SECURITIES AND EXCHANGE COMMISSION
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The following document has been received:

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Company Information

SEC Registration No.: CS200805309
Company Name: JRLT-JHI CORP.
Industry Classification: J66940
Company Type: Stock Corporation

Document Information

Document ID: OST10626202381380690
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Period Covered: December 31, 2022
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Acceptance of this document is subject to review of forms and contents

Gmail

JRLT-JHI CORP. <jrltjhi.corp@gmail.com>

Your BIR AFS eSubmission uploads were received

eafs@bir.gov.ph <eafs@bir.gov.ph> Wed, Apr 26, 2023 at 11:36 AM
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Hi JRLT-JHI CORP.,

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STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **JRLT-JHI CORPORATION** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2022 and 2021, 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 Directors is responsible for overseeing the Company's financial reporting process.

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

Florencio Y. Rojas, Jr. CPA, the independent auditor, appointed by the stockholders for the years ended December 31, 2022 and 2021respectively, have audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, have expressed its opinion on the fairness of presentation upon completion of such audit.

[redacted]

MARIA FARAH Z.G. NICOLAS-SUCHIANCO
President

[redacted]

D. EDGARD A. CABANGON
Chairman

[redacted]

BENJAMIN V. RAMOS
Treasurer

Signed this ___ day of _______, 2023.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR ANNUAL INCOME TAX RETURN
(as required by RR No. 3-2010)

The management of **JRLT-JHI CORPORATION** is responsible for all information and representations contained in the Annual Income Tax Return for the years ended December 31, 2022. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited, to the value added tax and/or percentage tax returns, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

In this regard, management affirms that the attached audited financial statements for the years ended December 31, 2022 and 2021, and the accompanying Annual Income Tax Return are in accordance with the books and records of **JRLT-JHI CORPORATION** complete and correct in all material respects.

Management likewise affirms that:

(a) the Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations, and other issuances of the Department of Finance and the Bureau of Internal Revenue;

(b) any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the Company's books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances; and

(c) **JRLT-JHI CORPORATION** has filed all applicable tax returns, reports, and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.

[redacted]

MARIA FARAH Z.G. NICOLAS-SUCHIANCO
President

[redacted]

D. EDGARD A. CABANGON
Chairman

[redacted]

BENJAMIN V. RAMOS
Treasurer

Signed this ___ day of ________, 2023.

Florencio Y. Rojas, Jr.
Certified Public Accountant
[redacted]

[redacted]

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT
TO ACCOMPANY PHILIPPINE INCOME TAX RETURNS**

**The Board of Directors and Stockholders
JRLT-JHI CORP
Suite 2802, Discovery Center, 25 ADB, Ortigas Center
Barangay San Antonio
Pasig City**

I have audited the financial statements of **JRLT-JHI CORP** for the years ended December 31, 2022 and 2021, on which I have rendered the attached report dated March 31, 2023.

In compliance with BIR Revenue Regulations 15-2010,

1. The taxes paid or payable by the above company during the years are shown in Schedules of Taxes & Licenses attached to the Income Tax Returns.

2. I don't have any direct financial interest with the Company.

[redacted]
CPA Cert. No. [redacted]
PTR N[redacted]
Issued January [redacted]
[redacted] City

TIN [redacted]
BIR [redacted]
Issued on January 14, 2021
Effective until January 14, 2024

BOA/PRC Reg. No. [redacted]
Issued on December 07, 2020
Effective until December 10, 2023

March 31, 2023

FLORENCIO Y. ROJAS, JR.
Certified Public Accountant
[redacted]

REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTARY INFORMATION

The Board of Directors and Stockholders
JRLT-JHI CORP
Suite 2802, Discovery Center, 25 ADB, Ortigas Center
Barangay San Antonio
Pasig City

I have audited in accordance with Philippine Standards of Auditing, the financial statements of **JRLT-JHI CORP** as at for the year ended December 31, 2022 and 2021, and have issued our report dated March 31, 2023.

My audit was made for the purpose of forming an opinion on the basic financial statements of the Company taken as a whole. The supplementary information included in the accompanying Schedule of the Philippine Financial Reporting Standards is the responsibility of the Company's management. The supplementary information is presented for the purposes of accompanying with the Securities Regulation Code Rule 68, As Amended, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits 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.

[redacted]

Florencio Y. Rojas, Jr.
CPA Cert. No. [redacted]
PTR No. [redacted]
Issued January 06, 2023
[redacted]
TIN [redacted]
BIR AN [redacted]
Issued on January 14, 2021
Effective until January 14, 2024

BOA/PRC Reg. No [redacted]
Issued on December 07, 2020
Effective until December 10, 2023

March 31, 2023

Florencio Y. Rojas, Jr.

[redacted]

[redacted]

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
JRLT-JHI CORP
Suite 2802, Discovery Center, 25 ADB, Ortigas Center
Barangay San Antonio
Pasig City

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of **JRLT-JHI CORP** which comprise statements of financial position as at December 31, 2022 and 2021, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the **JRLT-JHI CORP** as at December 31, 2022 and 2021 and of its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standard for Small Entities (PFRS for SEs).

Basis for Opinion

I conducted my audits in accordance with Philippine Standards on Auditing (PSA). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Corporation in accordance with the Code of Ethics for Professional Accountants in the Philippines, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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 SEs, 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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial

[redacted]

reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 auditor's report that includes my 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 PSA, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

1. 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.

2. 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 Corporation's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. 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 Corporation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

5. 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.

I 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 I identify during my audit. [redacted]

I also provide those charged with governance with a statement that I have complied with relevant requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

Report on the Supplementary Information Required Under Revenue Regulations 15-2010

My audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information 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 supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in my audit of the basic financial statements. In my opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

[redacted]

Florencio Y. Rojas, Jr.
CPA Cert. No [redacted]
PTR No. [redacted]
Issued January 06, 2023
Pasig City

TIN [redacted]
BIR [redacted]
Issued on January 14, 2021
Effective until January 14, 2024

BOA/PRC Reg. No. [redacted]
Issued on December 07, 2020
Effective until December 10, 2023

March 31, 2023

COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

Securities and Exchange Commission PHILIPPINES

SEC Registration Number

C	S	2	0	0	8	0	5	3	0	9

Company Name

J R L T - J H I C O R P.

