



## INDEPENDENT AUDITORS' REPORT

The Members and the Board of Governors  
Dasmariñas Village Association, Inc.  
1417 Campanilla Street Dasmariñas Village  
Makati City 1222

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of Dasmariñas Village Association, Inc. (the Association), a non-stock, non-profit association, which comprise the statement of assets, liabilities and fund balance as at December 31, 2024, and the statement of comprehensive income, statement of changes in fund balance and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with Philippine Financial Reporting Standards for Small and Medium-sized Entities (PFRS for SME) Accounting Standard.

#### *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 Association 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 the 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 the Association as at and for the year ended December 31, 2023 were audited by another auditor whose report dated February 21, 2024, expressed an unmodified opinion on those statements.

We were not engaged to audit, review, or perform any procedures to the 2023 financial statements of the Association and, accordingly, we do not express an opinion or any other form of assurance on the 2023 financial statements taken as a whole.



*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 for SME Accounting Standard, and for such internal control as management

In preparing the financial statements, management is responsible for assessing the Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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 PSA 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 Association'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 Association'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 Association 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 the Supplementary Information Required Under Revenue Regulations No. (RR) 15-2010 of 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 on taxes and licenses in Note 19 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management of Dasmariñas Village Association, Inc. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

**REYES TACANDONG & Co.**

CHRISTINA A. JOSE

Partner

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Issued January 2, 2025, Makati City

April 29, 2025

Makati City, Metro Manila

**DASMARIÑAS VILLAGE ASSOCIATION, INC.**  
(A Non-stock, Not-for-profit Organization)

**STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE**  
**AS AT DECEMBER 31, 2024**  
(With Comparative Figures for 2023)

	Note	2024	2023
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	<b>₱427,636,965</b>	₱287,395,798
Accounts and other receivables	5	<b>6,824,276</b>	6,548,804
Short-term investments	6	<b>172,678,288</b>	258,094,952
Other current assets		<b>4,902,911</b>	1,184,809
<b>Total Current Assets</b>		<b>612,042,440</b>	553,224,363
<b>Noncurrent Assets</b>			
Long-term investments	7	<b>44,000,000</b>	44,200,000
Property and equipment	8	<b>19,653,991</b>	10,934,189
Refundable deposits		<b>1,569,841</b>	1,151,769
Other assets - community center	9	<b>42,257,046</b>	42,137,046
<b>Total Noncurrent Assets</b>		<b>107,480,878</b>	98,423,004
		<b>₱719,523,318</b>	₱651,647,367
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Current Liabilities</b>			
Accounts and other payables	10	<b>₱29,600,223</b>	₱22,144,887
Membership dues received in advance	12	<b>8,736,475</b>	6,107,440
Construction bond	13	<b>222,032,350</b>	218,926,305
<b>Total Current Liabilities</b>		<b>260,369,048</b>	247,178,632
<b>Noncurrent Liabilities</b>			
Retirement liability	11	<b>1,904,666</b>	1,486,194
Provision	18	<b>3,985,648</b>	3,985,648
<b>Total Noncurrent Liabilities</b>		<b>5,890,314</b>	5,471,842
<b>Total Liabilities</b>		<b>266,259,362</b>	252,650,474
<b>Fund Balance</b>		<b>453,263,956</b>	398,996,893
		<b>₱719,523,318</b>	₱651,647,367

See accompanying Notes to Financial Statements.

**DASMARIÑAS VILLAGE ASSOCIATION, INC.**  
(A Non-stock, Not-for-profit Organization)

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**  
(With Comparative Figures for 2023)

	Note	2024	2023
<b>REVENUES</b>			
Permits and other fees	14	<b>₱62,824,970</b>	₱59,230,485
Interest income	4	<b>24,542,024</b>	17,887,999
Other income	7	<b>—</b>	1,455,835
		<b>87,366,994</b>	78,574,319
<b>EXPENSES</b>			
Security services		<b>36,419,444</b>	34,761,915
Repairs and maintenance		<b>31,684,497</b>	34,351,374
Personnel costs		<b>24,271,778</b>	20,896,152
Garbage services		<b>22,354,613</b>	20,535,607
Professional fees		<b>6,570,706</b>	4,538,692
Communication and utilities		<b>4,687,759</b>	3,942,063
Depreciation and amortization	8	<b>4,619,920</b>	4,752,770
Street lights		<b>3,950,971</b>	4,252,787
Stickers and supplies		<b>3,871,713</b>	3,860,081
Community affairs		<b>3,029,598</b>	3,443,622
Office supplies		<b>1,886,065</b>	804,761
Taxes and licenses		<b>804,244</b>	805,797
Others		<b>3,194,337</b>	2,277,182
<b>TOTAL EXPENSES</b>		<b>147,345,645</b>	139,222,803
<b>DEFICIENCY OF REVENUE OVER EXPENSES BEFORE MEMBERS' SUPPORT</b>		<b>(59,978,651)</b>	(60,648,484)
<b>MEMBERS' SUPPORT</b>			
Members' contribution and dues	16	<b>114,245,714</b>	108,558,334
<b>EXCESS OF REVENUE AND MEMBERS' SUPPORT OVER EXPENSES BEFORE INCOME TAX</b>		<b>54,267,063</b>	47,909,850
<b>PROVISION FOR CURRENT INCOME TAX</b>	15	<b>—</b>	—
<b>NET INCOME</b>		<b>54,267,063</b>	47,909,850
<b>OTHER COMPREHENSIVE LOSS</b>			
<i>Item to be reclassified to profit or loss -</i>			
Net unrealized loss on long-term investments		<b>—</b>	(1,579,220)
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>₱54,267,063</b>	₱46,330,630

See accompanying Notes to Financial Statements.

