AVANTE CORP.
(Formerly AVANTE LOGIXX INC.)

Condensed Interim Consolidated Financial Statements

Unaudited for the three-month period ended June 30, 2024 and 2023

NOTICE TO READER OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The condensed interim consolidated financial statements of Avante Corp. for the three-month period ended June 30, 2024 are the responsibility of the Company's Management. These financial statements have not been reviewed on behalf of the shareholders by the independent external auditors of the Company. The condensed interim consolidated financial statements have been prepared by Management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these financial statements in accordance with International Financial Reporting Standards.

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AVANTE CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2024 AND MARCH 31, 2024

	Jun 30, 2024	Mar 31, 2024
ASSETS	*Unaudited*	
CURRENT		
Cash and cash equivalents	$ 6,236,302	$ 6,030,907
Accounts receivable (note 8)	7,258,571	7,392,456
Inventories (note 9)	1,223,322	1,103,250
Contract assets (note 6b)	234,884	285,548
Prepaid expenses	672,965	591,836
	15,626,044	15,403,997
NON-CURRENT ASSETS		
Property, plant & equipment (note 10)	2,293,912	2,335,755
Capitalized commissions (note 11)	2,870	4,164
Deferred tax assets (note 18)	435,633	435,632
Intangible assets (note 12)	2,327,424	2,488,697
Goodwill (note 12)	4,501,317	4,501,317
	9,561,156	9,765,565
	$ 25,187,200	**$ 25,169,562**
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	4,914,046	4,570,790
Loan from officer (note 22)	89,975	89,670
Corporate tax payable	-	1,466
Obligations under lease (note 15)	607,451	562,052
Contract liabilities (note 6b)	2,198,303	2,388,521
Put option liability	1,269,562	1,269,562
	9,079,337	8,882,061
NON-CURRENT LIABILITIES		
Obligations under lease (note 15)	750,384	818,096
Dividend payable to non-controlling shareholder of NSSG	599,545	606,486
Cash settled share-based payment liabilities	1,209,875	1,209,875
Deferred tax liability (note 18)	143,957	143,957
	2,703,761	2,778,414
TOTAL LIABILITIES	**11,783,098**	**11,660,475**
SHAREHOLDERS' EQUITY		
Share capital (note 16a)	30,233,361	30,233,361
Contributed surplus (note 16b)	2,418,565	2,395,960
Other equity	(370,752)	(370,752)
Accumulated other comprehensive deficit	(1,727)	(2,019)
Accumulated deficit	(18,846,963)	(18,726,858)
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	13,432,484	13,529,692
Non-controlling interest	(28,382)	(20,605)
TOTAL EQUITY	**13,404,102**	**13,509,087**
TOTAL EQUITY & LIABILITIES	**$ 25,187,200**	**$ 25,169,562**

Contingencies (note 26)
Subsequent events (note 27)

AUTHORIZED FOR ISSUE ON BEHALF OF THE BOARD:
Signed "Emmanuel Mounouchos" Director *Signed "Daniel Argiros" Director*
See accompanying notes to the condensed interim consolidated financial statements

AVANTE CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2024 AND JUNE 30, 2023

	For the three-month period ended	
	Jun 30, 2024	**Jun 30, 2023**
	Unaudited	
Revenues from continuing operations (note 6a)	$ 7,914,625	$ 5,410,440
Cost of sales	4,909,095	3,371,499
Gross profit	3,005,530	2,038,941
Operating expenses		
Salaries, benefits and commissions	1,496,009	878,872
Administration	1,236,152	764,521
Depreciation on capital assets (note 10)	245,380	201,580
Amortization on intangible assets (note 12)	161,273	117,304
Merchant transaction fees and bank charges	152,190	90,787
Share based payments (note 16b)	22,605	(127,599)
	3,313,609	1,925,465
Income (loss) before other income and expenses and reorganization and acquisition costs	(308,079)	113,476
Other (income) expenses		
Miscellaneous income	(294,025)	(205,508)
Interest expense	69,601	55,732
Foreign exchange loss	8,158	4,872
	(216,266)	(144,904)
Income (loss) before reorganization and acquisition costs	(91,813)	258,380
Reorganization, development and acquisition costs (note 23)	36,069	146,563
Income (loss) before income taxes	(127,882)	111,817
Provision for income taxes		
Deferred income tax expense (recovery) (note 19)	-	31,635
Net income (loss) for the period	$ (127,882)	$ 80,182
Net income (loss) for the period attributable to:		
Equity holders of the parent	(120,105)	80,182
Non-controlling interests	(7,777)	-
	$ (127,882)	$ 80,182
Other comprehensive income (loss) from continuing operations: Items that may be reclassified subsequently to net loss		
Unrealized gain (loss) on translating financial statements of foreign operations	292	-
	$ 292	$ -
Total comprehensive income (loss) for the period	**$ (127,590)**	**$ 80,182**
Equity holders of the parent	(119,813)	80,182
Non-controlling interests	(7,777)	-
Total comprehensive income (loss) for the period	$ (127,590)	$ 80,182
Net income (loss) per share attributable to equity holders of the parent (note 5)		
Basic and diluted loss per share from continuing operations (note 5)	($0.005)	$0.003
Basic and diluted income per share from discontinued operations	$0.000	$0.000
Basic and diluted loss per share	($0.005)	$0.003
Weighted average number of shares outstanding for basic and diluted calculation	26,643,739	26,489,438

See accompanying notes to the condensed interim consolidated financial statements

AVANTE LOGIXX INC.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2024 AND JUNE 30, 2023

	Share Capital	Contributed Surplus	Other Equity	Deficit	Accumulated Other Comprehensive Income	Subtotal	Non-controlling Interest	Total Equity
Balance at April 1, 2023	**$30,138,388**	**$ 2,340,769**	**$ -**	**$ (15,698,067)**	**$ -**	**$ 16,781,090**	**$ -**	**$ 16,781,090**
Income for the period	-	-	-	80,182	-	80,182	-	80,182
Share based payments	-	(127,599)	-	-	-	(127,599)	-	(127,599)
Balance at June 30, 2023 (Unaudited)	**$30,138,388**	**$ 2,213,170**	**$ -**	**$ (15,617,885)**	**$ -**	**$ 16,733,673**	**$ -**	**$ 16,733,673**
Balance at April 1, 2024	**$30,233,361**	**$ 2,395,960**	**$ (370,752)**	**$ (18,726,858)**	**$ (2,019)**	**$ 13,529,692**	**$ (20,605)**	**$ 13,509,087**
Loss for the period				(120,105)		(120,105)		(120,105)
Unrealized gain on translating financial statements of foreign operations	-	-	-	-	292	292	(7,777)	(7,485)
Share based payments	-	22,605	-	-	-	22,605	-	22,605
Balance at June 30, 2024 (Unaudited)	**$30,233,361**	**$ 2,418,565**	**$ (370,752)**	**$ (18,846,963)**	**$ (1,727)**	**$ 13,432,484**	**$ (28,382)**	**$ 13,404,102**

See accompanying notes to the condensed interim consolidated financial statements

AVANTE LOGIXX INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2024 AND JUNE 30, 2023

	For the three-month period ended	
	Jun 30, 2024	**Jun 30, 2023**
Operating activities		
Comprehensive income (loss) for the period	$ (127,882)	$ 80,182
Gain on disposal of capital assets	(4,752)	-
Share based payments	22,605	(127,603)
Interest on bank loans and leases	55,837	173,587
Depreciation on capital assets (note 10)	245,381	201,580
Amortization on intangible assets (note 12)	161,272	117,303
Amortization on capitalized commission (note 11)	1,294	2,728
Provision for income tax	-	31,635
	353,755	479,412
Net change in non-cash working capital:		
Accounts receivable	133,887	(567,830)
Inventories	(120,072)	(178,698)
Contract assets (note 6b)	50,664	273,499
Prepaid expenses	(81,130)	(24,603)
Current income tax	(1,466)	-
Accounts payable and accrued liabilities	336,315	490,179
Contract liabilities (note 6b)	(190,218)	(318,817)
	127,980	(326,270)
Net cash used in operating activities	481,735	153,142
Financing activities		
Proceeds from loans	-	500,000
Principal loan payments	-	(1,000,000)
Principal lease payments (note 15)	(168,564)	(140,342)
Interest on bank loans, and leases	(55,532)	(173,587)
Net cash from (used in) financing activities	(224,096)	(813,929)
Investing activities		
Purchase of capital assets	(33,890)	(13,928)
Disposal of capital assets	(4,765)	(11,048)
Additions to leases	(13,881)	(282)
Net cash from (used in) investing activities	(52,536)	(25,258)
Increase (decrease) in cash during the period	205,103	(686,045)
Cash and cash equivalents, beginning of period	6,030,907	10,114,383
Unrealized foreign exchange gain on cash and cash equivalents held in foreign currencies	292	-
Cash and cash equivalents, end of period	$ 6,236,302	$ 9,428,338

See accompanying notes to the condensed interim consolidated financial statements

1. NATURE OF BUSINESS

Avante Corp., formerly Avante Logixx Inc. (the "Company") develops security technologies, products and solutions for personal and condominium protective services, monitoring and control applications, secure transportation and private investigations. All of these activities are conducted through the following subsidiaries: Avante Security Inc. ("Avante Security"), which is 100% owned, Avante International Inc., which is 100% owned, Avante Holding Corp., which is 100% owned, The TOYBOXX Inc. ("ToyBoxx"), which is 51% owned and North Star Support Group S.R.L. ("NSSG"), in which the Company acquired a 55% majority interest on October 1, 2023.

