



Instituto Tecnológico de Santo Domingo (INTEC)

Separate Financial Statements

For the years ended as of december 31, 2024 and 2023

Auditoría 



INSTITUTO TECNOLÓGICO DE SANTO DOMINGO (INTEC)

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INDEPENDENT AUDITOR'S REPORT

To the Board of Regents of
Instituto Tecnológico de Santo Domingo (INTEC)

Opinion

We have audited the accompanying separate financial statements of Instituto Tecnológico de Santo Domingo (INTEC) (hereinafter “the Institute”), which comprise the statement of financial position as of December 31, 2024, the statement of activities, changes in net assets and other comprehensive income and the cash flow statement for the year then ended, as well as the explanatory notes to the financial statements that include information on material accounting policies.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the financial position of Instituto Tecnológico de Santo Domingo (INTEC) as of December 31, 2024, its financial performance and cash flows for the year then ended, in conformity with International Financial Reporting Standards for Small and Medium-sized Enterprises (IFRS for SMEs).

Basis for the opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are described in the section *Responsibilities of the Auditor with Regards to the Audit of the Separate Financial Statements* in our report. We are independent from the Institute in accordance with the Code of Ethics for Accounting Professionals of the International Ethics Standards Board for Accountants (IESBA), the Code of Ethics of the Institute of Certified Public Accountants of the Dominican Republic (ICPARD in Spanish) along with the ethics requirements relevant for our audit of separate financial statements and have met all other ethical responsibilities in accordance with these requirements and the Code of Ethics of IESBA and ICPARD. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

Previous Auditors - The financial statements of Instituto Tecnológico de Santo Domingo (INTEC) for the year ended December 31, 2023, were audited by other auditors, who in their report dated June 26, 2024, expressed an unqualified opinion.





Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the separate financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the separate financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare separate the financial statements. The information has been subjected to the auditing procedures applied in the audit of the separate financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with International Standards on Auditing. In our opinion, the information is fairly stated, in all material respects, in relation to the separate financial statements as a whole.

Responsibilities of Management and those charged with Corporate Governance over the separate financial statements

Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with International Financial Reporting Standards for Small and Medium Sized Entities, and for the internal control relevant to the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

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

Those responsible for the Institute's Corporate Governance are responsible for overseeing the Institute's financial reporting process.

Auditor's responsibility regarding the audit of the separate financial statements

Our objectives are to obtain reasonable assurance on whether separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an audit report including our opinion. Reasonable assurance is a high level of assurance but does not constitute a guarantee that an audit performed per International Standards on Auditing will always detect a significant error when one exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. As auditors, we are also:





- Identify and assess the risk of material misstatement in the separate financial statements, due to fraud or error, design and apply audit procedures to respond to those risks and obtain sufficient and adequate audit evidence to provide a basis for our opinion. The risk of a material misstatement due to fraud going undetected is higher than one due to error, since fraud may involve collusion, forgery, intentional omissions, intentionally mistaken statements, or the circumvention of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are adequate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Assess that the accounting policies used are adequate, as well as the fairness of accounting estimates and disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, we also conclude whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that there is material uncertainty, we are required to call attention in our audit report to the corresponding disclosures in the statutory separate financial statements, or if those disclosures are not adequate, to express a modified opinion. Our conclusions are based on the audit evidence obtained until the date of our audit report. Nevertheless, future events or conditions could cause the Institute not to continue as a going concern.
- We evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether those separate financial statements represent the underlying transactions and events that achieve reasonable presentation.

We communicated with those in charge of the Institute's Management regarding among others, the scope and timing of our audit and the significant findings, including any significant weaknesses in internal control that we identified during our audit.

Deloitte

June 27, 2025



INSTITUTO TECNOLÓGICO DE SANTO DOMINGO (INTEC)

SEPARATE STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2024 AND 2023

(Amounts in United States Dollar - US\$)

	Notes	2024	2023
ASSETS:			
Current assets:			
Cash and cash equivalents	2.10,3	US\$ 1,421,979	US\$ 1,173,729
Accounts receivable:	2.10,4		
Students, third-party programs and other		5,974,750	4,895,462
Other accounts receivable		<u>327,450</u>	<u>32,509</u>
		6,302,200	4,927,971
Impairment allowance of notes and accounts receivable	2.10,4	<u>(2,191,042)</u>	<u>(1,698,041)</u>
Accounts receivable, net		<u>4,111,158</u>	<u>3,229,930</u>
Current portion of long-term notes receivable	2.10,5	363,584	544,444
Inventories of books and supplies	2.12	244,258	277,256
Securities investments	2.10,6	2,959,562	1,248,538
Prepaid expenses	7	<u>1,142,130</u>	<u>632,097</u>
Total current assets		<u>10,242,671</u>	<u>7,105,994</u>
Non-current assets:			
Long-term notes receivable (excluding a current portion)	2.10,5		1,952,656
Impairment allowance of long-term notes receivable	2.10,5		<u>(164,923)</u>
Long-term notes receivable, net			1,787,733
Investment in Trust	2.10,8	377,279	313,120
Property, furniture and equipment, net	2.8.9	23,995,527	24,388,046
Other assets, net	2.9.10	<u>164,553</u>	<u>132,200</u>
TOTAL ASSETS		<u>US\$34,780,030</u>	<u>US\$ 33,727,093</u>
LIABILITIES AND NET ASSETS:			
Current liabilities:			
Short-term loans payable	2.10,13	US\$ 2,044,262	US\$ 1,438,566
Current portion of long-term loans payable	2.10,13		
Accounts payable:	2.10,13	871,270	1,114,734
Vendors			651,136
Advanced payments for courses and diploma degrees	2,10,17	1,108,929	1,896,311
Other accounts payable		<u>2,706,049</u>	<u>1,177,970</u>
Total accounts payable		<u>3,814,978</u>	<u>3,725,417</u>
Deferred revenue	2.4,11	2,375,969	2,381,718
Accruals payable and other liabilities	12	<u>1,162,105</u>	<u>908,248</u>
Total current liabilities		<u>10,268,584</u>	<u>9,568,683</u>

(Continues)



INSTITUTO TECNOLÓGICO DE SANTO DOMINGO (INTEC)

SEPARATE STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2024 AND 2023

(Amounts in United States Dollar - US\$)

	Notes	2024	2023
Non-current liabilities:			
Long-term loans payable, excluding a current portion	2.10,13	US\$ 1,743,525	US\$ 2,176,262
Labor benefit liability	2,5,14	<u>1,490,791</u>	<u>1,651,640</u>
Total non-current liabilities		<u>3,234,316</u>	<u>3,827,902</u>
Total liabilities		<u>13,502,900</u>	<u>13,396,585</u>
Net assets:			
Net assets without donor restrictions		21,277,130	20,017,388
Net assets with donor restrictions		<u> </u>	<u>313,120</u>
Total net assets		<u>21,277,130</u>	<u>20,330,508</u>
		<u>US\$34,780,030</u>	<u>US\$ 33,727,093</u>

(Conclude)

See accompanying notes to the separate financial statements.



INSTITUTO TECNOLÓGICO DE SANTO DOMINGO (INTEC)

SEPARATE STATEMENTS OF ACTIVITIES, CHANGES IN NET ASSETS AND OTHER COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Amounts in United States Dollar - US\$)

	Notes	2024	2023
CHANGE IN NET ASSETS:			
Operating revenue:	2.4,15 y 17		
Educational services:			
Enrollment and student services, net		US\$ 27,309,736	US\$ 26,592,809
Other educational services		639,275	1,241,623
Educational department services		<u>2,148,778</u>	<u>550,404</u>
		30,097,789	28,384,836
GOVERNMENT GRANTS			20,710
OTHER REVENUE		<u>2,327,190</u>	<u>3,281,642</u>
Total operating revenue		<u>32,424,979</u>	<u>31,687,188</u>
OPERATING COSTS AND EXPENSES:	2.4,16 y 17		
Employee benefits		(19,494,495)	(18,991,314)
Other general and administrative and expenses		<u>(10,210,612)</u>	<u>(10,765,287)</u>
Total operating costs and expenses		<u>(29,705,107)</u>	<u>(29,756,601)</u>
OPERATING RESULT		<u>2,719,872</u>	<u>1,930,587</u>
FINANCIAL INCOME (COSTS), NET:			
Interest income	2.6,6	236,502	94,349
Interest expense	2.6,13 y 14	(1,120,741)	(681,654)
Loss on foreign exchange rate		<u>24,195</u>	<u>82,438</u>
Financial costs, net		<u>(860,044)</u>	<u>(504,867)</u>
INCREASE IN NET ASSETS FOR THE YEAR		1,859,828	1,425,720
NET ASSETS AT THE BEGINNING OF THE YEAR		<u>19,417,301</u>	<u>(1,081,062)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>US\$ 21,277,129</u>	<u>US\$ 344,658</u>

See accompanying notes to the separate financial statements.



INSTITUTO TECNOLÓGICO DE SANTO DOMINGO (INTEC)

SEPARATE STATEMENTS OF CHANGES IN A ASSETS AND OTHER COMPRENSIVE FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Amounts in United States Dollar - US\$)

	Notes	Net Assets	Transation Reserve	Total Changes in net assets and other compressive income
Balances as at December 31, 2022		US\$28,857,958	US\$(8,872,108)	US\$19,985,850
Comprehensive income for the year:				
Increase net assets of the year other comprehensive income		1,425,720		1,425,720
Exchange differences on translation			(1,081,062)	(1,081,062)
Balances as at December 31, 2023		30,283,678	(9,953,170)	20,330,508
Exchange differences on translation	2.1		(913,206)	(913,206)
Increase net assets of the year other comprehensive income –		1,859,828		1,859,828
Balances as at December 31, 2024		<u>US\$32,143,506</u>	<u>US\$(10,866,376)</u>	<u>US\$21,277,130</u>

See accompanying notes to the separate financial statements.