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

S U I T E 2 8 0 2 D I S C O V E R Y C E N T E R ,
2 5 A D B A V E N U E , O R T I G A S C E N T E R ,
P A S I G C I T Y

Form Type	Department requiring the report	Secondary License Type, If Applicable
A F S	C R M D	N/A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
jrltjhi@gmail.com	(02) 8633-9757	N/A

No. of Stockholders	Annual Meeting Month/Day	Fiscal Year Month/Day
Six (6)	Any Day in April	December 31

CONTACT PERSON INFORMATION

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

Name of Co[redacted]tact Person	Email Address	Telephone Number/s	Mobile Number
Atty. Ryan[redacted]V. Romero	[redacted]@gselaw.com	[redacted]	N/A

Contact Person's Address

[redacted]

Note: In case of death, resgination or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission withi[redacted]hirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

JRLT-JHI CORP.
STATEMENTS OF FINANCIAL POSITION
December 31, 2022 and 2021
(Amounts in Philippine Peso)

	Notes	2022	2021
ASSETS			
CURRENT ASSETS			
Cash	2, 3, 4, 5, 18	**1,132,864**	1,132,864
Other Receivables	2, 3, 4, 6, 14, 18	**1,465,738,525**	1,284,268,525
Other Current Asset	2, 3, 7	**10,000**	10,000
Total Current Assets		**1,466,881,389**	1,285,411,389
NON-CURRENT ASSETS			
Investments	2, 3, 8	**5,046,891,635**	5,046,891,635
Other Asset	2, 3, 9, 16	**22,864**	26,457
Total Non-Current Assets		**5,046,914,499**	5,046,918,092
TOTAL ASSETS		**6,513,795,888**	6,332,329,481
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITY			
Trade and Other Payables	2, 3, 4, 10, 18	**106,921**	88,843
Total Current Liability		**106,921**	88,843
NON-CURRENT LIABILITY			
Advances from Shareholders	2, 3, 11, 14, 18	**4,028,582,312**	3,847,112,312
Total Non-Current Liability		**4,028,582,312**	3,847,112,312
Total Liabilities		**4,028,689,233**	3,847,201,155
SHAREHOLDERS' EQUITY			
Share Capital	2, 3, 12	**999,650,000**	999,650,000
Share Premium	2, 3, 12	**1,499,100,000**	1,499,100,000
Deficit	2, 3, 13	**(13,643,345)**	(13,621,674)
Total Shareholders' Equity		**2,485,106,655**	2,485,128,326
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**6,513,795,888**	6,332,329,481

See Accompanying Notes to Financial Statements

JRLT-JHI CORP.
STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2022 and 2021
(Amounts in Philippine Peso)

	Notes	2022	2021
Gross Receipts	2, 3, 19, 20	-	-
Cost of Services	2, 3	-	-
Gross Income		-	-
Operating Expenses	2, 15, 20	**(18,078)**	(17,628)
Net Loss Before Tax		**(18,078)**	(17,628)
Income Tax Benefit (Expense)			
Current	3, 14, 16	**4,520**	1,620
Deferred	3, 14, 16	**(8,113)**	(53,317)
Net Loss After Tax		**(21,671)**	(69,325)
Basic Earnings (Loss) Per Share	2, 17	-	-

See Accompanying Notes to Financial Statements

JRLT-JHI CORP.
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2022 and 2021
(Amounts in Philippine Peso)

	Notes	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Loss for the Year		**(21,671)**	(69,325)
Adjustments for:			
Recognized Deferred Tax Asset	2, 3, 9, 16	**(4,520)**	(4,407)
Impact of CREATE Law,net	2, 3, 9, 16	**-**	4,410
Expired DTA of NOLCO	2, 3, 9, 16	**8,113**	51,694
Operating Loss Before Working Capital Changes		**(18,078)**	(17,628)
(Increase) Decrease in assets :			
Other Receivables	2, 3, 4, 6, 14, 18	**(181,470,000)**	(118,623,500)
Other Current Assets	2, 3, 7	**-**	-
Increase (Decrease) in liabilities:			
Trade and Other Payables	2, 3, 4, 10, 18	**18,078**	17,628
Net Cash Used in Operating Activities		**(181,470,000)**	(118,623,500)
CASH FLOW FROM FINANCING ACTIVITY			
Advances from Shareholders	2, 3, 11, 14, 18	**181,470,000**	118,623,500
Net Cash Provided by Financing Activity		**181,470,000**	118,623,500
NET INCREASE IN CASH FOR THE YEAR		**-**	-
CASH BALANCE AT THE BEGINNING OF THE YEAR		**1,132,864**	1,132,864
CASH BALANCE AT END OF THE YEAR		**1,132,864**	1,132,864

See Accompanying Notes to Financial Statements

JRLT-JHI CORP.
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
For the Years Ended December 31, 2022 and 2021
(Amounts in Philippine Peso)

	Share Capital	**Share Premium**	**Deficit**	**Total Shareholders' Equity**
Balance at January 1, 2022	**999,650,000**	**1,499,100,000**	**(13,621,674)**	**2,485,128,326**
Net Loss for the Year			**(21,671)**	**(21,671)**
Balance at December 31, 2022	**999,650,000**	**1,499,100,000**	**(13,643,345)**	**2,485,106,655**

	Share Capital	Share Premium	Deficit	Total Shareholders' Equity
Balance at January 1, 2021	999,650,000	1,499,100,000	(13,552,349)	2,485,197,651
Net Loss for the Year			(69,325)	(69,325)
Balance at December 31, 2021	999,650,000	1,499,100,000	(13,621,674)	2,485,128,326

See Accompanying Notes to Financial Statements

Note 1 GENERAL INFORMATION AND STATUS OF OPERATION

COMPANY'S INFORMATION

JRLT-JHI CORP. was incorporated and organized on April 8, 2008 with Securities and Exchange Commission (SEC) Registration No. 200805309.

