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Hi CARD MRI PROPERTY MANAGEMENT INC.,

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Company TIN: **009-455-142**

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Card MRI Property Management Inc.

Financial Statements

December 31, 2023 and 2022

and

Independent Auditors' Report

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	1	6	2	6	0	0	3
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Company Name

C	A	R	D		M	R	I		P	R	O	P	E	R	T	Y		M	A	N	A	G	E	M	E	N	T		
I	N	C	.																										

Principal Office (No./Street/Barangay/City/Town)Province)

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S	U	B	D	I	V	I	S	I	O	N		S	A	N		P	A	B	L	O		C	I	T	Y	,			
L	A	G	U	N	A																								

Form Type

A	A	F	S
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Department requiring the report

C	M	R	D
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Secondary License Type, If Applicable

	N/	A	
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COMPANY INFORMATION

Company's Email Address

ropertymanagement@cardmri.com

Company's Telephone Number/s

5	6	2	4	3	0	9	
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Mobile Number

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No. of Stockholders

19

Annual Meeting
Month/Day

March/Friday

Calendar Year
Month/Day

DECEMBER 31, 2023

CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

Maida B. Decano

Email Address

maida.decano@cardmri.com

Telephone Number/s

None

Mobile Number

None

Contact Person's Address

Brgy. Sto Angel, San Pablo City, Laguna

Note 1 : In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person

2 : All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

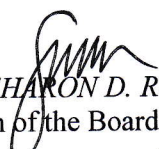
The Management of **CARD MRI PROPERTY MANAGEMENT INC.** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, as at and for the years ended December 31, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

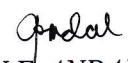
The Board of Trustees is responsible for overseeing the Company's financial reporting process.

The Board of Trustees reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders.

DIAZ MURILLO DALUPAN AND COMPANY and **ENDRIGA, MANANGU & ASSOCIATES**, the independent auditors appointed by the stockholders for the years ended December 31, 2023 and 2022, respectively, have audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in their reports to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audits.


MARIE SHARON D. ROXAS
Chairman of the Board


MAIDA B. DECANO
President


AILEEN F. ANDAL
Treasurer

Signed this 16th day of March 2024

Independent Auditors' Report

To the Board of Directors and Stockholders of
CARD MRI PROPERTY MANAGEMENT INC.
20 M.L Quezon St., City Subdivision
San Pablo City, Laguna

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **CARD MRI Property Management, Inc.**, which comprise the statement of financial position as at December 31, 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly in all material respects, the financial position of the Company as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with Philippine Financial Reporting Standard (PFRS).

Basis for Opinion

We conducted our audit in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of CARD MRI Property Management, Inc. as at and for the year ended December 31, 2022 were audited by another auditor who expressed an unqualified opinion on those statements on March 22, 2023.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

Global Reach, Global Quality

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Cebu Office : Unit 504 Cebu Holdings Building, Cebu Business Park, Mabolo, Cebu City 6000 Philippines • Phone: +63(32) 415 8108 - 10 / Fax: +63(32) 232 8029
Davao Office : 3rd Floor Building B Plaza De Luisa, Ramon Magsaysay Avenue, Davao City 8000 Philippines • Phone/Fax: +63(82) 222 6636
Palawan Office : 2F MRC Building, Pineda Road, Brgy. San Pedro, Puerto Princesa City, Palawan 5300 Philippines • Phone +63(48) 716 1580
Website : www.dmdcpa.com.ph

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Supplementary Information Required by the Bureau of Internal Revenue

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 25 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not required part of the basic financial statements. Such information is the responsibility of the management of **CARD MRI Property Management, Inc.** The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

DIAZ MURILLO DALUPAN AND COMPANY

Tax Identification No. 003-294-822

BOA/PRC No. 0234, effective until June 23, 2026

SEC Accreditation No. 0234-SEC, Group A, issued on March 17, 2022 and
valid in the audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001911-000-2022, effective until March 14, 2025

By:



Michelle Marie A. Recto
Partner

CPA Certificate No. 130623

SEC Accreditation No. 130623-SEC, Group A, issued on June 15, 2021 and
valid in the audit of 2020 to 2024 financial statements of SEC covered institutions

Tax Identification No. 291-885-209

PTR No. 10081054, January 6, 2024, Makati City

BIR Accreditation No. 08-001911-014-2021, effective until November 25, 2024

March 16, 2024

CARD MRI PROPERTY MANAGEMENT, INC.**Statement of Financial Position***(With Comparative Figures for 2022)*

	December 31	
		2022
	2023	(As restated - see Note 11)
ASSETS		
Current Assets		
Cash and cash equivalents - note 4	₱82,230,230	₱30,319,900
Accrued rent and other receivables - note 5	566,259	269,566
Prepayments and other current assets - note 6	2,875,389	3,352,417
	85,671,878	33,941,883
Noncurrent Assets		
Investment properties (net) - note 7	552,797,207	366,882,785
Investment in an associate - note 8	1,702,881	869,650
Property and equipment (net) - note 9	310,238	120,495
Right of use asset (net) - note 10	7,711,821	5,254,490
Retirement benefit asset - note 22	-	397,725
Other noncurrent assets - note 11	23,434,353	17,932,718
	585,956,500	391,457,863
TOTAL ASSETS	₱671,628,378	₱425,399,746
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and other current liabilities - note 12	₱3,965,060	₱3,811,499
Income tax payable	1,785,355	-
Loans payable (current) - note 14	1,491,564	7,949,667
Lease liability (current) - note 13	2,624,226	3,362,810
	9,866,205	15,123,976
Noncurrent Liabilities		
Loans payable (net of current portion) - note 14	-	1,491,564
Lease liability (net of current portion) - note 13	5,244,939	2,247,123
Retirement benefit obligation - note 22	413,008	-
Security deposits - note 15	4,787,627	3,776,690
	10,445,574	7,515,377
Equity		
Capital stock - note 16	628,909,400	393,435,800
Retained earnings	22,177,997	7,973,082
Other comprehensive income (OCI)		
Retirement plan actuarial gain - net	147,693	1,023,386
Share in OCI of an associate - note 8	81,509	328,125
	651,316,599	402,760,393
TOTAL LIABILITIES AND EQUITY	₱671,628,378	₱425,399,746

(The accompanying notes are an integral part of these financial statements.)

CARD MRI PROPERTY MANAGEMENT, INC.**Statement of Comprehensive Income***(With Comparative Figures for 2022)***For the Years Ended December 31**

		2022 (As restated - see Note 11)
	2023	
REVENUES - note 17	₱45,104,724	₱34,964,930
COST OF SERVICES - note 18	20,066,553	20,110,757
GROSS PROFIT	25,038,171	14,854,173
OPERATING EXPENSES - note 18	8,323,129	5,600,042
OPERATING INCOME	16,715,042	9,254,131
OTHER INCOME - note 19	1,927,059	445,548
SHARE IN NET INCOME OF AN ASSOCIATE - note 8	702,847	338,525
INCOME BEFORE TAX	19,344,948	10,038,204
PROVISION FOR INCOME TAX - note 20	(5,140,033)	(2,394,228)
NET INCOME FOR THE YEAR	14,204,915	7,643,976
OTHER COMPREHENSIVE INCOME		
Share in OCI of an associate - note 8	(246,616)	328,125
Retirement plan actuarial gain (loss) - net - note 22	(875,693)	765,240
TOTAL COMPREHENSIVE INCOME	₱13,082,606	₱8,737,341

(The accompanying notes are an integral part of these financial statements.)

CARD MRI PROPERTY MANAGEMENT, INC.**Statement of Changes in Equity****For the year ended December 31, 2023***(With Comparative Figures for 2022)*

	Other Comprehensive Income					
				Net Unrealized Gain on Equity instruments at FVOCI	Share in OCI from Associate	
	Capital stock (note 16)	Retained earnings	Retirement plan actuarial gain - net	(note 11)	(note 8)	Total
Balances as at January 1, 2023, as previously stated	₱393,435,800	₱7,973,082	₱1,023,386	₱714,576	₱328,125	₱403,474,969
Prior period adjustment - note 11	-	-	-	(714,576)	-	(714,576)
Balances as at January 1, 2023, as restated	393,435,800	7,973,082	1,023,386	-	328,125	402,760,393
Issuance of stocks	235,473,600	-	-	-	-	235,473,600
Total comprehensive loss for the year	-	14,204,915	(875,693)	-	(246,616)	13,082,606
Balances as at December 31, 2023	₱628,909,400	₱22,177,997	₱147,693	₱-	₱81,509	₱651,316,599
Balances as at January 1, 2022, as previously stated	₱376,869,300	₱4,178,429	₱258,146	₱714,576	₱-	₱382,020,451
Prior period adjustment - note 11	-	-	-	(714,576)	-	(714,576)
Balances as at January 1, 2022, as restated	376,869,300	4,178,429	258,146	-	-	381,305,875
Issuance of stocks	8,063,100	-	-	-	-	8,063,100
Stock dividends	3,848,700	(3,848,700)	-	-	-	-
Collection of subscription receivable	4,654,700	-	-	-	-	4,654,700
Cash dividends	-	(623)	-	-	-	(623)
Total comprehensive income for the year	-	7,643,976	765,240	-	328,125	8,737,341
Balances as at December 31, 2022	₱393,435,800	₱7,973,082	₱1,023,386	₱-	₱328,125	₱402,760,393