INSTITUTO TECNOLÓGICO DE SANTO DOMINGO (INTEC)

SEPARATE CASH FLOWS STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Amounts in United States Dollar - US\$)

	Notes	2024	2023
NET CHANGE IN NET ASSETS FOR THE YEAR		US\$ 1,859,828	US\$ 1,425,720
ADJUSTMENTS FOR:			
Depreciation and amortization	9 y 10	1,393,333	1,282,903
Provision for impairment of accounts and notes receivable	4	1,562,872	330,965
Write-off of property, plant and equipment		173,356	
Write-off of other assets		894,010	
Gain on disposal of property, plant and equipment			(33,476)
Scholarship expenses	7		180,924
Accrued deferred remove			(265,275)
Financial income		(233,820)	(94,349)
Financial costs	13 y 14	1,120,741	681,654
NET CHANGES IN ASSETS AND LIABILITIES:			
Accounts receivable - short and long term		(2,589,184)	746,735
Inventories of books and supplies		20,544	(140,155)
Prepaid expenses		(538,426)	(224,698)
Other assets		6,469	(25,418)
Accounts payable		256,899	(927,999)
Deferred income		101,233	2,411,521
Accrued liabilities and other payables		294,653	80,954
Social benefits payable		<u>(86,660)</u>	<u>(47,343)</u>
Cash generated from operations		4,235,848	3,382,663
Interest earned		233,820	94,349
Interest paid	13	<u>(1,120,741)</u>	<u>(681,654)</u>
Net cash flow from operating activities		<u>3,348,929</u>	<u>2,795,358</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Increase in investments in securities		(1,767,105)	(155,634)
Notes receivable		1,863,836	
Acquisition of other assets		(1,030,649)	
Trust investment		(78,224)	(21,145)
Acquisition of property, plant and equipment		<u>(2,177,755)</u>	<u>(1,497,842)</u>
Cash flows used in investing activities		<u>(3,189,897)</u>	<u>(1,674,621)</u>



INSTITUTO TECNOLÓGICO DE SANTO DOMINGO (INTEC)

SEPARATE CASH FLOWS STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Amounts in United States Dollar - US\$)

	Notes	2024	2023
CASH FLOWS USED IN INVESTING ACTIVITIES:			
Loans received		US\$ 3,518,946	US\$ 13,746,322
Loans paid	13	<u>(3,377,008)</u>	<u>(13,979,708)</u>
Net cash flow from generated by (used in) financing activities		<u>141,938</u>	<u>(233,386)</u>
Effect of exchange rate on cash and equivalent		(52,721)	(45,217)
Net increase in cash and cash equivalents		300,971	842,134
Cash and cash equivalents at beginning of year		<u>1,173,729</u>	<u>331,595</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR		<u>US\$ 1,421,979</u>	<u>US\$ 1,173,729</u>

See accompanying notes to the separate financial statements.



INSTITUTO TECNOLÓGICO DE SANTO DOMINGO (INTEC)

NOTES TO SEPARATE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Amounts in United States Dollar - US\$)

1. CORPORATE INFORMATION

Instituto Tecnológico de Santo Domingo (INTEC) (the Institute) is a non-profit and autonomous private university. It was created per Law 520 and Decree 2389 of June 15, 1972 (which was later eliminated and substituted by Law 122-05). The Institute started educational activities in October 1972. INTEC's mission is to train citizens that are capable, upstanding, and internationally competitive to contribute to the sustainable development of society through science and technology.

Its main objectives are:

- a) To train high-quality, innovative, critical, and internationally competitive professionals.
- b) To promote and strength the relationship between the Institute and sectors that contribute to innovation and sustainable technological development.
- c) To increase competitiveness and strengthen international positioning.
- d) To strength strategical alliances and agreements with higher education Institutes and research bodies worldwide.
- e) To raise the organizational performance bar through the adjustment of processes and the physical infrastructure or structure to ensure the quality of the Institute's services and financial sustainability.

In accordance with article 299, paragraph (d) of the Tax Code of the Dominican Republic (Law 11-92) on non-profit organizations, the Institute is exempted from income tax payments.

The Institute is domiciled in Los Próceres Avenue 49, Ensanche Galá, Santo Domingo, Dominican Republic. It has operations in the country and abroad.

INTEC has three general governing bodies:

- **General Meeting** - INTEC's supreme authority comprised by founders and members of the Board of Regents. The Board of Regents is made up of 15 members, including the Rector, outstanding people from the local community, and alumni.
- **Rector's Office** - The Institute's highest executive authority led by the Rector.
- **Academic Board** - Office in charge of planning the academic policy per the guidelines provided by the Board of Regents. It is chaired by the Rector and comprised by the assistant rectors and deans from the different academic areas and divisions.



2. BASIS OF PREPARATION AND ACCOUNTING POLICIES APPLIED IN THE SEPARATE FINANCIAL STATEMENTS

The Institute's separate financial statements as of December 31, 2024, and 2023, and for the years then ended, were prepared in accordance with International Financial Reporting Standards for Small and Medium sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB).

- 2.1 ***Basis of Preparation and Presentation Currency*** - The functional currency of the Institution is the Dominican peso. The accompanying separate financial statements are expressed in U.S. dollars, as a presentation currency. The figures of the separate financial statements were translated to United States dollars (US\$) for reporting purposes to the Government of the United States of America (USA). The translation was made in conformity with the guidelines of the IFRS for SMEs, Section 30 - Foreign Currency Translation, which sets forth the use of the exchange rates at the reporting date of the statements of financial position to translate assets and liabilities and the exchange rates at the dates of the transactions to translate income and expenses. All resulting exchange rate differences are recognized in other comprehensive income (OCI).

The accompanying separate financial statements include only the figures of Instituto Tecnológico de Santo Domingo (INTEC). These were prepared for internal use by Management and in compliance with the requirements of creditor financial institutions. The Institution also prepares consolidated financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs), which are available at its administrative office.

The International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) does not include specific guidance applicable to not-for-profit entities regarding the presentation structure and classification of net assets. Therefore, for such purposes, the Institution has applied the specific accounting standards for not-for-profit entities issued by the Financial Accounting Standards Board (FASB). Accordingly, the Institution's net assets and the changes therein are classified as follows:

Net Assets Without Donor Restrictions – The portion of a not-for-profit entity's net assets that is not subject to donor-imposed restrictions.

Net Assets With Donor Restrictions – The portion of a not-for-profit entity's net assets that is subject to donor-imposed restrictions.

- 2.2 ***Current and non-Current Classification*** - The Institute presents classified assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is classified as current when the Institute expects to realize the asset or has the intention to sell or consume it in the normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realized within twelve (12) months after the reporting period; and it is cash or cash equivalent unless restricted from being exchanged or used to settle a liability



for at least twelve (12) months after the reporting period. The Institute classifies the rest of its assets as non-current.

A liability is classified as current when the Institute expects to settle the liability in the normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve (12) months after the reporting period, or when there is no unconditional right to defer the settlement of the liability for at least twelve (12) months after the reporting period. The Institute classifies all other liabilities as non-current.

- 2.3 **Foreign Currency Balances and Transactions** – Foreign currency balances and transactions are recorded at the exchange rate in effect on the date of the transaction. In determining the financial position and the results of its operations, the Institution measures and adjusts its foreign currency-denominated assets and liabilities using the exchange rate in effect at the date of such measurement and determination. The exchange rate used by the Institution at year-end to value U.S. dollars as of December 31, 2024, was RD\$61.00 (2023: RD\$58.25) per US\$1.00, and for euros was RD\$62.90 (2023: RD\$64.02) per EUR€1.00.

Exchange differences resulting from the application of these procedures are recognized in profit or loss in the year in which they occur. Note 18 presents the Institution's net foreign currency position.

- 2.4 **Recognition of Income, Costs and Expenses** - Revenues are measured at the fair value of the consideration received or receivable, net of discounts. The Institute recognizes revenue when it can be measured at fair value and economic benefits may go to the Institute. Below are the Institute's specific criteria to recognize revenue:

- a) **Revenue From Educational Services** - Revenue from educational services is recognized to the extent that the service is provided according to the study plan, net of discounts. Discounts derived from the early payments and students' academic achievements. The Institute recognizes revenue from its own operations as an increase of net assets through the accrual method. At the end of each accounting period, revenues from not-offered educational service billing are recorded in a liability account called "Deferred revenue" and are recognized as revenue as long as educational services are provided to students.
- b) **Revenues From Grants** - These revenues are from contributions provided by the Dominican Government as support to non-profit organizations. This grant is not conditioned on the Institute's specific future returns.

The Institute recognizes revenues from received grants as an increase of net assets once it receives them or is entitled to their enforcement.

- c) **Other Operating Revenue (Including Operating Leases)** - Revenues from commissions on third-party programs (advanced payments for courses and diploma degrees).

These revenues correspond to commissions earned from the intermediation for courses and diploma services through the Institute's training centers. The Institute recognizes income from third-party program commissions as the service is provided. First, advanced payments from third parties are recorded as liabilities and disbursed to the different centers as services are provided to users.



- d) **Costs and Expenses** - Costs and expenses are recognized in the results of each period when they are incurred.

The Institution grants scholarships to its employees and their close relatives, as well as to individuals with limited financial resources referred through the Ministry of Higher Education, Science and Technology (MESCyT), provided they meet the academic requirements established by the Institution. The cost of these scholarships is recognized as a deferred expense and is amortized and recorded in the accompanying separate statements of activities and changes in net assets as the related services are rendered to the students.

- e) **Discount Policy** - The Institution grants discounts for early payment, high academic performance, or for being a direct relative of a member of the INTEC community. These discounts are established as follows:

Beneficiary	Discount	Condition
Alumni	15%	Graduate of an undergraduate, postgraduate, or master's degree program.
First child of an alumnus/alumna*	10%	Enrolled in any regular academic program.
Second child of an alumnus/alumna and subsequent children*	15%	Starting from the second child of the alumnus/alumna who is enrolled.
Sibling of an alumnus/alumna*	15%	Starting from the third sibling enrolled.
Sibling of an enrolled student*	10%	Starting from the second sibling enrolled in an undergraduate program, provided the first is actively enrolled.
Automatically applied based on the established scale and effective starting the third trimester. This discount is applied to the total amount of credits.	4%	10%
First week	5%	If 100% of the selected courses are paid within the specified date.

