

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES

ABN 15 159 974 946

FINANCIAL REPORT

FOR THE YEAR ENDED 31 MARCH 2024

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES

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FOR THE YEAR ENDED 31 MARCH 2024

Financial Report

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RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT

The directors present their report together with the financial report of Ramco Systems Australia Pty Ltd and its Controlled Entities, Ramco Systems Australia Pty Ltd, New Zealand Branch (collectively hereafter referred to as "the Group") for the financial year ended 31 March 2024 and the auditor's report thereon.

Directors

The names of directors of the group in office at any time during or since the end of the financial year are:

Raghuveer Sandesh Bilagi
Ravikulachandran Ramamurthy
Pusapadi Ramasubramania Raja Venketrama Raja
Vikas Goel

Directors of the group have been in office since the start of the financial year to the date of this report unless otherwise stated.

Results

The loss for the group for the financial year after providing for income tax amounted to \$3,757,177 (2023: Loss \$4,637,609).

Review of Operations

The group continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

Significant Changes in State of Affairs

There were no significant changes in the state of affairs for the group for the year.

Principal Activities

The principal activity of the group are mainly to carry on the business pertaining to, or connected with and involving information technology and software. No change in the nature of these activities occurred during the year.

Events After Balance Sheet Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the group, the results of those operations, or the state of affairs of the group in future financial years.

Likely Developments

The group expects to maintain the present status and level of operations.

Environmental Issues

The group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Dividends Paid, Recommended, and Declared

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

Options

No options over unissued shares or interests in the group were granted during or since the end of the financial year and there were no options outstanding at the end of the financial year.

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DIRECTORS' REPORT

Indemnification of Officer

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the group.

Proceedings on Behalf of the Group

No person has applied for leave of Court to bring proceedings on behalf of the group or intervene in any proceedings to which the group is a party for the purpose of taking responsibility on behalf of the group for all or any part of those proceedings. The group was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration under section 307C of the Corporations Act 2001 in relation to the audit for the financial year is provided with this report.

The following non-audit services were provided by the group's auditor and/or related entities. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

MCG Partners and/or its related entities received or are due to receive the following amounts for the provision for non-audit services during the year ended 31 March 2024:

Taxation and Payroll Compliance	\$ 72,770
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Signed in accordance with a resolution of the Board of Directors of the Group.

Director



Dated this 20 day of May 2024

Director



Dated this 20 day of May 2024

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 \$	2023 \$
Revenue from operations	2A	13,032,699	11,169,332
Finance Income		40,396	120,652
Other Income		22	11
Total Revenue		13,073,117	11,289,995
Purchase of stock-in-trade		(115,500)	(92,400)
Royalty		(1,518,009)	(1,235,747)
Transfer pricing		(2,016,032)	(1,713,086)
Employee benefit expenses		(7,275,086)	(6,660,079)
Finance cost	2B	(484,894)	(524,915)
Depreciation and amortisation expenses	2B	(251,010)	(239,026)
Other expenses	2B	(5,181,190)	(5,461,415)
Total Expenses		(16,841,721)	(15,926,668)
(Loss) before Income Tax		(3,768,604)	(4,636,673)
Income Tax (Expense)	3	-	-
(Loss) for the year		(3,768,604)	(4,636,673)
Other Comprehensive Income		-	-
Other Comprehensive Loss (Translation Loss)		11,427	(936)
Other Comprehensive Income/(Loss) for the year, net of tax		11,427	(936)
Total comprehensive income / (loss) attributable to: Members of the Entity		(3,757,177)	(4,637,609)