(The accompanying notes are an integral part of these financial statements)

CARD MRI PROPERTY MANAGEMENT, INC.**Statement of Cash Flows***(With Comparative Figures for 2022)***For the Years Ended December 31**

		2022
	2023	(As restated - see Note 11)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before tax	₱19,344,948	₱10,038,204
Adjustments for:		
Depreciation- notes 8, 9, 10, 18	13,833,239	13,048,873
Interest income - notes 4, 19	(1,883,355)	(445,548)
Interest expense - note 18	396,272	1,077,926
Interest expense from right-of-use-assets - note 18	486,635	598,892
Share in net income of an associate - note 8	(702,847)	(338,525)
Retirement expense - notes 18 and 22	102,193	84,924
Amortization of transaction costs on loans payable - note 14	50,333	114,219
Cash from operations before working capital changes	31,627,418	24,178,965
Changes in operating assets and liabilities		
Decrease (increase) in:		
Trade and other receivables - note 5	(296,692)	517,412
Prepayments and other current asstes - note 6	477,028	(1,889,170)
Increase in:		
Trade and other payables - note 14	153,561	137,159
Security deposits - note 15	1,010,937	65,098
Net cash generated from operations	32,972,252	23,009,464
Interest received - notes 4, 19	1,883,355	445,548
Interest paid - note 18	(396,272)	(1,676,818)
Contribution to retirement fund - note 23	(167,153)	-
Income tax paid - note 20	(3,354,678)	(1,539,059)
Net cash provided by operating activities	30,937,504	20,239,135
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of investment properties - note 7	(195,096,009)	(9,910,728)
Acquisitions of property and equipment - note 9	(285,100)	(94,910)
Acquisitions of investment in an associate - note 8	(377,000)	(203,000)
Increase in right-of-use assets - note 10	(7,013,627)	(2,396,830)
Decrease (increase) in other noncurrent assets - note 11	(5,501,635)	1,407,863
Net cash used in investing activities	(208,273,371)	(11,197,605)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from:		
Issuance of capital stock - note 16	235,473,600	8,063,100
Collection of subscription receivable - note 17	-	4,654,700
Additional lease liability - note 13	6,441,902	2,636,390
Settlement of loans payable - note 14	(8,000,000)	(16,500,000)
Advance rent paid	(494,480)	-
Settlement of lease liabilities - note 13	(4,174,825)	(3,123,374)
Cash dividend - note 16	-	(623)
Net cash provided by (used in) financing activities	229,246,197	(4,269,807)
NET INCREASE IN CASH	51,910,330	4,771,723
CASH - note 4		
Beginning of year	30,319,900	25,548,177
End of year - note 4	₱82,230,230	₱30,319,900

(The accompanying notes are an integral part of these financial statements.)

CARD MRI PROPERTY MANAGEMENT, INC.

Notes to Financial Statements

As at and for the year ended December 31, 2023

(With comparative figures for 2022)

1. CORPORATE INFORMATION

CARD MRI PROPERTY MANAGEMENT, INC. (the “Company”) was incorporated and duly registered with the Securities and Exchange Commission (SEC) on November 10, 2016. The Company's primary purposes are to deal and engage in land or real estate business in all its branches and ramifications, to hold, develop, manage, administer, sell, convey, encumber, purchase, acquire, rent, or otherwise deal in and dispose of, for itself or others, for profit and advantage, including hotels, inns or resorts, all adjuncts and accessories thereto, housing projects, commercial and industrial, urban or other kinds of real property, improved or unimproved, with or to such persons and entities and under such conditions as may be permitted by law and any other businesses as may be necessary and desirable in connection therewith.

The Company is a member of Center for Agriculture and Rural Development (CARD) – Mutually Reinforcing Institutions (MRI).

The Company's principal office is located at 20 M. L. Quezon Street, City Subdivision, San Pablo City, Laguna.

The financial statements of the Company as at and for the year ended December 31, 2023 and 2022 were approved and authorized for issuance by the Board of Directors (BOD) on March 16, 2024.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information that has been used in the preparation of these financial statements is summarized in the succeeding pages. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The accompanying financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS). PFRS are based on International Financial Reporting Standards issued by the International Accounting Standards Board (IASB). PFRS consist of PFRS, Philippine Accounting Standards (PAS) and Philippine Interpretations issued by the Philippine Financial Reporting Standards Council (FRSC).

Basis of Preparation

The financial statements of the Company have been prepared under the historical cost basis at each financial reporting date.

The financial statements are presented in Philippine Peso (₱), which is the Company's functional and presentation currency. All values are rounded to the nearest peso, unless otherwise indicated.

Changes in accounting policies and disclosures

The Company adopted for the first time the following amendments to PFRS, which are mandatorily effective for annual periods beginning on or after January 1, 2023.

Disclosure of Accounting Policies (Amendments to PAS 1 and PFRS Practice Statement 2). The narrow-scope amendments PAS 1, Presentation of Financial Statements require entities to disclose material accounting policy information instead of significant accounting policies. The amendments also clarify the following: (1) accounting policy information may be material because of its nature, even if the related amounts are immaterial; (2) accounting policy is material if users of an entity's financial statements would need it to understand other material information in the statements; and (3) if an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information. Further, the amendments provides several paragraphs to explain how an entity can identify material accounting policy information and to give examples of when accounting policy information is likely to be material. In addition, PFRS Practice Statement 2 has been amended by adding guidance and examples to explain and demonstrate the application of 'four-step materiality process' to accounting policy information in order to support the amendments to PAS 1. The amendments are applied prospectively. Management assessed that the application of such amendments had no significant impact on the Company's financial statements.

Definition of Accounting Estimates (Amendments to PAS 8). The amendments to PAS 8, Accounting Policies, Changes focus entirely on accounting estimates and clarify the following:

- The definition of a change in accounting estimates is replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".
- Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.
- A change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.
- A change in an accounting estimate may affect only the current period's profit or loss, or the profit or loss of both the current period and future periods. The effect of the change relating to the current period is recognized as income or expense in the current period. The effect, if any, on future periods is recognized as income or expense in those future periods.

Management assessed that the application of such amendments had no significant impact on the Company's financial statements.

Deferred Tax Related to Assets and Liabilities arising from Single Transaction (Amendments to PAS 12). The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary difference arise on initial recognition. The amendments also clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgment (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognized in the financial statements (and interest expense) or to the related asset component (and interest expense). Management assessed that the application of such amendments had no significant impact on the Company's financial statements.

New Accounting Standards, Interpretations and Amendments to Existing Standards Effective Subsequent to January 1, 2023

Classification of Liabilities as Current or Noncurrent (Amendments to PAS 1). The narrow-scope amendments to PAS 1, *Presentation of Financial Statements* clarify that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (eg the receipt of a waiver or a breach of covenant). The amendments also clarify what PAS 1 means when it refers to the 'settlement' of a liability. The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity. The amendments are effective for annual periods beginning on or after January 1, 2024, with earlier application permitted.

'Noncurrent Liabilities with Covenants (Amendments to PAS 1). The amendment clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of liability. Only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as either current or non-current. In addition, an entity has to disclose information in the notes that enables users of financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months. The amendments are effective for annual periods beginning on or after January 1, 2024.

Lease Liability in a Sale and Leaseback (Amendments to PFRS 16). The amendment clarifies the how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in PFRS 15 to be accounted for as a sale. The amendments to PFRS 16 specifies that, in subsequently measuring the lease liability, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognizing any amount of the gain or loss that relates to the right of use it retains. The amendments are effective for annual periods beginning on or after January 1, 2024.

Cash Flow Statements and PFRS 7 (Amendments), Financial Instruments: Disclosures – Supplier Finance Arrangements. The amendments do not define supplier finance arrangements. Instead, the amendment describes the characteristics of an arrangement for which an entity is required to provide the information. The amendments note that arrangements that are solely credit enhancements for the entity or instruments used by the entity to settle directly with a supplier the amounts owed are not supplier finance arrangements. The entities will have to disclose in the notes information that enables users of the financial statements to assess how supplier finance arrangements affect an entities' liabilities and cash flows and understand its effect on exposure to liquidity risk and how the entity may be affected if the arrangements were no longer available.

The amendments are effective for annual periods beginning on or after January 1, 2024, with earlier application permitted.

The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability. The amendment specifies that a currency is exchangeable when an entity can exchange that currency for the other currency through markets or exchange mechanisms that create enforceable rights and obligations without undue delay at measurement date and for a specified purpose while a currency is not exchangeable into other currency if an entity can only obtain an insignificant amount of the other currency. When a currency is not exchangeable, an entity estimates the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions. The amendment requires the disclosure of additional information when a currency is not exchangeable.

The amendment is effective for annual periods beginning on or after January 1, 2025, with earlier application permitted.