2.5 **Employee Benefits -**

2.5.1 **Short-Term Benefits** - Obligations from employee short-term benefits are measured on a non-discounted basis and recognized as expenses as related services are provided. An obligation for the amount payable for short-term cash bonus or for employee participation in profit is recognized if the Institute has a current legal or implicit obligation to pay this amount as result of the service provided by the employee in the past, and the obligation can be reliably estimated.

2.5.2 **Severance Benefits** - The Labor Code of the Dominican Republic requires employers to provide an advanced notice and severance pay to workers whose employment contracts are terminated without just cause. The Institute recognizes severance payments in its statements when it terminates an employment contract.



Until December 31, 2017, the Institute accumulated severance regardless of whether employees resign or were fired, as long as they comply with some work time and quality requirements. On July 5, 2018, during the Ordinary Meeting of the Board of Regents, Institute Management approved to discontinue severance payment when an employee resigns.

When there is a modification or decrease of work liability obligations, the resulting modification related to the past service or profit or loss for this reduction is immediately recognized in the year's results. The Institute recognizes gains or losses in the settlement of liability obligations when they are incurred.

2.5.3 Employment Benefits Payable - The Institute has to pay employment benefits to some employees who worked in the Institute and complied with work time and quality requirements when it decided to stop accumulating work liabilities from termination of services. This liability is deducted to determine its present value. The new modifications are recognized in the period in which they occur.

2.5.4 Social Security Contributions - The Institute recognizes the monthly contributions made to the Dominican Social Security System, as well as employee contributions, as an accumulation until they are deposited in Treasury of Dominican Social Security System.

2.6 Financial Income and Costs -

2.6.1 Financial Income - Financial income is comprised by interest earned from investments in securities and cash equivalents. Income from earned interest is recognized in the income statement using the effective interest method.

2.6.2 Financial Costs - Financial costs are comprised by interest paid for loans, work liability obligations, and gains and losses in foreign currency exchange. All costs from loans are recognized in the results of the year in which they are incurred using the effective interest method. Losses in foreign currency exchange are recorded by compensating the amounts as financial income or costs, depending on whether balances are in a net loss or gain position.

2.7 Income tax - The Institution is exempt from the payment of income tax due to its status as a not-for-profit entity, as indicated in Note 1 to these separate financial statements. This exemption is supported by Law No. 122-05 on the Regulation and Promotion of Not-for-Profit Associations and by the Education Law No. 66-97.

2.8 Property, Furniture and Equipment -

2.8.1 Recognition and Measurement - Property, furniture, equipment, and improvements items are measured at cost less the accumulated depreciation and any impairment loss.

The cost includes disbursements directly attributable to the acquisition of the asset. The cost of assets built by the Institute is comprised by:

- The cost of materials and direct labor force.



- Any disbursement directly attributable to the transformation of the asset to be suitable for the intended purpose.

When the Institute has an obligation to withhold the asset or restore the place, it has to calculate dismantling costs, eliminate items, and restore the place where they are located. When portions of property, furniture, and equipment items have different useful lives, they are recorded as separate property, furniture, and equipment items (important components). Gains or losses from the sale of an item of property, furniture, and equipment (calculated as the difference between the value of the provision and the value of the carrying amount of the element) are recognized in the results.

2.8.2 Post-close Disbursements - Post-close disbursements are capitalized only when future economic benefits related to the expenses are likely to go to the Institute. Continuous repairs and maintenance are recorded as a variation of net assets.

2.8.3 Depreciation - Depreciation is calculated over the depreciable amount, which is the cost of an asset, or another amount that replaces the cost less its residual value.

Depreciation is recognized as changes in net assets using the straight-line method over useful lives estimated for each portion of property, furniture, and equipment items since they show a more exact consumption pattern of the future economic benefits related to the asset.

The elements of property, furniture, and equipment are depreciated since the date they are installed and ready to be used. The assets internally built are depreciated since the date when the asset is completed and ready to be used.

The following rates are used for the depreciation of property, furniture, and equipment:

Classification	Useful Life
Land	
Libraries & Works	
Buildings	600 months
Office Furniture	48 months
Other Equipment (5 years)	60 months
Internally Developed Software	48 months

If there are significant changes in the conditions, depreciation methods, the useful life, and the residual value of assets, the Institute reviews the depreciation of that asset prospectively to show the new expectations.

2.9 Other Assets -

2.9.1 Recognition - Other assets are comprised by computer program licenses with limited useful lives and are measured at cost less their accumulated amortization.

2.9.2 Post-close Disbursements - Post-close disbursements are capitalized only when future economic benefits incorporated in the asset related to such disbursements increase.



2.9.3 Amortization - Amortization is calculated over the amortized amount, which is the cost of an asset, or another less its residual value. Amortization is recognized as changes in net assets through the straight-line method, i.e. the uniform distribution of the asset cost over the estimated years of the useful life since the date they are available for use. This shows more accurately the consumption pattern of the asset's future economic benefits. The useful life of licenses is nearly 4 years.

If there is an indication that there has been a significant change in the amortization rate, useful life, or residual value of an asset, the amortization of that asset is reviewed prospectively to reflect the new expectations.

2.10 Financial Instruments -

2.10.1 Non-Derivative Financial Assets and Liabilities - Recognition and Derecognition - A financial instrument is any contract that simultaneously results in a financial asset at one institute and a financial liability or equity instrument at another institute. The Institute applies the provisions of Section 11: Basic financial instruments of the IFRS to SMEs to account all its non-derivative financial instruments, if any.

The Institute initially recognizes other basic financial assets and liabilities on the transaction date when it accepts the contractual provisions of the instrument.

The Institute derecognizes a financial asset when the contractual cash flow rights expire, or when it transfers the rights to receive contractual cash flows through a transaction in which all risks and benefits related to the financial asset are substantially transferred. The Institute recognizes as a separate asset or liability all participations in transferred financial assets that it creates or withholds.

Financial assets and liabilities are compensated, and the net amount is recorded in the statements of financial position when the Institute has a legal right to compensate such amounts and intends to settle them on a net basis or simultaneously settle the liability.

The financial assets and liabilities that the Institute withholds are classified as financial instruments which are measured at cost and held until maturity. The financial instruments measured at cost are initially recognized at fair value plus any directly attributable transaction cost. After the initial recognition, they are measured at amortized cost using the effective interest method less losses on impairment.

Below are the non-derivative financial instruments held by the Institute:

Cash and Cash Equivalents - Cash is comprised by cash on hand and on demand deposits with original three-month maturity or less. Bank overdrafts (if any) payable on demand which are an integral part of the Institute's management of cash are considered as components of the cash flow statement.

Accounts and Notes Receivable - Revenue from provision of services on credit are measured normally. The amounts of accounts and notes receivable do not generate



interest. When the credit is expanded beyond normal credit conditions, accounts and notes receivable are measured at amortized cost using the effective interest method. At the end of each reporting period, the carrying amounts of notes receivable, trade debtors, and other receivables are reviewed to determine whether there is any objective evidence that they will not be recoverable. If so, an impairment loss is immediately recognized in result.

The Institute determines an estimate for doubtful accounts and notes, which is established through a charge to the expense account for losses on notes and accounts receivable. The amount of the estimate for possible losses is determined by management based on an analysis of the collectability of the accounts taking into consideration the history of the customers, the economy and other factors that affect the industry. The main components of this estimate consist of a specific loss element that relates to the significant individual exposures of each client.

The Institution maintains an agreement with Banco BHD León, for the granting of educational loans, once the students are graduates, Banco BHD León disburses to the Institution the credits consumed by the students. As of December 31, 2024, educational loans under this modality amount to US\$448,0045 (2023: US\$1,489,255), which are not subject to loss estimation, given the solvency of the bank.

Investments in securities - Investments in securities consist of financial certificates issued by local financial entities, with original maturity greater than three months. Investments in securities are accounted for at cost plus interest earned capitalizable, less any impairment loss.

Investment in Trust - The investment in Trust corresponds to the securities provided to the Institute by donors, which were transferred to INTEC Trust to finance scholarships partially or fully and/or education loans of students and other programs approved by the Technical Committee. This investment is recorded at cost of contributions made. Securities received from donors are recognized as revenues from donations and reported in the separate financial statements as net assets with donor restrictions.

Accounts Payable - Accounts payable are obligations based on normal credit conditions and have no interests. After initial recognition, accounts payable are measured at amortized cost using the effective interest method. The amounts of commercial creditors denominated in foreign currency are translated into the functional currency at the exchange rate in effect as of the reporting date.

Notes and Loans - Notes and loans are initially recognized at the transaction price. They are measured at amortized cost using the effective interest method. The Institute recognizes gains or losses in the separate statement of activities, change in net assets and other comprehensive income when the financial liability is derecognized as well as through the amortization process.

Notes and loans are classified as current liabilities unless the entity has the unconditional right to defer settlement of the liability for at least 12 months after the reporting period.



Funds received From Third Parties - The Institute receives funds from third parties for project management. Cash received is recorded as liabilities that decrease as the funds are used. The Institute records cash unused as of the date of the separate statement of financial position in the advances received for courses and diploma degrees item.

2.11 *Impairment of Assets* -

2.11.1 **Financial Assets Measured at Amortized Cost** - The Institute considers the evidence of impairment for the financial assets measured at amortized cost, at both an individual and a collective level. All individually significant assets were individually assessed for impairment. Those found not to be impaired were then collectively assessed for any impairment that had been incurred but not yet individually identified. Assets that were not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics. In assessing collective impairment, the Institute uses historical information on the timing of recoveries and the amount of loss incurred and made an adjustment if current economic and credit conditions were such that the actual losses were likely to be greater or lower than suggested by historical trends. An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are immediately recognized in profit or loss. When the Institute considers that there are no realistic prospects of recovering the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases, and the decrease is related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

2.11.2 **Non-Financial Assets** - At each reporting date, the Institute reviews the carrying amounts of its non-financial assets (other than inventories) to determine whether there is any indication of impairment.

If the fair value minus the selling costs of an asset (or group of assets) is estimated to be less than its carrying amount, the carrying amount of the asset (or group of assets) is reduced to its fair value minus the selling costs. An impairment loss is immediately recognized in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or group of assets) increases until the revised estimate of its fair value less the costs of sell (without exceeding the amount that would have been determined if no loss due to impairment of the asset (or group of assets) had been recognized in previous years). The reversal for the impairment loss is immediately recognized in profit or loss.