The Company was incorporated primarily to to invest in, purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, lease, mortgage, exchange, develop, or otherwise dispose of real or personal property of every kind and description, including shares of stock, bonds, debentures, notes, evidence of indebtedness, and other securities or obligations of any corporation or corporations, associations, domestic or foreign, and to possess and exercise in respect thereof all the rights, powers and privileges of ownership, including all voting powers of any stock so owned; provided it shall not engage as a stock broker or dealer of securities.

The Company's principal office is located at Suite 2802 Discovery Center, 25 ADB Avenue, Ortigas Center, Brgy. San Antonio, Pasig City with Taxpayer Identification No. 007-009-479.

The accompanying financial statements as at December 31, 2022 and 2021 have been authorized for issue by the Board of Directors on March 31, 2022. The Board of Directors are empowered to make revisions on financial statements even after the date of issue.

STATUS OF OPERATION

JRLT-JHI CORP. did not enter into any major or significant agreements that may create an impact on the financial statements. There are no material changes in the JRLT-JHI CORP. business and reporting policies and procedures.

Note 2 BASIS OF PREPARATION, STATEMENT OF COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies and practices are set forth to facilitate the understanding of data presented in the financial statements.

2.1 Basis of Preparation

The financial statements have been prepared on a historical cost bases and are presented in Philippine Peso, which is the Company's functional and presentation currency. All values are rounded to the nearest Philippine Peso except as otherwise indicated.

Statement of Compliance

The accompanying financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRSs). PFRSs are based on the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB). PFRSs consist of PFRSs, Philippine Accounting Standards (PASs), and Philippine Interpretations issued by the Financial Reporting Standards Council (FRSC) and adopted by the SEC, including the SEC pronouncements.

Presentation of Financial Statements

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable 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 liability simultaneously. Income and expense are not offset in the statement of comprehensive income unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies.

Adoption of New Standards, Amendments to Standards and Interpretations

The accounting policies adopted are consistent with those of the previous financial years, except for the adoption of the following new and amended PFRS and IFRIC which the Company adopted effective for annual periods beginning on or after January 1, 2021. Except as otherwise indicated, the adoption did not have any significant impact on the Company's financial statements.

Effective January 1, 2021

- *Interest Rate Benchmark Reform — Phase 2 (Amendments to PFRS 9, IAS 39, PFRS 7, PFRS 4 and PFRS 16 -* The amendments relate to the modification of financial assets, financial liabilities and lease liabilities, specific hedge accounting requirements, and disclosure requirements applying PFRS 7 to accompany the amendments regarding modifications and hedge accounting.

  The IASB introduces a practical expedient for modifications required by the reform (modifications required as a direct consequence of the IBOR reform and made on an economically equivalent basis). These modifications are accounted for by updating the effective interest rate. All other modifications are accounted for using the current PFRS requirements. A similar practical expedient is proposed for lessee accounting applying PFRS 16.

  Under the amendments, hedge accounting is not discontinued solely because of the IBOR reform. Hedging relationships (and related documentation) must be amended to reflect modifications to the hedged item, hedging instrument and hedged risk. Amended hedging relationships should meet all qualifying criteria to apply hedge accounting, including effectiveness requirements.

  The IASB also amended IFRS 4 to require insurers that apply the temporary exemption from IFRS 9 to apply the amendments in accounting for modifications directly required by IBOR reform.

  The IASB has come to the conclusion that the application of all proposed amendments is mandatory. It also assessed that the nature of the proposed amendments is such that they can only be applied to modifications of financial instruments and changes to hedging relationships that satisfy the relevant criteria and, as such, no specific end of application requirements needed to be specified.

Effective April 1, 2021

- *Amendments to PFRS 16, COVID-19-related Rent Concessions beyond June 30, 2021*
  The IASB issued Covid-19-Related Rent Concessions (Amendment to PFRS 16). The pronouncement amended PFRS 16 Leases to provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification. On issuance, the practical expedient was limited to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2021.

  Since lessors continue to grant COVID-19-related rent concessions to lessees and since the effects of the COVID-19 pandemic are ongoing and significant, the IASB decided to extend the time period over which the practical expedient is available for use

The reason to amend PFRS 16 is to permit a lessee to apply the practical expedient regarding COVID-19-related rent concessions to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022 (rather than only payments originally due on or before 30 June 2021). It require a lessee applying the amendment to do so for annual reporting periods beginning on or after 1 April 2021.

The amendments require a lessee applying the amendment to do so retrospectively, recognising the cumulative effect of initially applying the amendment as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the lessee first applies the amendment. It specify that, in the reporting period in which a lessee first applies the amendment, a lessee is not required to disclose the information required by paragraph 28(f) of IAS 8.

Future Adoption of New Standards and Amendments to Standards

There are new PFRS, amendments and annual improvements to existing standards effective for annual periods subsequent to 2021 which are adopted by the FRSC, Management will adopt the following relevant pronouncement in accordance with their transitional provisions, and, unless otherwise stated, none of these are expected to have significant impact on the Company's financial statements.

Effective January 1, 2022

- *Annual Improvement to PFRS Standards 2018-2020 Cycle*
  ○ *Amendments to PFRS 1, Subsidiary as a first-time adopter* - the amendment permits a subsidiary that applies paragraph D16(a) of PFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to PFRSs.

- *Amendments to PAS 37, Onerous Contract - Cost of Fulfilling a Contract*
  Amendments to PAS 37 specify that 'cost of fulfilling' a contract compromises the 'cost that relate directly to the contract'. Costs that relate directly to a contract can either be incremental cost of fulfilling that contract(example would be direct labor, materials) or an allocation of other cost that relate directly to fulfilling contract(an example would be the allocation of the depreciation charge for an item or property, plant and equipment used in fulfilling the contract).

- *Amendment to PAS 16, Property, Plant and Equipment - Proceeds before Intended Use*
  This amendment prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for to be capable of operating in the manner intended by the management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profits or loss.