Deferred effectivity

PFRS 10, Consolidated Financial Statements and PAS 28, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments). The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture. On January 13, 2016, the FRSC deferred the original effective date of April 1, 2016 of the said amendments until the IASB has completed its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

The Company has not early adopted the previously mentioned new, amended and improved accounting standards and interpretations. The Company continues to assess the impact of the above new, amended and improved accounting standards and interpretations that are effective subsequent to January 1, 2023 on its financial statements in the period of initial application.

Additional disclosures required by these amendments will be included in the financial statements when these amendments are adopted.

Current and non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- expected to be realized or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and tax liabilities are classified as non-current assets and non-current liabilities.

Determination of fair value and fair value hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

“Day 1” Difference

When the transaction price in a non-active market is different from the fair value of other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Company recognizes the difference between the transaction price and fair value (a “Day 1” difference) in the statement of comprehensive income unless it qualifies for recognition as some other type of asset or liability. In cases where use is made of data which is not observable, the difference between the transaction price and model value is only recognized in the statement of comprehensive income when the inputs become observable or when the instrument is derecognized. For each transaction, the Company determines the appropriate method of recognizing the “Day 1” difference amount.

Financial instruments

Initial recognition, measurement and classification

The Company recognizes financial assets and financial liabilities in the statements of financial position when it becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place are recognized on the settlement date.

With the exception of trade receivables that do not contain a significant financing component, financial assets and financial liabilities are recognized initially at fair value including transaction costs, except for those financial assets and liabilities at FVPL where the transaction costs are charged to expense in the period incurred. Trade receivables that do not contain a significant financing component are recognized initially at their transaction price.

The Company classifies its financial assets as subsequently measured at amortized cost, at FVOCI and at FVPL. The classification of financial assets depends on the financial asset’s contractual cash flow characteristics and the Company’s business model for managing the financial assets. The Company’s business model is determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Company’s business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Company classifies its financial liabilities as subsequently measured at amortized cost using the EIR or at FVPL.

Financial assets at amortized cost

The Company measures financial assets at amortized cost if both of the following conditions are met:

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

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and subject to impairment. Gains and losses are recognized in the profit or loss when the financial assets at amortized cost are derecognized, modified or impaired. These financial assets are included in current assets if maturity is within twelve (12) months from the end of the reporting period. Otherwise, these are classified as noncurrent assets.

As at December 31, 2023 and 2022, included under financial assets at amortized cost are the Company's cash and cash equivalents and accrued rent and other receivables (see Notes 4 and 5).

Cash represents cash on hand, in banks and with fund managers which are stated at face value. Cash in bank earns interest at floating rates based on daily bank deposit rates. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from the date of acquisition and are subject to an insignificant risk of changes in value.

Accrued rent and other receivables represent the Company's right to an amount of consideration that is unconditional.

Financial assets at FVPL

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, debt instruments may be designated at FVPL on initial recognition if doing so eliminates or significantly reduces the measurement or recognition inconsistency and produce more relevant information.

Financial assets at FVPL are carried in the statements of financial position at fair value with net changes in fair value recognized in the profit or loss. Dividends on investments are recognized under Other income (charges) in the statements of comprehensive income when the right of payment has been established.

The Company does not have financial assets at FVPL as at December 31, 2023 and 2022.

Financial assets at FVOCI

Equity instruments

Upon initial recognition, the Company may make an irrevocable election to present in other comprehensive income changes in the fair value of an equity instrument that is not held for trading. The classification is determined on an instrument-by-instrument basis.

When the equity instrument is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is not subsequently reclassified to the consolidated statements of comprehensive income but is transferred to retained earnings. Dividends on such investments are recognized in consolidated statement of comprehensive income when the right of payment has been established, except when the dividends represent a recovery of part of the cost of the investment, in which case, such gains are recorded in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment. These financial assets are classified as noncurrent assets.

The Company has no financial asset at FVOCI as at December 31, 2022 and 2023.

Debt instruments

A debt instrument that meets the following two conditions must be measured at FVOCI unless the asset is designated at FVPL under the fair value option:

Business model: hold the financial asset within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Cash flow characteristics: give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt financial assets meeting these criteria are measured initially at fair value plus transaction costs. These instruments are subsequently measured at fair value with gains and losses due to changes in fair value recognized under “Fair value loss on financial assets at FVOCI” in the statements of comprehensive income. Interest earned on these instruments is recognized under “Interest income calculated using the effective interest method” in the statements of income and expenses.

As at December 31, 2023 and 2022, the Company does not have debt instruments.

Financial liabilities at amortized cost

Financial liabilities that are not contingent consideration of an acquirer in a business combination, held for trading, or designated as at FVPL, are measured subsequently at amortized cost using the EIR method.

The EIR method is a method of calculating the amortized cost of a financial liability and allocating interest expense over the relevant period. The EIR is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

As at December 31, 2023 and 2022, the Company's financial liabilities include accounts payable and other current liabilities (except due to government agencies) and loans payable.

Amortized cost and EIR method

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the EIR method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the EIR method for debt instruments measured subsequently at amortized cost and at FVOCI.

The EIR is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) excluding ECL, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

Interest income is recognized in the statements of comprehensive income.

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to third party under a "pass-through" arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all risks and rewards of the asset but has transferred control of the asset.

Where the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognizes an allowance for ECL for all debt instruments that are measured at amortized cost or at FVOCI. ECLs are a probability-weighted estimate of credit losses over the expected life of the financial asset.

Credit losses are the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original EIR. The expected cash flows include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL is a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Company under the contract and the cash flows that the Company expects to receive arising from the weighting of the multiple future economic scenarios, discounted at the asset's effective interest rate.

The Company measures ECL of a financial instrument in a way that reflects:

- a) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- b) the time value of money; and
- c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Company assesses at each end of the reporting period whether the credit risk on a financial asset has increased significantly since initial recognition. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is measured at an amount equal to the lifetime ECL. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, a loss allowance is measured at an amount equal to 12-month ECL. Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting period.

For trade receivable, the Company applies a simplified approach in calculating ECL. The Company recognizes a loss allowance based on lifetime ECL at the end of each reporting period. The ECL on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment, including time value of money where appropriate.

When the credit risk on financial instruments for which lifetime ECL have been recognized subsequently improves, and the requirement for recognizing lifetime ECL is no longer met, the loss allowance is measured at an amount equal to 12-month ECL at the current reporting period, except for assets for which simplified approach was used.

The Company recognizes impairment loss (reversals) in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the end of reporting period with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relate to the Company's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. the extent to which the fair value of a financial asset has been less than its amortized cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the end of reporting period. A financial instrument is determined to have low credit risk if:

- the financial instrument has a low risk of default;
- the debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and,
- adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations.

The Company considers a financial asset to have low credit risk when the asset has external credit rating of investment grade "in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of performing". Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Company).

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lenders of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lenders would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over one (1) year past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

Prepayments and Other Assets

Prepayments represent expenses not yet incurred but already paid in cash. Prepayments are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are charged to profit or loss as they are consumed in operations or expire with the passage of time.

Other assets consist of supplies on hand, input value added tax (VAT) and other assets. These are classified as current when it is probable to be realized within one year from the end of the financial reporting period. Otherwise, these are classified as noncurrent assets.

Input VAT arises from purchases of goods and services and is measured at twelve percent (12%) of the taxable amount. This is being offset against output VAT.

Supplies on hand pertain to supplies and materials being used to manage leasing of accommodation and function hall. These are expensed out upon consumption or disposed of.

Other current assets pertain to security deposit for rental as lessee and deposit to MERALCO which are to be refunded at the end of the contract.

Other noncurrent assets are composed of deferred input VAT, deferred tax asset and others. Other noncurrent assets pertain to payments for real properties and stocks that are yet to be transferred to the Company.

Investment in an Associate

Investment in an associate is accounted for under the equity method of accounting. An associate is an entity in which the Company has significant influence, and which is neither a subsidiary nor a joint venture. Under the equity method, the investment in an associate is carried in the statement of financial position at cost plus post-acquisition changes in the Company's share in the net assets of the operations of the investee. Unrealized gains arising from intercompany transactions are eliminated to the extent of the Company's interest therein. Unrealized losses are eliminated similarly but only to the extent that there is no evidence of impairment of the asset transferred. Dividends received are treated as a reduction in the carrying value of the investment.

Investment Properties (net)

Investment property, which are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes), is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise.

The initial cost of investment properties consists of its purchase price, including non-refundable taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after items of investment properties have been put into operation, such as repairs and maintenance, are normally charged against operations in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of investment properties beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of investment properties.

Depreciation is computed using the straight-line method over the estimated useful lives (EUL) of the respective assets. Leasehold improvements are amortized over the lease term and the shorter of the terms of the covering leases and EUL of the improvements.

The range of the EULs of the investment properties follows:

Building and improvements	15 years
Leasehold improvements	3 years

The depreciation method and the EULs are reviewed periodically to ensure that the period and the method of depreciation are consistent with the expected pattern of economic benefits from items of investment properties.