For other assets, an impairment loss is reversed only until the carrying value of the asset does not exceed the value that would have been determined, net of depreciation and amortization, if an impairment loss had not been recognized.

2.12 ***Inventories of Books and Supplies*** - Inventories of books and supplies are measured at the lower of cost and net realizable value using the average weighted method.



Estimation for inventories' obsolescence is recognized based on a technical analysis of the inventory items that the Institute understands will not be used in the operation.

At each reporting date, inventories are reviewed to determine whether there is impairment by comparing the carrying amount of each item of the inventory with the selling price or replacement cost, less the cost to sell them. If the inventories are impaired, the carrying amount is reduced to the selling price or replacement costs less costs to sell and is immediately recognized as a variation in net assets.

- 2.13 **Operating Lease Payments** - Payments made under operating leases are recognized in operating results as a change in net assets on a straight-line basis over the term of the lease. Lease incentives received are recognized as an integral part of total lease expense during the term of the lease.
- 2.14 **Provision** - A provision is recognized if, as a result of a past event, the Institute has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected cash flow required to settle the liability.
- 2.15 **Key Assumptions of Uncertainty in the Estimate** - The preparation of the Institution's separate financial statements requires Management to make key judgments regarding estimation uncertainties that affect the reported amounts of income, expenses, assets, and liabilities as of the date of the separate financial statements.

The main assumptions related to future events and other sources of estimates susceptible to variations as of the date of the separate financial statements, which by their nature carry a risk of causing material adjustments to the amounts of assets and liabilities in the separate financial statements of the following year, are presented below:

- Estimated impairment of accounts and notes receivable
- Impairment of non-financial assets
- Operating leases.

- 2.16 **Amendments to the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs)** - On February 27, 2025, the International Accounting Standards Board (IASB) issued the third edition of the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs). The amendments are effective for annual periods beginning on or after January 1, 2027; however, early application is permitted.

The third edition of the standard includes the following amendments:

- Section 2, Concepts and General Principles, was revised to align with the 2018 Conceptual Framework.
- Section 9, Consolidated and Separate Financial Statements, was amended in accordance with the requirements of IFRS 10, Consolidated Financial Statements.



- Sections 11, Basic Financial Instruments, and 12, Other Financial Instrument Issues, were amended and merged into a single section called Section 11, Financial Instruments, which aligns with IFRS 9, Financial Instruments.
- Section 12, Fair Value Measurement, was added in accordance with the requirements of IFRS 13, Fair Value Measurement.
- Section 19, Business Combinations and Goodwill was revised to align with IFRS 3, Business Combinations (2008).
- Section 23, Revenue, was renamed Revenue from Contracts with Customers and amended to align with IFRS 15, Revenue from Contracts with Customers.

Additional amendments have been made to other sections of the IFRS for SMEs to align them with recent amendments to IFRS Accounting Standards.

3. CASH AND CASH EQUIVALENTS

The breakdown of cash and cash equivalents as of December 31, 2024 and 2023 is as follows:

	2024	2023
Cash on hand	US\$ 47,406	US\$ 38,881
(a) Deposits in accounts	1,374,573	877,381
(b) Financial certificates	<u> </u>	<u>257,467</u>
	<u>US\$1,421,979</u>	<u>US\$1,173,729</u>
(a)	It corresponds to cash at local and foreign banks. As of December 31, 2023, some of these current and savings accounts generate annual interest between 0.25% and 0.75% (2022: 0.05% and 1%).	
(b)	As of December 31, 2023, this corresponds to peso-denominated certificates of deposit with an average annual interest rate of 9.45%, payable at maturity.	

4. ACCOUNTS RECEIVABLE

Accounts receivable arise primarily from tuition, diploma degrees, seminars, among others. The credit risk which the Institute is exposed to is defined mainly by the individual characteristics of each student. As of December 31, 2024, and 2023, approximately 98% of the Institute's incomes and accounts receivable by geographic area is concentrated in students, end-users of the local market.



The exposure risk of accounts receivable as at December 2024 and 2023 is as follows:

	2024	2023
Students	US\$2,918,197	US\$2,452,641
Courses and diplomats	258,097	328,010
(a) Third - party programs	20,498	23,823
(b) Sponsors	2,777,960	2,090,988
Other accounts receivable	<u>327,450</u>	<u>32,509</u>
	<u>US\$6,302,202</u>	<u>US\$4,927,971</u>

Impairment Losses -

As of December 31, 2024 and 2023, the aging of accounts receivable and impairment allowance is as follows:

	2024		2023	
	Accounts Receivable	Impairment Allowance	Accounts Receivable	Impairment Allowance
0 to 90 days	US\$ 112,273	US\$ 39,473	US\$ 731,987	
91 to 180 days	908,309	60,632	468,635	
181 to 360 days	20,498	15,158	2,534,228	
More than 361 days	<u>4,933,670</u>	<u>2,075,779</u>	<u>1,160,228</u>	<u>US\$1,698,041</u>
	5,974,750	2,191,042	4,895,078	1,698,041
Other accounts receivable	<u>219,499</u>		<u>32,509</u>	
	<u>US\$6,194,249</u>	<u>US\$2,191,042</u>	<u>US\$4,927,587</u>	<u>US\$1,698,041</u>

As of December 31, 2024, and 2023, the outstanding balances receivable correspond to accounts that maintain a good credit history with the Institution.

The Institution establishes an impairment allowance that represents its best estimate of potential losses on accounts receivable. The main components of this estimate are a specific loss element related to significant individual exposures of each credit and its aging.

A summary of the movement of the impairment allowance of accounts receivable during the years ended December 31, 2024 and 2023, is as follows:

	2024	2023
Balance at beginning of the year	US\$(1,698,041)	US\$1,552,937
(a) Expense for the year	(1,562,872)	330,965
Write off of accounts receivable	993,598	(103,231)
Effect of exchange rate fluctuation	<u>76,272</u>	<u>(82,630)</u>
	<u>US\$(2,191,043)</u>	<u>US\$1,698,041</u>

- (a) Its included as part of the other general and administrative expenses in the accompanying separate statements of activities, change in net assets and other comprehensive income.



5. LONG-TERM NOTES RECEIVABLE

These correspond to long-term notes receivable from students with educational loans related to undergraduate and graduate enrollment. These notes have a maturity term of between four (4) and five (5) years (the duration of the academic programs). They are recorded at cost. These long-term notes receivable do not bear interest.

A breakdown of the long-term notes receivable as of December 31, 2024 and 2023, including their current portion, by aging and impairment allowance, is as follows:

2024	Long – Term Notes Receivable (Including a Current Portion)	Current Portion	Long – Term notes Receivable (Excluding a Current Portion)	Impairment Allowance
------	--	--------------------	---	-------------------------

Expired from:

0 to 90 days

91 to 180 days

181 to 360 days

More tan 360 days

US\$363,584

US\$363,584

US\$363,584

US\$363,584

US\$

US\$

2023	Long – Term Notes Receivable (Including a Current Portion)	Current Portion	Long – Term Notes Receivable (Excluding a Current Portion)	Impairment Allowance
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Expired from:

0 to 90 days

91 to 180 days

181 to 360 days

More tan 360 days

US\$ 67,973

311,760

220,527

1,896,840

US\$2,497,100

US\$ 67,973

311,760

220,527

1,352,396

US\$1,952,656

US\$ (164,923)

US\$ (164,923)

A summary of the movement of the impairment allowance of long-term notes receivable during the years ended December 31, 2024 and 2023, is as follows:

	2024	2023
Balance at beginning of the year	US\$ 164,923	US\$219,750
Writte off	(157,515)	(43,674)
Effect of exchange rate fluctuation	<u>(7,408)</u>	<u>(11,153)</u>
Balance at end of the year	<u>US\$</u>	<u>US\$164,923</u>

The maturity of long-term notes receivable including current portion is as follows:

	2024	2023
2024		US\$ 544,444
2025 and beyond		<u>1,952,656</u>
	<u>US\$</u>	<u>US\$ 2,497,100</u>



The Institute and the BHD León Bank agreed to support each other on the development of an educational financing program designed for students who meet the academic requirements expected by INTEC.

The agreement establishes that INTEC will offer these students an interest-free financing for all tuition fees for the undergraduate program they selected. Likewise, the Bank, on behalf of the Institute, will create the loan portfolio and will maintain the documents until the student completed the undergraduate program.

After carrying out the corresponding depuration and credit analysis, it will directly grant a credit to the student to settle the debt loan with the Institute. As of December 31, 2024, there are 83 students under the education loan modality (2023: 299). As of December 31, 2023, the Institute has granted loans to students under this modality for US\$1,303,212 (2023: US\$2,350,923).

This agreement establishes a credit line to cover these loans for US\$1,303,212, which became a four-year loan as of December 31, 2024 (2023: US\$1,510,470).

6. SECURITIES INVESTMENTS

As of December 31, 2024 and 2023, these correspond to financial certificates held to maturity with local and foreign financial institutions. The certificates denominated in U.S. dollars (US\$) bear annual interest of 1.05%, respectively, with a maturity of 360 days. This investment is pledged as collateral for a line of credit with a foreign financial institution. The certificates denominated in Dominican pesos bear an average annual interest rate of 9.82%, respectively, with maturities exceeding nine (9) months.

For the years ended December 31, 2024, and 2023, interest received under this concept amounted to US\$233,674 and US\$88,997 respectively, and is presented as part of interest income within the line item of financial income (costs), net, in the accompanying separate statements of activities and changes in net assets for those years.