The accompanying notes form part of these financial statements

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES

ABN 15 159 974 946

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2024

	Note	2024 \$	2023 \$
CURRENT ASSETS			
Cash and Cash Equivalents	5	750,778	272,018
Trade Receivables	6	3,500,916	2,251,456
Other Current Assets	7	468,026	145,176
Other Financial Assets	8	51,776	1,016,907
Sundry Assets	9	25,186	23,739
TOTAL CURRENT ASSETS		4,796,682	3,709,296
NON-CURRENT ASSETS			
Other Current Assets	7	-	-
Other Financial Assets	8	81,473	903,444
Plant and Equipment	10	110,860	138,885
Right-of-Use Assets	11	768,204	546,078
TOTAL NON-CURRENT ASSETS		960,537	1,588,407
TOTAL ASSETS		5,757,219	5,297,703
CURRENT LIABILITIES			
Trade Payables	12	3,455,113	2,537,703
Other Current Financial Liabilities	13	988,708	129,872
Provisions	14	895,019	130,078
Other Current Liabilities	15	2,131,175	1,978,162
Liabilities for Current Tax		66,403	67,872
Lease Liabilities	16	142,549	205,935
TOTAL CURRENT LIABILITIES		7,678,967	5,049,622
NON CURRENT LIABILITIES			
Trade Payables	12	100,999	110,669
Other Current Financial Liabilities	13	-	180,502
Provisions	14	901,881	1,575,226
Lease Liabilities	16	671,721	392,496
Borrowings	17	10,331,192	8,159,566
TOTAL NON-CURRENT LIABILITIES		12,005,793	10,418,459
TOTAL LIABILITIES		19,684,760	15,468,081
NET LIABILITIES		(13,927,541)	(10,170,378)
EQUITY			
Contributed Equity	18	21,418,000	21,418,000
Accumulated Losses	19	(35,345,541)	(31,588,378)
TOTAL EQUITY AND RESERVES		(13,927,541)	(10,170,378)

The accompanying notes form part of these financial statements

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES

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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024**

	Contributed Equity \$	Retained Earnings \$	Currency Translation Reserve \$	Total \$
Balance at 1 April 2022	16,393,000	(26,939,097)	(11,672)	(10,557,769)
Loss attributable to members of the entity	-	(4,636,673)	-	(4,636,673)
Shares issued (5,025,000 @\$1 each)	5,025,000	-	-	5,025,000
Foreign currency translation gain/(loss)	-	-	(936)	(936)
Total other comprehensive income for the year	-	-	-	-
Balance at 31 March 2023	21,418,000	(31,575,770)	(12,608)	(10,170,378)
Balance at 1 April 2023	21,418,000	(31,575,770)	(12,608)	(10,170,378)
Loss attributable to members of the entity	-	(3,768,604)	-	(3,768,604)
Prior year adjustment	-	14	-	14
Foreign currency translation gain/(loss)	-	-	11,427	11,427
Total other comprehensive income for the year	-	-	-	-
Balance at 31 March 2024	21,418,000	(35,344,360)	(1,181)	(13,927,541)

The accompanying notes form part of these financial statements

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 \$	2023 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Customers		15,345,494	12,143,254
Payment to Related Parties		(4,156,710)	(2,828,337)
Interest Received		40,419	290,183
Finance Costs		(449,443)	(479,301)
Payments to Suppliers and Employees		(12,207,946)	(10,613,697)
Interest on Lease Liabilities		(35,452)	(45,613)
NET CASH (USED IN) OPERATING ACTIVITIES	20	(1,463,638)	(1,533,511)
CASH FLOWS FROM INVESTING ACTIVITIES			
(Payment) for Purchase of Plant and Equipment		(25,751)	(23,327)
NET CASH (USED IN) INVESTING ACTIVITIES		(25,751)	(23,327)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from/(Repayment of) Borrowings		2,171,627	(3,148,869)
Proceeds from Issue of Shares		-	5,025,000
(Repayment of) Lease Liabilities		(203,478)	(169,691)
NET CASH PROVIDED BY FINANCING ACTIVITIES		1,968,149	1,706,440
NET INCREASE IN CASH HELD		478,760	149,602
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		272,018	122,416
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	5	750,778	272,018

The accompanying notes form part of these financial statements

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial report is for the Ramco Systems Australia Pty Ltd and its Controlled Entities, Ramco Systems Australia Pty Ltd, New Zealand Branch (collectively hereafter referred to as "the Group") as a group. The companies in the group are companies limited by shares, incorporated and domiciled in Australia and a branch in New Zealand. Ramco Systems Limited is the parent entity incorporated and domiciled in India. Ramco Systems Australia Pty Ltd is a for-profit entity for the purpose of preparing financial statements under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The reporting currency of the group is Australian Dollar and the financial report has been prepared on an accruals basis and is based on historic costs modified by the revaluation of selected non-current assets and financial instruments for which the fair value basis of accounting has been applied.

(a) Principles of Consolidation

The Consolidated Financial Statements incorporate all of the assets, liabilities and result of Ramco Systems Australia Pty Ltd (and its Controlled Entities) and all of the subsidiaries (including any structured entities) and a branch in New Zealand. Subsidiaries are entities the Parent controls. The Parent 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. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

The Group comprises the following entities for the year ended 31 March 2024:

- Ramco Systems Australia Pty Ltd; and
- Ramco Systems Australia Pty Ltd, New Zealand Branch.