Fully depreciated assets are retained in the accounts until they are no longer in use and no further depreciation is credited against profit or loss.

An item of investment properties is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income under "Miscellaneous income" in the period the asset is derecognized.

The carrying values of the investment properties reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists where the carrying values exceed the estimated recoverable amount, an impairment loss is recognized under "Provision for expected credit losses" in the statement of comprehensive income.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by the ending of owner-occupation or commencement of an operating lease. Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sell.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses. The initial cost of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenses incurred after the property and equipment have been put into operation, such as repairs and maintenance and overhaul costs, are normally charged to operations in the period when the costs are incurred. In situation where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment.

Depreciation is computed using the straight-line method over the following estimated useful lives of property and equipment. The estimated useful life of property and equipment is 3 years.

The useful life and depreciation method are reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

When assets are sold and retired, their cost and accumulated depreciation are derecognized from the accounts, and any gain or loss resulting from their disposal is charged or credited to operations.

Equity

Capital stock

Capital stock represents ordinary shares that are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Any costs of acquiring the Company's own shares, if any, are shown as a deduction from equity attributable to the Company's equity holders until the shares are canceled or reissued. When such shares are subsequently sold or reissued, any consideration received, net of directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

Retained earnings

Retained earnings represent the cumulative balance of periodic net income, prior period adjustments and effect of changes in accounting policies, and other capital adjustments, net of any dividend declaration. Dividends, except for stock dividends, are recognized as a liability and deducted from equity when they are approved by the Company's BOD and/or stockholders. Dividends for the period that are approved after the end of this financial reporting period are dealt with as an event after the financial reporting period. Retained earnings may also include the effect of changes in accounting policy as may be required by the accounting standard's transitional provisions.

Revenue Recognition

Revenue is recognized when or as control over distinct goods or services is transferred to the customer such as when the customer is able to direct the use of the transferred goods or services and obtains substantially all of the remaining benefits from the goods or services, given that a contract with enforceable rights and obligations exists and among others, the collectability of consideration is probable taking into account the customer's creditworthiness.

Revenue recognized is the transaction price that reflects the consideration which the Company expects to be entitled to in a contract with a customer and excludes amounts collected on behalf of third parties.

To determine whether to recognize revenue, the Company follows a five-step process:

- (1) identifying the contract with a customer;
- (2) identifying the performance obligation;
- (3) determining the transaction price;
- (4) allocating the transaction price to the performance obligations; and,
- (5) recognizing revenue when/as performance obligations are satisfied.

The following specific recognition criteria must also be met before revenue is recognized:

a. Revenues within the scope of PFRS 15

Commission income consists of payments from construction facilitation, property management, and asset maintenance, and are recognized upon collection or accrued when there is a reasonable degree of certainty as to their collectability.

b. Revenues outside the scope of PFRS 15

Rental income is recognized on a straight-line basis over the lease term.

Interest income from cash in banks and loans is recognized as interest accrues, taking into account the effective yield of the asset.

Other income is recognized when earned.

Expense Recognition

Expense is recognized in the statement of comprehensive income when it is probable that a decrease in future economic benefits related to a decrease in an asset or an increase in liability has occurred, and the decrease in economic benefits can be measured reliably. Expenses are recognized as incurred or when the related revenue is earned.

Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Unearned rents are recognized as revenue in the period in which they are earned.

The Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Subsequent to commencement date, the right-of-use asset shall be measured at cost less accumulated amortization and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. Right-of-use assets are depreciated on a straight-line basis over the lease term.

Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (less any lease incentives receivable), variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Bank and payments of penalties for terminating the lease, if the lease term reflects exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

Lease liabilities are subsequently measured to reflect changes in the lease term, exercising of a purchase option (using a revised discount rate), amounts expected to be paid under residual value guarantees (using unchanged discount rate), or future lease payments resulting from a change of a rate used to determine those payments (using an unchanged discount rate). Such remeasurements are treated as adjustments to the right-of-use asset.

Income Taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Deferred income tax is provided, using the balance sheet liability method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, carry forward the benefit of unused tax credits from excess of minimum corporate income tax (MCIT) over the regular corporate income tax and unused net operating loss carryover (NOLCO), to the extent that it is probable that taxable income will be available against which the deductible temporary differences and carry forward benefits of MCIT and NOLCO could be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax asset against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Foreign Currency-denominated Transactions and Translation

Transactions in foreign currencies are translated at exchange rates at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange at the reporting date. Gains or losses arising from exchange rate changes are dealt with in profit or loss.

Employee Benefits

Short-term benefits

The Company recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. Short-term benefits given by the Company to its employees include compensation, social security contributions, short-term compensated absences, bonuses, and other non-monetary benefits.

Long-term benefits

The Company operates a defined benefit retirement plan and a hybrid retirement plan which require contributions to be made to a separately administered fund. The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets and adjusted for any effect of limiting a net defined benefit asset to the asset ceiling (if any). The asset ceiling is the present value of any economic benefits, available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method. Defined benefit costs comprise the following:

- a. Service cost;
- b. Net interest on the net defined benefit liability or asset; and
- c. Remeasurements of net defined benefit liability or asset.

Service costs which include current service costs, past service costs, and gains or losses on non routine settlements are recognized as expenses in the statement of comprehensive income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in the statement of comprehensive income.

Remeasurements comprising actuarial gains and losses, return on plan assets, and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in the statement of financial position with a corresponding debit or credit to 'Retirement plan actuarial gain (loss) - net' under the statement of comprehensive income in this period in which they arise.

Plan assets are assets that are held by a long-term employee benefit fund. Plan assets are not available to the creditors of the Company, nor can they be paid directly to the Company. The fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations).

If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Employee leave entitlement

Employee entitlements to annual leave are recognized as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before 12 months after the end of the annual reporting period is recognized for services rendered by employees up to the end of the reporting period.

Related party relationships and transactions

A related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged.

Related party relationship exists when: (a) a person or a close member of that person's family has control or joint control, has significant influence or is a member of the key management personnel of the reporting entity or of a parent of the reporting entity; and (b) when any of the following conditions apply: (i) the entity and the Parent Company are members of the same group; (ii) one entity is an associate or joint venture of the other entity; (iii) both entities are joint ventures of the same third party; (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third party; (v) the entity is a post-employment benefit plan for the benefit of employees of the Parent Company; (vi) the entity is controlled or jointly controlled by a person as identified in (a) above; (vii) the entity or any member of a group of which it is part, provides key management personnel services to the Company or to the parent of the Company; (viii) a person identified in (a) above has significant influence over the entity or is a member of the key management personnel of the entity or of a parent of the entity.

In considering each possible related party relationship, attention is directed to the substance of the relationships, and not merely the legal form.

Provisions and Contingencies

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Contingent liabilities are not recognized in the financial statements. These are disclosed in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but disclosed in the notes to financial statements when an inflow of economic benefits is probable.

Events after the Reporting Date

Post year-end events that provide additional information about the Company 's financial position at the financial reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements, when material.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements in compliance with PFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances at the end of the reporting period. Actual results could differ materially from such estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant accounting judgments in applying the Company's accounting policies

a) Principal versus agent

An entity is acting as principal if individually or in combination of the scenarios below:

- the entity has the primary responsibility for providing the goods or services to the customer or for fulfilling the order;
- the entity has inventory risk before or after the customer order, during shipping or on return;
- the entity has latitude in establishing prices, either directly or indirectly;
- the entity has customer's credit risk on the receivable due from the customer.

In an agency relationship, the gross inflows of economic benefits often include the amounts collected on behalf of the principal and the amounts which do not result in an increase in equity for the entity. The amounts collected on behalf of the principal are not revenue; instead, revenue is the amount of commission. The Company recognized income from their service operations as commission income (see Note 17).

b) Operating lease commitments as lessor

The Company has entered into commercial property leases on its investment properties. The Company has determined that it retains all significant risks and rewards of ownership of these properties considering the length of the lease term compared to the estimated useful life of the assets.

The Company accordingly accounted for these as operating leases including the income recognized in these commitments.

c) Determining lease term and discount rate

i. Determining Lease Term

The Company has entered into contract of lease for various parcels of land and commercial space as a lessee. The Company has exercised significant judgment in determining the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be extended or in any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company determined that renewal periods of leases with longer periods are not included as part of the lease term as these are not reasonably certain to be exercised.

ii. Estimating the Incremental Borrowing Rate (IBR)

Significant management judgment was used by the Company in determining the discount rate, whether implicit rate, if readily available or IBR, to be used in calculating the present value of right-of-use asset and lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the Right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

d) Impairment of non-financial assets

Management is required to perform test of impairment when impairment indicators are present. Property, plant and equipment and investment properties are periodically reviewed to determine any indications of impairment. Management is required to make estimates to determine future cash flows to be generated from the continued use and ultimate disposition of these assets in order to determine the value in use. Though the management believes that the estimates and assumptions used in the determination of recoverable amounts are reasonable and appropriate, significant changes in these assumptions may materially affect the assessment of the recoverable amounts and any resulting impairment loss could have a material adverse effect in the results of operations.