**DASMARIÑAS VILLAGE ASSOCIATION, INC.**  
**(A Non-stock, Not-for-profit Organization)**

**STATEMENT OF CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**  
**(With Comparative Figures for 2023)**

	Note	2024	2023
<b>ACCUMMULATED EXCESS OF REVENUES AND MEMBERS SUPPORT OVER EXPENSES</b>			
Balance at beginning of year		<b>₱398,996,893</b>	₱351,087,043
Excess of revenues and members' support over expenses		<b>54,267,063</b>	47,909,850
Balance at end of year		<b>453,263,956</b>	398,996,893
<b>CUMULATIVE UNREALIZED GAIN (LOSS) ON LONG-TERM INVESTMENTS</b>			
	7		
Balance at beginning of year		—	1,040,035
Unrealized valuation loss		—	(1,579,220)
Realized gain upon redemption		—	539,185
Balance at end of year		—	—
		<b>₱453,263,956</b>	₱398,996,893

*See accompanying Notes to Financial Statements.*

**DASMARIÑAS VILLAGE ASSOCIATION, INC.**  
(A Non-stock, Not-for-profit Organization)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**  
(With Comparative Figures for 2023)

	Note	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Excess of revenue and members' support over expenses		<b>₱54,267,063</b>	₱47,909,850
Adjustments for:			
Interest income	4	<b>(24,542,024)</b>	(17,887,999)
Depreciation and amortization	8	<b>4,619,920</b>	4,752,770
Retirement expense	11	<b>418,472</b>	967,041
Net realized gain on sale of long-term investments	7	<b>—</b>	(1,455,835)
Operating income before working capital changes		<b>34,763,431</b>	34,285,827
Decrease (increase) in:			
Accounts and other receivables		<b>125,098</b>	(66,121)
Other current assets		<b>(3,718,102)</b>	(802,541)
Refundable deposits		<b>(418,072)</b>	—
Increase in:			
Accounts and other payables		<b>7,455,336</b>	4,751,169
Construction bond		<b>3,106,045</b>	25,990,251
Membership dues received in advance		<b>2,629,035</b>	2,330,140
Net cash flows generated by operating activities		<b>43,942,771</b>	66,488,725
Interest received		<b>22,529,640</b>	13,742,022
Net cash flows provided by operating activities		<b>66,472,411</b>	80,230,747
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from short-term investments		<b>258,094,952</b>	337,780,601
Placements of short-term investments	6	<b>(172,678,288)</b>	(258,094,952)
Proceeds from disposal of investment in bonds	7	<b>44,200,000</b>	9,450,000
Purchase of investment in bonds	7	<b>(44,000,000)</b>	—
Acquisitions of property and equipment	8	<b>(13,339,722)</b>	(5,683,995)
Downpayments for the construction of community center	9	<b>(120,000)</b>	(42,137,046)
Interest received		<b>1,611,814</b>	1,512,599
Net cash flows provided by investing activities		<b>73,768,756</b>	42,827,207
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>140,241,167</b>	123,057,954
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<b>287,395,798</b>	164,337,844
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	4	<b>₱427,636,965</b>	₱287,395,798

*See accompanying Notes to Financial Statements.*

**DASMARIÑAS VILLAGE ASSOCIATION, INC.**  
**(A Non-stock, Not-for-profit Organization)**

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**NOTES TO FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED DECEMBER 31, 2024**  
**(With Comparative Information for 2023)**

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**1. Corporate Information**

Dasmariñas Village Association, Inc. (the Association) is a non-stock, not-for-profit organization organized to promote, advance and safeguard the interest, general welfare and well-being of the owners, lessees and occupants. The Association was registered with the Philippine Securities and Exchange Commission (SEC) on January 1, 1965 whose records have been transferred to the Housing and Land Use Regulatory Board (HLURB) with registration number NCR-HOA-E-06-0001 dated January 25, 2006.

All real estate owners in Dasmariñas Village Subdivision (the Subdivision), as defined in the Association's by laws, shall become members of the Association. Holders of long-term leases, usufructuary, or legal occupant may also be a member upon submission to the Association of a written consent or authorization from the owner of the lot or house that he is legally occupying. Membership in the Association automatically ceases upon cessation of a member to be an owner or lessee.

The Association's registered address and principal place of business is 1417 Campanilla Street, Dasmariñas Village, Makati City 1222.

The financial statements of the Association as at and for the year ended December 31, 2024 were approved and authorized for issuance by the Board of Governors (BOG) on April 29, 2025.

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**2. Summary of Significant Accounting Policies**

The significant accounting policies used in the preparation of the financial statements are consistently applied to all the years presented, unless otherwise stated.

**Basis of Preparation and Statement of Compliance**

The financial statements of the Association have been prepared in accordance with Philippine Financial Reporting Standards for Small and Medium-sized Entities (PFRS for SME) Accounting Standard as issued by the Philippine Financial and Sustainability Reporting Standards Council.