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Revenue

Sale of goods is recognised when the group has transferred to the buyer the significant risks and rewards of ownership, generally when the customer has taken undisputed delivery of the goods.

The group generates revenues from after-sales service and maintenance, consulting, and service contracts for information technology solutions. Consideration received for those services, except for License Fee, is initially deferred and is recognised as revenue in the period when the service is performed. In recognising after-sales service and maintenance revenues, the group considers the nature of the services and the customer's use of the related products, based on historical experience. Revenue from consulting and implementation services is recognised when the services are provided by reference to the contract's stage of completion at the reporting date. A service contract's stage of completion is assessed by management based on milestones (usually defined in the contract) for the activities to be carried out under the contract and other available relevant information at the reporting date.

Revenue recognition relating to the provision of services is determined with reference to the performance obligations of the transaction at the reporting date and where outcome of the contract can be estimated reliably. The performance obligations are determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

Other revenue is recognised when the right to receive the revenue has been established. All revenue is stated net of the amount of Goods and Services Tax (GST).

The group pays to the Parent company, Ramco Systems Limited, India, towards royalty, services and reimbursement of expenses. Royalty is on the License Fees, maintenance, enablement fee and application installation. The group also pays royalty to the related party, Ramco Systems Pte Ltd, Singapore, towards chatbot licence fee.

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use for sale.

All other borrowing costs are recognised in the statement of profit or loss and other comprehensive Income in the period in which they are incurred.

(d) Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expenses charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (i) a legally enforceable right of set-off exists; and (ii) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

(f) Cash & Cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and short-term deposits with an original maturity date of three months or less.

For the purposes of the statement of cash flows, cash and cash equivalents are as defined above, net of outstanding bank overdrafts.

(g) Plant and Equipment

Property, Plant and Equipment is measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated over their estimated useful lives to the group commencing from the time the asset is held ready for use.

Depreciation rates used for each class of assets are as follows:

Computers	33%
Office Furniture and Equipment	10 - 20%

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Plant and Equipment (cont'd)

De-recognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in statement of profit or loss and other comprehensive income in the year the asset is derecognised.

(h) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the group commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified “at fair value through profit or loss”, in which case transaction costs are recognised as expenses in statement of profit or loss and other comprehensive income immediately.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit and loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combination applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense to profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Financial Instruments (cont'd)

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk to other comprehensive income enlarges or creates an accounting mismatch, these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Financial Instruments (cont'd)

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or has been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the group no longer controls the asset (i.e. it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

(i) Employee Benefits

Provision is made for the group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Impairment of assets

The group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value.

In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are not discounted.

Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease). An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods.

Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(k) Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the group expects some or all of the provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss and other comprehensive income net of any reimbursement.

(l) Contributed Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES

ABN 15 159 974 946

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) Leases

At inception of a contract, the group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the group where the group is a lessee. However, all contracts that are classified as short-term leases (i.e. a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If the rate cannot be readily determined, the group uses the incremental borrowing rate.

The right-of-use assets comprise the initial measurement of the lease liability, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(n) Going Concern

The financial report has been prepared on the going concern basis.

This basis has been adopted as the group has received a commitment for financial support from the directors of the parent group to allow the group to meet its liabilities and it is the belief of the directors of the group that such financial support will continue to be made available.

Ramco Systems Australia Pty Ltd and its controlled entities incurred a net loss of \$3,757,177 (2023: Loss \$4,637,609) for the financial year ended 31 March 2024 and as at that date, the group is still in a negative net asset position of \$13,927,541 (2023: \$10,170,378). Further to this, current liabilities exceeds current assets by \$2,882,285 (2023: \$1,340,326).

The group is reliant on its parent group and other related parties for its continuing operations and working capital needs. This indicates the existence of a material uncertainty which may cast significant doubt on the group's ability to continue as a going concern. The ability of the group to continue as a going concern is dependent on the parent group and other related parties continuing to provide financial support and not recalling the group's existing loan amount. The Directors and management have also based their opinion on the following:

- Review of business units, their profitability and restructuring of some units to improve their profitability;
- The continued support of Members and other stakeholders;
- The continued good working relationship and support of other group subsidiaries; and
- Ongoing commitment from the Board.

The Directors believe it is appropriate to prepare the financial report on a going concern basis for the reasons outlined above. However, should the group not be successful in achieving its cash flow forecasts, including meeting sales targets and operating in a reduced cost environment, there is material uncertainty in respect of the ability of the group to continue as a going concern. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the group not continue as a going concern.