Management believes that there are no indications that the property, plant and equipment and investment properties are impaired as at December 31, 2023 and 2022 (see Notes 9 and 7).

Significant accounting estimates and assumptions

a) Estimating the useful lives of investment properties

Estimates are made on the useful lives of the Company's investment properties, except land, based on the periods over which the assets are expected to be available for use. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technological or commercial obsolescence, or other limits on the use of such assets. In addition, estimates are based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by the changes in estimates brought about by the factors mentioned above.

Management increases the depreciation charge where useful lives are less than previously estimated lives, or writes off or writes down impaired or non-strategic assets.

As at December 31, 2023 and 2022, the carrying amounts of investment properties, net of accumulated depreciation of ₱45.90 million and ₱36.71 million, respectively, amounted to ₱552.80 million and ₱366.88 million, respectively (see Note 7).

b) Estimating the present value of retirement liability

The cost of a defined retirement plan and other post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, and mortality rates. Due to the complexity of the valuation, the underlying assumptions, and long-term nature of these plans, such estimates are subject to significant uncertainty. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the market yields on Philippine government bonds with terms consistent with the expected employee benefit payout at reporting date, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. Future salary increases are based on expected future inflation rates for the specific country. The mortality rate is based on publicly available mortality tables for the specific country and is modified accordingly with estimates of mortality improvements. The present value of the retirement liability and fair value of plan assets are disclosed in Note 22.

4. CASH AND CASH EQUIVALENTS

This account consists of:

	2023	2022
Cash in banks	₱40,737,724	₱19,765,476
Cash equivalents	41,482,506	10,544,424
Cash on hand	10,000	10,000
	₱82,230,230	₱30,319,900

Cash in banks represents deposits with a local bank and commercial bank which earns interest at the prevailing bank deposit rates. Cash equivalents pertain to time deposits with a term of 35 days and annual interest rate ranging from 5.825% to 5.85% in 2023 and 4.75% in 2022.

Interest income earned by the Company from cash and cash equivalents amounted to ₱1,883,355 and ₱393,798 in 2023 and 2022, respectively (see Note 19).

5. ACCRUED RENT AND OTHER RECEIVABLES

This account consists of:

	2023	2022
Accrued rent receivable	₱57,291	₱57,291
Other receivables	508,968	212,275
	₱566,259	₱269,566

Accrued rent receivable pertains to receivable from lessees, which is normally due within 30 days.

Other receivables pertain to advances to brokers and tenants for share in utilities.

6. PREPAYMENTS AND OTHER CURRENT ASSETS

This account consists of:

	2023	2022 (As restated)
Prepaid expenses	₱796,694	₱65,139
Supplies on hand	2,078,695	2,072,777
Prepaid taxes	-	978,107
Input VAT	-	236,394
	₱2,875,389	₱3,352,417

Prepaid expenses consist of advance payments made for fire insurance, training and travel and accommodation.

Supplies on hand pertain to supplies and materials that are used mainly in managing the function hall and accommodation.

Reclassification

In 2023, other assets amounting to ₱23,040,161, which pertain to advance payments for acquired properties that are yet to be transferred to the Company and deposits, is reclassified to Other noncurrent assets in the statements of financial position (see Note 11). The 2022 balance of the said account is also reclassified to Other noncurrent assets for comparability and consistency.

7. INVESTMENT PROPERTIES (NET)

The reconciliation of investment properties as at December 31 is as follows:

December 31, 2023

	Land	Building	Land improvement	Leasehold improvements	Total
Cost					
Beginning balance	₱269,822,561	₱127,818,810	₱4,992,772	₱963,106	₱403,597,249
Additions	182,823,847	12,178,412	93,750	-	195,096,009
Ending balance	452,646,408	139,997,222	5,086,522	963,106	598,693,258
Accumulated depreciation					
Beginning balance	₱-	₱31,344,991	₱4,469,702	₱899,771	₱36,714,464
Depreciation – note 18a	-	8,720,118	430,678	30,791	9,181,587
Ending balance	-	40,065,109	4,900,380	930,562	45,896,051
Net book value	₱452,646,408	₱99,932,113	₱186,142	₱32,544	₱552,797,207

December 31, 2022

	Land	Building	Land improvement	Leasehold improvements	Total
Cost					
Beginning balance	₱265,624,431	₱122,179,427	₱4,992,772	₱889,891	₱393,686,521
Additions	4,198,130	5,639,383	-	73,215	9,910,728
Ending balance	269,822,561	127,818,810	4,992,772	963,106	403,597,249
Accumulated depreciation					
Beginning balance	-	23,190,995	3,259,448	580,783	27,031,226
Depreciation – note 18a	-	8,153,996	1,210,254	318,988	9,683,238
Ending balance	-	31,344,991	4,469,702	899,771	36,714,464
Net book value	₱269,822,561	₱96,473,819	₱523,070	₱63,335	₱366,882,785

The aggregate fair value of the properties amounted to ₱620,127,203 and ₱461,137,630 as at December 31, 2023 and 2022, respectively. The fair value of the land was arrived at using comparative market data approach which considers the selling prices of similar or substitute properties within the same location and related market data and establishes an estimated value by process involving comparison. Listings and offerings were also considered. The properties used as a basis in comparison are situated within the same location.

Total rental income received from the Investment properties amounted to ₱28,632,402 and ₱25,338,753 in 2023 and 2022, respectively.

Expenses related to the investment properties pertain to real property taxes amounting to ₱351,810 in 2023 and ₱979,302 in 2022 (see Note 18a).

Depreciation for the year ended December 31, 2023 and 2022 is presented in Note 18, Cost of services.

8. INVESTMENT IN AN ASSOCIATE

In July 2022, the Company invested in ordinary shares of CARD Masikhay Consultancy Services, Inc. (CMCSI), which represents 29% equity. As of December 31, 2023 and 2022, the investment in an associate amounted to ₱1,702,881 and ₱869,650, respectively.

The movement in the account is as follows:

	2023	2022
Cost		
Balance at beginning of year	₱203,000	₱-
Acquisition during the year	377,000	203,000
Balance at end of year	580,000	203,000
Accumulated equity in net earnings		
Balance at beginning of year	338,525	-
Share in net income for the year	702,847	338,525
Balance at end of year	1,041,372	338,525
Share in an Associate's other comprehensive income		
Balance at beginning of year	328,125	-
Share in other comprehensive income (loss) for the year	(246,616)	328,125
Balance at end of year	81,509	328,125
	₱1,702,881	₱869,650

There was no change in the percentage of ownership of investment in associate as at December 31, 2023 and 2022.

The following tables illustrate the summarized financial information of CMCSI:

	2023	2022
Current assets	₱9,239,369	₱4,173,151
Noncurrent assets	383,015	1,053,463
Current liabilities	(3,834,765)	(2,179,821)
Noncurrent liabilities	(28,016)	-
Net assets	₱5,759,603	₱3,046,793

	2023	2022
Revenues	₱20,317,469	₱8,814,140
Cost and expenses	17,329,086	7,362,462
	2,988,383	1,451,678
Provision for tax	564,773	284,351
Net income	2,423,610	1,167,327
Other comprehensive income	(850,400)	1,131,466
Total comprehensive income	₱1,573,210	₱2,298,793

9. PROPERTY AND EQUIPMENT (NET)

The property and equipment account consists of furniture and fixtures purchased by the Company. The movement of property and equipment as at December 31 are as follows:

	2023	2022
Cost		
Beginning balance	₱6,408,143	₱6,313,233
Additions	285,100	94,910
Disposals	(18,750)	-
Ending balance	6,674,493	6,408,143
Accumulated depreciation		
Beginning balance	6,287,648	5,533,143
Depreciation – note 18	95,357	754,505
Disposals	(18,750)	-
Ending balance	6,364,255	6,287,648
Net book value	₱310,238	₱120,495

10. RIGHT-OF-USE ASSET (NET)

The details of this account are as follows:

	2023	2022
Cost		
Beginning balance	₱16,004,496	₱13,607,666
Additions	7,013,627	2,734,275
Disposals	(1,611,031)	(337,445)
Ending balance	₱21,407,092	16,004,496
Accumulated depreciation		
Beginning balance	10,750,006	8,138,876
Depreciation – note 18	4,556,295	2,611,130
Disposals	(1,611,030)	-
Ending balance	13,695,271	10,750,006
Net book value	₱7,711,821	₱5,254,490

The Company leases buildings. The average lease term is 5 years in 2023 and 2022.

The maturity analysis of lease liabilities is presented in Note 13.

	2023	2022
Amounts recognized in profit and loss		
Depreciation expense on the right-of-use assets	₱4,556,295	₱2,611,130
Interest expense on lease liabilities	492,017	328,012
Expenses relating to short term leases	13,229	811,480

11. OTHER NONCURRENT ASSETS

This account consists of:

	2023	2022 (as restated)
Deferred input VAT	₱394,192	₱1,444,921
Others	23,040,161	16,487,797
	₱23,434,353	₱17,932,718

The TRAIN Law stated that the amortization of input VAT on capital goods, the acquisition cost of which exceeds ₱1,000,000 shall only be allowed until December 31, 2021. After the said date, taxpayers with unutilized input VAT on capital goods purchased or imported shall be allowed to apply the same as scheduled until fully utilized. Therefore, the input VAT on goods purchased on or after January 1, 2022 shall be fully recognized outright and may be claimed as input tax credits against output tax. On the other hand, if the purchase was made on or before December 31, 2021, the taxpayer can still amortize its input VAT until the same is fully utilized.