- *Amendments to PFRS 3, Reference to the Conceptual Framework*
  The changes to PFRS 3 (1) update the PFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework; (2) add to PFRS 3 a requirement that, for transactions and other events within the scope of PAS 37 or IFRIC 21, an acquirer applies PAS 37 of IFRIC 21(instead of the Conceptual framework) to identify the liabilities is has assumed in a business combination; and (3) add to PFRS 3 an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

Effective January 1, 2023

- *PFRS 17 Insurance Contracts* will be applicable to insurance contracts, including reinsurance contracts issued by the companies; reinsurance contracts held; and investment contracts with discretionary participation features, provided the entity also issues insurance contracts.

- *Amendments to PAS 1, Classification of Liabilities as Current or Non-current*
  The amendments effect only the presentation of liabilities in the statement of financial position- not the amount or timing of recognition of any asset, liability, income or expenses, or the information that entities disclose about those items. They (1) clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraph to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place " at the end of the reporting period" should affect the classification of a liability; (2) clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and (3) make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

- *Amendments to PFRS 17, Insurance Contracts*
  Amendments to include (1) deferral of the date of initial application of PFRS 17 by two years to annual periods beginning on or after January 1, 2023 and change the fixed expiry date for the temporary exemption in PFRS 4 Insurance Contracts from applying PFRS 9 Financial Instruments, so that

Summary of Significant Accounting and Financial Reporting Policies

Presentation of Financial Statements

The Company has elected to present all items of recognized income and expense in one single statement of comprehensive income.

Financial Instruments- Initial Recognition and Subsequent Measurement

Date of Recognition
The Company recognizes a financial asset or a financial liability 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 a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, the date the Company commits to purchase or sell the asset.

Initial Recognition and Measurement of Financial Instruments

Financial assets and financial liabilities are recognized initially at fair value. Transactions costs are included in the initial measurement of all financial assets and liabilities, except for financial instrument measured at fair value through profit or loss (FVPL).

The Company determines the classification at initial recognition and re-evaluates this designation at each financial reporting date.

Financial assets under PAS 39 are classified as either financial assets at FVPL, loans and receivables, held to maturity (HTM) investments, or AFS financial assets, as appropriate. Financial liabilities are classified into the following categories: financial liabilities at FVPL and other financial liabilities.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to financial instrument or a component that is a financial liability, are reported as expense or income.

Distributions to holders of financial instrument classified as equity are charged directly to equity, net of any related income tax benefits. The components of issued financial instruments that contain both liability and equity elements are accounted for separately, with the equity component being assigned the residual amount after deducting from the instrument as a whole amount separately determined as the fair value of the liability component on the date of issue.

The Company's financial assets are in the nature of loans and receivables. The Company has no financial assets classified as at FVPL, HTM investments, or AFS investments as December 31, 2022.

The Company's financial liabilities are in the nature of other financial liabilities. The Company has no financial liabilities designated as at FVPL as at December 31, 2022.

Subsequent Measurement
The subsequent measurement of financial instruments depends on their classification as follows:

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments and fixed maturities that are not quoted in an active market. They arise when the Company provides money, goods or services directly to a debtor with no intention of trading the receivables. After initial measurement, loans and receivables are subsequently measured at amortized cost using the effective interest rate method, less allowance for impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the effective interest rate. Short term receivables with no stated interests are held at invoice amounts when the effect of discounting is immaterial, less any allowance for impairment. Gains and losses are recognized in the statement of comprehensive income when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Loans and receivables are included in current assets if maturity is within 12 months from the end of financial reporting date. Otherwise, these are classified as noncurrent assets.

Loans and borrowings are included in current liabilities if maturity is within twelve (12) months from the financial reporting date. Otherwise, these are classified as noncurrent liabilities.

As at December 31, 2022, the Company's loans and borrowings include trade and other payables except liabilities covered by other accounting standards, such as income tax payable.

The fair value of financial instrument that are actively traded in an organized financial market is determined by reference to the quoted market bid prices at the close of business on the financial reporting sate, without any deduction for transaction costs. For financial instruments where there is no active market, fair value is determined using appropriate valuation techniques, which may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or the sum of all future cash payments or receipts, discounted using the prevailing market rates of interest for similar instruments with similar maturities; or other valuation models.

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 principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Company. The fair value of an asset or liability is measured using the assumptions that market participants act in their economic best interest.

A fair value measurement of 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 tom measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Financial instruments recognized at fair value are analyzed based on:

• Level 1 – Quoted (unadjusted) prices in active markets for identical assets or liabilities

• Level 2 – Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

• Level 3 – Those with inputs for asset or liability that are not based on observable market date (unobservable inputs).

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfer 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 each end of the reporting period.

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.

An analysis of fair values of financial instruments and further details as how to they are measured as provided in Note 18.

Impairment of Financial Assets
An assessment is made at each financial reporting date to determine whether there is objective evidence that a specific financial asset may be impaired. If such evidence exists, any impairment loss is recognized in the statement of comprehensive income.

Loans and Receivables
The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. The factors in determining whether objective evidence of impairment exist include, but are not limited to, the length of the Company's relationship with debtors, their payment behavior and known market factors. Evidence of impairment may also include indications that the borrowers is experiencing significant difficulty, default and delinquency in payments, the probability that they will enter bankruptcy, or other financial reorganization and where observable data indicate that there is measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment. For the purpose of collective evaluation of impairment, financial assets are grouped on the basis of such credit risk characteristics as customer type, past due status and term.

If there is objective evidence that an impairment loss on loans and receivables carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through use of an allowance account. The amount of the loss shall be recognized in the statement of comprehensive income. Loans and receivables, together with the associated allowance accounts, are written off when there is no realistic prospect of future recovery and all collaterals have been realized.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in the statement if comprehensive income, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

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:

a. the rights to receive cash flows from the asset have expired

b. the Company retains the right to receive to cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or

c. the Company has transferred its right to receive cash flows from the asset and either has transferred substantially all the risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Where the Company has transferred its right to receive cash flows from an asset and has neither transferred nor retained substantially all 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.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Company's continuing involvement is the amount of the transferred asset that the Company may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Company's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial Liabilities
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of comprehensive income.