INTEC Financial Certificates or Investments Finance Division							
Financial Institution	Certificate No.	Face Value	Face Value plus Interest	Face Value plus Interest (US)	Opening Date	Term	Maturity Date
2024							
BHD León	1676322	RD\$ 38,340,000	RD\$ 48,140,872	US\$ 789,195	26/3/2022	120 días	1/12/2024
BHD León	1861079	59,252,750	62,248,100	1,020,461	13/8/2024	90 días	10/1/2025
BHD León	1879979	<u>14,000,000</u>	<u>14,383,681</u>	<u>235,798</u>	10/10/2024	90 días	1/1/2025
		<u>RD\$111,592,750</u>	<u>US\$124,772,653</u>	<u>US\$2,045,454</u>			
Banco Popular Dominicano	828894097	RD\$ 2,500,000	RD\$ 3,072,647	US\$ 50,371	27/2/2022	3 meses	27/10/2024
Banco Popular Dominicano	838018836	<u>2,500,000</u>	<u>2,760,470</u>	<u>45,254</u>	13/12/2023	3 meses	13/12/2024
		<u>RD\$ 500,000</u>	<u>RD\$ 5,833,117</u>	<u>US\$ 95,625</u>			
Banco Popular Dominicano	845756675	US\$ 500,000	US\$ 500,000	US\$ 500,000	1/12/2024	2 meses	2/2/2025
Banco Popular Dominicano	843525783	<u>200,000</u>	<u>204,056</u>	<u>204,056</u>	19/8/2024	4 meses	19/12/2024
		<u>US\$ 700,000</u>	<u>US\$ 704,056</u>	<u>US\$ 704,056</u>			
Banco Popular Puerto Rico	N/A	<u>US\$ 100,000</u>	<u>US\$ 113,138</u>	<u>US\$ 114,427</u>	6/3/2016	Indefinido	N/A
		<u>US\$ 100,000</u>	<u>US\$ 113,138</u>	<u>US\$ 114,427</u>			
		Total		<u>US\$2,959,562</u>			

INTEC Financial Certificates or Investments Finance Division							
Financial Institution	Certificate No.	Face Value	Face Value plus Interest	Face Value plus Interest (US)	Opening Date	Term	Maturity Date
2023							
BHD León	1676322	<u>RD\$38,340</u>	<u>RD\$42,396,099</u>	<u>US\$ 727,704</u>	26/3/2022	120 días	1/12/2024
		<u>RD\$38,340</u>	<u>RD\$42,396,099</u>	<u>US\$ 727,704</u>			
Banco Popular Dominicano	838018836	<u>RD\$23,801,523</u>	<u>RD\$23,801,523</u>	<u>US\$ 408,540</u>	13/12/2023	3 meses	13/12/2024
		<u>RD\$23,801,523</u>	<u>RD\$23,801,523</u>	<u>US\$ 408,540</u>			
Banco Popular de Puerto Rico	843525783	<u>US\$112,294</u>	<u>US\$112,294</u>	<u>US\$ 112,294</u>	19/8/2024	4 meses	19/12/2024
		<u>US\$112,294</u>	<u>US\$112,294</u>	<u>US\$ 112,294</u>			
		Total		<u>US\$1,248,538</u>			



7. PREPAID EXPENSES

A summary of prepaid expenses as of December 31, 2024, and 2023 is as follows:

	Notas	2024	2023
Amortization expenses			
(a) from student scholarship	16	US\$ 172,012	US\$170,763
Insurance		203,062	196,755
Maintenance and other computer expenses			211,587
Other		<u>767,056</u>	<u>52,993</u>
		<u>US\$1,142,130</u>	<u>US\$632,098</u>

As of December 31, 2024, and 2023, correspond to expenses for scholarships relating to undergraduate, graduate and master's degrees, which are recognized as operating expenses to the extent that the educational services are provided to the students. In the year ended December 31, 2024, these expenses amounted to US\$1,510,009 (2023: US\$2,135,144) and are presented as part of other general and administrative expenses in the accompanying separate statements of activities, change in net assets and other comprehensive income.

8. INVESTMENT IN TRUST

As of December 31, 2024, and 2023, this corresponds to contributions made to the INTEC Trust. On December 3, 2020, the Institution established a philanthropic trust through an agreement with Fiduciaria Popular, S.A., for the purpose of managing contributions made by the Institution or donations made by third parties to the Trust. As a result of the signed agreement, the Institution was designated as the Trustor (Fideicomitente). The Trust was established in accordance with the provisions of Law No. 189-11 on the Development of the Mortgage and Trust Market in the Dominican Republic and its applicable regulations.

The purpose of this is to establish a philanthropic trust for administration and payment to manage the resources received from the trustor and contributors, to be used to finance scholarships and/or educational loans, as well as other programs approved by the Technical Committee for the promotion of education, and for its proceeds to be used to cover part or all of the administrative expenses or initiatives for the development of programs and projects, and to enforce the purposes for which it was created.

The Institution holds various obligations and rights within the Trust, including the following:

- To comply punctually with its assigned obligations and carry out all actions necessary to maintain the enforceability and validity of the Trust.
- To collect and monitor the receipt of funds in accordance with the Trust's operating rules.

To appoint the members of the Technical Committee and establish the structure and procedures for its operation.



- To refrain from carrying out any activities or actions that are inconsistent with or contrary to the provisions of the agreement, and to perform all necessary actions to enable the parties to fully, effectively, and timely exercise their rights under this instrument.
- To contribute to the Trust's assets the necessary resources to allow the Trustee to fulfill its obligations under the contracts entered into in accordance with this agreement.

To fulfill its objectives, the Trust has the following governing bodies:

- **Technical Committee** - Its members are appointed by the Trustor.
- **General Directorate** - It will be headed by a General Director appointed by the Technical Committee.

As of December 31, 2024 and 2023, INTEC Trust's financial information is as follows:

	2024	2023
Assets	US\$377,279	US\$ 356,797
Liabilities	<u>4,643</u>	<u></u>
Net assets	<u>US\$372,636</u>	<u>US\$ 356,797</u>
Revenues	US\$ 36,571	US\$ 28,174
Operating expenses	<u>(9,347)</u>	<u>(543)</u>
Net income	<u>US\$ 27,224</u>	<u>US\$ 27,631</u>



9. PROPERTY, FURNITURE AND EQUIPMENT, NET

The movement of property, furniture and equipment and accumulated depreciation during the year ended December 31, 2024 and 2023 is as follows:

	Land	Buildings and Improvements	Library Holdings	Furniture and Equipment	Vehicles and Transportation Equipment	Purchases in Transit	Construction and Acquisition in Progress	Total
Historical Cost:								
Acquisition Costs:								
Opening Balance as of 12/31/2023	US\$8,456,703	US\$ 23,534,773	US\$ 692,317	US\$ 8,946,739	US\$ 286,163	US\$ 446,090	US\$ 424,517	US\$ 42,787,302
Additions as of 12/31/2023		45,605	13,504	716,977		350,319	1,051,350	2,177,755
Disposals		(173,182)		(15,610)				(188,792)
Transfers		341,891		275,415		(90,587)	(563,247)	(36,528)
Reclassifications				(254)		35,312		35,058
Effect of exchange rate fluctuation	<u>(379,859)</u>	<u>(1,057,136)</u>	<u>(31,098)</u>	<u>(401,870)</u>	<u>(12,854)</u>	<u>(20,036)</u>	<u>(19,069)</u>	<u>(1,921,922)</u>
Balances as of December 31, 2024	8,076,844	22,691,951	674,723	9,521,397	273,309	721,098	893,551	42,852,873
Accumulated Depreciation:								
Opening Balance as of 12/31/2023		(9,854,959)	(687,221)	(7,571,622)	(285,454)			(18,399,256)
Depreciation Expense for the Period		(749,396)	(2,025)	(547,888)	(676)			(1,299,985)
Disposals				15,436				15,436
Effect of exchange rate fluctuation	<u></u>	<u>442,666</u>	<u>30,869</u>	<u>340,103</u>	<u>12,821</u>	<u></u>	<u></u>	<u>826,459</u>
Accumulated Depreciation as of December 30, 2024	<u></u>	<u>(10,161,689)</u>	<u>(658,377)</u>	<u>(7,763,971)</u>	<u>(273,309)</u>	<u></u>	<u></u>	<u>(18,857,346)</u>
Book Value:								
At 31 de As of December 31, 2024	<u>US\$8,076,844</u>	<u>US\$ 12,530,262</u>	<u>US\$ 16,346</u>	<u>US\$ 1,757,426</u>	<u>US\$</u>	<u>US\$ 721,098</u>	<u>US\$ 893,551</u>	<u>US\$ 23,995,527</u>
As of December 31, 2023	<u>US\$8,456,703</u>	<u>US\$ 13,679,814</u>	<u>US\$ 5,096</u>	<u>US\$ 1,375,117</u>	<u>US\$ 709</u>	<u>US\$ 446,090</u>	<u>US\$ 424,517</u>	<u>US\$ 24,388,046</u>