The Company's common shares are listed on the TSX Venture Exchange under the symbol XX.V (OTC: ALXXF).

Avante Security provides premium security services for residential and condominium customers in Toronto and Muskoka, Ontario through the use of advanced technology and a focus on client service. Avante Security's business provides a complete offering ranging from system design, sales, installations, and monitoring to services such as alarm response and patrols, personal protection, house staff training, and secure transportation. Avante Security has a specialized skillset in high-rise security integration, monitoring and electronic building management. It also provides consulting and installation of automation and security solutions for the high-end residential market. Avante Security's signature offerings are its Rapid Alarm Response services, and its Intelligent Perimeter Protection Video Analytics. Avante Security also provides extensive offerings, which include Closed Circuit Television ("CCTV"), access controls and security services for travelling executives. Avante Security uses its proprietary two-way wireless communication technology for security and in other market segments for various remote control and monitoring functions.

Avante Black, a division of Avante Security, offers highly specialized services that are bespoke to specific needs of the client for a specific purpose. Services offered include specialized security services providing 24 hour, 7 days a week, 365 days security, cyber monitoring, investigations and international secured transportation.

On October 1, 2023, Avante Corp., via its subsidiary Avante International Inc., acquired a 55% in North Star Support Group S.R.L. ("NSSG"), which is a risk management and security company. It primarily specializes in offering international secured transportation, investigation services, medical services, emergency SOS services and sophisticated cyber sentiment monitoring and sensitive investigations tailored for executive customers on a global scale.

In September 2023, Avante Corp., operating through its subsidiary Avante Holding Corp., formally established ToyBoxx, which commenced its auto storage services in December 2023. The service offers security for high-value vehicle owners in Toronto, Ontario.

Logixx Security provided security services for enterprise customers across Canada. Services include protective services (also known as guarding) as well as security system design, sales, installations, and monitoring and alarm response. The Company sold its entire ownership interest in Logixx Security on June 1, 2022 (Note 25).

The address of the Company's corporate office is 1959 Leslie Street, Toronto, Ontario, Canada. The Company is domiciled in Canada and was incorporated in Canada.

2. BASIS OF PRESENTATION

a) Statement of compliance

These condensed interim consolidated financial statements of the Company have been prepared in accordance with IAS 34, “Interim Financial Reporting” as issued by the International Accounting Standards Board (“IASB”) and using the accounting policies described herein. Accordingly, certain information and footnote disclosure normally included in the annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the IASB, have been omitted or condensed.

The notes presented in these condensed interim consolidated financial statements include only significant events and transactions and do not include all matters normally disclosed in the Company’s annual audited consolidated financial statements and are therefore referred to as condensed.

These condensed interim consolidated financial statements should be read in conjunction with the Company’s audited financial statements for the year ended March 31, 2024.

The financial information included herein reflects all adjustments that, in the opinion of management, are necessary for a fair presentation of the results for the interim periods presented. The results of operations for the periods ended June 30, 2024, and 2023 are not necessarily indicative of the results to be expected for the full year.

The condensed interim consolidated financial statements were authorized for issue by the Board of Directors on August 12, 2024.

b) Basis of measurement

The condensed interim consolidated financial statements of the Company are presented in Canadian dollars, which is the Company’s presentation currency. NSSG, a subsidiary, uses the euro as its functional currency, while the Company and all other subsidiaries uses Canadian dollars as its functional currency. Transactions in foreign currencies are translated into the respective functional currencies at the exchange rates on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange at the reporting date.

Assets and liabilities of foreign operations are translated into the presentation currency at the spot exchange rate in effect as of the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rates for the reporting period. Any resulting translation differences from the above translation methods are recognized in other comprehensive income.

The preparation of these condensed interim consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the condensed interim consolidated financial statements, are disclosed in Note 4.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Basis of Consolidation

The condensed interim consolidated financial statements include the accounts of the Company and other entities that the Company controls (subsidiaries). Control exists when the Company is exposed or has the existing rights to variable returns and the current ability to direct activities that significantly affect the entities' returns. Consolidation of the subsidiaries begins on the date on which control is obtained and ends when control of the entity ceases to exist. The Company assesses control on an ongoing basis.

Non-controlling interests in subsidiaries are identified separately from the Company's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets

The financial statements of the Company and subsidiaries are prepared as of the same dates and periods. The condensed interim consolidated financial statements are prepared using uniform accounting policies by all companies in the Company. Transactions and balances between the Company and its consolidated entities have been eliminated on consolidation.

The Company's composition is made of the subsidiaries listed below.

	Ownership interest held at	
Name of enties	**June 30, 2024**	**Mar 31, 2024**
Avante Security Inc.	100%	100%
Avante International Inc.	100%	100%
Avante Holding Corp.	100%	100%
North Star Support Group S.R.L.	55%	55%
THE TOYBOXX INC.	51%	51%

On October 1, 2023 Avante Corp., set up a wholly owned subsidiary, Avante International Inc., to acquire a 55% stake in NSSG, a risk management and security company (note 13). The comprehensive purchase cost amounted to $1,834,561, with payment structured as a blend of $1,728,000 in cash and the issuance of 154,301 common shares in the Company. NSSG is consolidated with effect from October 1, 2023.

In October 2023, Avante Corp., set up a wholly owned subsidiary, Avante Holding Corp. and invested 51% in ToyBoxx. ToyBoxx is consolidated with effect from September 14, 2023 (note 17).

Discontinued operations

A discontinued operation is a component of the consolidated entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the condensed interim consolidated statements of income and comprehensive income. In these financial statements, the financial results of Logixx Security are treated as discontinued operations along with assets and liabilities held for sale as of March 31, 2022, as the Company had executed a definitive agreement to sell Logixx Security to a third party on March 30, 2022 and this ultimately resulted in the sale of the Company's entire ownership interest in Logixx Security on June 1, 2022.

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognized.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognized.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

Accounting standards effective in the year

IAS 1: Presentation of Financial Statements

In January 2020, IASB issued Classification of Liabilities as Current or Non-current, which amends IAS 1 - Presentation of Financial Statements. The narrow scope amendments affect only the presentation of liabilities in the statement of financial position and not the amount or timing of their recognition. It clarifies that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period and specifies that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability.

It also introduces a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The Company adopted this amendment on April 1, 2023, with no material impact to the financial statements.

IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors

In February 2021, the IASB issued narrow-scope amendments to IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8"). The amendments to IAS 8 clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events. The amendments are effective for annual reporting periods beginning on or after January 1, 2023. The Company adopted this amendment on April 1, 2023, with no material impact to the financial statements.

IAS 12: Income Taxes

In May 2021, the IASB issued targeted amendments to IAS 12 – Income Taxes to specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations. In specified circumstances, companies are exempt from recognizing deferred tax when they recognize assets or liabilities for the first time. Previously, there had been some uncertainty about whether the exemption applied to transactions such as leases and decommissioning obligations transactions for which companies recognize both an asset and a liability. The amendments clarify that the exemption does not apply and that companies are required to recognize deferred tax on such transactions. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations.

The Company adopted this amendment on April 1, 2023, with no material impact to the financial statements.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

Accounting standards issued but not yet effective in the year

Amendments to IAS21 - Lack of exchangeability

The IASB amended IAS 21 'The Effects of Changes in Foreign Exchange Rates' to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not. These new requirements will apply from 2025, with early application permitted. At this time, management does not expect the amendments to have significant impact, if any, on its condensed interim consolidated financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

There have been no material revisions to the nature and number of estimates and judgments made in prior periods. For assumptions made by Avante Corp. in the estimates made to calculate the recoverable amount of CGU's, refer to note 12

Judgements

Information about critical judgements in applying accounting policies that have the most significant risk of causing material adjustment to the amounts reported in these consolidated financial statements are discussed below:

1. **Excepted credit losses for accounts receivable and contract assets**

   The Company has exercised judgement in quantifying the allowance for expected credit losses. While it is possible that certain accounts receivable considered good may turn doubtful at a later date, there are no indicators that they would at the present time. The Company analyzes accounts receivable for any accounts that may become uncollectable to determine the allowance. This assessment is based on discussions with clients for items that may be disputed.