Offsetting Financial Instruments
Financial assets and liabilities are only offset and the net amount be reported in the statement of financial position when there is legally enforceable right to offset the recognized amounts and the Company intends to either settle on a net basis, or to realize the asset and the liability simultaneously. This is not generally the case with master netting agreements, and the related financial assets and financial liabilities are presented gross in the statement of financial position.

Cash

Cash consists of cash with bank.. 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 dates of acquisition and that are subject to an insignificant risk of changes in value.

Other Receivables
Receivables are recognized initially at fair value and subsequently measures at amortized cost. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Other Current Assets
Other current assets represent assets of the Company which are expected to be realized or consumed within one year or within the Company's normal operating cycle, whichever is longer. This account is initially recorded at historical cost less any utilized portion. It includes refundable deposit with suppliers.

Refundable Deposits
Initially recorded at fair value plus transaction cost. Subsequently measured at amortized cost, with interest accrued using the effective interest rate method minus impairment. Future cash inflows of the deposit need to be discounted at applicable market interest rate of a simile deposit in the market to arrive at the fair value. As far as concern a short term deposit, the amounts deposited may be the fair value since the effect of discounting may be immaterial

Trade and Other Payables
Trade payables are liabilities to pay for goods or services that have been received or supplied and have been invoiced or formally agreed with the supplier. Trade payables are recognized initially at the fair value and subsequently measured at amortized cost using the effective interest method.

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed upon by the supplier, including amounts due to employees. It is necessary to estimate the amount of timing of accruals, however the uncertainty is generally much less than for provisions.

Financial Liabilities
Financial liabilities within the scope of PAS 39 are classified as either financial liabilities at FVPL and other financial liabilities. The Company has no financial liabilities at FVPL as of December 31, 2022.

Other financial liabilities pertain to financial liabilities that are not held for trading or not designated as at FVPL upon the inception of the liability. These include liabilities arising from operations or noninterest-bearing advances from stockholders and other payables.

Other financial liabilities are recognized initially at fair value and are subsequently carried at amortized cost, taking into account the impact of applying the effective interest method of amortization (or accretion) for any related premium, discount and any directly attributable transaction costs.

This category includes accounts payable and accrued expenses and due to related parties as of December 31, 2022.

Derecognition of Financial Assets and Liabilities

Financial Assets. A financial asset (or, where applicable a part of a financial asset or part of a Company of similar financial assets) is derecognized when:

- the right 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 a third party under a "pass-through arrangement; or
- the Company 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 the 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 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.

Financial Liabilities. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of income.

Offsetting of Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet if, and only if, there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented at gross amounts in the balance sheet.

Impairments of Non-Financial Assets other than Inventories

An assessment is at each balance sheet date of whether there is any indication of impairment of an asset, or whether there is any indication that an impairment loss previously recognized for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the assets recoverable amount is calculated as the higher of the assets value in use or net selling price.

An impairment loss is recognized only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged loss to operations in the period in which it arises.

to determine the recoverable amount of an asset, but only to the extent of the carrying amount that would have been determined (net of any depreciation) had no impairment loss been recognized for the asset in prior years. Reversal of an impairment loss is credited to current operations.

Provisions and Contingencies

The Company recognizes a provision if a present obligation has arisen as a result of a past event, payment is probable and the amount can be measured reliably. The amount recognized is the best estimate of the expenditure required to settle the present obligation at balance sheet date, that is, the amount the Company would rationally pay to settle the obligation to a third party.

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

Related Entities and Related Party Transactions

Parties are considered related if one party has control, joint control, or significant influence over the other party in making financial and operating decisions. The key management personnel of the Company and close members of the family of any individuals owning directly or indirectly a significant voting power of the Company that gives them significant influence in the financial and operating policy decisions of the Company are also considered to be related parties.

An entity is related to the Company if any of the following conditions apply:

- The entity and the Company are members of the same group (which means that each parent, subsidiary, and fellow subsidiary is related to the others)
- One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member)
- Both entities are joint ventures of the same third party
- One entity is a joint venture of a third entity and the other entity is an associate of the third entity
- The entity is a post-employment benefit plan for the benefit of employees of either the Company of an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company
- The entity is controlled or jointly controlled by a person identified above
- A person identified above has significant influence over the entity or is a member of the key

Cost and Expense Recognition

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or depletions in assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants. Costs and expenses are recognized in the statement of comprehensive loss in the period these were incurred.

Income Taxes

Current Income Tax. Current income tax assets and liabilities for the current and prior periods 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 substantially enacted at the balance sheet date.

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

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences and carryforward benefits of the net operating loss carryover (NOLCO) to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and carryforward benefits of NOLCO can be utilized except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries and associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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

Events After Reporting Date

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

NOTE 3 ACCOUNTING JUDGMENTS AND 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 circumstances.

The preparation of financial statements in accordance with PFRS requires Management to make estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities. The Management believes estimate and assumption made during the year has no significant risk of causing materiality restatement to the carrying amount of assets and liability within the next financial year.

Estimates
The estimates and assumptions used in the Company's financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the Company's financial statements. Actual results could differ from such.

Judgments
The preparation of the Company's financial statements in conformity with Financial Reporting Framework (in reference to the Generally Accepted Accounting Principles of the Philippines) requires management to make estimates and assumptions that affect the amounts reported in the Company's financial statements and accompanying notes. The estimates and assumptions used in the Company's financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the Company's financial statements. Actual results could differ from such estimates, judgments and estimates 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.

Functional currency
The Company has determined that its functional currency is the Philippine peso. Functional currency is the currency of the primary economic environment in which the Company operates.

Operating lease commitments
The Company has entered into a lease agreement as a lessee. The Company has determined that the lessor retains all significant risks and rewards of ownership of the properties which is leased out on

Provision and Contingencies
Judgment is exercised by management to distinguish between provisions and contingencies. The policy on the recognition and disclosure of provisions is discussed in Note 2. As of December 31, 2021, the Company has determined that no contingencies will materially affect the Company's financial statements as discussed in Note 2, hence no provisions are recognized.

Asset impairment.