Asset Movements 2023 -

	Lands	Building and Improvement	Furniture and Equipment	Bibliography	Transportation Fleet and Equipment	Furnite and Equipment in Transit (a)	Construction in Progress (b)	Total
Historical cost:								
Balance as of January 1, 2022	US\$ 8,619,446	US\$ 18,386,413	US\$ 8,169,391	US\$ 704,847	US\$ 298,501	US\$ 115,751	US\$ 5,728,925	US\$ 42,023,274
Additions		58,323	359,574	424		260,310	336,029	1,014,660
Transfer		5,873,423	185,363	397		(237,511)	(5,821,672)	
Others							(79,027)	(79,027)
Disposals and derecognitions		(561,721)	(107,326)		(7,070)	(97,202)		(773,319)
Effect of Exchange rate fluctuation	<u>312,525</u>	<u>673,398</u>	<u>296,306</u>	<u>25,557</u>	<u>10,814</u>	<u>3,772</u>	<u>200,331</u>	<u>1,522,703</u>
Balances as of December 31, 2022	8,931,971	24,429,836	8,903,308	731,225	302,245	45,120	364,586	43,708,291
Additions		34,679	293,530			554,862	614,771	1,497,842
Transfer		398,538	305,897			(157,654)	(546,781)	
Other		(23,742)						(23,742)
Disposals and derecognitions						4,267	4,641	8,908
Effect of Exchange rate fluctuation	<u>(475,268)</u>	<u>(1,304,538)</u>	<u>(555,996)</u>	<u>(38,908)</u>	<u>(16,082)</u>	<u>(505)</u>	<u>(12,700)</u>	<u>(2,403,997)</u>
Balances as of December 31, 2023	<u>8,456,703</u>	<u>25,534,773</u>	<u>8,946,739</u>	<u>692,317</u>	<u>286,163</u>	<u>446,090</u>	<u>424,517</u>	<u>42,787,302</u>
Depreciation:								
Balance as of January 1, 2022		(9,032,164)	(6,687,339)	(695,754)	(269,287)			(16,684,544)
Depreciation for the year		(569,489)	(655,864)	(2,611)	(25,007)			(1,252,971)
Disposals and derecognition		203,701	92,867		7,070			303,638
Effect of exchange rate fluctuation		(327,954)	(243,185)	(25,228)	(9,787)			(606,154)
Balances as of December 31, 2022		(9,725,906)	(7,493,521)	(723,593)	(297,011)			(18,240,031)
Depreciation for the year		(679,326)	(562,149)	(2,156)	(4,301)			(1,247,932)
Disposals and derecognitions		24,670						24,670
Effect of exchange rate fluctuation		<u>525,603</u>	<u>484,048</u>	<u>38,528</u>	<u>15,858</u>			<u>1,064,037</u>
Balances as of December 31, 2023		<u>(9,854,959)</u>	<u>(7,571,622)</u>	<u>(687,221)</u>	<u>(285,454)</u>			<u>(18,399,256)</u>
As of December 31, 2023	<u>US\$ 8,456,703</u>	<u>US\$ 13,679,814</u>	<u>US\$ 1,375,117</u>	<u>US\$ 5,096</u>	<u>US\$ 709</u>	<u>US\$ 446,090</u>	<u>US\$ 424,517</u>	<u>US\$ 24,388,046</u>
As of December 31, 2022	<u>US\$ 8,931,971</u>	<u>US\$ 14,703,930</u>	<u>US\$ 1,409,787</u>	<u>US\$ 7,632</u>	<u>US\$ 5,234</u>	<u>US\$ 45,120</u>	<u>US\$ 364,586</u>	<u>US\$ 25,468,260</u>



10. OTHER ASSETS, NET

The summary of other assets, net as of December 31, 2024, and 2023 is as follows:

	2024	2023
Deposits bond	<u>US\$ 17,356</u>	<u>US\$ 24,945</u>
Computer licenses and programs	207,645	1,008,862
(a) Accumulated amortization	<u>(60,448)</u>	<u>(901,607)</u>
	<u>147,197</u>	<u>107,255</u>
	<u>US\$164,553</u>	<u>US\$ 132,200</u>

- b) Recording of Opening Balances in the Fixed Assets and Amortization Module As part of the implementation of the new ERP system, it was necessary to record the opening balances in the intangible assets module and their corresponding amortization. For this process, historical data from the previous system were used as a reference.

Specifically, the balance of the account corresponding to licenses and software development was adjusted by subtracting the accumulated amortization recorded to date, in order for the new system to begin calculating amortization based on the net balance pending amortization. This procedure ensured continuity in accounting records and the accurate future depreciation of these assets within the new system.

- (a) The activity of amortization in 2024 and 2023 is as follows:

	2024	2023
Balance at beginning of year	US\$901,607	US\$847,307
Charges for the year	93,348	34,971
Write off	894,010	
Effect of exchange rate fluctuation	<u>(40,498)</u>	<u>19,329</u>
Balance at end of the year	<u>US\$ 60,447</u>	<u>US\$901,607</u>

11. DEFERRED REVENUE

As of December 31, 2024, US\$2,375,969 (2023: US\$2,381,718) corresponds to deferred revenue for the first quarter of the following fiscal year. This amount arises from the academic enrollment and billing process related to student registration and educational services provided to students and professionals in various academic areas (undergraduate and graduate programs). Revenue is recognized as the educational services are rendered. The corresponding collections are made in two installments: 50% of the total amount of the selected credits is collected during the fourth week of the term, and the remaining 50% is collected during the eighth week of classes of each academic quarter.



12. ACCRUALS PAYABLE AND OTHER LIABILITIES

The accruals payable and other liabilities as of December 31, 2024 and 2023 are as follows:

	2024	2023
Employee taxes	US\$ 139,926	US\$121,527
Social Security withholding (Law 87-01)	242,232	291,267
Employee vacation	365,900	383,108
Other accruals	<u>414,048</u>	<u>112,346</u>
	<u>US\$1,162,106</u>	<u>US\$908,248</u>

13. LOANS PAYABLE

A breakdown of the loans payable as of December 31, 2024 and 2023 is as follows:

	2024	2023
(a) Short term	US\$2,044,262	US\$ 1,438,566
(b) Long term	<u>2,614,796</u>	<u>3,290,996</u>
	<u>US\$4,659,058</u>	<u>US\$ 4,729,562</u>

(a) Lines of credit obtained from local and foreign financial institutions, with annual interest rates ranging between 13% and 16.1%, maturing in April and May 2024.

(b) The summary of the long-term debt payable as of December 31, 2024 and 2023 is as follows:

Description	2024	2023
Unsecured loan contracted with Banco BHD León for an amount of RD\$88,000,000, with an annual interest rate ranging from 13.75% to 15.7%, payable in 48 monthly installments of principal and interest, maturing in December 2026	US\$ 825,401	US\$ 1,237,495
Unsecured loan contracted with Banco Popular Dominicano for an amount of RD\$69,600,000, with an annual interest rate of 14%, payable in 59 installments of principal and interest, maturing in October 2027	740,173	983,572
Unsecured loan granted by Banco Popular Dominicano for an amount of RD\$40,000,000, with an annual interest rate of 9%, payable in 59 monthly installments of principal and interest, maturing in July 2028	498,402	615,071
Unsecured loan granted by Banco Popular Dominicano for an amount of RD\$36,000,000, with an annual interest rate of 15%, payable in 60 monthly installments of principal and interest, maturing in June 2029	550,820	

(Continues)

Unsecured credit line granted by Banco Reservas for an



Description	2024	2023
amount of RD\$32,000,000, with an annual interest rate of 15.5%, payable as capital is available	-	US\$ 454,858
Total	US\$2,614,796	3,290,996
Current portion	(871,270)	(1,114,734)
Long-term portion	US\$1,743,526	US\$ 2,176,262
		(Concluded)

The maturity of the long-term loans payable is as follows:

Préstamos por Pagar	Monto
2025	US\$ 871,270
2027 from now on	1,743,525
	US\$2,614,795

As of December 31, 2024, interests accrued by the loans payable amount to US\$553,100 (2023: US\$681,654) and are presented as part of interest expense in the financial cost, net in the accompanying separate statements of activities, change in net assets and other comprehensive income.

In the year ended December 31, 2024 and 2023, the reconciliation between the movement of liabilities and cash flows from financing activities is as follows:

	Préstamos por pagar	
	2024	2023
Balances as of January 1	US\$ 4,517,120	US\$ 5,238,820
Changes in Cash Flows from Financing Activities:		
Proceeds from Borrowings	3,518,946	13,746,322
Loan Repayments	(3,377,008)	(13,979,708)
Total Changes in Cash Flows from Financing Activities	141,938	(233,386)
Other Changes:		
Interest Expense	1,120,741	681,654
Interest Paid	(1,120,741)	(681,654)
Total Changes		(275,872)
Balances as of December 31	US\$ 4,659,058	US\$ 4,729,562

As of December 31, 2024, the Institution has active and in-use credit cards with local financial institutions amounting to approximately RD\$63,653 and US\$26,120 (2023: RD\$117,576 and US\$75,000).

14. LABOR BENEFIT LIABILITY

Until December 31, 2017, the Institution accrued the liability to cover employee termination benefits corresponding to severance assistance upon the cessation of their services, provided they met



certain requirements related to tenure and the quality of the work performed. As of the end of 2023, this amounted to RD\$1,651,640, and for 2024, RD\$1,490,791.

On July 5, 2018, during the Ordinary Meeting of the Board of Regents, Institute Management approved to discontinue the accumulation of liabilities for severance once the employee quits. In addition, payment until December 31, 2017, to eligible employees was approved. These payments will be made on a scheduled basis within a period of no more than five years. As of January 1, 2018, this account accumulates an annual 3% interest rate. In the year ended December 31, 2024, interest accrued amounted to US\$41,415 (2023: US\$46,581) are presented as part of interest expense in the financial cost, net in the accompanying separate statements of activities, change in net assets and other comprehensive income.

As of December 31, 2024, the Institute paid US\$86,661 (2023: US\$97,415) for labor benefits.

15. OPERATING REVENUE

The itemization of operating revenue for the years ended December 31, 2024 and 2023 is as follows:

	2024	2023
Enrollment and Student Services:		
Undergraduate Enrollment	US\$24,390,834	US\$21,455,073
Graduate Enrollment	3,337,287	4,110,347
Laboratory Enrollment		1,937,855
Undergraduate Registration Fee	<u>158,349</u>	<u>12,499</u>
	27,886,470	27,515,774
(a) Discounts and Royalties	<u>(576,734)</u>	<u>(922,965)</u>
	27,309,736	26,592,809
Other Educational Services	639,275	1,241,623
Educational Department Services	<u>2,148,778</u>	<u>550,404</u>
Subtotal	<u>30,097,789</u>	<u>28,384,836</u>
(b) Government Grants		<u>20,710</u>
Other Income:		
Sponsorship Income	131,460	57,653
Donations and External Contributions	207,532	25,248
(c) Other Income	<u>1,988,198</u>	<u>3,198,741</u>
Subtotal	<u>2,327,190</u>	<u>3,281,642</u>
Total Operating Income, Net	<u>US\$32,424,979</u>	<u>US\$31,687,188</u>



(d) Grouping of Accounting Accounts in the New ERP

With the implementation of the new ERP, certain accounting concepts were regrouped into a single account, specifically within the tuition account, with the objective of optimizing management, control, and financial information presentation.

This consolidation enables better traceability of balances, greater efficiency in accounting processes, and contributes to a clearer and more consistent presentation of the financial statements, in accordance with best accounting practices and the criteria established by the institution.

As of December 31, 2024, and 2023, this corresponds to discounts for early payment and good academic performance granted to the Institution's students.