Other assets pertain to security deposits for rental, and advance payments for acquisition of real properties and stocks that are yet to be transferred to the Company.

Prior period adjustment

In 2023, the Company revisited the investment and confirmed that the ownership of shares purchased has not yet been transferred to the Company. Hence, the equity instruments at FVOCI, net of unpaid balance of acquisition cost and unrealized gain on fair value changes, is reclassified to “Other assets” under Other noncurrent assets in the statements of financial position. For comparability and consistency, the 2022 balance is also reclassified.

The effect of the adjustment, including the reclassification of other asset account, on the 2022 statements of financial position is as follows:

Accounts affected	As previously stated	Increase (decrease)	As restated
Prepayments and other current assets	₱15,187,120	(₱11,834,703)	₱3,352,417
Equity instruments at FVOCI	10,020,764	(10,020,764)	-
Other noncurrent assets	1,444,921	16,487,797	17,932,718
Accounts payable and other current liabilities	8,464,593	(4,653,094)	3,811,499
Net unrealized gain on equity instruments at FVOCI	714,576	(714,576)	-

12. ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES

This account consists of:

	2023	2022 (as restated – note 11)
Accounts payable	₱1,037,125	₱1,625,874
Unearned rental income	756,576	828,793
Accrued expenses	1,016,206	792,753
Due to government agencies	1,155,153	564,079
	₱3,965,060	₱3,811,499

Accounts payable represent the amount payable to landowners, contractors, and suppliers in 2023 and 2022.

Accrued expenses pertain to accrual of professional fees, janitorial and messengerial service fees.

Due to government agencies pertains to VAT, withholding tax payable and contributions payable to SSS, PhilHealth and Pag-IBIG.

13. LEASE LIABILITIES

The movement in lease liabilities as at December 31 is as follows:

	2023	2022
Balance at beginning of year	₱5,609,933	₱6,096,917
Additions during the year	6,441,902	2,636,390
Payments	(4,174,825)	(3,123,374)
Adjustment	(7,845)	-
Balance at end of year	₱7,869,165	₱5,609,933

The maturity analysis of lease liabilities are as follows:

	2023	2022
Year 1	₱2,624,226	₱3,362,810
Year 2	2,019,555	1,358,255
Year 3	1,526,277	787,889
Year 4	1,642,828	65,976
Year 5	56,279	35,003
Total	7,869,165	5,609,933
Less: Current portion	(2,624,226)	(3,362,810)
Noncurrent portion	₱5,244,939	₱2,247,123

The Company does not face a significant liquidity risk concerning its lease liabilities.

14. LOANS PAYABLE

The composition and movement of this account are as follows:

	2023	2022
Face value		
Balance at beginning of year	₱9,500,000	₱26,000,000
Principal payments	(8,000,000)	(16,500,000)
Balance at end of year	1,500,000	9,500,000
Unamortized transaction cost		
Balance at beginning of year	58,769	172,988
Principal payments	(50,333)	(114,219)
Balance at end of year	8,436	58,769
Net carrying value	₱1,491,564	₱9,441,231
Balance at end of year	₱1,491,564	₱9,441,231
Less: Current portion	1,491,564	(7,949,667)
Noncurrent portion	₱-	₱1,491,564

These are loans payable to the Land Bank of the Philippines (LBP), CARD MBA, CARD MRI Multi-Employer Retirement Plan (MERP), and CARD, Inc. with an annual interest rate of 5%.

In 2023, only the loan from CARD MBA with outstanding principal balance of ₱1.5 million as of yearend remained unpaid. The other loans were fully paid in 2022.

In 2023 and 2022, interest paid on loans payable amounted to ₱396,272 and ₱1,077,926, respectively. No debt covenant is being implemented for the loans availed.

15. SECURITY DEPOSITS

This account consists of security deposits from lessees amounting to ₱4,787,627 and ₱3,776,690 as of December 31, 2023, and 2022, respectively.

16. EQUITY

As of December 31, 2023 and 2022, the Company's capital stock consists of:

	2023		2022	
	Shares	Amount	Shares	Amount
Authorized capital stock				
Common stock at ₱100 par value	10,000,000	₱1,000,000,000	5,000,000	₱500,000,000
Balance at the beginning of the year	3,934,358	₱393,435,800	3,768,693	₱376,869,300
Issuance of shares during the year	2,354,736	235,473,600	-	-
Issuance of shares of stocks from settlement of subscription receivable	-	-	127,178	12,717,800
Stock dividend	-	-	38,487	3,848,700
	6,289,094	₱628,909,400	3,934,358	₱393,435,800

The Company has one class of common share which carries no right to fixed income.

On June 9, 2023, the Company filed an application with the SEC for increase in authorized capital stock by 5 million shares. The application for increase in authorized capital stock was approved and the amended articles of incorporation was issued on June 16, 2023.

The Company issued 2,354,736 shares with a ₱100 par value for a total amount of ₱235,473,600 during the year.

Capital Management

The Company's objectives when managing capital are: (a) to safeguard the Company's ability to continue as a going concern; (b) to support the Company's stability and growth by maintaining strong credit ratings and healthy capital ratios; and (c) to provide capital for the purpose of strengthening the Company's risk management capability to support and sustain its business growth towards maximizing the shareholder's value.

The Company is not subject to any externally imposed regulatory capital requirements.

17. REVENUES

This account consists of:

	2023	2022
Rental income - note 7	₱28,632,402	₱25,338,753
Service income		
Accommodation	7,358,020	3,688,409
Construction and renovation facilitation	5,865,784	2,404,131
Property maintenance	1,987,708	2,771,911
Asset and property management	1,260,810	761,726
	₱45,104,724	₱34,964,930

18. EXPENSES

a. Cost of services

This consists of:

	2023	2022
Depreciation - notes 8, 9, and 10	₱13,833,239	₱13,048,873
Compensation and fringe benefits	3,681,142	3,472,674
Service costs	875,144	786,600
Supplies	723,160	598,892
Interest expense from right-of-use assets - note 10	486,636	328,012
Taxes and licenses	351,810	979,302
Retirement benefits	102,193	84,924
Rent	13,229	811,480
	₱20,066,553	₱20,110,757

b. Operating expenses

This consists of:

	2023	2022
Taxes and licenses	₱1,510,461	₱219,708
Janitorial and messengerial	1,501,070	1,141,565
Transportation and travel	806,342	603,035
Management and professional fees	748,405	289,597
Power, light and water	660,935	634,961
Insurance	532,705	430,913
IT expenses	511,737	118,195
Interest expense - note 14	396,272	1,077,926
Repair and maintenance	242,485	100,551
Communication and postage	222,821	221,096
Training and development	200,382	202,601
Periodicals	105,820	109,675
Miscellaneous	883,694	450,219
	₱8,323,129	₱5,600,042

The miscellaneous expense mainly consists of penalties, expenditures on antigen test kits, vaccination of personnel, processing fees, staff uniforms and medicine, and garbage disposal.

Reclassification

In 2023, the Company reclassified real property taxes related to investment properties being rented out to Cost of services. The 2022 balance is also reclassified for consistency and comparability.

19. OTHER INCOME

This account consists of:

	2023	2022
Interest income from cash in banks and cash equivalents – note 4	₱1,883,355	₱393,798
Interest income from right-of-use asset	43,604	32,893
Others	100	18,857
	₱1,927,059	₱445,548

Interest income from cash in banks are proceeds earned mainly from the Company's time deposits.

20. INCOME TAX

The components of income tax expense are as follow:

	2023	2022
Current tax	₱4,763,362	₱2,315,468
Final tax	376,671	78,760
	₱5,140,033	₱2,394,228

The reconciliation of pre-tax income computed at the applicable statutory tax rate to income tax expense is as follows:

	2023	2022
Income before income tax	₱19,344,948	₱10,038,204
Tax at statutory tax rate	4,836,237	2,509,551
Add (deduct) tax effects of:		
Interest income – from depository bank	(470,838)	652,782
Interest income - ROU	(10,901)	-
Penalties	242,934	82,003
Share on income of associate	(175,712)	19,690
Interest expense	99,068	21,231
Interest expense – ROU	121,658	(8,223)
Depreciation expense	1,139,074	(84,631)
Rent payment	(1,043,706)	(98,450)
Retirement	25,548	(778,485)
	₱4,763,362	₱2,315,468

There is no deferred tax recognized for the years ended December 31, 2023 and 2022.