2. **Income taxes**

   Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may be materially different than the amount included in the tax liabilities.

   In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. Judgement is used to evaluate whether a deferred tax asset can be recovered based on the Company's assessment of existing tax laws, estimates of future profitability, and tax planning strategies.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

3. Provision for impairment of inventories

The provision for impairment of inventories requires estimation and judgement to assess the lower of cost and net realizable value. The provision is assessed by taking into account recent sales, aging of inventories, historical costs and other factors that affect inventory obsolescence.

4. Lease discount rate

The Company exercises judgement in determining the incremental borrowing rate when the interest rate is not implicit in the lease. The incremental borrowing rate is the rate of interest that a lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

5. Intangible assets and goodwill

Management is required to use judgement in determining the economic useful lives of identifiable intangible assets. Judgement is also required in identifying indicators of impairment and in identifying the Company's cash generating units ("CGUs").

6. Revenue and contract assets

There is judgement in determining the timing of revenue recognition pertaining to electronic installation services, where the entire contract is one performance obligation and is recognized over time using the percentage of completion basis. Timing of revenue recognition may differ from when customers are invoiced, which could result in contract assets or contract liabilities being recognized.

7. Segment reporting

The Company has exercised judgement in identifying its reportable segments and applying the related aggregation criteria required under IFRS 8. With the sale of Logixx Security on June 1, 2022, the Company now has one reportable segment consisting of Avante Security. Avante Security focuses on providing security services to ultra-high net worth residential customers in the central Toronto and Muskoka regions of Ontario.

8. Assessment of Control

The Company has exercised judgement in assessing control of its 55% acquisition of NSSG as required under IFRS 10. To have control over an investee the investor must have all the following; 1) Power over the investee; 2) Exposure, or rights to variable returns and 3) the ability to use its power over the investee to affect the amount of the investor's return. The Company assessed control by analyzing the substantive rights to direct the relevant activities of the investee. Management has concluded that it does control NSSG under IFRS 10.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Estimates

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income (loss) in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year include accrued liabilities. These estimates are created based on management's assumptions, based on current circumstances, and management believes represent a reasonable basis upon which to estimate the future liability. With respect to intangibles, acquired through business combinations, the Company determines fair values using such estimates as discount rates, capitalization rates, growth rates and terminal capitalization rates. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management. With respect to goodwill impairment testing, the Company determines value in use and fair value less costs of disposal using such estimates as cash flows and discount rates. These estimates are reviewed periodically by management.

Share-based payments and derivative liabilities are determined by the Black-Scholes option pricing model, which is used by the Company to determine the fair value of stock options**.** Significant estimates are used in the calculation of the input variables in the Black-Scholes model, which include: risk free interest rate (based on government bonds), expected stock price volatility, expected life, and expected dividend yield.

5. EARNINGS (LOSS) PER SHARE

The following reflects the income (loss) and share data used in the basic and diluted earnings (loss) per share computations for the period ended:

	For the three-month period ended	
	Jun 30, 2024	Jun 30, 2023
Basic and diluted loss per share from continuing operations	$ (0.005)	0.003
Basic and diluted earnings/(loss) per share	(0.005)	0.003
Net income (loss) attributable to equity holders of the parent - basic and fully diluted from continuing operations	(120,105)	80,182
Total net income/(loss) attributable to equity holders of the parent - basic and fully diluted	(120,105)	80,182
Weighted average number of shares outstanding for basic and diluted calculation	26,643,739	26,489,438

Potential common shares are antidilutive when their conversion to common shares increases earnings per share or decreases loss per share from continuing operations. Antidilutive common shares are excluded from weighted average number of shares outstanding for the purposes of calculating the diluted earnings per share.

6. REVENUE RECOGNITION

a) Disaggregation of Revenue

Revenue is recognized in a manner that depicts the transfer of promised goods or services to the customer and at an amount that reflects the consideration expected to be received in exchange for transferring those goods and services. Standard 30-day payment terms apply to the majority of accounts receivable for the Company. Segment revenues by service type for the three-months ended June 30, 2024 and 2023 were as follows:

	For the three-month period ended						
	Jun 30, 2024				Jun 30, 2023		
	Avante Security	NSSG	Elimination	Total	Avante Security	Elimination	Total
Protective Services	$ 2,505,590	$ -	$ -	$ 2,505,590	$ 2,816,697	-	$ 2,816,697
Monitoring and Managed Services	1,332,990	-	-	1,332,990	$ 1,081,286	-	$ 1,081,286
Electronic Services	1,712,141	-	-	1,712,141	$ 1,512,457	-	$ 1,512,457
Secured Transport	673,626	-	-	673,626	-	-	-
Investigations	863,339	-	-	863,339	-	-	-
Specialized Security	41,271	-	-	41,271	-	-	-
Auto storage	5,473	-	-	5,473	-	-	-
Operations	-	679,711	(47,417)	632,294	-	-	-
Investigations	-	48,438	(1,976)	46,462	-	-	-
Consulting	-	101,439	-	101,439	-	-	-
Total Revenue	**$ 7,134,430**	**$ 829,588**	**$ (49,393)**	**$ 7,914,625**	**$ 5,410,440**	**$ -**	**$ 5,410,440**

(b) Contract Assets and Liabilities

	Jun 30, 2024	Mar 31, 2024
Work-in-progress - contracts in process	$ 234,884	$ 285,548

Timing differences between invoicing, cash collection, and revenue recognition results in accounts receivable and also results in unbilled work-in-progress (contract assets), and deferred revenue (contract liabilities) on the consolidated statement of financial position. Amounts are billed in accordance with the terms of each customer contract, generally subsequent to the performance of obligations and related revenue recognition, resulting in accounts receivable with standard payment terms of 'Net 30 Days' for these types of contracts. For certain contracts, the Company receives customer payment prior to satisfying contracted obligations and recognizing revenue, resulting in deferred revenue (contract liabilities).

Contract liabilities balance at March 31, 2023	$ 2,139,672
Additions during the year	12,984,719
Recognized during the year	(12,735,870)
Contract liabilities balance at March 31, 2024 to be recognized in fiscal year 2025	2,388,521
Contract liabilities balance at March 31, 2024 to be recognized after fiscal year 2025	-
Contract liabilities balance at March 31, 2024	$ 2,388,521
Additions during the period	2,774,960
Recognized during the period	(2,965,178)
Contract liabilities balance at June 30, 2024 to be recognized in fiscal year 2025	644,940
Contract liabilities balance at June 30, 2024 to be recognized after fiscal year 2025	1,553,363
Contract liabilities balance at June 30, 2024	**$ 2,198,303**

7. ASSETS AND LIABILITIES HELD FOR SALE AND DISCONTINUED OPERATIONS

On March 30, 2022, the Company entered into a definitive share purchase agreement (the "SPA") with SSC Security Services Corp. ("SSC") pursuant to which SSC agreed to acquire all of the Company's ownership interest in Logixx Security. Under the terms of the SPA, the Company would receive $23,950,000 in cash including repayment of intercompany loans of $7,802,074 less reimbursement of SSC's costs related to a prior transaction agreement of $750,000 plus or minus closing working capital compared to an agreed minimum threshold. On June 1, 2022, the Company sold Logixx Security to SSC under the SPA and received $23,733,248, net of the expense reimbursement and estimated working capital surplus. On September 12, 2023 the Company received $144,000 from SSC for the working capital adjustment. In addition, the Company will receive the benefit of Logixx Security's collected accounts receivable since closing that was older than 90 days old as of closing (approximately $1.1 million), net of a 5% collection fee payable to SSC. The company is pursuing legal action against SSC for the payment of the collection of overdue receivables (note 8).

The estimated total amount due from SSC is included within non-trade receivables within "Accounts receivable" on the consolidated statements of financial position as at March 31, 2024 and consists of the unpaid portion of the cost of agreed transition services provided by the Company to SSC since the closing of the transaction and Logixx Security accounts receivable older than 90 days at closing (net of SSC's collection fee) that the Company anticipates will be collected by SSC in accordance with the SPA. SSC has not remitted its collection to date and thus the Company has commenced a lawsuit for payment.

