706
	$23,589,603	**$20,906,347**

16. Revenue

	2024	2023
Inpatient services	74,915,750	65,636,460
Outpatient services	25,921,635	33,178,686
Radiation/chemotherapy services	21,397,707	28,200,103
	$122,235,092	**$127,015,249**

17. Cost of sales

	2024	2023
Professional fees	16,313,235	16,741,041
Direct wages	11,317,138	11,270,059
Laboratory expenses	10,879,464	5,919,912
Supplies consumed	14,136,879	13,994,999
Surgical and testing expenses	3,039,010	3,169,990
Other patient supplies	1,525,816	1,681,672
	$57,211,542	**$52,777,673**

18. Administrative expenses

	2024	2023
Depreciation	16,579,489	10,989,360
Staff costs (Note 19)	14,933,276	14,192,570
Repairs and maintenance expense	2,471,955	3,217,455
Professional fees	1,596,843	694,884
General insurance	1,507,412	681,867
Cleaning and pest control	1,361,977	1,480,659
Utilities	1,184,421	1,230,576
Security	839,627	959,072
Printing and stationery	643,506	607,190
Administration costs	622,797	887,868
Telephone	375,704	422,288
Advertising	238,130	167,385
Rental equipment	92,166	78,408
Travel and transport	66,219	79,511
Provision for bad debts, net of recoveries	(1,399,359)	772,314
	$41,114,163	**$36,461,407**

19. Staff costs

	2024	2023
Salaries	9,949,586	9,432,955
Directors' fees	1,632,500	1,668,779
Staff bonus	1,318,675	849,232
Health insurance	726,512	672,965
Pension expense	713,928	42,288
National insurance	366,380	698,839
Uniform	161,691	5,346
Staff welfare	33,408	822,166
Staff training	30,596	-
	$14,933,276	**$14,192,570**

20. Other expenses

	2024	2023
Miscellaneous expenses	1,802,056	592,981
Bank charges	1,065,060	1,086,493
Donations	10,980	1,104
Entertainment	3,357	-
Internet	-	7,859
Loss on disposal of property, plant and equipment	-	2
	$2,881,453	**$1,688,439**

21. Taxation

	2024	2023
Corporation tax	4,611,972	9,321,965
Green fund levy	373,703	392,197
Deferred taxation charge (Note 13)	863,242	1,340,441
Business levy	-	12,688
Prior year (over)/under provision	(958,232)	1,873,500
Share of joint venture tax	1,971,932	1,884,038
Taxation charge	**$6,862,617**	**$14,824,829**

The tax on the Company's profit differs from the theoretical amount that would arise using the basic tax rate as follows:

	2024	2023
Adjusted profit before taxation	17,412,615	66,915,435
Tax calculated at statutory rate	5,223,785	20,074,631
Non-deductible expenses	6,764,802	5,363,225
Income not taxable and allowances	(7,376,615)	(16,176,748)
Green fund levy	373,703	392,197
Business levy	-	12,688
Tax losses carried forward	-	60,857
Deferred tax charge	863,242	1,340,441
Prior year (over)/under provision	(958,232)	1,873,500
Share of joint venture tax	1,971,932	1,884,038
Taxation charge	**$6,862,617**	**$14,824,829**

22. Contingent liabilities

(i) The Company has been named as the first defendant in High Court Action 2022-01302. The respective claimant has made claims for the damages and loss suffered as a result of the alleged negligence by the Company. No determination that an unfavourable outcome is either probable or remote can be made at this time. Similarly, no accurate estimate of any potential loss can be made at this time. Hence, no provision has been made for these costs in these financial statements.

(ii) Bonds

	2024	2023
Ministry of National Security	**$275,000**	**$275,000**

A term deposit of $275,000 (2023: $275,000) is held as security against the Ministry of National Security Bonds.

23. Subsequent events

Management has evaluated the possibility of subsequent events existing in the Company's financial statements from January 1, 2025, through April 4, 2025, the date the financial statements were available to be issued. Management has determined that there are no material events that would require adjustment to or disclosure in the Company's financial statements other than the below.

The Company has been registered as a reporting issuer under the Securities Act, 2012 (as amended) and has applied to the Trinidad and Tobago Stock Exchange Limited for the listing of its ordinary shares on the Small to Medium Market of the Trinidad and Tobago Stock Exchange.