The preparation of financial statements in conformity with PFRS for SME Accounting Standard requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Association's accounting policies. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimations are significant to the financial statements are disclosed in Note 3 to the financial statements.

**Bases of Measurement**

The financial statements are presented in Philippine Peso, the Association's functional and presentation currency. All values represent absolute amounts, unless otherwise indicated.



The financial statements of the Association have been prepared on the historical cost basis, except for plan assets which are measured at fair value and retirement liability which is measured at the present value of defined benefit obligation. Historical cost is generally based on the fair value of the consideration given in exchange for an asset and the fair value of the consideration received in exchange for incurring a liability.

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.

### **Basic Financial Instruments**

The Association recognizes a financial asset and a financial liability only when the Association becomes a party to the contractual provisions of the instrument.

The Association initially measures its financial assets and liabilities at the transaction price unless the arrangement constitutes, in effect, a financing transaction. After initial measurement, financial assets and liabilities are measured at the undiscounted amount of cash or other consideration expected to be received or paid, less allowance for impairment, if any.

If the arrangement constitutes a financing transaction, the Association initially measures the financial assets and liabilities at the present value of the future payments discounted at a market rate of interest for a similar instrument. These are subsequently measured at amortized cost using the effective interest method.

The Association classifies its cash and cash equivalents, accounts and other receivables, short-term investments, long-term investments, refundable deposits, accounts and other payables (excluding statutory payables) and construction bond as basic financial instruments.

*Cash and Cash Equivalents.* Cash and cash equivalents are stated at face amount. Cash includes cash on hand and in banks. Cash in banks earn interest at the prevailing bank deposit rates. Cash equivalents are short-term, highly liquid investments held to meet short-term cash commitments rather than for investment or other purposes with maturities of three (3) months or less from the date of acquisition.

*Accounts and Other Receivables.* Receivables are recognized initially at the transaction price including transaction costs and subsequently measured at the undiscounted amount of cash or other consideration expected to be received, less impairment in value, if any.

*Short-term Investments.* Short-term investments pertain to investment in debt securities held for more than three (3) months. These are recognized initially at the transaction price and subsequently measured at the undiscounted amount of cash or other consideration expected to be received. Investments with maturity period beyond 12 months after the reporting date are classified as noncurrent assets. Otherwise, these are classified as current assets.

*Long-term Investments.* Long-term investments pertain to debt and equity securities which are reported at fair value.

*Refundable Deposits.* Refundable deposits pertain to amount paid by the Association to a service provider which is refundable upon termination of the contract. This is recognized initially at the transaction price and subsequently measured at the undiscounted amount of cash or consideration expected to be paid.

*Accounts and Other Payables.* Accounts and other payables (excluding statutory payables) are recognized initially at the transaction price including transaction costs and subsequently measured at the undiscounted amount of cash or other consideration expected to be paid.

*Construction Bond.* This account pertains to cash deposits from members or their contractors, as required by the Association before any house construction or major renovation work is undertaken within the village. This is recognized initially at the transaction price including transaction costs and subsequently measured at the undiscounted amount of cash or other consideration expected to be received.

#### **Impairment of Basic Financial Assets**

The Association assesses at the end of each reporting period whether there is objective evidence of impairment of any financial assets or group of assets that are measured at cost or amortized cost. If there is objective evidence of impairment, an impairment loss is recognized in statement of comprehensive income immediately.

A financial asset or group of financial assets is deemed impaired if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (an incurred "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be estimated reliably.

The impairment loss for an instrument measured at amortized cost is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

For an instrument measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate (which will necessarily be an approximation) of the amount (which might be zero) that would have been received for the asset if it were to be sold at the reporting date.

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the previously recognized impairment loss shall be reversed either directly or by adjusting an allowance account. The reversal shall not result in a carrying amount of the financial asset (net of any allowance account) that exceeds what the carrying amount would have been had the impairment not been recognized. The amount of the reversal shall be recognized in statement comprehensive income immediately.

#### **Derecognition of Financial Assets and Liabilities**

*Financial Assets.* A financial asset is derecognized only when either:

- a. the contractual rights to the cash flows from the financial asset have expired or are settled;
- b. the Association has transferred to another party substantially all of the risks and rewards of ownership of the financial asset; or

- c. the Association, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer- in this case the Association shall: (i) derecognize the asset; and (ii) recognize separately any rights and obligations retained or created in the transfer.

The carrying amount of the transferred asset shall be allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations shall be measured at their fair values at that date. Any difference between the consideration received and the amounts recognized and derecognized shall be recognized in statement of comprehensive income in the period of the transfer.

*Financial Liabilities.* A financial liability is derecognized only when it is extinguished or when the obligation specified in the contract is discharged, cancelled or expired.

If an existing borrower and lender exchange financial instruments with substantially different terms, the Association shall account for the transaction as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Association shall account for a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor) as an extinguishment of the original financial liability and the recognition of a new financial liability.

Any difference between the carrying amount and the fair value of the consideration is recognized in statement of comprehensive income.

#### **Other Current Assets**

Other current assets mainly consist of prepayments and prepaid withholding tax on compensation.