8. ACCOUNTS RECEIVABLE

The accounts receivable on the financial statements are net of allowance for doubtful accounts of $186,206 as at June 30, 2024 (March 31, 2024: $232,050). Changes in the allowance for doubtful accounts during the period were as follows:

	Jun 30, 2024	Mar 31, 2024
Allowance for doubtful accounts - opening balance	$ 232,050	$ 160,716
Net increase (decrease) during the period	(45,844)	71,334
Allowance for doubtful accounts - closing balance	$ 186,206	$ 232,050

As at June 30, 2024 and March 31, 2024, the aging of the Company's accounts receivables was as follows:

	Balance Due	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days
Trade receivables	$6,419,424	$2,626,268	$524,396	$442,844	$2,825,916
Unbilled trade receivables	335,827	317,172	-	-	18,655
Non-trade receivables	869,255	869,255	-	-	-
Allowance for doubtful accounts	(232,050)	-	-	-	(232,050)
Balance at March 31, 2024	**$7,392,456**	**$3,812,695**	**$524,396**	**$442,844**	**$2,612,521**
Trade receivables	6,252,405	$2,860,514	$471,289	$796,885	$2,123,717
Unbilled trade receivables	748,929	730,274	-	-	18,655
Non-trade receivables	443,443	443,443	-	-	-
Allowance for doubtful accounts	(186,206)	-	-	-	(186,206)
Balance at June 30, 2024	**$7,258,571**	**$4,034,232**	**$471,289**	**$796,885**	**$1,956,167**

The consolidated entity has recognized a loss of $(5,610) from continuing operations at June 30, 2024 (June 30, 2023: $15,750) in profit or loss in respect of the expected credit losses for the three months then ended As at June 30, 2024, there was $2,142,372 (March 31, 2024: $2,844,571) of accounts receivable outstanding for over 90 days of which management did not consider $1,956,167 (March 31, 2024: $2,612,521) impaired.

9. INVENTORIES

	Jun 30, 2024	Mar 31, 2024
Inventory	$ 1,223,322	$ 1,103,250

All inventory is considered finished goods. Inventory expensed to cost of sales during the three months ended June 30, 2024, amounted to $690,352 (three months ended June 30, 2023: $536,702).

10. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment	Equipment, furniture and fixtures	Leasehold improvements	Computer software	Right-of-use asset	Vehicles	Uniforms	Buildings	Total
	$	$	$	$	$	$	$	$	$
Cost									
Balance at March 31, 2024	$ 519,503	$ 798,159	$ 817,782	$ 345,418	$ 2,066,128	$ 81,176	$ 143,143	$ 473,300	$ 5,244,609
Additions	31,804	-	-	-	176,642	-	1,851	-	210,297
Disposals	-	-	-	-	(46,223)	-	-	-	(46,223)
Foreign exchange gain (loss)	-	171	-	-	1,342	-	-	-	1,513
Balance at June 30, 2024	551,307	798,330	817,782	345,418	2,197,889	81,176	144,994	473,300	5,410,196
Accumulated depreciation									
Balance at March 31, 2024	409,521	518,312	731,639	345,418	691,228	36,542	73,645	102,549	2,908,854
Depreciation	7,631	15,130	4,907	-	203,472	3,348	6,159	4,733	245,380
Disposals	-	-	-	-	(36,828)	-	-	-	(36,828)
Foreign exchange gain (loss)	-	(64)	-	-	(1,059)	-	-	-	(1,123)
Balance at June 30, 2024	417,152	533,378	736,546	345,418	856,813	39,890	79,804	107,282	3,116,283
Carrying Amounts									
Balance at March 31, 2024	109,982	279,847	86,143	-	1,374,900	44,634	69,498	370,751	2,335,755
Balance at June 30, 2024	$ 134,155	$ 264,952	$ 81,236	$ -	$ 1,341,076	$ 41,286	$ 65,190	$ 366,018	$ 2,293,912

	Computer equipment	Equipment, furniture and fixtures	Leasehold improvements	Computer software	Right-of-use asset	Vehicles	Uniforms	Buildings	Total
	$	$	$	$	$	$	$	$	$
Cost									
Balance at March 31, 2023	$ 486,256	$ 677,052	$ 723,044	$ 345,418	$ 1,636,640	$ 59,014	$ 115,043	$ 473,300	$ 4,515,767
Additions from continuing operations	5,347	1,346	-	-	65,528	-	7,235	-	79,456
Disposals from continuing operations	-	-	-	-	(222,035)	-	-	-	(222,035)
Balance at June 30, 2023	491,603	678,398	723,044	345,418	1,480,133	59,014	122,278	473,300	4,373,188
Accumulated depreciation									
Balance at March 31, 2023	380,082	434,051	723,044	326,370	59,524	22,163	44,236	83,617	2,073,087
Depreciation from continuing operations for the period	7,985	12,293	-	6,310	159,470	2,764	8,025	4,733	201,580
Disposals from continuing operations	-	-	-	-	(49,360)	-	-	-	(49,360)
Balance at June 30, 2023	388,067	446,344	723,044	332,680	169,634	24,927	52,261	88,350	2,225,307
Carrying Amounts									
Balance at March 31, 2023	106,174	243,001	-	19,048	1,577,116	36,851	70,807	389,683	2,442,680
Balance at June 30, 2023	$ 103,536	$ 232,054	$ -	$ 12,738	$ 1,310,499	$ 34,087	$ 70,017	$ 384,950	$ 2,147,881

Depreciation expense is $245,380 for the three months ended June 30, 2024 (three months ended June 30, 2023: $201,580).

The Company carries two categories of right-of-use assets: vehicles and property. At June 30, 2024 the carrying amount of vehicles under lease was $623,297 (March 31, 2024: $589,440), with $134,691 of depreciation (three months ended June 30, 2023: $119,189).

The right-of-use asset property had a carrying amount of $709,724 at June 30, 2024 (March 31, 2024: $777,404). Depreciation in the amount of $68,781 is included for the three months ended June 30, 2024, (three months ended June 30, 2023: $40,281).

All assets of the Company, including its Accounts Receivables, Inventories and Property, Plant and Equipment, have been pledged as general security against the senior secured credit facilities established with the Company's bank (Note 14). Gains and losses on disposals are booked in the miscellaneous (income) expense line on the condensed interim consolidated statement of income and comprehensive income.

11. CAPITALIZED COMMISSION

Commissions on long-term contracts (12 months in length or longer) are capitalized at the initiation of the contract and amortized over the length of the contract as revenue is recognized. The unamortized amount of commission on long-term contracts as of June 30, 2024 was $2,870 (March 31, 2024: $4,164), with $1,294 amortized in the three months ended June 30, 2024 (three months ended June 30, 2023: $2,728).

12. GOODWILL AND INTANGIBLE ASSETS

A. INTANGIBLE ASSETS

	Trade Name	Customer relationships	Order backlog	Total
	$	$	$	$
Cost				
Balance at March 31, 2024	$660,026	$5,362,080	$262,000	$6,284,106
Additions	-	-	-	-
Balance at June 30, 2024	**660,026**	**5,362,080**	**262,000**	**6,284,105**
Amortization				
Balance at March 31, 2024	$136,030	$3,397,379	$262,000	$3,795,409
Amortization	27,579	133,694	-	161,273
Balance at June 30, 2024	**163,609**	**3,531,073**	**262,000**	**3,956,683**
Carrying amounts				
Balance at March 31, 2024	**$ 523,996**	**$ 1,964,701**	**$ -**	**$ 2,488,697**
Balance at June 30, 2024	**$ 496,417**	**$ 1,831,007**	**$ -**	**$ 2,327,424**

	Trade Name	Customer relationships	Order backlog	Total
	$	$	$	$
Cost				
Balance at March 31, 2023	$80,873	$4,755,673	$262,000	$5,098,546
Acquisitions	-	-	-	-
Balance at June 30, 2023	**80,873**	**4,755,673**	**262,000**	**5,098,546**
Amortization				
Balance at March 31, 2023	$80,873	$2,895,383	$262,000	$3,238,256
Amortization from continuing operations for the period	-	117,304	-	117,304
Balance at June 30, 2023	**80,873**	**3,012,687**	**262,000**	**3,355,560**
Carrying amounts				
Balance at March 31, 2023	**$ -**	**$ 1,860,290**	**$ -**	**$ 1,860,290**
Balance at June 30, 2023	**$ -**	**$ 1,742,986**	**$ -**	**$ 1,742,986**

12. GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

On December 1, 2022 the Company acquired the customer list of C & B Alarms Ltd ("C&B Alarms") pursuant to an Asset Purchase Agreement between the Company and C & B Alarms Ltd. ("C&B") in the Muskoka region. The total purchase price was $575,000, $431,250 was paid in cash, the Company held back $143,750 of the purchase price against certain representations and warranties. The full amount of the acquisition was allocated to the intangible asset Customer Relationships on the Consolidated Statement of Financial Position as of March 31, 2023.

On October 1, 2023, Avante Corp., acquired a controlling interest of 55% in NSSG, an international risk management and security company. The comprehensive purchase cost amounted to $1,834,561, with payment structured as a blend of $1,728,000 in cash and the issuance of 154,301 common shares in the Company. NSSG is consolidated with effect from October 1, 2023. As a result of the acquisition of NSSG, the Company recorded $1,185,560 of identifiable intangible assets. These intangible assets are primarily related to customer relationships and trade name, with useful lives ranging from 5.25 to 9.25 years.

Intangible amortization expense for the three months ended June 30, 2024 is $161,273 (three months ended June 30, 2022: $117,304).