21. RELATED PARTY TRANSACTIONS

The Company has several business relationships with related parties. Transactions with such parties are made in the ordinary course of business and on substantially the same terms, including rental, maintenance, and facilitation services, as those prevailing at the time for comparable transactions with other parties. These transactions also did not involve more than the normal risk of collectability present or other unfavorable conditions.

a) Transactions with retirement plans

Under PFRS, certain post-employment benefit plans are considered related parties. CARD-MRI's MERP is a stand-alone entity assigned in facilitating the contributions to retirement starting in 2005.

b) Other transactions with the related parties

The table below shows other transactions by the Company with its related parties:

			2023		2022	
		Related Party	Amount/ Volume	Outstanding balance	Amount/ Volume	Outstanding balance
a.	Income from facilitation of construction of building and maintenance	Stockholders and companies under common control	₱11,984,610	₱670	₱8,129,932	₱392
b.	Acquisition of supplies and service	Under common control	4,425,051	-	4,309,719	-
c.	Service income	Stockholders and companies under common control	10,438,720	-	7,342,128	34,815
d.	Rental income	Stockholders and companies under common control	25,838,698	-	23,202,749	-
e.	Rental expense	Under common control	912,248	-	487,161	-
			₱53,599,327	₱670	₱43,471,689	₱35,207

a. Facilitation fee

The Company charges the facilitation fee to related parties for the construction of building, building maintenance, aircon cleaning and maintenance, asset management and property management. Outstanding balance is recognized under Other receivables. These are generally collectible in cash, unsecured and is normally due in 30 days.

b. Acquired goods and services

The Company acquired supplies, giveaways and other services from a related party. Outstanding balance is recognized under Accounts payable. These are generally collectible in cash, unsecured and has no definite repayment term.

c. Service income

This pertains to income from overseeing the construction of buildings, building maintenance, aircon cleaning and maintenance, and property management. These are generally collectible in cash, unsecured and is normally due in 30 days.

d. Rental income

The Company leases out portion of its building to related parties for varying period from 3 years to 5 years. These are generally collectible in cash, unsecured and is paid through post-dated checks.

e. Rental expense

This pertains to rental of building from related parties. These are generally payable in cash, unsecured and is normally due within 30 days.

f. Loan payable

The Company entered into loan agreements with its related parties (see Note 14). Loans payable to related parties amounted to ₱1.5 million and ₱9.4 million as at December 31, 2023 and 2022, respectively.

Interest expense for the years ended December 31, 2023 and 2022 amounted to ₱396,272 and ₱1,077,926, respectively.

Remuneration of Key Management Personnel

The compensation of key management personnel includes all forms of consideration paid, payable, or provided by the Company. This amounted to ₱917,311 and ₱836,719 in 2023 and 2022, respectively.

The Company did not have post-employment benefits, other long-term benefits, termination benefits, and share-based payment for the key management personnel.

22. RETIREMENT BENEFITS

The Company, CARD, Inc., CARD Bank, Inc., CARD SME Bank, Inc., CARD MRI Rizal Bank, Inc., CARD MRI Development Institute, Inc., CARD Mutual Benefit Association, Inc., CARD MRI Insurance Agency, CARD MRI Information Technology, Inc., CARD Employees Multi-Purpose Cooperative, Responsible Investments for Solidarity and Empowerment Financing Co., BotiCARD, Inc., CARD Leasing and Finance Corporation, CARD-Business Development Service Foundation, Inc., Mga Likha ni Inay, Inc., CARD MRI Hijos Tours, Inc., and CARD MRI Publishing House, Inc. maintain a funded and formal noncontributory defined benefit retirement plan - the MERP - covering all of their regular employees and CARD Group Employees' Retirement Plan (Hybrid Plan) applicable to employees hired on or after July 1, 2017. MERP is valued using the projected unit cost method and is financed solely by the Group and its related parties.

MERP complies with the requirements of Republic Act No. 7641 (Retirement Law). MERP provides lump sum benefits equivalent to up to 120% of the final salary for every year of credited service, a fraction of at least six (6) months being considered as one whole year, upon retirement, death, total and permanent disability, or voluntary separation after completion of at least one year of service with the participating companies.

Hybrid Plan provides a retirement benefit equal to 100.00% of the member's employer accumulated value (the Bank's contributions of 8.0% of plan salary to Fund A plus credited earnings) and 100.0% of the Member's Employee accumulated value (member's own contributions up to 10.0% of plan salary to Fund B plus credited earnings), if any. Provided that in no case shall 100.0% of the Employee Accumulated Value in Fund A be less than 100.0% of plan salary for every year of credited service.

The latest actuarial valuation report covered the reporting period as of December 31, 2023 and 2022.

The movements in the present value of pension obligation follows:

	2023	2022
Balance at the beginning of the year	(₱2,545,071)	(₱3,294,313)
Current service cost	(132,887)	(194,737)
Interest expense	(183,245)	(166,033)
Benefits paid from plan assets	-	365,344
Transfer to (from) the Plan	8,735	(48,189)
Actuarial loss	(778,148)	792,857
Balance at the end of the year	(₱3,630,616)	(₱2,545,071)

The movements in the fair value of plan assets follows:

	2023	2022
Balance at the beginning of the year	₱2,942,796	₱3,011,722
Interest income	217,584	147,044
Transfer to/(from) the plan	(8,735)	48,189
Benefits paid from plan assets	-	(365,344)
Contributions	167,153	128,802
Return on plan assets	(101,190)	(27,617)
Balance at the end of the year	₱3,217,608	₱2,942,796

The actual return on plan assets:

	2023	2022
Interest income	₱217,584	₱147,044
Remeasurement loss	(101,190)	(27,617)
Actual return	₱116,394	₱119,427

The amounts recognized in the statement of financial position follows:

	2023	2022
Fair value of plan assets	₱3,217,608	₱2,942,796
Present value of defined benefit obligation	(3,630,616)	(2,545,071)
Retirement asset (liability)	(₱413,008)	₱397,725

The retirement expense recognized in profit or loss:

	2023	2022
Current service cost	₱132,887	₱194,737
Net interest	(30,694)	18,989
	₱102,193	₱213,726

The retirement cost recognized in Other comprehensive income follows:

	2023	2022
Cumulative loss (gain) in OCI, beginning	(P972,756)	(P258,146)
Actuarial loss (gain)	778,148	(792,857)
Remeasurement loss - plan assets	101,190	27,617
Remeasurement loss - changes in the effect of the asset ceiling	(54,275)	50,630
	(P147,693)	(P972,756)

The movements in the net retirement liability (asset) follows:

	2023	2022
Balance at the beginning of the year	(P347,095)	P282,591
Retirement expense recognized in P&L	102,193	213,726
Remeasurement loss (gain) recognized in OCI	825,063	(714,610)
Contributions	(167,153)	(128,802)
Balance at the end of the year	P413,008	(P347,095)

The allocation of plan assets is as follows:

	2023	2022
Cash and cash equivalents	11.76%	40.74%
Debt instruments - government bonds	67.94%	42.95%
Debt instruments - other bonds	4.29%	5.58%
Other investments - loans receivables	14.90%	8.46%
Other (market gain/loss, accrued receivables net of payables, etc.)	1.11%	2.27%
Balance at the end of the year	100%	100%

Cash and cash equivalents are deposited in reputable financial institutions and related parties and are deemed to be standard grade. The overall investment policy and strategy of the Company's defined benefit plans are guided by the objective of achieving an investment return which, together with contributions, ensures that there will be sufficient assets to pay pension benefits as they fall due while also mitigating the various risk of the plans.

The cost of a defined retirement plan as well as the present value of the defined benefit obligation is determined using actuarial valuations. Actuarial valuation involves making various assumptions. The principal actuarial assumptions used in determining pension for the retirement plan are shown below:

	2023	2022
Discount rate	6.06%	5.04%
Salary increase rate	5%	5.00%

The weighted average duration of the defined benefit obligation as at December 31, 2023 and 2022 is 8.9 and 10.5 years, respectively.

Responsibility of Trustees

The Retirement Plan Trustee, as appointed by the Company in the Trust Agreement executed between the Company and the duly appointed Retirement Plan Trustee, is responsible for the general administration of the Retirement Plan and the management of the Retirement Fund.

Unusual or Significant Risks to which the Retirement Obligation Exposes the Company

There are no unusual or significant risks to which the Retirement Obligation exposes the Company. However, it should be noted that in the event a benefit claim arises under the Retirement Obligation, the benefit shall immediately be due and payable from the Company.

Plan Amendments, Curtailments, or Settlements

There was no plan amendment, curtailment or settlement recognized in the financial year ended December 31, 2023 and 2022.

23. FAIR VALUE INFORMATION

The Company's financial assets and liabilities are recognized initially at a cost which is the fair value of the consideration given (in the case of assets) or received (in the case of liability). Fair values are determined by reference to market-based evidence, which is the amount for which the financial assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as of the valuation date.

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the face of the statement of financial position (or in the detailed analysis provided in the notes to the financial statements).