*Prepayments.* Prepayments are expenses paid in advance and recorded as assets before these are utilized. Prepayments are apportioned over the period covered by the payment and charged to statement of comprehensive income when incurred. Prepayments that are expected to be realized for no more than 12 months after the reporting date are classified as other current assets. Otherwise, these are classified as other noncurrent assets.

*Prepaid withholding tax on compensation.* This pertains to excess remittances of withholding tax on compensation to the Bureau of Internal Revenue (BIR) that are carried forward and can be utilized in succeeding years.

#### **Property and Equipment**

Property and equipment are stated at cost less accumulated depreciation and amortization and any accumulated impairment losses, if any.

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. Expenditures incurred after the property and equipment have been put into operation, such as repairs and maintenance, are normally charged to operations in the period 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 property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional costs of property and equipment.

Depreciation and amortization is calculated on a straight-line basis over the following estimated useful lives of the property and equipment:

Category	Number of Years
Building and other improvements	3 to 20
Furniture, fixtures and equipment	3 to 10
Transportation equipment	3 to 5
Security and park equipment	2 to 10
Software and licenses	5

The assets' estimated useful lives and depreciation method are reviewed and adjusted prospectively, as appropriate, if there is an indication of a significant change since the last reporting date.

Fully depreciated property and equipment are retained in the accounts until these are no longer in use.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition of the asset is included in statement of comprehensive income in the year the asset is derecognized.

#### **Impairment of Nonfinancial Assets**

At each reporting date, nonfinancial assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount. Recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. Value in use is the present value of future cash flows expected to be derived from an asset while fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable and willing parties less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in statement of comprehensive income.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. If such indication exists, the recoverable amount is estimated. A reversal of an impairment loss is recognized immediately in statement of comprehensive income if the estimated recoverable amount of the asset exceeds its carrying amount. However, the reversal of the impairment losses cannot exceed the carrying amount of the asset that would have been determined (net of depreciation and amortization) had no impairment loss been recognized for the asset in prior years.

#### **Other Assets - Community Center**

Other assets - community center are amounts paid in advance for the construction of community center as part of the contract with the project contractors. These are considered as nonfinancial instruments as these will be applied against future billings from contractors.

#### **Members' Support**

Membership dues computed on the basis of a fixed rate per square meter of lot occupied by the member or lessee are recognized when due.

**Membership Dues Received in Advance**

Membership dues received in advance are deferred and presented as "Membership dues received in advance" in the statement of assets, liabilities and fund balance. These are initially recognized at the transaction amount and subsequently applied against billings to members.

**Fund Balance**

Fund balance is the difference between the Association's assets and liabilities. Fund balance is increased when revenues exceed expenses for the reporting period. Correspondingly, fund balance is decreased when expenses exceed revenues.

A portion of the balance in a fund may be committed and restricted to provide the funding for planned projects of the Association. Fund balance may be considered as a surplus or an excess only to the extent that it has not been committed, identified for a purpose, or is available for re-appropriation to a different purpose.

**Revenue Recognition**

Revenue is recognized when the amount of revenue can be measured reliably and it is probable that future economic benefits will flow to the Association. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must also be met before revenue is recognized.

*Permits and other fees.* Permits are recognized upon issuance while other fees are recognized when earned.

*Interest Income.* Interest income are recognized as it accrues, net of final tax, taking into account the effective yield on the asset.

*Other Income.* Income from other sources is recognized when earned during the period.

**Expense Recognition**

Expenses are recognized in the statement of comprehensive income when a decrease in future economic benefits related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably.

Expenses are recognized upon receipt of goods, utilization of service or at the period when these are incurred.

**Employee Benefits**

*Short-term Benefits.* The Association recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. A liability is also recognized for the amount expected to be paid under short-term cash bonus.

Short-term employee benefit liabilities are measured on an undiscounted basis and are expensed as the related service is provided.

*Retirement Benefits.* The Association has a funded and non-contributory defined benefit plan covering all qualified employees. The retirement benefits cost is determined using the projected unit credit method which reflects services rendered by employees to the date of valuation and incorporates assumptions concerning employees' projected salaries.

The Association recognizes service costs, comprising of current service cost and net interest expense, in profit or loss. Net interest expense is calculated by applying the discount rate to the net retirement liability.

The retirement liability is the aggregate present value of the retirement liability which is determined by discounting the estimated future cash outflows using interest rate on government bonds that have terms to maturity approximating the terms of the related retirement liability.

Actuarial valuations are made with sufficient regularity so that the amounts recognized in the financial statements do not differ materially from the amounts that would be determined at the reporting date.

Plan assets are assets that are held by the long-term employee benefit fund. Plan assets are not available to the creditors of the Association, nor can they be paid directly to the Association. 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.

#### **Income Taxes**

*Current Tax.* Current tax is the expected tax payable on the taxable income for the year, using tax rate enacted or substantively enacted at the reporting date.

*Deferred Tax.* Deferred tax is recognized on all temporary differences at the reporting date between the carrying amount of the assets and liabilities in the financial statements and their corresponding tax bases. Deferred tax liabilities are recognized for all temporary differences that are expected to increase taxable income in the future. Deferred tax assets are recognized for all temporary differences that are expected to reduce taxable income in the future.