B. GOODWILL

Balance at March 31, 2023	**$ 2,971,997**
Acquisition of a subsidiary	**$ 1,529,320**
Balance at March 31, 2024	**$ 4,501,317**
Balance at June 30, 2024	**$ 4,501,317**

The above intangible assets and goodwill were acquired upon the acquisitions of the businesses of INTO Electronics Inc. at August 22, 2014, LVS Inc. at April 1, 2015, Architronics Limited ("Architronics") at March 1, 2017 and Watermark Security Inc. at August 1, 2018 as well as the acquisition of the business of NSSG at October 1, 2023. The goodwill recognized on NSSG acquisition is primarily attributed to the anticipated synergy in services, global expansion through leveraging respective networks, innovation and expertise in technology, and enhanced operational efficiency.

The key assumptions used to calculate the fair value of these intangible assets include discount rates, growth rates and margins. The cost of goodwill is calculated as the excess of purchase price of the acquired business over the estimated fair value of the tangible and intangible assets acquired and liabilities assumed at the date of acquisition and is allocated to the cash generating unit ("CGU") expected to benefit from the acquisition. A CGU is the smallest group of assets for which there are separate identifiable cash flows. With the sale of Logixx Security on June 1, 2022, the Company had one CGU consisting of Avante Security at March 31, 2023 and has two CGUs at March 31, 2024, consisting of Avante Security and NSSG.

Amortization

The amortization of tradenames, customer relationships, order backlog and non-compete agreement is included in amortization on intangible assets on the condensed interim consolidated statements of income and comprehensive income.

13. BUSINESS ACQUISITIONS

Acquisition of Veridin Systems Canada Inc. and Intelligarde International Inc., subsequently sold to SSC

Veridin Systems Canada Inc. was acquired by the Company on September 17, 2018 and integrated with Logixx Security and sold to SSC on June 1, 2022. Within an escrow account, the Company held back $94,923 of the purchase price against certain representations and warranties. The parties are engaged in litigation processes to settle the amounts owing between the parties.

Intelligarde International Inc. was acquired by the Company on November 30, 2018 and integrated with Logixx Security and sold to SSC on June 1, 2022. The Company held back $712,500 of the purchase price. The amount in the escrow account as of April 19, 2024 was $549,299. Subsequent to year-end, the Company reached a settlement with the seller where the Company received $250,000 (note 27).

Acquisition of NSSG

On October 1, 2023 Avante Corp., via its subsidiary Avante International Inc., acquired a controlling interest of 55% in NSSG, an international risk management and security company. The comprehensive purchase cost amounted to $1,834,561, with payment structured as a blend of $1,728,000 in cash and the issuance of 154,301 common shares in the Company. NSSG is consolidated with effect from October 1, 2023.

The acquisition was undertaken to strengthen the Group's presence in the global security market by utilizing NSSG's worldwide client base for cross-selling its services and technology to NSSG's Fortune 500 clients.

As part of the transaction, Avante Corp. entered into a shareholder’s agreement with respect to NSSG and a loan agreement with NSSG. Pursuant to the loan agreement, the Company will, indirectly through the Purchaser, advance to NSSG a loan in principal amount of up to EUR 1,000,000 for a term of 4 years, bearing interest at a rate equal to the Bank of Canada Prime Rate plus 1%, and repayable in 8 quarterly equal repayments starting on the date that is 24 months after the date of each drawdown under the loan. This first draw of EUR 500,000 was executed on September 25, 2023.

14. BANK INDEBTEDNESS

On June 30, 2021, the Company entered into a senior secured credit agreement with a bank that fully replaced the Company’s senior secured banking arrangements and mortgage provided by its former bank. On June 1, 2022, the Company replaced that with a new credit agreement. The June 30, 2021 credit agreement provided an $8,000,000 revolving credit facility (“Facility A”), a $10,000,000 non-revolving term loan facility (“Facility B”) and a $3,000,000 delayed-draw non-revolving term loan credit facility (“Facility C”), each with a three-year maturity date ending May 19, 2024. The Company had the ability to draw upon Facility A that was subject to a borrowing base consisting of eligible cash, accounts receivable, and inventory. The Company was permitted to draw upon Facility B in two tranches; Tranche 1 had a limit of $6,000,000 and Tranche 2 had a limit of $4,000,000. The ability to draw on Tranche 2 expired on July 31, 2021 reducing the available limit to zero. Facility C was available until December 31, 2022, to fund delayed purchase price payments or other funding requirements applicable to future permitted acquisitions. Repayment of drawings under the term loan and delayed-draw credit facilities occurred at the rate of 2.50% per quarter with the remaining balance due on the maturity date.

The Company incurred deferred financing fees of $452,417 in connection with the June 30, 2021 credit agreement and the prior credit facilities also had applicable deferred financing fees. The remainder of these costs in the amount of $295,795 were written-off in the year ended March 31, 2023.

On June 1, 2022, the Company applied proceeds from the sale of Logixx Security on June 1, 2022 to permanently repay the credit facilities pursuant to the June 30, 2021 Credit Agreement. As of June 1, 2022, the Company entered into amended credit facilities with the same bank consisting of a $2 million revolving credit facility, together with credit card facilities for each of Avante Corp. and Avante Security, supported by a first fixed security interest in favour of the bank over all assets of Avante Corp. and Avante Security. Such credit arrangements are provided by the bank on a demand basis, and the revolver is subject to a borrowing base consisting of 75% of eligible accounts receivable and 50% of inventory, minus priority payables.

14. BANK INDEBTEDNESS (CONTINUED)

The provision of the credit facilities is subject to a minimum consolidated current ratio of 1.20 as of March 31, 2023, and thereafter, and the Company was in compliance with that covenant as of June 30, 2024.

The agreement further stipulates that the advances cannot exceed 75% of accounts receivable and 50% of inventory less priority payables; Avante corp. is in compliance with these requirements as of March 31, 2024. Drawings under the revolver are permitted by way of letters of credit (at 2.00% per annum), prime rate advances (at the bank's prime rate plus 0.50%) and bankers' acceptances (stamping fee of 2.00%).

As of June 30, 2024, there were no drawings on the line of credit. The Company must maintain a current asset to current liability ratio of at least 1.20:1.00 at all times, as calculated on a quarterly basis. The Company was onside with covenants throughout the year and as at June 30, 2024. The borrowing base of the line of credit is 75% of accounts receivable, excluding items aged greater than ninety days, plus 50% of inventory less priority payables which consist of accrued payments such as salaries, commissions and HST payable. The Company borrowing base must exceed the amount borrowed on the line of credit.

On July 7, 2022, the Company executed an unsecured Loan Agreement with affiliates of Fairfax Financial Holdings Limited ("Fairfax"), who collectively own 19.88% of the Company's common shares. This note should be read in conjunction with the related-party transactions Note 22 to fully understand the nature and impact of the Loan Agreement with Fairfax affiliates.

15. OBLIGATIONS UNDER LEASE

The Company's lease payments are discounted using the interest rate implicit in the lease, or if that cannot be determined, the Company's incremental borrowing rate. Vehicle lease and property lease liabilities as of the respective period ends were as follows:

	Vehicle lease liability	Property lease liability	Total liability
Balance at March 31, 2023	**$ 797,759**	**$ 836,253**	**$ 1,634,012**
Current obligations under lease	381,206	188,586	569,792
Long-term obligations under lease	416,553	647,667	1,064,220
Balance at March 31, 2023	**$ 797,759**	**$ 836,253**	**$ 1,634,012**
Additions from acquisition of NSSG	63,098	84,515	147,613
Additions during the year	355,062	149,449	504,511
Disposals during the year	(240,085)	-	(240,085)
Principal payments	(418,780)	(247,121)	(665,902)
Balance at March 31, 2024	**$ 557,054**	**$ 823,095**	**$ 1,380,149**
Current obligations under lease	320,530	241,523	562,053
Long-term obligations under lease	236,524	581,572	818,096
Balance at March 31, 2024	**$ 557,054**	**$ 823,095**	**$ 1,380,149**
Additions during the year	165,161	-	165,161
Disposals during the year	(18,911)	-	(18,911)
Principal payments	(104,732)	(63,832)	(168,564)
Balance at June 30, 2024	**$ 598,572**	**$ 759,263**	**$ 1,357,835**
Current obligations under lease	378,391	229,060	607,451
Long-term obligations under lease	220,181	530,203	750,384
Balance at June 30, 2024	**$ 598,572**	**$ 759,263**	**$ 1,357,835**

The Company leased certain vehicles with a value of $598,572 (March 31, 2024: $557,054), at an effective annual rate of interest of 19.08% (March 31, 2024: 19.19%). The payment terms include blended monthly payments of $60,939 plus applicable taxes (March 31, 2024: $60,939) for 12 to 60 months ending between November 2024 and July 2027, with an aggregate buy out obligation of $nil as of June 30, 2024 (March 31, 2024: $nil). Interest expense from these leases, included in the condensed interim consolidated statements of income and comprehensive income for the three months ended June 30, 2024 was $37,190 (three months ended June 30, 2023: $33,163).