The following tables set forth the carrying values and estimated fair values of the Company's financial assets and liabilities recognized as of December 31, 2023 and 2022, respectively:

	2023		2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<i><u>Financial Assets</u></i>				
<i>Current assets</i>				
Cash and cash equivalents	₱82,220,230	₱82,220,230	₱30,309,900	₱30,309,900
Accrued rent and other receivables	566,259	566,259	269,566	269,566
<i>Noncurrent asset</i>				
Other noncurrent assets	820,137	569,947	871,772	651,746
	₱83,606,626	₱83,356,436	₱31,451,238	₱31,231,212

	2023		2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<i><u>Non-financial asset not measured at fair value but for which fair value is disclosed</u></i>				
Investment properties (net)	₱552,797,207	₱620,127,203	366,882,785	₱461,137,630

	2023		2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<u>Financial Liabilities</u>				
<u>Current liabilities</u>				
Accounts payable and other current liabilities*	₱2,809,907	₱2,809,907	₱3,247,420	₱3,247,420
Loans payable	1,491,564	1,491,564	9,441,231	9,441,231
<u>Noncurrent liability</u>				
Security deposits	4,787,627	3,327,118	3,776,690	2,823,494
	₱9,089,098	₱7,628,589	₱16,465,341	₱15,512,145

*Excluding due to government agencies amounting to ₱1,155,153 and ₱564,079 as at December 31, 2023 and 2022, respectively.

Due to the short-term nature of the financial assets, accounts payable and other current liabilities (excluding due to government agencies), their fair values approximate the carrying values as of the reporting date.

The above financial assets and liabilities are measured using level 2 valuation technique for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, except for other noncurrent assets and security deposits, which are determined using level 3 valuation techniques. The discounted cash flows for security deposits are determined based on prevailing market lending rate of 7.55% in 2023 and 5.99% in 2022.

There were no transfers between levels 1 and 2 nor changes in level 3 instruments in 2023 and 2022, respectively.

24. FINANCIAL RISK MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Company's Board function provides services to the business, coordinates access to domestic, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include interest rate risk, credit and liquidity risk.

Interest Rate Risk Management

The Company's exposure to interest rate risk arises from its loan payable to related parties. The interest rate risk arising from deposits with banks is managed by means of effective investment planning and analysis and maximizing investment opportunities in various local banks and financial institutions.

The interest rate risks on borrowing are immaterial since these are subject to fixed rates unless both parties agree to change the margin taking into consideration the financial markets, financial condition and credit quality of the Company. The loan will be fully paid in the subsequent year.

Profit (loss) for the years ended December 31, 2023 and 2022 would have been unaffected since the Company has no interest rate risk exposure for its cash in banks, which is subject to variable rate and is very immaterial.

Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are reviewed and approved by the BOD annually.

Trade receivables consist mainly of related parties that have good credit standing and settle their debts on time.

The carrying amount of financial assets recognized in the financial statements represents the Company's maximum exposure to credit risk, without taking into account collateral or other credit enhancements held.

Maximum credit risk exposure

The table below shows the maximum exposure to credit risk of the Company as at December 31.

		December 31, 2023		
		Gross carrying amount	Loss allowance	Net carrying amount
Cash in banks and cash equivalents	(a)	₱82,220,230	₱-	₱82,220,230
Accrued rent and other receivables	(b)	566,259	-	566,259
Other current assets	(c)	820,137	-	820,137
		₱83,606,626	₱-	₱83,606,626
		December 31, 2022		
		Gross carrying amount	Loss allowance	Net carrying amount
Cash in banks and cash equivalents	(a)	₱30,309,900	₱-	₱30,309,900
Accrued rent and other receivables	(b)	269,566	-	269,566
Other current assets	(c)	871,772	-	871,772
		₱31,451,238	₱-	₱31,451,238

- (a) Cash in banks are assessed to have low credit risk as these are held by reputable banking institutions.
- (b) For accrued rent and other receivables, the Company has applied the simplified approach to measure the loss allowance at lifetime ECLs. The Company determines the expected credit losses based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. The Company assessed that there is no need to recognize allowance for ECL on its receivables since these are highly collectible in the subsequent year based on historical trend with transactions with the same counterparties.

- (c) The credit risk for other assets that mainly pertain to security deposits is considered negligible since the counterparty has strong capacity to meet its obligation.

The Company does not hold any collateral or other credit enhancements to cover this credit risk.

Receivable balance is being monitored on a regular basis to ensure timely execution of necessary collection efforts. These are normally collected in full in the subsequent year.

The approach considered the historical experience of default adjusted with the forward-looking information on the capability of customers to pay in the future.

Liquidity Risk Management

The ultimate responsibility for liquidity risk management rests with the BOD, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity Management requirements. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

	On demand	Within 1 Year	1–5 Years	Total
<u>December 31, 2023</u>				
Accounts payable and other current liabilities*	P-	P2,809,907	P-	P2,809,907
Loans payable	-	1,491,564	-	1,491,564
Security deposits	-	-	4,787,627	4,787,627
	P-	P4,301,471	P4,787,627	P9,089,098
<u>December 31, 2022</u>				
Accounts payable and other current liabilities*	P-	P3,247,420	-	P3,247,420
Loans payable	-	7,949,667	1,491,564	9,441,231
Security deposits	-	-	3,776,690	3,776,690
	P-	P11,197,087	P5,268,254	P16,465,341

*Excluding due to government agencies

25. SUPPLEMENTARY INFORMATION REQUIRED UNDER REVENUE REGULATION (RR) NO. 15-2010

On November 25, 2010, the Bureau of Internal Revenue (BIR) issued RR No. 15-2010 which prescribes additional procedural and/or documentary requirements in connection with the preparation and submission of financial statements accompanying the income tax returns. Under the said RR, companies are required to disclose, in addition to the disclosures mandated under PFRS and such other standards and/or conventions that may heretofore be adopted, in the Notes to Financial Statements, information on taxes, duties, and license fees paid or accrued during the taxable year.

This supplementary information on taxes and licenses is presented for purposes of filing with the BIR and is not required by the PFRS.

Following is the required information under RR 15-2010 for the year ended December 31, 2023:

a) Output VAT

	2023
Vatable sales	₱44,950,707
Output VAT declared during the year	5,394,085

b) Input VAT

The work forward analysis of the Company's Input VAT for its VATable purchases is as follows:

	2023
Balance at the beginning of the year	₱-
Add: Purchases or payments for:	
Goods (Domestic)	70,033
Services (Domestic)	3,091,191
Less:	
Applied against Output VAT	(3,161,224)
Balance at the end of the year	₱-

c) Taxes and Licenses

Taxes, licenses and permit fees lodged under this account in the statement of comprehensive income for 2023 consist of:

	2023
SEC fees	₱1,011,010
Land processing and property tax	351,810
Business permit and fees	194,303
Documentary stamp tax	151,063
Deficiency taxes	150,946
Other registration fees	3,139
	₱1,862,271

d) Withholding Taxes

The amount of withholding taxes for the year ended December 31, 2023:

Tax on compensation and benefits	₱155,726
Expanded withholding tax	631,232
	₱786,958

e) Tax Assessments and Cases

During the year, the Company fully settled its tax assessment for the taxable year 2020 amounting to ₱150,946.

Revenue Regulation (RR) No. 34-2020

On December 21, 2020, the BIR issued RR No. 34-2020 which prescribes the guidelines and procedures for the submission of BIR Form 1709, Transfer Pricing Documentation (TPD), and other Supporting Documents. Under the said RR, companies are required to disclose if they are not covered by Section 2 of the RR which provides the taxpayers required to file and submit Form 1709 Information Return on Related Party Transactions, together with the Annual Income Tax Return. The supplementary information below is presented for the purpose of filing with the BIR and is not required by the PFRS.

The Company is not covered by the requirements and procedures for related party transactions provided under Section 2 of RR 34-2020.

* * *

Statement Required by Rule 68, Part I, Section 3.F,
Revised Securities Regulation Code (SRC)

To the Board of Directors and Stockholders of
CARD MRI PROPERTY MANAGEMENT, INC.
20 M.L. Quezon St., City Subdivision
San Pablo City, Laguna

We have audited the accompanying financial statements of **CARD MRI Property Management, Inc.** as at and for the year ended December 31, 2023, on which we have rendered the attached report dated March 16, 2024. In connection with our audit, we obtained a certification from the Company's corporate secretary as to the number of stockholders and their corresponding shareholdings as at December 31, 2023. In relation to the certification issued by the corporate secretary, we conducted certain tests necessary to validate the related Company's entries and balances.

In compliance with SRC Rule 68 and based on the certification received from the Company's corporate secretary and the results of the work performed, as at December 31, 2023, the Company has sixteen (16) stockholders owning one hundred (100) or more shares each.

Diaz Murillo Dalupan and Company

Tax Identification No. 003-294-822

BOA/PRC No. 0234, effective until June 23, 2026

SEC Accreditation No. 0234-SEC, Group A, issued on March 17, 2022 and
valid in the audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001911-000-2022, effective until March 14, 2025

By:


Michelle Marie A. Recto
Partner

CPA Certificate No. 130623

Tax Identification No. 291-885-209

PTR No. 10081054, January 6, 2024, Makati City

BIR Accreditation No. 08-001911-014-2021, effective until November 25, 2024

March 16, 2024

Global Reach, Global Quality

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