PFRS requires that an impairment review be performed when certain indicators are present. Determining the net recoverable value of assets requires the estimation of cash flows expected to be generated from the continued use and ultimate disposition of such assets. While it is believed that the assumption used in the estimation of fair values reflected in the company financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have material adverse impact on the results of operations.

No impairment losses on inventory and property and equipment were recognized in the financial statements as the management believes that the assets are economically realizable. Thus, the expected future value exceeds the carrying costs of the assets.

NOTE 4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks. The Company's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Company. The policies for managing specific risks are summarized below.

Management of Financial Risk

Governance Framework

The Company has established a risk management function with clear terms of reference and with the responsibility for developing policies on market, credit, liquidity and operational risk. It also supports the effective implementation of policies.

The policies define the Company's identification of risk and its interpretation, limit structure to ensure the appropriate quality and diversification of assets to the corporate goals and specify reporting requirements.

Capital Management Framework

The Company's risk management function has developed and implemented certain minimum stress and scenario tests for identifying the risks to which the Company are exposed, quantifying their impact on the volatility of economic capital. The results of these tests, particularly, the anticipated impact on the realistic balance sheet and revenue account, are reported to the Company's risk management function. The risk management function then considers the aggregate impact of the overall capital requirement revealed by the stress testing to assess how much capital is needed to mitigate the risk of insolvency to a selected remote level.

Regulatory Framework

The operations of the Company is also subject to the regulatory requirements of SEC. Such regulations not only prescribe approval and monitoring of activities but also impose certain restrictive provisions.

Financial Risk

The Company is also exposed to financial risk through its financial assets and financial liabilities. The most important components of this financial risks are credit risk, liquidity risk and market risk.

Credit risk

The Company's credit risk is primarily attributable to its trade and other receivables, The Company has adopted stringent procedure in extending credit terms to customers and in monitoring its credit risk.

Credit risk is the risk that one party to a financial instrument will fail to discharge and obligation and cause the other party to incur a financial loss.

The Company manages the level of credit risk it accepts through comprehensive credit risk policy setting out assessment and determination of what constitutes credit risk for the Company; setting up exposure limits by each counterparty or group of counterparties, geographical and industry segments; guidelines on obtaining collateral and guarantees; reporting of credit risk exposures and breaches to the monitoring authority; monitoring compliance with credit risk policy and review of credit risk policy for pertinence and changing environment.

	Gross Maximum Exposure 2022
Cash	1,132,864
Other Receivables	1,465,738,525
Total	1,466,871,389

The aging analysis of financial assets as of December 31, 2022 that were past due but not impaired are as follows:

	Neither Past Due nor Impaired	Past Due: 31 to 90 days	Past Due: More than 90 days	Impaired	Total
Cash	1,132,864	-	-		1,132,864
Trade and Other Receivables	1,465,738,525	-	-		1,465,738,525
Total	1,466,871,389	-	-		1,466,871,389

Liquidity Risk

Liquidity or funding risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from either the inability to sell financial assets quickly at their fair values; or counterparty failing on repayment of contractual obligation; or inability to generate cash inflows as anticipated.

The Company monitors its cash flow position and overall liquidity position in assessing its exposure to liquidity risk. The Company maintains a level of cash deemed sufficient to finance operations and to mitigate the effects of fluctuation in cash flows and a balance between continuity of funding and flexibility through the use of bank loans and advances from related parties, if there's any.

The table below summarizes the maturity profile of the Company's financial liabilities at December 31, 2022 based on contractual undiscounted payments.

	Due not later than 1 mo.	Due later than 1 mo. but not later than 3 mos.	Due later than 3 mos. but not later than 6 mos.	Due later than 6 mos. but not later than 1 yr.	Due later than 1 yr.	Total
Trade and Other Payables					**106,921**	106,921

The Company maintains adequate highly liquid assets in the form of cash and cash equivalents to assure necessary liquidity.

The Company manages liquidity through a liquidity risk policy which determines what constitutes liquidity risk for the Company; specifies minimum proportion of funds to meet emergency calls; setting up contingency funding plans; specify the sources of funding and the vents that would trigger the plan; concentration of funding sources; reporting of liquidity risk exposures and breaches to the monitoring authority; monitoring compliance with liquidity risk policy and review of liquidity risk policy for pertinence and changing environment.

Market Risk

Market risk is the risk of change in fair value of financial instruments from fluctuation in foreign exchange rates (currency risks), market interest rates (interest rate risk) and market prices (price risk).

Fair Value Interest Rate Risk

The fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Company's fixed rate investments and receivables in particular are exposed to such risk.

The Company's market risk policy requires the management of interest rate risk by maintaining appropriate mix of fixed and variable rate instruments. The policy also requires it to manage the maturities of interest bearing financial assets and interest bearing financial liabilities.

Note 5 CASH

The account at December 31 consists of:	2022	2021
Cash in Bank	**1,132,864**	1,132,864

Cash in bank represents the current account deposit in reputable local bank is non-interest bearing.

Note 6 OTHER RECEIVABLES

The account at December 31 consists of:	2022	2021
Receivables from Subsidiary	**1,406,158,529**	1,224,688,529
Other Receivables	**59,579,996**	59,579,996
Total Other Receivables	**1,465,738,525**	1,284,268,525

The Company grants unsecured, non-interest bearing advances for working capital requirements it has no repayments terms and are generally payable on demand. No allowance for doubtful accounts was recognized for the advances are considered current and collectible.

Note 7 OTHER CURRENT ASSET

The account at December 31 consists of:	2022	2021
Deposit for Out-of-pocket Expenses	**10,000**	10,000

Deposits of Out-of-pocket pertains to the amount advanced to the third party for payment of out-of-pocket expenses.

Note 8 INVESTMENTS

The account at December 31 consists of:	2022	2021
Investment in Subsidiary	**4,938,043,772**	4,938,043,772
Investment in a Project	**108,847,863**	108,847,863
Total Investments	**5,046,891,635**	5,046,891,635

Investment in Subsidiary represents 100% ownership in Nine Media Corporation (formerly known as Solar Television Network, Inc.) while Investment in a Project pertains to the construction of rail way project.The company will file a separate consolidated financial statement.