15. OBLIGATIONS UNDER LEASE (CONTINUED)

Various office properties with a value of $759,263 (March 31, 2024: $823,095), are leased with blended monthly payments of $26,346 plus applicable taxes (March 31, 2024: $21,796). An incremental borrowing rate of 7.20% is used. The property leases end between August 2026 and January 2028. Interest expense from these leases, included in the condensed interim consolidated statement of income and comprehensive income for the three months ended June 30, 2024 was $21,250 (three months ended June 30, 2023: $20,704).

16. SHAREHOLDERS' EQUITY

[a] Share capital issued and outstanding

Unlimited common shares	Number of Shares		Amount
Balance at March 31, 2023	26,489,438	$	30,138,388
Issue of shares on acquisition of NSSG (note 13)	154,301		106,561
Share issue costs	-		(11,588)
Balance at March 31, 2024	26,643,739	$	30,233,361
Balance at June 30, 2024	26,643,739	$	30,328,334

[b] Share options

The Company has an incentive Share Option Plan ("the Plan") under which non-transferable options to purchase common shares of the Company may be granted to directors, officers, employees or service providers of the Company. The terms of the Plan provide that the Directors have the right to grant options to acquire common shares of the Company at not less than the closing market price of the shares on the day preceding the grant at terms of up to ten years. No amounts are paid or payable by the recipient on receipt of the option.

Options for Directors vest when granted, while vesting of options for non-directors is as follows: 33.33% on the first anniversary; 33.33% on the second anniversary; and the remainder on the third anniversary following the grant date. For the chairman of the Board vesting of the options is as follows: 25% of the option will vest on the first anniversary; 25% on the second anniversary; 25% on the third anniversary; and the remainder on the fourth anniversary following the grant date.

On September 29, 2015, the shareholders of the Company approved an amendment to the stock option plan whereby it reverted to a 10% rolling stock option plan. This plan is approved annually by the shareholders of the Company and was again approved by the shareholders on September 29, 2022. Accordingly, the Company has a total of 1,199,374 options available to be issued as at June 30, 2024, with the maximum term remaining at 10 years (March 31, 2023: 1,165,610).

	Number of Options	Weighted Average Exercise Price
Balance at March 31, 2023	**1,483,333**	**$1.05**
Option granted during the period	115,000	$0.88
Options expired during the period	(133,333)	$2.22
Balance at March 31, 2024	**1,465,000**	**$0.93**
Balance at June 30, 2024	**1,465,000**	**$0.93**

During the three months ended June 30, 2024 no share options were issued or forfeited. During the three months ended June 30, 2023 no share options were issued or forfeited. None of the outstanding options were exercised in the three months ended June 30, 2024 or during the year ended March 31, 2023.

16. SHAREHOLDERS' EQUITY (CONTINUED)

Using the Black-Scholes pricing model, the Company recognized $22,605 net of $nil for forfeited options for the three months ended June 30, 2024 (three months ended June 30, 2023: $46,368 net of $nil for forfeited options).

In calculating the share-based compensation expense, the Company used the assumptions as listed below as at the date of grants in the prior years and there were no grants awarded in three months ended June 30, 2024:

	Fiscal 2025	Fiscal 2024
Risk-free interest rate	3.92%	3.92%
Expected volatility	63.08% - 63.72%	63.08% - 63.72%
Expected time until exercise	5 years	5 years
Expected dividend yield	NIL	NIL
Expected forfeiture	0-5%	0-5%
Share price	$0.88	$0.88

The expected price volatility is based on the historic volatility (based on the expected life of the options), adjusted for any expected changes to future volatility due to publicly available information.

The following table summarizes stock options vested and outstanding at June 30, 2024:

Grant Date	Number of Options Outstanding	Remaining Years	Number of Options Vested	Exercise Price	Expiry Date
2022-04-28	200,000	2.83	200,000	0.88	2027-04-28
2022-04-28	200,000	2.83	200,000	0.97	2027-04-28
2022-04-28	200,000	2.83	83,333	1.07	2027-04-28
2022-04-28	200,000	2.83	166,666	1.18	2027-04-28
2022-04-28	100,000	2.83	100,000	0.88	2027-04-28
2022-09-26	250,000	3.24	83,333	0.80	2027-09-26
2022-10-11	200,000	3.53	200,000	0.77	2027-09-26
2023-08-29	100,000	4.17	100,000	0.88	2028-08-29
2023-07-31	15,000	4.09	5,000.00	0.88	2028-07-31
	1,465,000	3.31	1,138,332		

1. Expiry date extended in accordance with the share option plan.

17. NON-CONTROLLING INTERESTS

On October 1, 2023, the Company acquired control of North Star Support Group S.R.L. ("NSSG") upon achieving economic and voting interests of 55%. As a result, effective October 1, 2023, the Company commenced consolidating the entity. The transaction has been accounted for as a business combination in accordance with IFRS 3, Business Combinations.

In September 2023, Avante Corp., operating through its subsidiary Avante Holding Corp., formally established ToyBoxx, which commenced its services in December 2023.

18. PERFORMANCE SHARE UNITS

On November 25, 2020, the Company's Board of Directors established a performance share unit ("**PSU**") compensation program, which as of April 8, 2022 was terminated. That program provided for a cash payment to eligible participants equal to the number of PSUs granted multiplied by the Company's volume weighted average share price ("**VWAP**") in effect during the thirty days prior to a future valuation date scaled downwards for vesting criteria linked to that VWAP in effect during the thirty days prior to the valuation date.

On November 25, 2020, the Company announced that the Chief Executive Officer was awarded 200,000 performance stock units payable on March 31, 2023 at the Corporation's 30-day volume weighted share price in effect on that date, scaled downward to 0% payout if that VWAP was less than $3.39 per share, 50% payout if great than or equal to $3.39 per share, 75% payout if greater than or equal to $3.75 per share or 100% payout if greater than or equal to $4.00 per share. Such award, if any, would have been settled in cash within 150 days following March 31, 2023.

In each fiscal year end thereafter, the Company used Monte-Carlo simulation valuation techniques to estimate the potential future value that might exist as of March 31, 2023 in respect of issued but unvested PSU grants. Such estimate was then discounted based on the risk-free interest rate as of the valuation date. Other assumptions included in the fair value of the unvested PSU grants included:

- The Company's share price on the valuation date;
- The remaining number of trading days from the valuation date until the vesting date of March 31, 2023;
- The average expected annual return on the Company's shares as of the valuation date; and
- The expected volatility of the price of the Company's common shares as of the valuation date.

The present value of such estimated potential liability was recalculated by the Company every fiscal quarter end. Within accounts payable and accrued liabilities on the consolidated statement of financial position, the Company reflected the net present value of the potential obligation, prorated by the number of months that have elapsed since the date of grant versus the total number of months from the PSU grant date to the maturity date. The difference between the statement of financial position liability amounts at the balance sheet date versus the fiscal period's opening liability was reflected as an expense, or recovery, within share based payments on the consolidated statements of income (loss) and comprehensive income (loss).

At March 31, 2022, the present value of the estimated potential liability was $42,857. However, the PSU's had no value following the departure in April 2022 of the one executive benefiting from the PSU grant. No expense or recovery is reflected in profit or loss in the three month period ended June 30, 2023 (year ended March 31, 2023: a recovery of $42,875).

19. INCOME TAXES

In prior annual fiscal years, the Company incurred non-capital losses for income tax purposes. Those losses are available to the Company to reduce the current portion of income taxes payable, if any. Income tax expense is recognized based on management's estimate of tax rates of 26.5% expected to be in effect for the Company's full financial year.

For the three months ending June 30, 2023, the Company recognized $nil deferred income tax expense from continuing operations (three months ended June 30, 2023: expense of $31,635). The deferred tax assets are attributable to previously unused non-capital tax loss carry forwards that it estimates will be used against taxable income for the year ended March 31, 2025 and future taxable periods.

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

[a] Risk management

The Company is exposed through its operations to the following financial risks:

- Market Risk
- Credit Risk
- Liquidity Risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these consolidated financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in this note.

General Objectives, Policies and Processes:

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's management. The Board of Directors receive quarterly reports from the Company's management, through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

a) 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 prices are primarily comprised of two types of risk: foreign currency risk and interest rate risk.

Foreign Currency Risk:

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and other foreign currencies will affect the Company's operations and financial results.

The Company is exposed to foreign currency risk on revenue and expenses where it invoices or procures in a foreign currency. It is also exposed to foreign currency risk on cash and cash equivalents, trade receivables, trade payables and loans payable denominated in foreign currencies, principally in US dollars, GBP and RON. The company does not employ any hedging strategies or use derivative instruments to mitigate this risk.