16. OPERATING COSTS AND EXPENSES

The itemization of operating costs and expenses for the years ended December 31, 2024 and 2023 is as follows:

	Note	2024	2023
Employee benefits		US\$19,494,495	US\$ 18,991,314
Electricity		543,367	646,638
Security		116,478	516,446
Various materials		379,752	401,607
Fees		618,433	580,612
Advertising and marketing		104,612	112,948
Fuel and lubricants		262,529	216,820
Rentals		54,631	17,844
Student parking			20,181
Communications		197,771	26,534
Shipments		37,699	10,464
Printed materials and binding		21,569	88,160
Photocopies and reproduction		2,269	13,896
General insurance		232,778	193,117
Research		158,689	92,227
National and international relations			112,216
Uncollectible accounts expense	4, 5	628,170	335,106
Software licenses and programs maintenance & renewal		337,025	451,177
Depreciation and amortization		2,010,371	1,282,903
Snacks		63,290	39,248
Water, coffee and garbage		49,516	15,408
Cleaning and gardening		220,683	446,163
Maintenance and repair			423,293
Scholarships			2,135,148
Scientific and institutional publications		2,116	30,674
Special events and hospitality		485,006	508,296

(Continues)



	Note	2024	2023
Contingencies		US\$ 9,592	US\$ 193,641
Portfolio management expenses			419
Transportation		18,529	72,111
Travel expenses		140,676	111,827
Others		<u>4,635,805</u>	<u>1,670,163</u>
Total		<u>US\$30,825,851</u>	<u>US\$29,756,601</u> (Concluded)

As of December 31, 2024, an approximate total of approximately US\$387,450 (2023: US\$1,188,770) corresponds to compensation of managing personnel (vice president and higher positions). As of December 31, 2024, the Institute has 1,754 employees (2023: 1,594). The itemization of employee benefits for the years ended December 31, 2023 and 2022 is as follows:

2024 Detail - Employee Benefits -

	2024	2023
Salaries and wages	US\$14,388,381	US\$14,352,501
Christmas bonus	1,080,505	1,096,714
Vacation bonus	508,575	621,313
Other bonuses	349,666	4,485
Social benefits	340,560	389,456
Insurance	774,350	982,426
Pension plan Law No. 87-01	1,341,178	1,060,775
Professional development	115,833	142,654
Study benefits	298,434	
Other benefits	<u>297,014</u>	<u>340,990</u>
Total Personnel Expenses	<u>US\$19,494,496</u>	<u>US\$18,991,314</u>

- (a) Corresponds to scholarships granted to employees, their family, and low-income people referred by the Ministry of Higher Education, Science and Technology (MESCYT in Spanish) who comply with the Institute academic requirements. The cost for these scholarships is recognized in the statements of activities, changes in net assets and other comprehensive income as the service is offered. The portion that is not offered is recognized as amortization expenses from student grants as part of the expenses paid in advance in the accompanying separate statements of financial position.

17. COMMITMENTS AND CONTINGENCIES

Commitments -

- a) On August 1, 1995, Instituto Tecnológico de Santo Domingo (INTEC) entered into a service agreement with the Central Bank of the Dominican Republic (Central Bank) for an original three-year term, subject to be reviewed by the parties at the termination thereof and



renewable upon mutual agreement. Through this agreement, the Central Bank assumes the exchange rate differences that arise between the original foreign exchange rate of Loan number 681/SF-DR subscribed by INTEC with the Inter-American Development Bank (IDB) (RD\$3.15 per each US\$1.00) and the exchange rate at the time of the payment of principal installments plus interests. The Institute is committed to provide a scholarship program to students from undergraduate, graduate, and master's degrees, technical training programs, and organizational support projects, equivalent to the debt in Dominican pesos (RD\$) resulting from the exchange rate differences assumed by the Central Bank. As of December 31, 2024, the Institute has balances to compensate with next year's invoices or services for US\$146,114 (2023: balances to compensate for US\$249,610) because the difference in exchange was greater than the services provided (2023: difference in exchange was greater than services provided) to the staff of the Central Bank than those covered under this agreement, which are presented as part of the accounts payable in the accompanying separate statements of financial position.

- b) The Institute has a cleaning and maintenance service contract with Multigestión Corporativa T&S. This contract was signed in 2023. In 2024, the Institute incurred cleaning and maintenance expenses of its facilities amounting to US\$321,603 (2023: US\$446,163), which are presented as part of other general and administrative costs and expenses in the accompanying separate statements of activities and changes in net assets and other comprehensive income. The estimated fee commitment for 2023 is approximately US\$327,869.
- c) The Institute contracted protection services of Thormann Peralta Security, S. A. for all its facilities and surroundings. These agreements were signed in May 2006 and February 2007, respectively, for monthly payments of US\$2,857 and US\$42,961, respectively. During the year ended December 31, 2024, the expense for this item amounted to US\$453,851 (2023: US\$516,446), which are presented as other general and administrative costs and expenses in the accompanying separate statements of activities and changes in net assets and other comprehensive income. The estimated payment commitment for these concepts as of 2024 is approximately US\$459,016.
- d) As of December 31, 2024, the Institute has several contracts with third parties for courses and diploma degrees for US\$11,174,827 (2023: US\$9,333,521) of which US\$4,016,641 were pending of execution (2023: US\$6,128,277). These contracts have a date of service termination between 2 and 3 years from the signing of the contracts and different maturing dates.
- e) Revenues from commissions of third-party programs income are recognized as services are provided for the projects. As of December 31, 2024, total income recognized under these contracts amounted to US\$345,362 (2024: US\$68,688) and are presented as other revenue in the operating revenue line of the accompanying separate statements of activities and changes in net assets and other comprehensive income.
- f) As of December 31, 2024, the Institute had deposits US\$1,153,344 (2022: US\$1,895,957) as obligations established in the service contracts, which are determined based on 10% and 20% of the amount budgeted in the contracts of each project. These deposits are offset against future billings to students and are included as advances received for other educational services in the accompanying separate statements of financial position.



Contingencies - As of December 31, 2024, there are lawsuits that have been filed against the Institute, arising in the normal course of activities. According to the Institute's external legal advisers, it is very unlikely that these lawsuits result in an adverse decision against the Institute. Therefore, management does not anticipate any material loss as a result of the claims and has not considered necessary to recognize a provision for such purposes.

18. BALANCES IN FOREIGN CURRENCY

The Institution performs sales and purchase transactions that are denominated in a currency other than the functional currency of the Institution, mainly the United States dollar (US\$).

As of December 31, 2024, and 2023, the statements of financial position include the following balances in Dominican pesos and Euros, translated to United States dollars (US\$):

	2024		2023	
	RD\$	€	RD\$	€
Cash and cash equivalents	US\$ 408,970	€15,956	RD\$ 56,115,069	€46,198
Accounts receivable	632,406		246,204,459	
Long - term notes receivable			129,291,868	
Securities investments	818,484		72,739,846	
Accounts payable to vendors	(374,840)	(2,275)	(202,500,486)	
Accrual payable and other liabilities	(26,120)		(51,179,572)	
Long - term debt			(278,770,347)	
Labor Benefit liability			(96,224,558)	
Exposure of the statement of financial Position, net – asset (Liability)	<u>US\$1,148,900</u>	<u>€13,681</u>	<u>RD\$(124,323,721)</u>	<u>€46,198</u>

19. THIRD PARTY PROJECT WITH FUNDS FROM THE WORLD BANK (WB) AND THE CRITICAL ECOSYSTEM PARTNERSHIP FUND (CEPF)

Bank/GPSA (Global Partnership for Social Accountability) for agreement TF0B5264 with a budget of US\$500,000, for the period from January 1, 2024, to December 31, 2024, are as follows:

- a) As of December 31, 2024, accounts payable of the project financed by World Bank/GPSA (Global Partnership for Social Accountability) Collaborative Social Accountability for Improved Governance in Protecting Biodiversity Hotspots Project, under Agreement number TF0B5264 are as follows:



Accumulated execution as of December 31, 2024 -

Components per Agreement/ Contract	GPSA US\$	GPSA RD\$
Employee salaries and benefits	US\$169,578	RD\$ 9,716,819
Training	18,280	1,047,444
Direct contracts: [Integrated Health Outreach (IHO)]	127,576	7,310,105
Consultancies	43,909	2,515,986
Operating expenses	44,333	2,540,281
Bank charges	<u>427</u>	<u>24,467</u>
Total	<u>US\$404,103</u>	<u>RD\$23,155,102</u>

Movimientos	Amount US\$
Balance at beginning of year	US\$ 48,242
Revenue received 2024	160,000
Disbursements for payments made 2024	<u>(132,246)</u>
Balance at year end	<u>US\$ 75,996</u>

Accumulated execution as of December 31, 2023 -

Components per Agreement/ Contract	GPSA US\$	GPSA RD\$
Employee salaries and benefits	US\$110,105	RD\$6,310,016
Training	11,113	633,504
Direct contracts: [Integrated Health Outreach (IHO)]	99,961	5,710,627
Consultancies	20,936	1,169,100
Operating expenses	29,425	1,678,348
Bank charges	<u>317</u>	<u>12,160</u>
Total	<u>US\$271,857</u>	<u>RD\$15,513,755</u>

Movimientos	Amount US\$
Balance at beginning of year	US\$ 78,578
Revenue received 2023	100,000
Disbursements for payments made 2023	<u>(130,336)</u>
Balance at year end	<u>US\$ 48,242</u>

- b) As of December 31, 2023, accounts payable of the project financed by the Conservation International Foundation: Promoting Collaborative Social Accountability in the Caribbean Islands Biodiversity Hotspot, under Agreement number CEPF-111512 are as follows:



Accumulated execution as of December 31, 2024 -

Componentes según convenio / contrato	GPSA US\$	GPSA RD\$
Salaries and benefits	US\$167,647	
Travel and events	11,732	
Bank charges	1,023	
Trainings and educations	32,037	
Subcontracts: Integrated Health Outreach (IHO)	<u>176,289</u>	<u> </u>
Total	<u>US\$388,728</u>	<u>US\$ </u>

Movimientos	Amount US\$
Balance at beginning of year	US\$ (19,457)
Revenue received 2024	222,766
Disbursements for payments made 2024	<u>(166,839)</u>
Balance at year end	<u>US\$ 36,470</u>

Accumulated Execution as of December 31, 2024 –

Cumulative Execution as of December 31, 2023 -

Componentes según convenio / contrato	GPSA US\$	GPSA RD\$
Salaries and benefits	US\$114,166	RD\$ 6,338,414
Travel and events	4,017	240,091
Bank charges	634	35,450
Trainings and educations	11,875	668,362
Subcontracts: Integrated Health Outreach (IHO)	<u>91,197</u>	<u>5,090,686</u>
Total	<u>US\$221,889</u>	<u>RD\$12,373,003</u>

Movimientos	Amount US\$
Balance at beginning of year	US\$ (25,081)
Revenue received 2023	222,766
Disbursements for payments made 2023	<u>(166,839)</u>
Balance at year end	<u>US\$ 30,846</u>

Unused funds are included in the separate statement of financial position in the item advances received for courses and diploma degrees.