Deferred tax is calculated at the tax rates that are expected to apply to the taxable income (taxable loss) of the period in which it expects the deferred tax assets to be realized or the deferred tax liabilities to be settled, on the tax rates (and tax laws) that are enacted or substantively enacted at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to offset current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authority.

### **Provisions**

Provisions are recognized when the Association has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

### **Events after the Reporting Date**

Events after the reporting date that provide additional information about the Association's financial position at the reporting date (adjusting events) are reflected in the financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes to financial statements when material.

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## **3. Significant Judgments, Accounting Estimates and Assumptions**

The preparation of the Association's financial statements in accordance with PFRS for SME Accounting Standard requires the Association to exercise judgment, make accounting estimates and use assumptions that affect the reported amounts of assets, liabilities and expenses, and related disclosures. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

The estimates and underlying assumptions are reviewed on an on-going basis. Changes in accounting estimates are recognized in the period in which the estimate is revised if the change affects only that period or in the period of the change and future periods if the revision affects both current and future periods.

*Assessment for the Impairment of Basic Financial Assets.* The Association reviews its financial assets at each reporting date to assess whether objective evidence of impairment exists and to measure the amount of impairment loss that is required to be recognized in profit or loss. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

No impairment loss on basic financial assets was recognized in 2024 and 2023. The carrying amounts of financial assets as at December 31, 2024 and 2023 are disclosed in statement of assets, liabilities and fund balance and Notes 4, 5, 6 and 7 to the financial statements.

*Estimating Useful Lives of Property and Equipment.* The useful lives of the Association's property and equipment are estimated based on the period over which the assets are expected to be available for use. The estimated useful lives are reviewed and updated if expectations differ from previous estimates.

There were no changes in the estimated useful lives of property and equipment in 2024 and 2023. The carrying amount of property and equipment as at December 31, 2024 and 2023 is disclosed in Note 8 to the financial statements.

Depreciation of depreciable property and equipment in 2024 and 2023, and the carrying amount of property and equipment as at December 31, 2024 and 2023 are disclosed in Note 8 to the financial statements.

*Assessing Impairment of Nonfinancial Assets.* The Association reviews its nonfinancial assets for impairment in value. This involves considering certain indications of impairment such as significant changes in asset usage, significant decline in assets' market value, obsolescence or physical damage of an asset, significant underperformance relative to expected historical or projected future operating results and significant negative industry or economic trends.

No impairment loss on nonfinancial assets was recognized in 2024 and 2023. The carrying amounts of nonfinancial assets are disclosed in statement of assets, liabilities and fund balance and Notes 8 and 9 to the financial statements.

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#### 4. Cash and Cash Equivalents

	2024	2023
Cash on hand	<b>₱65,000</b>	₱65,000
Cash in banks	<b>45,783,155</b>	138,753,624
Cash equivalents	<b>381,788,810</b>	148,577,174
	<b>₱427,636,965</b>	₱287,395,798

Cash in banks earn interest at the respective 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 and are subject to an insignificant risk of change in value. Cash equivalents earn annual interest ranging from 4.00% to 4.80% and 4.68% to 4.80% in 2024 and 2023, respectively.

Interest income earned by the Association are as follows:

	2024	2023
Cash equivalents	<b>₱12,772,600</b>	₱8,554,338
Short-term investments	<b>10,035,419</b>	7,423,626
Long-term investments	<b>1,668,038</b>	1,857,273
Cash in banks	<b>65,967</b>	52,762
	<b>₱24,542,024</b>	₱17,887,999

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#### 5. Accounts and Other Receivables

	2024	2023
Accrued interest	<b>₱6,612,091</b>	₱6,211,521
Advances to employees	<b>166,283</b>	211,883
Unpaid membership dues	<b>37,835</b>	37,310
Others	<b>140,150</b>	220,173
	<b>6,956,359</b>	6,680,887
Less allowance for doubtful accounts	<b>132,083</b>	132,083
	<b>₱6,824,276</b>	₱6,548,804

Accrued interest pertains to interest on cash equivalents, short-term investments and long-term investments.



Advances to employees are noninterest-bearing loans which are due and demandable.

Others mainly consist of receivable from sponsorships and rental of the Association's facilities.

Allowance for doubtful accounts pertains to long-outstanding advances to a former employee.

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#### 6. Short-term Investments

As at December 31, 2024 and 2023, investments in Treasury Bills amounting to ₱172.7 million and ₱258.1 million, respectively, are for a term of more than 90 days to one (1) year with interest rate ranging from 3.60% to 5.12% and 0.40% to 3.20% respectively, per annum. Interest income earned related to these investments is presented in Note 4 to the financial statements.

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#### 7. Long-term Investments

In 2023, the Association redeemed its 18,900 preferred shares at ₱9.5 million. The net realized gain on the redemption amounted to ₱1.5 million.

Unrealized gain (loss) charged to OCI for preferred shares as at December 31, 2023 follows:

Balance at beginning of year	₱1,040,035
Unrealized loss charged to OCI	(1,579,220)
Realized gain on redemption	539,185
	<u>₱—</u>

In 2022, the Association purchased fixed-rate corporate bonds amounting to ₱44.2 million. Upon its maturity in 2024 the proceeds of the investment were used by the Association to acquire new set of fixed-rate corporate bonds amounting ₱44.0 million.