Interest Rate Risk:

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company has an available revolving credit facility limit, provided on a demand basis, from its bank of $2,000,000 (as of June 1, 2022) and an unsecured term loan facility from its largest shareholder of $10,000,000 (as of July 7, 2022) but neither credit arrangement was utilized as of June 30, 2024.

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

During late June 2022 the Company began investing surplus funds in one-year, cashable guaranteed investment certificates issued by its bank at fixed interest rates, so interest rate risk to rising market interest rates now exists in respect of such investments offset by the Company's ability to cash the guaranteed investment certificate and reinvest the proceeds following the initial one-month non-redeemable period.

b) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. For credit risk on accounts receivable see Note 8. Financial instruments, which are potentially subject to credit risk for the Company consist primarily of cash and cash equivalents, guaranteed investment certificates, accounts receivables, and amounts due from the purchasers of Logixx Security. The carrying amounts of financial assets represent the maximum credit exposure. The Company has gross credit exposure at June 30, 2024 relating to cash of $nil (March 31, 2024: $nil) and guaranteed investment certificates of $4,062,177 (March 31, 2024: $3,744,974). All cash and guaranteed investment certificates are held in or with Canadian banks which have credit ratings of A+ and Aa2 from rating agencies Standard & Poor's and Moody's respectively. The Company has performed a sensitivity analysis on changes in the credit risk associated with these banks and considers this risk to be minimal for all cash assets based on changes that are reasonably possible at the reporting date.

c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of approximately 90 days. To achieve this objective, the Company prepares annual financial budgets and updates short-term liquidity requirements at least monthly based on revised estimates. Further, the Company utilizes delegated authorizations for varying expenditure levels and types to further manage expenditure. The Company also monitors its risk of shortage of funds by monitoring the maturity dates of existing trade and other accounts payable.

The following table sets out the Company's contractual maturities (representing undiscounted contractual cash flows including interest) of financial liabilities:

	Up to 3 months	3 to 12 months	1 to 2 years	2 to 5 years	Over 5 years	Contractual amount	Carrying amount
At March 31, 2024	**$ 4,319,547**	**$ 857,876**	**$ 427,959**	**$ 415,450**	**$ -**	**$ 6,020,831**	**$ 5,950,923**
Accounts payable and accrued liabilities	4,849,556	64,490	-	-	-	4,914,046	4,914,046
Obligations under lease	197,487	559,979	478,435	354,438	-	1,590,338	1,357,835
At June 30, 2024	**$ 5,047,042**	**$ 624,469**	**$ 478,435**	**$ 354,438**	**$ -**	**$ 6,504,383**	**$ 6,271,881**

Contractual amounts reflect undiscounted principal payments and future interest payments. Carrying amount excludes interest, is discounted, includes any residual value.

The working capital as at June 30, 2024 was $6,546,707 compared to $6,521,9536 at March 31, 2024.

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

d) Determination of Fair Value

Fair values have been determined for measurement and/or disclosure purposes based on the Black-Scholes option pricing model. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The balance sheet carrying amounts for cash and cash equivalents, accounts receivable, notes receivable, accounts payable and accrued liabilities, bank indebtedness and vehicle loans and finance leases, and the prior year end's derivative liabilities approximate fair value due to their short-term nature.

e) Fair Value Hierarchy:

Financial instruments that are measured subsequent to initial recognition at fair value or disclosed at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

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

All financial instruments at fair value are level 1.

21. CAPITAL MANAGEMENT

The Company defines its cash, guaranteed investment certificates, common shares and stock options as capital. The Company's objectives when maintaining capital are:

- To preserve the ability to ensure business continuity thereby creating a return for the shareholders, investors and other interested parties.
- To ensure adequate return for the shareholders by pricing of services that is adjusted to the level of risk in the business activity.

To support business activity and maximize shareholder value, the Company takes into consideration various factors, including the growth of the business-related infrastructure and the up-front cost of developing new services. The Company's officers and senior management are responsible for managing the capital and do so through monthly meetings and regular review of financial information. The Board of Directors is responsible for overseeing this process. The Company manages capital with the objective of maintaining adequate capital resources through the optimization of the cash flows from operations and capital transactions. As of June 1, 2022 and July 7, 2022, the Company's new senior secured credit facility provided on a demand basis and its new unsecured term loan facility, respectively, are both subject to financial covenants, draw conditions and other terms that must be complied with in order for such sources of financing to be used by the Company (Notes 14). The Company has compiled with all the terms of both facilities as at June 30, 2024 and March 31, 2024.

22. RELATED PARTY TRANSACTIONS

In prior years, the Company had established relationships with several entities that were considered related parties. specifically RSPNDR, Xpresscheck, Resilience Capital Inc., and Illyria Inc. However, as of the current reporting period, these entities are no longer classified as related parties.

The Company entered into a contract effective May 1, 2018 with a private company controlled by a significant shareholder (and subsequent to March 30, 2022 an officer) to provide consulting services for the Company. The Company incurred $nil of expense in the three-month period ended June 30, 2024 (June 30, 2023: $nil). The balance outstanding payable by the Company at June 30, 2024, is $27,186 (March 31, 2024: $nil).

During the year ended March 31, 2024, the Company entered into a consulting agreement with a family member of a significant shareholder and an officer of the Company. Under the terms of the agreement, the family member provided strategic consulting services to the Company on a contract basis. The total amount paid to the family member for services rendered during the three-month period ended June 30, 2024 was $3,296. The terms of the agreement were negotiated at arm's length and were comparable to those that would be provided to unrelated third parties.

During the three-month period ended June 30, 2024, the Company entered into a consulting agreement with a family member of a significant shareholder and an officer of the Company. Under the terms of the agreement, the family member provided consulting services to the Company on a contract basis. The total amount paid to the family member for services rendered during the three-month period ended June 30, 2024 was $10,769. The terms of the agreement were negotiated at arm's length and were comparable to those that would be provided to unrelated third parties.

On July 7, 2022, the Company executed an unsecured Loan Agreement with affiliates of Fairfax Financial Holdings Limited that also collectively own 19.88% of the Company's common shares. Pursuant to the Loan Agreement, the Company is permitted to draw, on a non-revolving basis, up to $10 million of loans until July 7, 2027 for terms to maturity ending on July 7, 2027, at an interest rate of 5.0% that can be paid by the Company in cash or in kind. A standby fee of 0.5% per annum is charged by Fairfax on the unused portion of the term loan facility, and the fee is recorded within the interest expense on the condensed interim consolidated statement of income (loss) and comprehensive income (loss) in the amount of $12,500 (June 30, 2023: $12,500).

The Loan Agreement ranks junior to the senior secured credit facilities provided by the Company's bank but are guaranteed on an unsecured basis by all subsidiaries of the Company.

Pursuant to the Loan Agreement, the Company's consolidated senior indebtedness (excluding drawings under the Term Loan and net of permitted cash balances) shall not exceed 3.5 times Adjusted EBITDA (as defined in the Loan Agreement) on a rolling four quarter basis. In addition, further drawings under the Loan Agreement are conditional on the Company's existing Chief Executive Officer being involved in the day-to-day operations of the Company. To date, there have not been any drawings advanced under the Loan Agreement.

Remuneration of Directors and Officers was as follows:

	For the three-month period ended	
Directors and Officers Remuneration	**Jun 30, 2024**	**Jun 30, 2023**
Salaries, short term employee benefits	$ 169,976	$ 132,692
Bonus (short-term and long-term)	187,500	118,750
Director fees	50,000	50,000
Share based payments	22,605	(106,156)
	$ 430,081	$ 195,286

22. RELATED PARTY TRANSACTIONS (CONTINUED)

On April 8, 2022, the Company offered a long-term incentive plan to a director and officer of the Corporation. Under this plan, 1 million shares were to be granted on April 1, 2027, and an additional 1 million shares were to be granted upon the announcement of the Company's earnings per share for the fiscal year 2027, contingent on meeting certain performance targets.

The officers of the Company receive the short-term compensation based on achieving targeted free cash flow as determined by the Compensation committee on an annual basis.

The officers of the Company are eligible for long-term incentive payments, structured as cash-settled share-based payments, contingent upon specific criteria. At the reporting date, the fair value of the outstanding liability for cash-settled share-based payments was $1,209,875.

The total expense recognized for the period arising from cash-settled share-based payments was $1,209,875, which is included in employee benefits expense. This amount reflects the fair value of the share-based payments remeasured at the reporting date.

23. REORGANIZATION AND ACQUISITION COSTS

The Company incurred reorganization and acquisition costs in the amount of $36,069 for the three months ended June 30, 2024 (three months ended June 30, 2023: $146,563). These costs incurred during the three months ended June 30, 2024 included consulting and legal fees. During the three months ended June 30, 2023 reorganization and acquisition costs included professional fees paid to consultants, rebranding and reorganization expenses.