Note 9 OTHER ASSET

The account at December 31 consists of:	2022	2021
Deferred Tax Asset	**22,864**	26,457

Deferred tax asset consists primarily of the tax effect of Net Operating Loss Carry Over (NOLCO) which can be used against taxable income. Ordinarily, NOLCO can be carried over to next three (3) years only but in pursuant to RR 25-2020, NOLCO incurred for the taxable years 2020 and 2021 can be carried over to the next five (5) consecutive years following the year of such loss.

Schedule of Deferred Tax Asset (30%) :

Year	Amount	Applied	Expired	Unused
2018	51,694	-	51,694	-
2019	9,735	-	9,735	-
Subtotal	61,429		61,429	-

Schedule of Deferred Tax Asset (25%) :

Year	Amount	Applied	Expired	Unused
2020	13,937	-	-	13,937
2021	4,407	-	-	4,407
2022	4,520	-	-	4,520
Total	84,293	-	61,429	22,864

Note 10 TRADE AND OTHER PAYABLES

The account at December 31 consists of:	**2022**	2021
Other Payables	**53,899**	53,399
Advances from Third Party	**17,816**	17,816
Accrued Expenses	**35,206**	17,628
Total Trade and Other Payable	**106,921**	88,843

Other payable includes advances from a major shareholder. They are non - interest bearing and have no definite call date.

Note 11 NON CURRENT LIABILITY

The account at December 31 consists of:	**2022**	2021
Advances from Shareholders	**4,028,582,312**	3,847,112,312

Advances from shareholders, which were initially classified as current, were restated from current to non current in the statements of financial position. Upon discussion with management and the Board of Directors, it was determined that these advances are not likely to be paid within the coming year and are actually planned to be converted into equity. The financial statements of the Company as of December 31, 2022 and 2021 were restated to accurately reflect this change. As result of the reclassification, we believe the financial statements as of December 31 2022 and 2021 are presented in accordance with accounting principles generally accepted in the Philippines.

The Management and Board of Directors assessed the advances from shareholders as unlikely to be paid within the next accounting period. Hence, these were reclassified from current to non-current As a result the management believes that the financial statements as of December 31,2022 and 2021 follow the generally accepted accounting principles in the Philippines.

Note 12 SHARE CAPITAL

Authorized Share Capital

1,000,400,000 Common Shares at P1.00 Par Value	**1,000,400,000**
500,000 Preferred Shares at P 1.00 Par Value	**500,000**

	2022	2021
Subscribed and Paid-up Capital	**999,650,000**	999,650,000
Share Premium	**1,499,100,000**	1,499,100,000
Total Contributed Capital	**2,498,750,000**	2,498,750,000

Year	Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding as shown under related Statement of Financial Position Caption	Number of Shares Reserved for Options, Warrants, Conversion and other Rights	Number of Shares Held by Related Parties	Number of Shares Held by Directors, Officers and Employees	Others
2022	**Common**	**999,650,000**	**999,650,000**	**-**	**999,400,000**	**250,000**	**-**
2021	Common	999,650,000	999,650,000	-	999,400,000	250,000	-

Note 13 DEFICIT

The details of this account at December 31 follow:	2022	2021
Balance at January 1	**(13,621,674)**	(13,552,349)
Net Loss for the Year	**(21,671)**	(69,325)
Balance at December 31	**(13,643,345)**	(13,621,674)

Note 14 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. This includes: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with, the Company; (b) associates; and (c) individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and close members of the family of any such individual.

The Company, in its regular conduct of business, has transactions with its shareholders, which principally consits of the following:

Year	Note	Transactions during the Year	Amounts Owed by Related Parties	Amounts Owed to Related Parties	Terms	Conditions
2022	6	**181,470,000**	**1,406,158,529**		**Non Interest bearing due and demandable**	**Unsecured; No impairment**
	11	**181,470,000**		**4,028,582,312**		
2021	6	118,623,500	1,224,688,529		Non Interest bearing due and demandable	Unsecured; No impairment
	11	118,623,500		3,847,112,312		

Note 15 OPERATING EXPENSES

The account at December 31 consists of:	2022	2021
Taxes and Licenses	**17,454**	17,004
Insurance Expense	**624**	624
Total Operating Expenses	**18,078**	17,628

Note 16 INCOME TAXES

The reconciliation of income tax computed at the statutory tax rate to income tax expenses follows:

	2022	2021
Net Loss Before Tax	**(18,078)**	(17,628)
Multiply by Prevailing Income Tax Rate	**25%**	25%
Current Income Tax recognized during the year	**(4,520)**	(4,407)
MCIT (1% of Gross Income)	-	-
Income Tax Due Higher between RIT and MCIT	-	-

The components of income tax expense(benefit) are as follows:

	2022	2021
Current Income Tax	**(4,520)**	(1,620)
Deferred Income tax	**8,113**	53,317
Total Income Tax Expense (Benefit)	**3,593**	51,697

The components of the Company's current income tax are as follows:

	2022	2021
Current Income Tax Recognized during the year	**(4,520)**	(4,407)
Remeasurement of DTA on 2020 NOLCO	**-**	2,787
Total Current Income Tax	**(4,520)**	(1,620)

The components of the Company's deferred income tax as follows:

	2022	2021
Expired Deferred Tax Asset	**8,113**	51,694
Remeasurement of DTA on 2019 NOLCO	**-**	1,623
Total Deferred Income Tax	**8,113**	53,317

Schedule of NOLCO (30%) :

Year Incurred	NOLCO	Used/Expired	Unused	DTA (30%)	Expiry Year
2018	172,313	172,313	-	-	2021
2019	32,450	32,450	-	-	2022
Subtotal	204,763	204,763	-	-	

Schedule of NOLCO Pursuant to RR No.25-2020

Year Incurred	NOLCO	Used/Expired	Unused	DTA	Expiry Year
2020	55,749	-	55,749	13,937	2025
2021	17,628		17,628	4,407	2026
2022	18,078		18,078	4,520	2027
Total	91,455	-	91,455	22,864	

The Company revalued the future tax benefits from the accumulated net operating loss carry-over (NOCLO) prior to the implementation of the CREATE Law beginning July 1, 2020 and recognized the tax effect of NOLCO incurred during the taxable year ending December 31, 2020 and 2019 amounting to P 2,787 and P 1,623 , and charged accordingly in the profit or loss statement.