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES
ABN 15 159 974 946
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES

ABN 15 159 974 946

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	\$	\$
NOTE 2A. REVENUE FROM OPERATIONS		
Revenue from software products	5,004,408	3,700,745
Revenue from software services	7,706,424	7,176,513
Value added resale of software & hardware materials	321,867	292,074
Total Revenue	13,032,699	11,169,332
NOTE 2B. EXPENSES		
Depreciation & Amortisation Expenses		
Plant & Machinery	22,599	24,331
Leased Building	197,242	183,716
Furniture	27,969	27,968
Office Equipment	3,200	3,010
Total Depreciation & Amortisation Expenses	251,010	239,026
Finance Cost		
Interest on Loans	449,443	479,301
Interest on Payment for Leased Assets	35,451	45,613
Total Finance Cost	484,894	524,915
Other Expenses		
Advertisement & Sales Promotion	333,083	172,853
Audit Accountancy & Legal Charges	168,258	251,038
Bank Charges	21,853	22,643
Forex translation loss	414,324	868,033
Insurance	47,302	50,807
Miscellaneous expenses	79,775	209,527
Office maintenance	56,329	60,764
Outsourcing costs	659,834	500,793
Postage, Telephone, Telegrams	105,140	78,207
Power & Fuel	4,818	3,377
Printing and stationery	3,384	9,168
Provision for Doubtful Debts, expenses	1,230,549	971,588
Rates and taxes	247,594	369,481
Rent	1,089,455	954,974
Repairs - Others	2,497	10,032
Repairs - Plant & Machinery	8,578	-
Sales commission and other selling	-	(68,732)
Travelling and conveyance	708,417	996,862
Total Other Expenses	5,181,190	5,461,415
NOTE 3. INCOME TAX EXPENSE		
No Deferred Tax Asset has been brought to account for the tax losses currently available to Ramco Systems Australia Pty Ltd, as it is not deemed probable at this time that the group will satisfy the conditions for deductibility as set out in Accounting Policy Note 1d. In view of this, deferred taxes have not been recognised until next year.		
NOTE 4. AUDITOR'S REMUNERATION		
Remuneration of the auditors for:		
<i>Audit Services</i>	18,500	17,500
	18,500	17,500

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES

ABN 15 159 974 946

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	\$	\$
NOTE 5. CASH AND CASH EQUIVALENTS		
Cash at Bank - Account 10632622	23,631	46,818
Cash at Bank - Account 10682872	649,406	44,639
Bank A/c- HSBC AUD 615606163	52,107	147,214
Cash at Bank HSBC, New Zealand	25,634	33,347
	750,778	272,018

NOTE 6. TRADE RECEIVABLES

Current

Trade receivables	2,926,128	1,610,425
Amounts due from related parties	739,070	752,984
Less: Allowance for doubtful debt	(164,282)	(111,953)
	3,500,916	2,251,456

NOTE 7. OTHER CURRENT ASSETS

Current

Prepayments	83,673	81,541
Advance to related parties	260,720	-
Advance to suppliers	14,964	462
Unbilled revenue, services	115,347	332,366
Less: Allowance for doubtful debt	(6,678)	(269,193)
	468,026	145,176

Non-Current

Prepayments	-	-
Unbilled revenue, services	13,454	-
Less: Allowance for doubtful debt	(13,454)	-
	-	-

NOTE 8. OTHER FINANCIAL ASSETS

Current

Unbilled revenue	275,574	1,018,337
Less: Allowance for doubtful debt	(267,822)	(63,367)
Employee advances	43,454	61,704
Security deposit	570	233
	51,776	1,016,907

Non-Current

Fixed deposit account	81,473	80,423
Unbilled revenue	702,211	1,984,013
Less: Allowance for doubtful debt	(702,211)	(1,160,992)
	81,473	903,444