Interest income earned from long-term investments are presented in Note 4 to the financial statements.

## 8. Property and Equipment

Balances and movements in this account are as follows:

	2024					
	Building and Other Improvements	Furniture, Fixtures and Equipment	Transportation Equipment	Security and Park Equipment	Software and Licenses	Total
<b>Cost</b>						
Balances at beginning of year	₱34,257,203	₱23,098,801	₱10,134,191	₱6,351,263	₱418,847	₱74,260,305
Additions	464,200	4,106,410	4,235,000	4,534,112	–	13,339,722
Balances at end of year	34,721,403	27,205,211	14,369,191	10,885,375	418,847	87,600,027
<b>Accumulated Depreciation and Amortization</b>						
Balances at beginning of year	33,665,105	18,516,490	7,332,317	3,455,238	356,966	63,326,116
Depreciation and amortization	186,276	2,127,193	1,343,283	932,358	30,810	4,619,920
Balances at end of year	33,851,381	20,643,683	8,675,600	4,387,596	387,776	67,946,036
<b>Carrying Amount</b>	<b>₱870,022</b>	<b>₱6,561,528</b>	<b>₱5,693,591</b>	<b>₱6,497,779</b>	<b>₱31,071</b>	<b>₱19,653,991</b>

  

	2023					
	Building and Other Improvements	Furniture, Fixtures and Equipment	Transportation Equipment	Security and Park Equipment	Software and Licenses	Total
<b>Cost</b>						
Balances at beginning of year	₱34,257,203	₱19,775,805	₱7,798,191	₱6,326,264	₱418,847	₱68,576,310
Additions	–	3,322,996	2,336,000	24,999	–	5,683,995
Balances at end of year	34,257,203	23,098,801	10,134,191	6,351,263	418,847	74,260,305
<b>Accumulated Depreciation and Amortization</b>						
Balances at beginning of year	33,014,706	16,599,224	6,123,342	2,509,918	326,156	58,573,346
Depreciation and amortization	650,399	1,917,266	1,208,975	945,320	30,810	4,752,770
Balances at end of year	33,665,105	18,516,490	7,332,317	3,455,238	356,966	63,326,116
<b>Carrying Amount</b>	<b>₱592,098</b>	<b>₱4,582,311</b>	<b>₱2,801,874</b>	<b>₱2,896,025</b>	<b>₱61,881</b>	<b>₱10,934,189</b>

The cost of fully depreciated property and equipment still being used by the Association amounted to ₱10.8 million and ₱7.5 million as at December 31, 2024 and 2023, respectively.

## 9. Other Assets - Community Center

The Association awarded construction contracts aggregating to ₱269.4 million to various contractors and suppliers, for which the Association made downpayments aggregating to ₱42.1 million in 2023. As at December 31, 2024, an additional ₱0.1 million was paid to the general contractor for completing additional documents for the release of the building permit.

## 10. Accounts and Other Payables

	2024	2023
Trade payable	₱10,402,588	₱9,744,331
Accrued expenses	8,455,952	4,225,393
Unearned income	2,652,788	2,430,713
Refundable deposits	900,500	600,000
Statutory payables	468,087	232,534
Other payables	6,720,308	4,911,916
	<b>₱29,600,223</b>	<b>₱22,144,887</b>

Trade payables are unsecured, noninterest-bearing and are normally settled within one year.

Accrued expenses include accruals for outside services related to janitorial, security, landscaping and property management, professional fees and other expenses which are normally settled within one year.

Unearned income pertains to rental income paid in advance by telecommunication companies for rent of the Association's posts.

Refundable deposits pertain to deposits for move-in requirements of certain tenants. These are returned to the tenants upon clearance.

Statutory payables pertain to obligations to government agencies that are normally settled in the following month.

Other payables consist mainly of unidentified deposits from members, undistributed christmas funds to employees and claims of tennis trainer and ballboy.

## 11. Retirement Benefits

The Association has a funded, noncontributory defined benefit retirement plan administered by a trustee covering qualified all of its employees. The benefits are based on years of service and compensation on the last year of employment.

The retirement benefit obligation is determined using the projected unit credit method. The latest available actuarial report of the Association is as at December 31, 2024.

The components of retirement expense recognized under "Expenses" account in the statement of comprehensive income are as follows:

	2024	2023
Current service cost	<b>₱869,511</b>	₱703,868
Net interest expense	<b>105,520</b>	263,173
Actuarial gain	<b>(556,559)</b>	—
	<b>₱418,472</b>	₱967,041

The components of net retirement liability are as follows:

	2024	2023
Present value of define benefit obligation (DBO)	<b>₱10,512,190</b>	₱12,048,891
Fair value of plan assets	<b>(8,607,524)</b>	(10,562,697)
	<b>₱1,904,666</b>	₱1,486,194

The changes in fair value of plan assets are as follows:

	2024	2023
Balance at beginning of year	<b>₱10,562,697</b>	₱11,051,479
Benefits paid	<b>(2,407,364)</b>	(1,047,124)
Interest income	<b>749,951</b>	558,342
Remeasurement loss	<b>(297,760)</b>	—
Balance at end of year	<b>₱8,607,524</b>	₱10,562,697