Pursuant to Section 4 (bbbb) of RA 11494 otherwise known as " Bayanihan to Recover as One Act', on September 30,2020, the Bureau of Internal revenue implemented under RR No. 25-2020, the net operating loss of a business or enterprise incurred for the taxable years 2020 and 2021 can be carried over as a deduction from gross income for the next five (5) years consecutive taxable years following the year of such loss. Ordinarily NOLCO can be carried over as deduction from gross income for the next three (3) consecutive years only.

On March 26, 2021, RA No. 11534, Corporate Recovery and Tax Incentives for Enterprises (CREATE Law), amending the certain provisions of the National Internal Revenue Code of 1997, as amended, was signed into law and shall be effective retrospectively beginning July 1, 2020. The following are the major changes brought about by the CREATE Law that are relevant to the Company:

a. regular corporate income tax rate is decreased from 30% to 25% starting July 1, 2020
b. minimum corporate income tax is decreased from 2% to 1% starting July 1, 2020 until June 30, 2023
c. the imposition of 10% tax on improperly accumulated earnings tax is repealed; and
d. the allowance deduction for interest expense is reduced to 20% (from 33%) of the interest income subjected to final tax

Note 17 EARNINGS PER SHARE

The account at December 31 consists of:	2022	2021
Net Loss for the year (a)	**(21,671)**	(69,325)
Weighted average number of shares (b):		
Outstanding and issued shares	**999,650,000**	999,650,000
Less: Treasury Shares	-	-
	999,650,000	999,650,000
Loss per share (a/b)	**(0.00)**	(0.00)

Note 18 FINANCIAL INSTRUMENTS

The Company's financial assets and liabilities are recognized initially at 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 at the valuation date.

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.

	2022		2021	
	Carrying Value	**Fair Value**	Carrying Value	Fair Value
Financial Assets				
Cash in Bank	**1,132,864**	**1,132,864**	1,132,864	1,132,864
Other Receivables	**1,465,738,525**	**1,465,738,525**	1,284,268,525	1,284,268,525
Total Financial Assets	**1,466,871,389**	**1,466,871,389**	1,285,401,389	1,285,401,389
Financial Liabilities				
Trade and Other Payables	**106,921**	**106,921**	88,843	88,843
Advances from Shareholders	**4,028,582,312**	**4,028,582,312**	3,847,112,312	3,847,112,312
Total Financial Liabilities	**4,028,689,233**	**4,028,689,233**	3,847,201,155	3,847,201,155

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value.

- *Financial instruments whose carrying amounts approximate fair value. Management has determined that the carrying amounts of cash, other receivables, trade and other payables and advances from shareholders reasonably approximate their fair values because of their short maturities.*

- *The fair values of trade and other payables have not been individually disclosed as, due to their short duration, management considers the carrying amounts recognized in the balance sheet to be reasonable approximation of their fair values.*

The Company monitors its liquidity needs by carefully monitoring scheduled debt payments for financial liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are being closely monitored, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 6-month and one-year period are identified monthly. The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, or issue new shares.

Note 19 IN COMPLIANCE WITH BIR REVENUE REGULATION NO. 15-2010 FOR THE YEAR 2022

On November 25, 2010 the Bureau of Internal Revenue (BIR) issued Revenue Regulations (RR) No. 15-2010 which prescribes additional procedural and/or documentary requirements in connection with the preparation and submission of financial statements accompanying the 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 be adopted, in the Notes to the Financial Statements, information on taxes, duties and license fees paid or accrued during the taxable year. Following is the required information under RR No. 15-2010 for the year ended December 31, 2022:

A. VAT OUTPUT TAX DECLARED

The Company did not generate any revenue subject to value added tax during the year.

B. TAXES AND LICENSES PAID

The details of this account at December 31 follow :

Business Permit	**16,366**
Community Tax Certificate	**588**
BIR Annual Registration Fee	**500**
Total Taxes and Licenses	**17,454**

C. WITHHOLDING TAXES

The Company did not incur any expenses subject to withholding tax during the year.

D. DEFICIENCY TAX ASSESSMENT AND TAX CASES

The Company does not have any tax deficiency assessment and tax cases as of the end of year.

E. RELATED PARTY FORM (BIR 1709)

On December 21, 2020, Bureau of Internal Revenue (BIR) issued RR 34-2020 which prescribes the guidelines and procedures on the submission of BIR Form No. 1709 [Related Party Transactions (RPT Form)], Transfer Pricing Documentation (TPD) and other supporting documents, amending for this purpose pertinent provisions of Revenue Regulations (RR) Nos. 19-2020 and 21-2002, as amended by RR No. 15-2010.

Under Section 2(c) Filing of BIR Form No. 1709 (RPT Form) of the mentioned revenue regulations, the Company is reporting net operating losses for the current taxable year and the immediately preceding two (2) consecutive taxable years thus, required to file BIR Form 1709 in addition to the annual income tax return for the year 2022.

Note 20 SUPPLEMENTARY INFORMATION REQUIRED UNDER REVENUE REGULATIONS 19-2011 FOR THE YEAR 2022

On December 9, 2011 the Bureau of Internal Revenue (BIR) issued Revenue Regulations (RR) No. 19-2011 which prescribes the new BIR forms that will be used for income tax filing starting with Calendar Year 2011. Under the said RR, companies are required to use the revised Annual Income Tax Return form and as such to disclose information on the itemized deductions claimed during the taxable year. Following is information under RR No. 19-2011 for the year ended December 31, 2022:

The following schedules and information on taxable income and deduction of the Company follows:

A. Revenues

The Company did not generate any revenue during the year.

B. Itemized Deductions

Details of itemized deductions follow:

Taxes and Licenses	**17,454**
Insurance Expense	**624**
Total Itemized Deductions	**18,078**