NOTE 9. SUNDRY ASSETS

FBT receivable	19,369	17,793
TDS deducted by customer	5,817	5,946
	25,186	23,739

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES

ABN 15 159 974 946

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 10. PLANT & EQUIPMENT

	Furniture	Office Equipment	Computer s	Total
Cost				
Balance at 1 April 2022	279,985	102,897	156,049	538,931
Additions	-	-	23,327	23,327
Disposals	-	-	-	-
Balance at 31 March 2023	279,985	102,897	179,376	562,258
Balance at 1 April 2023	279,985	102,897	179,376	562,258
Additions	-	20,126	5,585	25,711
Disposals	-	-	-	-
Balance at 31 March 2024	279,985	123,023	184,961	587,969
Accumulated Depreciation				
Balance at 1 April 2022	(152,156)	(98,740)	(117,148)	(368,044)
Additions	(27,968)	(3,010)	(24,350)	(55,328)
Disposals	-	-	-	-
Balance at 31 March 2023	(180,124)	(101,750)	(141,498)	(423,372)
Balance at 1 April 2023	(180,124)	(101,750)	(141,498)	(423,372)
Additions	(27,969)	(3,200)	(22,568)	(53,737)
Disposals	-	-	-	-
Balance at 31 March 2024	(208,093)	(104,950)	(164,066)	(477,109)
Carrying amounts				
At 1 April 2022	127,828	4,157	38,901	170,886
At 31 March 2023	99,860	1,147	37,878	138,885
At 1 April 2023	99,860	1,147	37,878	138,885
At 31 March 2024	71,892	18,073	20,895	110,860

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES

ABN 15 159 974 946

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	\$	\$
NOTE 11. RIGHT-OF-USE ASSETS		
Office Buildings	1,390,910	971,593
Less: Accumulated Depreciation	(622,706)	(425,515)
	768,204	546,078

(i) The lease agreement for the company's office which is located on Level 17, 60 City Road, Southbank VIC 3006 was renewed by the company on 13 March 2024 for an additional term of 36 months. The effect of AASB 16 has been reflected accordingly as at 31 March 2024.

NOTE 12. TRADE PAYABLES

Current

Trade creditors	875,612	315,509
Amount due to Parent Company	1,146,426	1,672,778
Amount due to Related Parties	1,252,023	363,905
Employee Payables	547	36
Accrued Operating Expenses	179,093	141,847
Partner Commission	1,412	43,628
	3,455,113	2,537,703

Non-Current

Partner Commission	100,999	110,669
	100,999	110,669

Note 13. OTHER CURRENT FINANCIAL LIABILITIES

Current

Unearned royalty revenue	988,708	129,872
	988,708	129,872

Non-Current

Unearned royalty revenue	-	180,502
	-	180,502

NOTE 14. PROVISIONS

Current

Provision for annual leave	895,019	130,078
	895,019	130,078

Non-Current

Provision for annual leave and long service leave	901,423	1,536,273
Provision for gratuity	458	38,953
	901,881	1,575,226

Note 15. OTHER CURRENT LIABILITIES

Provision for bonus	129,003	285,639
Advance from related parties	473,215	692,498
Withholding tax payable	31,082	24,957
PAYG & superannuation payable	182,514	310,658
Net GST Payable	260,678	186,762
Salary Payable	-	10,305
Unearned Revenue	1,054,683	467,343
	2,131,175	1,978,162

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES

ABN 15 159 974 946

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	\$	\$
Note 16. LEASE LIABILITIES		
Current	142,549	205,935
Non-Current	671,721	392,496
	814,270	598,431

NOTE 17. BORROWINGS - NON-CURRENT

Amounts Payable to Related Entities - *Unsecured*

Ramco Systems Ltd, Switzerland	3,850,900	2,369,676
Ramco Systems Corporation, USA	6,480,292	5,789,890
Total	10,331,192	8,159,566

NOTE 18. CONTRIBUTED EQUITY

(a) Ordinary Shares at the beginning of the year <i>2024: 21,418,000 Shares issued at \$1.00 each</i> <i>(2023: 16,393,000 Shares issued at \$1.00 each)</i>	21,418,000	16,393,000
Shares issued during the year <i>(2023: 5,025,000 Shares issued at \$1.00 each)</i>	-	5,025,000
At Reporting Date	21,418,000	21,418,000

(a) Ordinary shares

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

NOTE 19. ACCUMULATED LOSSES

Accumulated losses at the beginning of the financial year	(31,588,378)	(26,950,769)
Net (loss) attributable to members of the entity	(3,768,604)	(4,636,673)
Prior year adjustment	14	-
Foreign exchange translation reserve for gain/(loss)	11,427	(936)
Accumulated (losses) at the end of the financial year	(35,345,541)	(31,588,378)

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES

ABN 15 159 974 946

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	\$	\$
NOTE 20. CASH FLOW INFORMATION		
Reconciliation of cash flow from operations with (loss) from ordinary activities after income tax		
(Loss) from ordinary activities after income tax	(3,757,177)	(4,637,609)
Non-cash flows in (loss)/profit from ordinary activities		
- Loss on termination of leased asset	-	(225)
- Depreciation	251,010	239,026
Changes in Assets and Liabilities:		
(Increase) in trade receivables	(1,249,460)	(134,104)
(Increase)/Decrease in other current asset and tax asset	(324,322)	326,121
Decrease in other financial asset	1,787,101	1,718,641
Increase in trade payables	907,740	680,026
Increase/(Decrease) in provision	91,595	(175,660)
Increase in other current liabilities	151,543	509,456
Increase/(Decrease) in other financial liabilities	678,332	(59,183)
Cash Flows (Used In)/From Operations	(1,463,638)	(1,533,511)

NOTE 21. EVENTS AFTER THE BALANCE DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the group, the results of those operations, or the state of affairs of the group in future financial years.