The changes in present value of the retirement liability are as follows:

	2024	2023
Balance at beginning of year	<b>₱12,048,891</b>	₱11,570,632
Benefits paid from book reserve	<b>(2,407,364)</b>	(1,047,124)
Remeasurement loss (gain) on DBO due to changes in:		
Financial assumptions	<b>(1,437,467)</b>	—
Experience adjustments	<b>583,148</b>	—
Current service cost	<b>869,511</b>	703,868
Interest expense	<b>855,471</b>	821,515
Balance at end of year	<b>₱10,512,190</b>	₱12,048,891

The principal actuarial assumptions used to determine retirement benefits are as follows:

	2024	2023
Discount rate	<b>6.10%</b>	7.10%
Salary increase rate	<b>5.00%</b>	5.00%

The composition of plan assets for benefits are as follows:

	2024	2023
Cash and cash equivalents	<b>₱—</b>	₱10,002,000
Investment in debt securities	<b>8,266,455</b>	196,944
Investment in equity securities	<b>377,000</b>	378,000
Receivables	<b>7,770</b>	36,359
	<b>8,651,225</b>	10,613,303
Less accrued trust fees and other payables	<b>(43,701)</b>	(50,606)
	<b>₱8,607,524</b>	₱10,562,697

The retirement plan exposes the Association to actuarial risks as follows:

*Investment and Interest Risks.* The present value of retirement liability for consistency is calculated using a discount rate determined by reference to market yields to government bonds. Generally, a decrease in the interest rate of a reference government bonds will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments and if the return on plan asset falls below this rate, it will create a deficit in the plan.

*Longevity and Salary Risks.* The present value of retirement liability is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

Maturity analysis of the undiscounted benefit payments as at reporting date are as follows:

	2024	2023
One to five years	<b>₱7,898,886</b>	₱7,359,000
More than five years to ten years	<b>7,726,105</b>	8,208,088
More than 10 years to 15 years	<b>3,614,644</b>	5,869,788
More than 15 years	<b>24,693,387</b>	11,737,491
	<b>₱43,933,022</b>	₱33,174,367

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## 12. Membership Dues Received in Advance

This account pertains to advance collection of membership dues from members and lessees which are recognized as members' support in the proper period. Advance collections amounted to ₱8.7 million and ₱6.1 million as at December 31, 2024 and 2023, respectively.

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## 13. Construction Bond

The construction bond ensures that village properties are not destroyed or damaged through the course of the construction. It is non-interest bearing and refundable upon completion of the construction or renovation work and upon presentation of receipts and determination of the depositor's liability for any violation of the Association's regulations relating to said construction or renovation.

The movement in this account are as follows:

	2024	2023
Balance at beginning of year	<b>₱218,926,305</b>	₱192,936,054
Deposits	<b>83,087,843</b>	103,543,501
Refunds and reversal	<b>(79,981,798)</b>	(77,553,250)
Balance at end of year	<b>₱222,032,350</b>	₱218,926,305

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## 14. Permits and Other Fees

This account consists of:

	2024	2023
Entry fees	<b>₱32,579,500</b>	₱35,754,500
Unclaimed construction bond	<b>7,274,055</b>	–
Rental income	<b>7,009,500</b>	8,696,213
Inspection fees	<b>3,994,642</b>	4,840,325
Traffic violation fees	<b>3,074,800</b>	1,305,450
Court fees	<b>2,383,088</b>	2,691,893
Identification card (ID) fees	<b>2,362,810</b>	2,750,100
Others	<b>4,146,575</b>	3,192,004
	<b>₱62,824,970</b>	₱59,230,485

Entry fees are received from issuance of entry permits to members, lessees and contractors mainly for the delivery of construction materials.

Unclaimed construction bond are unclaimed long outstanding construction bonds of members.

Rental income arises from the lease agreement with third party service providers for the rental of the Associations' posts.

Inspection fees pertain to processing and special fees for checking if there are violations made from the members' construction and renovation activities.

Traffic violation fees are earned from penalties imposed on vehicle owners for overspeeding, full stop and counter flow violations within the Associations' premises.

Court fees are from the use of the Association's basketball and tennis court facilities.

ID fees are amounts charged for the issuance of Identification cards for domestic helpers, security guards and laborers.

Others pertain to amount received from other services provided by the Association such as grass and tree cutting, photocopy services, pavilion rental, excavation services, gym fee and gain from sale of properties.

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## 15. Income Tax

Pursuant to Section 18 of RA No. 9904, *Magna Carta for Homeowners and Homeowners' Association*, where the local government units (LGUs) lack resources to provide for basic services, the associations shall endeavor to tap the means to provide for the same. In recognition of the associations' efforts to assist the LGUs in providing such basic services, association dues and income derived from rentals of their facilities shall be tax-exempt, provided, that such income and dues shall be used for the cleanliness, safety, security and other basic services needed by the members, including maintenance of the facilities of their respective subdivisions or villages.

The BIR issued Revenue Memorandum Circular (RMC) 9-2013 dated January 29, 2013 clarifying the taxability of association dues, membership fees and other assessments and charges collected by homeowners' associations. Under the said RMC, association dues and income from rentals of homeowners' association's properties collected by a homeowner association are subject to income tax unless exempted by certain conditions provided by Section 18 of RA No. 9904.