24. SEGMENT REPORTING

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenue and expenses that relate to transactions with any of the Company's other components. The operating results of all operating segments are reviewed regularly by the Company's chief operating decision maker to make decisions about resources to be allocated to the segment and assessing their performance. The Company's chief operating decision maker is the Chief Executive Officer. Prior to June 1, 2022, the Company operated in two reportable segments described below and accounted for intersegment sales as if they were to external customers.

With the sale of Logixx Security on June 1, 2022, Logixx Security is treated as a discontinued operation. Logixx Security provides security services for enterprise customers across Canada. Services include protective services (also known as guarding) as well as security system design, sales, installations, and monitoring and alarm response.

Avante Security provides premium security services for residential customers in Toronto and Muskoka, Ontario through the use of advanced technology and a focus on client service. Avante Security's business provides a complete offering ranging from system design, sales, installations, and monitoring to services such as alarm response and patrols, personal protection, house staff training, and secure transportation.

NSSG is a risk management and security firm that primarily specializes in international secure transportation, investigation services, and advanced cyber sentiment monitoring, as well as providing sensitive investigations tailored for executive clients on a global scale. NSSG also offers risk management, crisis management, remote medicine, due diligence, and travel risk management services. Operating from Romania, the company serves clients in Saudi Arabia, Italy, Israel, the United Kingdom, and a worldwide clientele.

24. SEGMENT REPORTING (CONTINUED)

Segment statements of income (loss) and comprehensive income (loss) for the three months ending June 30, 2024 are included below:

	For the three-month period ended June 30, 2024				
	Avante Security	NSSG	Corporate	Intersegment eliminations	Total
Revenues	$ 7,135,651	$ 829,587		$ (50,613)	$ 7,914,625
Cost of sales	4,535,909	423,799		(50,613)	4,909,095
Gross profit	2,599,742	405,788	-	-	3,005,530
Operating expenses					
Salaries, benefits and commissions	653,816	356,237	485,956	-	1,496,009
Administration	1,019,085	224,920	(7,853)	-	1,236,152
Depreciation on capital assets	193,452	43,707	8,221	-	245,380
Amortization on intangible assets	-	-	161,272	-	161,272
Merchant transaction fees and bank charges	143,456	3,580	5,154	-	152,190
Share based payments	-	-	22,605	-	22,605
	2,009,810	628,443	675,356	-	3,313,609
Income (loss) before other income and expenses	589,931	(222,655)	(675,356)	-	(308,079)
Other (income) expenses					
Miscellaneous (income) expense	(4,753)	-	(289,272)	-	(294,025)
Interest (income) expense	146,816	5,106	(82,321)	-	69,601
Foreign exchange (gain) loss	485	7,426	247	-	8,158
Loss in fair value of put option (note 13)	-	-	-	-	-
Total other (income) expenses	142,548	12,532	(371,346)	-	(216,266)
Income (loss) before reorganization, and acquisition costs	447,383	(235,187)	(304,010)	-	(91,813)
Reorganization and acquisition costs	-	-	36,070	-	36,069
Income (loss) before income taxes	447,383	(235,187)	(340,079)	-	(127,882)
Provision for income taxes					
Deferred income tax expense (recovery)	-	-	-	-	-
	-	-	-	-	-
Net income (loss) for the year	**$ 447,383**	**$ (235,187)**	**$ (340,079)**	**$ -**	**$ (127,882)**
Other comprehensive income (loss) from continuing operations:					
Unrealized gain (loss) on translating financial statements of foreign operations	-		(2,019)	-	(2,019)
Total comprehensive income (loss) from continuing operations for the year	**$ 447,383**	**$ (235,187)**	**$ (342,098)**	**$ -**	**$ (129,901)**

24. SEGMENT REPORTING (CONTINUED)

Segment statements of income (loss) and comprehensive income (loss) for the comparative three months ending June 30, 2023 are included below:

	For the three-month period ended June 30, 2023			
	Avante Security	Corporate	Intersegment eliminations	Total
Revenues	$ 5,410,440	$ -	$ -	$ 5,410,440
Cost of sales	3,371,499		-	3,371,499
Gross profit	2,038,941	-	-	2,038,941
Operating expenses				
Salaries, benefits and commissions	487,681	391,191	-	878,872
Administration	875,658	(111,134)	-	764,524
Depreciation on capital assets	218,727	(17,147)	-	201,580
Amortization on intangible assets		117,304	-	117,304
Merchant transaction fees and bank charges	86,583	4,204	-	90,787
Share based payments	-	(127,602)	-	(127,602)
	1,668,649	256,816	-	1,925,465
Income (loss) before other income and expenses	370,292	(256,816)	-	113,476
Other (income) expenses				-
Miscellaneous (income) expense	(104,065)	(101,443)	-	(205,508)
Interest expense	45,790	9,942	-	55,732
Foreign exchange (gain) loss	4,872	-	-	4,872
Loss in fair value of derivative liability	-	-	-	-
Total other (income) expenses	(53,403)	(91,501)	-	(144,904)
				-
Income (loss) before reorganization, and acquisition costs	423,695	(165,315)	-	258,380
				-
Reorganization and acquisition costs	126,320	20,243	-	146,563
				-
Income (loss) before income taxes	297,375	(185,558)	-	111,817
Provision for income taxes				-
Current income tax expense (recovery)	-	-	-	-
Deferred income tax expense (recovery)	37,202	(5,567)	-	31,635
	37,202	(5,567)	-	31,635
Net income (loss) for the year from continuing operations	**$ 260,173**	**$ (179,991)**	**$ -**	**$ 80,182**
Total comprehensive income (loss) from continuing operations for the period	**$ 260,173**	**$ (179,991)**	**$ -**	**$ 80,182**

24. SEGMENT REPORTING (CONTINUED)

Segment assets and liabilities as at June 30, 2024 and March 31, 2024 are as follows:

Segment assets are as follow:	**Avante Security**	**NSSG**	**Corporate**	**Total**
As at March 31, 2024	$ 15,987,882	$ 3,812,279	$ 5,369,401	$ 25,169,562
As at June 30, 2024	$ 18,896,668	$ 1,793,702	$ 4,496,830	25,187,200
Segment liabilities are as follow:				
As at March 31, 2024	$ 6,107,380	$ 1,404,960	$ 4,148,135	$ 11,660,475
As at June 30, 2024	$ 5,844,527	$ 1,249,299	$ 4,689,273	$ 11,783,098

25. DISCONTINUED OPERATIONS

Logixx Security:

On March 30, 2022, the Company entered into a definitive share purchase agreement (the "SPA") with SSC Security Services Corp. ("SSC") pursuant to which SSC agreed to acquire all of the Company's ownership interest in Logixx Security. Under the terms of the SPA, the Company would receive $23,950,000 in cash including repayment of intercompany loans of $7,802,074 less reimbursement of SSC's costs related to a prior transaction agreement of $750,000 plus or minus closing working capital compared to an agreed minimum threshold. On June 1, 2022, the Company sold Logixx Security to SSC under the SPA and received $23,733,248, net of the expense reimbursement and estimated working capital surplus. In addition, after approximately 90 days following the closing date, the Company will receive the benefit of Logixx Security's collected accounts receivable since closing that was older than 90 days old as of closing, net of a 5% collection fee payable to SSC, and the parties will settle any surplus or deficiency between the closing working capital balance estimated before closing versus the final closing working capital amount.

Gross cash proceeds of sale	$	23,733,248
Estimated working capital adjustment		1,254,764
Total consideration		24,988,012
Less:		
Intercompany loans payment		7,802,075
Transaction costs		199,416
Net proceeds of sale		**16,986,521**
Assets		
Total current assets		17,979,906
Total non-current assets		12,141,531
Total assets		**30,121,437**
Liabilities		
Total current liabilities		15,559,895
Total non-current liabilities		1,233,822
Total liabilities		**16,793,717**
Total net assets		13,327,720
Gain on disposal, before tax	**$**	**3,685,801**
Gain on disposal, after tax	**$**	**3,685,801**

The gain or loss on the sale of Logixx Security will be finalized when the purchaser and the Company determine the final post closing adjustments to the purchase price, which is expected to occur during September to October 2023. Based on information available at this time, the Company does not expect the gain on disposal to be subject to tax.

26. CONTINGENCIES

From time to time, the Company may become liable for legal, contractual and other claims by various parties, including customers, suppliers, former employees and vendors of businesses acquired by the Company. Depending on the nature or duration of any potential proceedings or claims, the Company may incur substantial costs and expenses, be required to devote significant management time and resources to the matters and suffer adverse judgements or outcomes in respect of these claims, although it is difficult to predict final outcomes with any degree of certainty. Except as disclosed from time to time in the Company's consolidated financial statements, the Company does not believe that any of the claims to which the Company is currently a party will have a material adverse effect on the Company's profitability or financial condition; however, the Company cannot provide any assurance to that effect.