NOTE 22. CONTINGENCIES

There were no material contingent liabilities in existence as at the reporting date.

NOTE 23. INTEREST IN OVERSEAS BRANCH

A branch held directly by Ramco Systems Australia Pty Ltd was registered on the overseas group register in New Zealand on the 18th day of November 2015 under Part XVIII of the Companies Act 1993 to carry on business. The branch has been operational since 1 April 2020 and consolidated with Ramco Systems Australia Pty Ltd for the year ended 31 March 2024.

NOTE 24. COMPANY DETAILS

The registered office of the company is:
 Ramco Systems Australia Pty Ltd
 1198 Toorak Road
 CAMBERWELL VIC 3124

The principal place of business is:
 Ramco Systems Australia Pty Ltd
 Level 17, 60 City Road
 SOUTHBANK VIC 3006

The parent company of Ramco Systems Australia Pty Ltd is Ramco Systems Limited, India.

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES
ABN 15 159 974 946
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 \$	2023 \$
NOTE 25. KEY MANAGEMENT PERSONNEL REMUNERATION			
The totals of remuneration paid to key management personnel (KMP) of the group during the year are as follows:			
Short-Term Employee Benefits			
- Salary and Bonus		732,912	448,398
- Superannuation		52,826	24,861
- Annual Leave	(a)	243,245	299,815
		1,028,983	773,074
Long-Term Employee Benefits			
- Long Service Leave	(a)	75,169	90,560
		75,169	90,560

(a) Annual leave and long service leave represent the provision as at 31 March 2024 and payments made for encashment of leaves during the financial year then ended.

NOTE 26. FINANCIAL RISK MANAGEMENT

The group's financial instruments consist mainly of cash and cash equivalents, trade receivables, other current assets, other financial assets, trade payables, other current financial liabilities, other current liabilities, provisions and leases.

The total for each category of financial instruments, measured in accordance with AASB 139: Financial Instruments: Recognition and Measurement as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets

Trade Receivables	6	3,500,916	2,251,456
Other Current Assets	7	468,026	145,176
Other Financial Assets	8	133,249	1,920,351
Sundry Assets	9	25,186	23,739
		4,127,377	4,340,722

Financial Liabilities

Trade Payables	12	3,556,112	2,648,372
Other Current Financial Liabilities	13	988,708	310,374
Provisions	14	1,796,900	1,705,304
Other Current Liabilities	15	2,131,175	1,978,162
Liabilities for Current Tax		66,403	67,872
Lease Liabilities	16	814,270	598,431
Borrowings	17	10,331,192	8,159,566
		19,684,760	15,468,081

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES
ABN 15 159 974 946
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

NOTE 26. FINANCIAL RISK MANAGEMENT (CONT'D)

Financial Risk Management Policies

The directors' overall risk management strategy seeks to assist the group in meeting its financial targets, while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These include the credit risk policies and future cash flow requirements.

The group's financial risks comprise of credit risk, market risk and liquidity risk.

a. Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness, which includes the utilisation of systems for the approval, granting and renewal of credit limits, the regular monitoring of exposures against such limits and the monitoring of the financial stability of significant customers and counterparties. Outstanding customer receivables and unbilled revenues are regularly monitored and the group creates a provision based on expected credit loss model.

b. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of two types of risk: interest rate risk and foreign currency risk.

b.1 Interest Rate Risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed-rate financial instruments. The financial instruments that expose the Group to interest rate risk are limited to borrowings.

b.2 Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The group's exposure to the risk of changes in foreign exchange rates relates primarily to the group's transactions denominated in a foreign currency including trade receivables and unbilled revenues, loans to related parties, trade payables and bank balances.

c. Liquidity Risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operating, investing and financing activities;
- monitoring undrawn credit facilities;
- obtaining funds from variety of sources.
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES

ABN 15 159 974 946

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	\$	\$
NOTE 27. RELATED PARTY DISCLOSURES		
(a) Payable to Related Parties		
Ramco Systems Limited India	1,162,979	1,672,778
Ramco Systems Limited India - Unbilled	-	143,047
Ramco Systems Sdn. Bhd., Malaysia	14,670	-
Ramco Systems Inc, Philippines	390,419	310,648
Ramco Systems Pte Ltd, Singapore	58,103	590,655
Ramco Systems Corporation, USA	487,254	58,868
Ramco Systems Pte Ltd, Hong Kong	14,165	11,995
PT Ramco Systems Indonesia	22,780	9,981
Ramco Systems Australia Pty Ltd, New Zealand	2,508	-
Loan Payable - Ramco Systems Corporation, USA	6,480,292	5,789,890
Loan Payable - Ramco Systems Limited, Switzerland	3,850,900	2,369,676
	12,484,070	10,957,538

(b) Receivable from Related Parties		
Ramco Systems Limited, India	40,348	394,247
Ramco Systems Sdn. Bhd., Malaysia	17,950	28,403
Ramco Systems FZ-LLC, Dubai, United Arab Emirates	25,420	144,029
Ramco Systems Australia Pty Ltd, New Zealand	521,528	-
Ramco Systems Pte Ltd, Singapore	63,462	-
Ramco Systems Pte Ltd., Hong Kong	38,777	30,885
Ramco Systems Inc, Philippines	13,101	-
Ramco Systems Corporation, USA	70,783	137,563
Ramco Systems Ltd., Switzerland	3,848	13,050
Ramco Systems Canada Inc., Canada	4,807	4,807
	800,024	752,984

(c) Other Transactions in Normal Course of Business - Expenses

Ramco Systems Limited India

Salary	21,630	34,229
Travel	173,063	260,313
Transfer pricing	1,988,180	1,660,724
Royalty	1,495,625	1,213,192
Hosting Fees	151,352	73,023
Others	-	1,869
Outsourcing charges	7,626	-
Finance charges	1,904	-

Ramco Systems Pte Ltd, Singapore

Salary	277,703	213,480
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Ramco Systems Corporation, USA

Hosting Fees	856,436	900,863
Salary	19,289	-

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES

ABN 15 159 974 946

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	\$	\$
NOTE 27. RELATED PARTY DISCLOSURES (CONT'D)		
(c) Other Transactions in Normal Course of Business - Expenses (cont'd)		
Ramco Systems Sdn. Bhd., Malaysia		
Salary	8,863	4,614
Travel	5,997	117
Ramco Systems Inc, Philippines		
Salary	95,433	63,416
Travel	493	1,250
Ramco Systems Pte Ltd., Hong Kong		
Salary	1,762	7,455
Others	-	4,581
PT Ramco Systems Indonesia, Indonesia		
Salary	13,273	9,802
Travel	-	185
Ramco Systems Australia Pty Ltd, New Zealand		
Salary	11,664	-
	5,130,292	4,449,113
(d) Other Transactions in Normal Course of Business - Income		
Ramco Systems Limited India		
Salary	74,347	1,003,006
Travel	6,483	2,888
Ramco Systems Pte Ltd, Singapore		
Salary	344,766	190,849
Travel	10,251	12,523
Others	-	2,419
Ramco Systems (Shanghai) Co. Ltd		
Salary	-	6,205
Ramco Systems Sdn. Bhd., Malaysia		
Salary	26,346	31,580
Travel	-	4,300
Others	-	1,209
Ramco Systems Limited, Switzerland		
Salary	100,955	13,050
Travel	222	-

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	\$	\$
NOTE 27. RELATED PARTY DISCLOSURES (CONT'D)		
(d) Other Transactions in Normal Course of Business - Income (cont'd)		
Ramco Systems Pte Ltd Hong Kong		
Salary	64,296	25,376
Travel	-	4,300
Others	-	1,209
Ramco Systems Canada Inc., Canada		
Salary	-	4,807
Ramco Systems Inc, Philippines		
Salary	29,585	36,317
Travel	-	4,945
Others	-	1,391
Ramco Systems FZ-LLC, Dubai, United Arab Emirates		
Salary	187,081	140,992
Travel	17	16,538
Others	-	4,652
Ramco Systems Corporation, USA		
Salary	317,489	199,683
Hosting	192,673	-
Legal Fees	-	21,590
Travel	-	4,836
Ramco Systems Australia Pty Ltd, New Zealand		
Salary	18,884	-
Travel	1,767	-
	1,375,162	1,734,665

(e) Interest on Loans Payable

Ramco Systems Limited, India	-	126,485
Ramco Systems Limited, Switzerland	150,616	83,735
Ramco Systems Corporation, USA	298,826	269,081
	449,442	479,301

NOTE 28. COMPARATIVES

Certain prior year amounts have been regrouped for consistency with the current period presentation. The regrouping had no effect on the reported results of operations.