20. APPROVAL OF THE SEPARATE FINANCIAL STATEMENTS

Institute Management and the General Assembly conformed by the Board of Regents and founders authorized the issue of the separate financial statements on June 27, 2025.

* * * * *



SUPPLEMENTARY INFORMATION**DECEMBER 31, 2024**

(Amounts in United States dollars - US\$)

FINANCIAL RESPONSIBILITY SCHEDULES**Statement of Financial Position**

<u>Line</u>		
	Current Asstes	
1, Note 2.10,3	Cash and cash equivalents	1,421,979
2, Note 2.10,4	Accounts receivables	5,974,750
3	Accounts receivable other	327,450
		<hr/>
		6,302,200
4, Note 2.10,4	Impairment allowance of notes and accounts receivable	(2,191,042)
5		<hr/>
		4,111,158
6, Note 2.10,5	Current portion of long term notes receivable	363,584
7, Note 2.12	Inventories of books and supplies	244,258
8, Note 2.10,6	Securities Investments	2,959,562
9, Note 7	Prepaid expenses	1,142,130
10	Total Current Assets	<hr/>
		10,242,671
11	Non-current assets:	
12, Note 2.10,5	Long-term notes receivable (Excluding current portion)	-
13, Note 2.10,5	Impairmant allowance of long-term notes receivable	-
14	Long-term notes receivable, net	<hr/>
		-
15, Note 2.10,8	Investment in Trust	377,279
16, Notes 2.8.9	Property, plant and equipment, net	23,995,527
17, Note 2.9.10	Other assets, net	164,553
18	Total assets	<hr/>
		34,780,030
19	LIABILITIES AND NET ASSTS	
20	Current Liabilities	
21, Note 2.10,13	Short-term loans payable	2,044,262
22, Note 2.10,13	Current portion of long-term debt	871,270
23, Note 2.10,17	Accounts payable:	
24	Vendors	-
25, Note 2.10,17	Advance payments for courises and diploma degrees	1,108,929
26	Other accounts payable	2,706,049
27	Total accounts payable	<hr/>
		3,814,978
28, Note 2.4,11	Deferred revenue	2,375,969
29, Note 12	Accruals payable and other liabilities	1,162,105
30	Total current liabilities	<hr/>
		10,268,584
31	Non-current liabilities:	
32, Note 2.10,13	Long-term debt,excluding current portion	1,743,525
33, Note 2.5,14	Labor and benefit liability	1,490,791
34	Total non-current liabilities	<hr/>
		3,234,316
35	Total Liabilities	<hr/>
		13,502,900
36	Net assets:	
37	Net Assets without donor restrictions	21,277,130
38	Net Assets with donor restrictions	-
39	Total net assets	<hr/>
		21,277,130
	US \$	<hr/>
		34,780,030



SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in United States Dollars - US\$)

FINANCIAL RESPONSIBILITY SCHEDULES (CONTINUED)

Statement of Activities

<u>Line</u>	Changes in Net Assets		
40, Notes 2.4,15 y 17	Operating Revenue:		
41	Educational services:		
42	Enrollment and student services, net	\$	27,309,736
43	Other educatiuonal services		639,275
44	Educational department services		2,148,778
45			<u>30,097,790</u>
46	Government grants		-
47	Other revenue		<u>2,327,190</u>
48	Total Operating Revenue		32,424,980
49 Notes 2.4,16 y 17	Operating costs and expenses:		
50	Employee benefits		19,494,495
51	Other general and administrative expenses		<u>10,210,612</u>
52	Total operating costs and expenses		<u>29,705,107</u>
53	Operating result		2,719,873
54			
55	Financial income (costs) net:		
56, Notes 2.6,6	Interest income		236,502
57, Notes 2.6,13 y 14	Interest expense		(1,120,741)
58	Loss on foreign exchange rate		<u>24,195</u>
59	Financial costs, net		<u>(860,044)</u>
60	Increase (Decrease) in net assets of the year		1,859,828
61	Other comprehensive income - items that are or may be reclassified to changes in net assets - foreign currency translation adjustment		<u>19,417,301</u>
62	Total comprehensive income for the year		<u>21,277,130</u>



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		Primary Reserve Ratio Expendable Net Assets		
<u>Lines</u>				
37	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions		21,277,130
	Statement of Financial Position - Net assets with donor restrictions	Net assets with donor restrictions		-
	Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable		-
	Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured Related party receivable		-
16, Notes 2.8.9	Statement of Financial Position - Property, plant and equipment, net	Property, plant and equipment, net (includes Construction in progress)	23,995,527	
Note 9 to the Financial Statements	Note of the Financial Statements - Statement of Financial Position- Property, Plant and Equipment - pre implementation	Property and equipment, net - pre-implementation		13,483,024
	Note of the Financial Statements - Statement of Financial Position- Property, Plant and Equipment - post implementation with outstanding debt for original purchase	Property, plant and equipment - post - implementation with outstanding debt for original purchase.		-
Note 9 to the Financial Statements	Note of the Financial Statements - Statement of Financial Position- Property, Plant and Equipment - post implementation without outstanding debt for original purchase	Property, plant and equipment - post - implementation without outstanding debt for original purchase.		9,618,952



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		Primary Reserve Ratio Expendable Net Assets (continued)		
Note 9 to the Financial Statements	Note of the Financial Statements - Statement of Financial Position- Construction in process	Construction in process		893,551
	Statement of Financial Position - Lease right- of-use assets, net	Lease right-of-use asset, net		-
	Note of Financial Statements - Statement of Financial Position - Lease right- of-use asset pre- implementation	Lease right-of-use asset, pre- implementation		-
	Note of Financial Statements - Statement of Financial Position - Lease right- of-use asset post- implementation	Lease right-of-use asset, post- implementation		-
	Statement of Financial Position (Goodwill)	Intangible assets		-
33, Note 2.5,14	Statement of Financial Position - post- employment and pension liabilities	Post- employment and pension liabilities		1,490,791
20	Statement of Financial Position - Note Payable and Line of Credit for long - term purposes (both current and long term) and Line of Credit for Construction in process	Long - term debt - for long term purposes	2,760,910	



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Primary Reserve Ratio Expendable Net Assets (continued)			
Note 13 to the Financial Statements	Statement of Financial Position - Note Payable and Line of Credit for long - term purposes (both current and long term) and Line of Credit for Construction in process	Long term debt for long term purposes pre-implementation	-
	Statement of Financial Position - Note Payable and Line of Credit for long - term purposes (both current and long term) and Line of Credit for Construction in process	Long term debt for long term purposes post-implementation	2,760,910
	Statement of Financial Position - Note Payable and Line of Credit for long - term purposes (both current and long term) and Line of Credit for Construction in process	Line of Credit for Construction in process	-
	Statement of Financial Position - Lease right- of-use of asset liability	Lease right-of-use asset liability	-
	Statement of Financial Position - Lease right- of-use of asset liability pre-implementation	Pre-implementation right-of-use leases	-
	Statement of Financial Position - Lease right- of-use of asset liability post-implementation	Post-implementation right-of-use leases	-



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Primary Reserve Ratio
Expendable Net Assets (continued)

Lines

52	Statement of Activities - Total Operating Expenses, (Total from Statement of Activities prior to adjustments)	Total Expenses without donor restrictions - taken directly from the Statement of Activities		29,705,107
56,57,58	Statement of Activities - Non - Operating (Investment return appropriated for spending), Investment net of annual spending gain (loss), Other components of net periodic pension costs, Pension -related changes other than net periodic pension, change in value of split interest agreement and other gains (loss) - (Total from Statement of Activities prior to adjustments)	Non Operating income and Net Investment (loss)		(860,044)
	Statement of Activities - (Investment return appropriated for spending) and Investments net of annual spending gain (loss)	Net Investment losses		-
	Statement of Activities - Pension related changes other than periodic pensions	Pension - related changes other than net periodic costs		-



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Equity Ratio and Net Income Ratio

Equity Ratio

Lines

Modified Net Assets

37	Statement of Financial position - Net Assets without Donor Restrictions	Net assets without donor restrictions		21,277,130
	Statement of Financial Position - Total Net Assets with Donor Restrictions	Net assets with donor restrictions		-
	Statement of Financial Position - Goodwill	Intangible assets		-
	Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured Related party receivable		-
	Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable		-

Lines

Modified Assets:

18	Statement of Financial Position Total Assets	Total assets		34,780,030
	Note of Financial Statements - Statement of Financial Position - Lease right-of-use asset pre implementation	Lease right-of-use asset pre implementation	-	-
	Statement of Financial Position - Lease right-of-use asset liability pre - implementation	Pre-Implementation right-of-use leases		-
	Statement of Financial Position - Goodwill	Intangible assets		-
	Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable		-
	Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured Related party receivables		-



SUPPLEMENTARY INFORMATION
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Lines		Net Income Ratio		
60	Statement of Activities - Change in Net Assets Without Donor Restrictions	<u>Change in Net Assets Without Donor Restrictions</u>		1,859,828
48	Statement of Activities - (Net assets released from restriction), Total Operating Revenue and Other Additions and Sale of Fixed Assets, gains (losses)	<u>Total revenues and gains</u>		32,424,980