In 2022, Department of Finance (DOF) published DOF Opinion No. 013.2022 regarding the BIR Ruling No. OT-206-2021 which subjected the Association to applicable internal revenue taxes on its income from membership dues, rental of facilities, trade business and other activities. The DOF reiterated that the Association's income from association dues and rental facilities are exempt from income tax, VAT or percentage tax, whichever is applicable. Provided, that same shall be used for the security and maintenance of the Association's facilities. However, the Association will still be subjected to tax for other income from sources other than association dues and rental.

Under the Corporate Recovery and Tax Incentives for Enterprises, the Regular Corporate Income Tax (RCIT) of domestic corporations was revised from 30% to 25% or 20% depending on the amount of total assets or total amount of taxable income. In addition, the minimum corporate income tax (MCIT) was changed from 2% to 1% of gross income for a period of three (3) years. The changes in the income tax rates retrospectively became effective beginning July 1, 2020.

Under RMC No. 69-2023, MCIT shall revert to 2% of gross income effective July 1, 2023.

Accordingly, the income tax rates used in preparing the financial statements as at and for the years ended December 31, 2024 and 2023 are 25% for RCIT, and 2% and 1.5% for MCIT, respectively.

The reconciliation of provision for income tax computed at statutory tax rate to the provision for income tax computed at effective tax rate are as follows:

	2024	2023
Provision for income tax computed at statutory tax rate	<b>₱13,566,766</b>	₱11,977,463
Tax effects of:		
Income exempt from income tax	<b>(39,472,939)</b>	(27,139,584)
Expenses related to exempt transactions	<b>27,567,719</b>	19,998,080
Interest income already subjected to a final tax	<b>(6,135,506)</b>	(4,835,959)
Change in unrecognized DTA	<b>4,473,960</b>	-
Provision for income tax computed at effective tax rate	<b>₱-</b>	<b>₱-</b>

As at December 31, 2024, net operating loss carryover (NOLCO) that can be claimed as deduction from future taxable income and used/expired is shown below:

Year Incurred	Beginning Balance	Incurred	Expired	Ending Balance	Valid Until
2024	₱-	₱17,761,448	₱-	₱17,761,448	2027
2023	80,172,221	-	-	80,172,221	2026
2022	63,911,183	-	-	63,911,183	2027
2021	77,752,272	-	-	77,752,272	2026
2020	71,765,501	-	-	71,765,501	2025
	<b>₱293,601,177</b>	<b>₱17,761,448</b>	<b>₱-</b>	<b>₱311,362,625</b>	

Members' support which pertains to association dues collected by the Association were not subjected to income tax and VAT. However, the Association continued to subject its other income to income tax and VAT.

## 16. Members' Contributions and Dues

Membership dues are collected from members to cover the revenue deficiency and for special projects. This consists of Association dues assessed, garbage fees and special assessment amounting to ₱114.2 million and ₱108.6 million in 2024 and 2023, respectively.

Members' support paid in advance by the members amounting to ₱8.7 million and ₱6.1 million as at December 31, 2024 and 2023, respectively.

### Compensation of Key Management Personnel

No compensation for key management personnel was paid in 2024 and 2023.

## 17. Other Matters

No profit inures to the exclusive benefit of any of the Association's members and no dividend shall be declared in their favor, hence, all funds earned and received by the Association forms part of the general fund available for any purpose that will benefit its members.

On December 14, 2017, the BOG approved the budget of ₱90.0 million for the construction of an underground two (2)-level parking lot at Campanilla Park.

On February 6, 2020, the BOG approved an additional ₱110.0 million budget for the construction of the Community Center.

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**18. Provision**

As at December 31, 2024 and 2023, provision for ₱4.0 million was recognized for estimated losses on claims by a third party. The information usually required by Section 21 of PFRS for SME Accounting Standard, *Provisions and Contingents*, is not disclosed on the grounds that it can be expected to prejudice the Association's position.



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**19. Supplementary Tax Information Under Revenue Regulations 15-2010**

The information for 2024 as required under Revenue Regulations No. 15-2010 is presented below:

**Value Added Tax (VAT)**

The Association is a non-VAT registered entity.

**All Other Local and National Taxes**

All other taxes and licenses paid during the year consist of:

Real estate taxes	₱768,932
Licenses and permits fees	34,812
Community taxes	500
	<u>₱804,244</u>

The above all other local and national taxes are classified as "Taxes and licenses" under "Expenses" account in the statement of comprehensive income.

**Withholding Taxes**

Withholding taxes paid and accrued and/or withheld for the year ended December 31, 2024 consist of:

	Paid	Accrued (Prepaid)	Total
Withholding tax on compensation	₱796,741	(₱76,908)	₱719,833
Expanded withholding taxes	1,722,539	189,354	1,911,893
	<u>₱2,519,280</u>	<u>₱112,446</u>	<u>₱2,631,726</u>

Accrued and prepaid withholding taxes is presented as part of "Statutory payables" under the "Accounts and other payables" account and under the "Other current assets" account in the statement of assets, liabilities and fund balance.

**Tax Assessments and Cases**

The Association has no pending tax assessments from the BIR and/or tax cases in courts or other regulatory agencies outside of the BIR as at and for the year ended December 31, 2024.