	2023	
	Reported as	Regrouped to
Note 17. Borrowings - Current	8,159,566	-
Note 17. Borrowings - Non-Current	-	8,159,566

RAMCO SYSTEMS AUSTRALIA PTY LTD AND ITS CONTROLLED ENTITIES
ABN 15 159 974 946

DIRECTORS' DECLARATION

The directors of the group declare that:

1. The financial statements and notes, as set out on pages 3 to 27, are in accordance with the Corporations Act 2001, including:
 - a) complying with Accounting Standards as described in Note 1 to the financial statements, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - b) giving a true and fair view of the financial position as at 31 March 2024 and of the performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
2. There are reasonable grounds to believe that the group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director



Dated this 20 day of May 2024

Director



Dated this 20 day of May 2024



MCG Partners
Chartered Accountants

INDEPENDENT AUDITORS REPORT

Our Ref
Your Ref

To the Directors of Ramco Systems Australia Pty Ltd (and Controlled Entities)

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a general purpose financial report of Ramco Systems Australia Pty Ltd and its Controlled Entities, Ramco Systems Australia Pty Ltd, New Zealand Branch (collectively hereafter referred to as the "Group"), which comprises the statement of financial position as at 31 March 2024, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial position, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the financial report of the group is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the group's financial position as at 31 March 2024 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards and the Corporations Regulations 2001.

The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the entity, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Inherent Uncertainty Regarding Continuation as a Going Concern

Without qualification to the opinion expressed above, attention is drawn to Note 1(n) to the financial statements which indicates there is a material uncertainty in respect of the ability of the group to continue as a going concern should the group not be successful in achieving its cashflow forecasts, including meeting sales targets, operating in a reduced cost environment and ongoing financial support from the parent company. In our opinion, knowledge of the uncertainty affecting the group's ability to continue as a going concern is necessary for proper understanding of the financial report.

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INDEPENDENT AUDITOR'S REPORT (CONT...)

Emphasis of Matter (cont'd)

Revenue recognition and estimates with respect to the Valuation of Trade Receivables and Unbilled Revenue on Projects

Trade Receivables and Unbilled Revenues on Projects are significant to the group as these represent approximately 68% (2023-77%) of the total assets in the statement of financial position. Furthermore, the valuation of trade receivables and unbilled revenues on the projects require management judgment due to the specific risks associated with each individual trade receivable and unbilled revenues on the projects.

Other Matter

The financial report of Ramco Systems Australia Pty Ltd, New Zealand Branch for the year ended 31 March 2024 was audited by M S Jagannathan & N Krishnaswami Chartered Accountants who expressed an unmodified opinion on that report on 18 May 2024 and we relied upon that.

Responsibilities of the Directors for the Financial Report

The directors of the group are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters relating 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 Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 this financial report.

INDEPENDENT AUDITOR'S REPORT (CONT...)

Auditor's Responsibility for the Financial Report (cont'd)

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, 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 the Directors.
- Conclude on the appropriateness of the directors use of 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 group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report 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 association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

MCG PARTNERS
Chartered Accountants



HARISH BUDHIRAJA
Partner

Camberwell
Melbourne

Date: 20/05/2024



MCG Partners
Chartered Accountants

Our Ref

Your Ref

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Ramco Systems Australia Pty Ltd (and its Controlled Entities)

In accordance with the requirements of section 307C of the Corporations Act 2001, as auditors of Ramco Systems Australia Pty Ltd and its Controlled Entities, Ramco Systems Australia Pty Ltd, New Zealand Branch (the Group) for the financial year ended 31 March 2024, we declare that, to the best of our knowledge and belief there have been:

- i) No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii) No contraventions of any applicable code of professional conduct in relation to the audit.

NON-AUDIT SERVICES

The following non-audit services were provided by the company's auditor, MCG Partners and /or its related entities. The directors are satisfied that the provision of non-audit services is comparable with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditors independence was not compromised.

MCG Partners and/or its related entities received or are due to receive the following amounts for the provision of non-audit services during the year ended 31 March 2024:

Taxation and Payroll Compliance	\$ 72,770
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MCG PARTNERS
Chartered Accountants

Camberwell
Melbourne

HARISH BUDHIRAJA
Partner

Date: 20/05/2024

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